



Chief Executive's Department
Civic Centre
HARTLEPOOL

9 March, 2020

Councillors C Akers-Belcher, S Akers-Belcher, Black, Brewer, Brown, Buchan, Cartwright, Cassidy, Fleming, Hall, Hamilton, Harrison, Howson, Hunter, James, Johnson, King, Lauderdale, Lindridge, Little, Loynes, Marshall, Moore, Prince, A Richardson, C Richardson, Smith, Stokell, Tennant, Thomas, Ward and Young.

Madam or Sir,

You are hereby summoned to attend the COUNCIL meeting to be held on THURSDAY, 19 March 2020 at 7.00 p.m. in the Civic Centre, Hartlepool to consider the subjects set out in the attached agenda.

Yours faithfully

G Alexander
Chief Executive

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COUNCIL AGENDA



Thursday 19 March, 2020

at 7.00 pm

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

- (1) To receive apologies from absent Members;
- (2) To receive any declarations of interest from Members;
- (3) To deal with any business required by statute to be done before any other business;
- (4) To approve the minutes of the last meeting of the Council held on 20th February 2020 as the correct record;
- (5) To answer questions from Members of the Council on the minutes of the last meeting of Council;
- (6) To deal with any business required by statute to be done;
- (7) To receive any announcements from the Chair, or the Head of Paid Service;
- (8) To dispose of business (if any) remaining from the last meeting and to receive the report of any Committee to which such business was referred for consideration;
- (9) To consider reports from the Council's Committees and to receive questions and answers on any of those reports;
 - 1) Housing Revenue Account and Student Accommodation – Report of Finance and Policy Committee
 - 2) Allotments Service Review and Dispute Resolution Process – Report of Neighbourhood Services Committee
 - 3) Further Periodic Review of the Council's Constitution – Report of Constitution Committee



- 4) Appointment of Head of Paid Service and Designation of Returning Officer – Report of Appointments Panel
- (10) To consider any other business specified in the summons to the meeting, and to receive questions and answers on any of those items;
1. Hartlepool's Armed Forces Covenant – Progress (2019/20) - Address by the Armed Forces Champion
- (11) To consider reports from the Policy Committees:
- (a) proposals in relation to the Council's approved budget and policy framework; and
1. Council Plan 2020-23 – Report of Finance and Policy Committee
- (b) proposals for departures from the approved budget and policy framework;
- (12) To consider motions in the order in which notice has been received;
1. HBC acknowledges the impact of climate breakdown which is already causing serious damage around the world.

That the 'Special Report on Global Warming of 1.5°C', published by the Intergovernmental Panel on Climate Change in October 2018,

- (a) Describes the enormous harm that a 2°C average rise in global temperatures is likely to cause compared with a 1.5°C rise
- (b) Confirms that limiting Global Warming to 1.5°C may still be possible with ambitious action from national and sub-national authorities, civil society and the private sector.

That all governments (national, regional and local) have a duty to act, and local governments that recognise this should not wait for their national governments to change their policies.

That strong policies to cut emissions also have associated health, wellbeing and economic benefits; and that, recognising this, a growing number of UK local authorities have already passed 'Climate Emergency' motions.

HBC therefore commits to:

Declare a 'Climate Emergency' that requires urgent action.

Make the Council's activities net-zero carbon by 2030, and audit the councils current functions and policies, taking in what is working well and what needs changing.



Achieve 100% clean energy across the Council's full range of functions by 2030.

Ensure that all strategic decisions, budgets and approaches to planning decisions are in line with a shift to zero carbon by 2030.

Support and work with all other relevant agencies towards making the entire area zero carbon within the same timescale.

Ensure that political and corporate management teams embed this work in all areas and take responsibility for reducing, as rapidly as possible, the carbon emissions resulting from the Council's activities, ensuring that any recommendations are fully costed and that these be scrutinised by the Finance and Policy Committee to review Council activities taking account of production and consumption emissions and produce an action plan within 12 months, together with budget actions and a measured baseline.

Request that Finance and Policy Committee consider the impact of climate change and the environment when reviewing Council policies and strategies.

Work with, influence and inspire partners across the district, county and region to help deliver this goal through all relevant strategies, plans and shared resources by developing a series of meetings, events and partner workshops.

Request that the Council and partners take steps to proactively include young people in the process, ensuring that they have a voice in shaping the future.

Request that the Chair of Finance and Policy Committee convenes a Citizens' Assembly in 2020 in order to involve the wider population in this process. This group would help develop their own role, identify how the Council's activities might be made net-zero carbon by 2030, consider the latest climate science and expert advice on solutions and to consider systematically the climate change impact of each area of the Council's activities.

Set up a Climate Change Partnership group, involving Councillors, residents, young citizens, climate science and solutions experts, businesses, Citizens Assembly representatives and other relevant parties. Over the following 12 months, the Group will consider strategies and actions being developed by the Council and other partner organisations and develop a strategy in line with a target of net zero emissions by 2030. It will also recommend ways to maximise local benefits of these actions in other sectors such as employment, health, agriculture, transport and the economy.

Report on the level of investment in the fossil fuel industry that our pensions plan and other investments have, and review the Council's investment strategy to give due consideration to climate change impacts in the investment portfolio.

Ensure that all reports in preparation for the budget and investment strategy will take into account the actions the council will take to address this emergency.



Call on the UK Government to provide the powers, resources and help with funding to make this possible, and ask local MPs to do likewise.

Consider other actions that could be implemented, including (but not restricted to): renewable energy generation and storage, providing electric vehicle infrastructure and encouraging alternatives to private car use, increasing the efficiency of buildings, in particular to address fuel poverty; proactively using local planning powers to accelerate the delivery of net carbon new developments and communities, coordinating a series of information and training events to raise awareness and share good practice.

Signed by Councillors:

Lesley Hamilton, Brenda Harrison, Helen Howson, Dave Hunter, Amy Prince, Paddy Brown, Carl Richardson, Jim Lindridge.

2.

The Labour Group notes the government consultation which opened on the 7th February 2020 over the new 'First Homes' housing policy. This proposal seeks to divert section 106 funds away from the provision of affordable homes and instead use it to offer discounts on new properties for purchase in England.

We note that opposition to these proposals and its effects on building affordable rental homes has already been expressed by a wide cross-section of organisations including the Chartered Institute for Housing, National Housing Federation, Shelter and the Local Government Association.

This is concerned that the impact of these proposals would be to reduce the numbers of affordable rental properties. Furthermore, these proposals would hand over decision-making powers on the development of affordable homes to large house-building corporations, while restricting the ability of Local Authorities to use their planning policies to insist on genuinely affordable and social rented homes. We also believe that there are deep flaws in the implementation and legal enforcement of these proposals that could be exploited by large house-building corporations.

We believes that the 'First Homes' policy will damage Housing Associations and further endanger jobs, pay and conditions within the whole Housing Association sector. Section 106 monies, though far from the ideal arrangement, are currently the predominant way to fund new affordable housing since the government slashed grants for social housing in 2010. This policy will see this money going to house-builders and not to providers of affordable housing such as Housing Associations and Local Authorities.

We therefore call on Hartlepool Borough Council to:

1. Add its voice to the wide range of those opposing these plans as they currently stand and submit a consultation response before it closes on 3



April 2020. This response should highlight the threat posed to expansion of affordable housing provision by these proposals.

2. Work with the LGA, the Chartered Institute For Housing, National Housing Federation and shelter to raise this issue with MPs and other Councils to ensure their voices are also used to stop this damaging policy whether in the consultation or if a bill is presented to parliament.
3. Actively support real radical changes within this sector which would see government commitment to funding for the construction of a new generation of social housing which is so desperately required in order to address the growing housing crisis in the country.

Signed by Councillors:

Brenda Harrison, Lesley Hamilton, Helen Howson, Dave Hunter, Amy Prince, Paddy Brown, Carl Richardson, Jim Lindridge.

- (13) To receive the Chief Executive's report and to pass such resolutions thereon as may be deemed necessary;
- (14) To receive questions from and provide answers to the public in relation to matters of which notice has been given under Rule 9;
- (15) To answer questions of Members of the Council under Rule 10;
 - a) Questions to the Chairs about recent decisions of Council Committees and Forums without notice under Council Procedure Rule 10.1
 - b) Questions on notice to the Chair of any Committee or Forum under Council Procedure Rule 10.2
 - c) Questions on notice to the Council representatives on the Police and Crime Panel and Cleveland Fire Authority
 - d) Minutes of the meetings held by the Cleveland Fire Authority held on 13 December 2019 are attached.



COUNCIL

MINUTES OF PROCEEDINGS

20 February 2020

The meeting commenced at 7.00 pm in the Civic Centre, Hartlepool

The Ceremonial Mayor (Councillor Loynes) presiding:

COUNCILLORS:

C Akers-Belcher	S Akers-Belcher	Black
Brewer	Brown	Cartwright
Fleming	Hall	Hamilton
Harrison	Howson	Hunter
James	King	Lauderdale
Lindridge	Little	Marshall
Moore	Prince	A Richardson
C Richardson	Stokell	Tennant
Ward	Young	

Officers: Chris Little, Director of Finance and Policy
Hayley Martin, Chief Solicitor
Sally Robinson, Director, Children's and Joint Commissioning Services
Denise McGuckin, Director of Regeneration and Neighbourhoods
Ed Turner, Communications and Marketing Manager
Denise Wimpenny, Amanda Whitaker, Democratic Services Team.

Prior to the commencement of the meeting, the Ceremonial Mayor referred in terms of regret to the recent death of former Councillor, John Coward. Elected Members stood in silence as a mark of respect.

98. APOLOGIES FOR ABSENT MEMBERS

Councillors Buchan, Cassidy, Johnson, Smith and Thomas

99. DECLARATIONS OF INTEREST FROM MEMBERS

The following interests were declared by Elected Members:-

Councillor James, prejudicial interest, agenda item 12 (3) and advised that she

would leave the room during consideration of that item.

Councillor Marshall, prejudicial interest, agenda item 12 (3) and advised that she would leave the room during consideration of that item.

Councillor Prince, personal interest, agenda item 12 (2).

Councillor Ward, as employee of Alice House Hospice.

Councillor Young read a statement referring to the release of a video on social media following the previous meeting of Full Council. Elected Members were advised that the video had been edited and Councillor Young explained the background to his actions at the meeting.

100. BUSINESS REQUIRED BY STATUTE TO BE DONE BEFORE ANY OTHER BUSINESS

None

101. MINUTES OF PROCEEDINGS

The Minutes of Proceedings of the Council held on the 19 December 2019, having been laid before the Council.

RESOLVED - That the minutes be confirmed.

The minutes were thereupon signed by the Chairman.

102. QUESTIONS FROM MEMBERS OF THE COUNCIL ON THE MINUTES OF THE PREVIOUS MEETING OF THE COUNCIL

None

103. BUSINESS REQUIRED BY STATUTE

None

104. ANNOUNCEMENTS

The Ceremonial Mayor announced Mayoral charity events would be held on 4 March and 20 March and advised that she would appreciate the support of all Elected Members in attending the events to support the Mayor's charities.

105. TO DISPOSE OF BUSINESS (IF ANY) REMAINING FROM THE LAST MEETING AND TO RECEIVE THE REPORT OF ANY COMMITTEE TO WHICH SUCH BUSINESS WAS REFERRED FOR CONSIDERATION.

None

106. TO RECEIVE REPORTS FROM THE COUNCIL'S COMMITTEES

- (1) Findings of the Committee following the Hearing of a Standards Complaint against Councillor Tony Richardson - Report of Audit and Governance Committee

The report was presented by the Chair of the Audit and Governance Committee who advised Full Council of a complaint (SC01/2020) that had been received from Councillor Black and related to a series of Facebook posts on an account in the ownership of Councillor Tony Richardson. The complaint related to the racist tone of the posts, which had been shared by Councillor Tony Richardson and the potential for a hate crime having been committed. A standards hearing had been conducted by the Committee and Councillor Tony Richardson had accepted the findings of the Investigating Officer but explained the circumstances behind his action, by way of mitigation. The Committee was satisfied that there had been a significant breach of the code of conduct and had imposed a number of sanctions as set out in the report. In addition, the Committee had recommended that further sanctions be considered by Full Council.

The following recommendations of the Committee were moved by Councillor Hall and seconded by Councillor Black:-

- (i) That Full Council notes the findings and recommendations arising from the hearing that took place on 22 January 2020;
- (ii) That Full Council terminates the membership of Councillor Tony Richardson on the Licensing, Planning and Local Joint Consultative Committees, in accordance with the expressed wishes of the Coalition;
- (iii) That Full Council resolves that Councillor Tony Richardson shall not be appointed as a member of any committee for the remainder of his current term of office and shall discourage any member from designating him as a substitute for them on any other committee;
- (iv) That Full Council resolves that Councillor Tony Richardson consider resigning as an elected member of Hartlepool Borough Council.
- (v) That Full Council considers censure of Councillor Tony Richardson and issues the following formal statement:

Hartlepool Borough Council is pleased to note that Councillor Tony Richardson accepts that he has breached the Council's Code of Conduct and that he has apologised for doing so. The promotion of racist and offensive material in any forum falls well below the standards expected of those in public life and such actions cannot and will not be tolerated. The actions of Councillor Tony Richardson are not representative of this Authority or the communities that it

represents and as such the Authority has worked to impose the most appropriate and stringent sanctions that are available in law.

Elected Members debated issues arising from the report. Whilst Elected Members expressed abhorrence at the racist content referred to within the report, some Elected Members expressed support for Councillor Tony Richardson's work as a community councillor. Surprise was expressed that the recommendations included in the report had been presented to Full Council prior to the outcome of the police investigation.

Concerns were expressed that it was not evident throughout the report that the report specifically related to Councillor Tony Richardson and not Councillor Carl Richardson. The Ceremonial Mayor commented that the covering report was clearly referenced Councillor Tony Richardson.

It was moved by Councillor C Akers-Belcher and seconded by Councillor S Akers-Belcher:-

"That consideration of the report be deferred pending the outcome of the police investigation and an independent inquiry/review be undertaken."

A vote taken on the above by show of hands was carried.

Following the vote, a request for a recorded vote was made by Councillor C Richardson. In response, the Elected Member was informed that the vote had been taken.

(2) Nomination for Posthumous Conferment of the title of Freeman of the Borough - Report of Civic Honours Committee

The report sought consideration of a nomination in respect of the award posthumously of the title of Honorary Freeman of the Borough of Hartlepool. The Civic Honours Committee, at its meeting on 1 September 2016, had agreed a moratorium of four years be imposed ending in 2020, unless recognition for an exceptional achievement was applicable. It was recognised that conferment of any civic honour needed to be exceptional as Section 249 of the Local Government Act, 1972, stated that it was only through 'eminent services' that an individual should be conferred with such an honour. At the meeting of Full Council held on 23 February 2017, the Process and Selection Criteria for civic honours had been updated (a copy of the updated criteria was appended to the report).

A report submitted to Full Council on 19 December 2019 advised that a nomination for a civic honour has been received **(appended to the report as exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely paragraphs 1 and 2)** which, following consultation with the Chair of Council and Leader of Council, was considered to meet the criteria that exceptional circumstances apply. A meeting of the Committee had been convened for 31 January when the Committee agreed unanimously to recommend to Full Council that the nomination be approved. In accordance with

the agreed Procedure, the wife of the nominee has been consulted on whether to accept the nomination on the nominee's behalf. Subject to acceptance and to the outcome of this meeting, a Special Council would be convened to install honours on date agreed by the Chair of Council.

It was moved by Councillor Loynes:-

"That Full Council consider the recommendation of the Civic Honours Committee to approve the nomination".

Elected Members spoke of their support of the nomination and advised that the nominee was immensely deserving of the award.

A vote, by show of hands, was carried unanimously.

107. TO CONSIDER ANY OTHER BUSINESS SPECIFIED IN THE SUMMONS OF THE MEETING

None

108. REPORT FROM THE POLICY COMMITTEES

(a) Proposal in relation to the Council's budget and policy framework

1. Medium Term Financial Strategy (MTFS) 2020/21 to 2023/24 – Report of Finance and Policy Committee

The report provided details of the 2020/21 Local Government Finance settlement announcement and advised Elected Members of the arrangements to finalise the 2020/21 technical budget calculations. Elected Members were reminded that in December 2019 the 2020/21 Council Tax increase for Council services had been agreed which included a 2% Social care precept. The report set out the statutory arithmetic calculations of the overall Council Tax level, which included Council Tax levels set by the Police and Crime Commissioner, the Fire Authority and parish councils. It was highlighted that the statutory calculations were a legal responsibility for the Council as the billing authority for the area.

The report also set out specific recommendations referred from Finance and Policy Committee in relation to additional borrowing for the Capital Programme and investment at Grayfield's Recreation Ground and Pavilion. The Chair of the Committee responded to clarification sought from Elected Members in relation to future arrangements for the artificial pitches at the Brierton site and gave an assurance that significant investment was planned for the site.

The recommendations of the Finance and Policy Committee were moved by Councillor Moore and seconded by Councillor Young.

Statutory Council Tax calculations

- i) Note that 55% of the Government's forecast national increase in Core Spending Power for local authorities is based on the assumption that all authorities will increase Council Tax up to the referendum limits;
- ii) Approve the statutory Council Tax calculations detailed in Appendix A, which includes the Council Tax increases approved by the individual precepting bodies;

Prudential borrowing recommendations

- i) Approve the allocation of the additional recurring resources of £90,000 to fund increased Prudential Borrowing of £2m, which will increase the Capital Programme budget;
- ii) Note that if recommendation (i) is not approved a further report on the detailed Capital Programme will need to be considered by Finance and Policy Committee to prioritise projects within the resulting lower funding envelope.
- iii) Approve the proposal to invest £160,000 at the Grayfield's Recreation Ground and Pavilion to improve this site and reinstate the artificial pitch, subject to securing a new operator for the site. Repayment of the prudential borrowing will be over 10 years from the annual saving in running costs achieved from a successful asset transfer. A legal agreement will be in place for the asset transfer and subject to the successful organisation producing robust business, financial and football development plans.

In accordance with Council Procedure Rule 15.5 of the Constitution, a recorded vote was taken on the Committee's recommendation in relation to the statutory Council Tax calculations :-.

Those in favour:

Councillors C Akers-Belcher, S Akers-Belcher, Black, Brewer, Brown, Cartwright, Fleming, Hall, Hamilton, Harrison, Howson, Hunter, James, King, Lauderdale, Lindridge, Little, Loynes, Marshall, Moore, Prince, A Richardson, C Richardson, Stokell, Tennant, Ward and Young.

Those against:

None.

Those abstaining:

None.

The vote was carried unanimously.

In accordance with Council Procedure Rule 15.5 of the Constitution, a recorded vote on the Committee's prudential borrowing recommendations:-

Those in favour:

Councillors C Akers-Belcher, S Akers-Belcher, Black, Brewer, Brown, Cartwright, Fleming, Hall, Hamilton, Harrison, Howson, Hunter, James, King, Lauderdale, Lindridge, Little, Loynes, Marshall, Moore, Prince, A Richardson, C Richardson, Stokell, Tennant, Ward and Young.

Those against:

None.

Those abstaining:

None.

The vote was carried unanimously.

2. Housing Revenue Account – Capital Investment Plan – Report of Finance and Policy Committee

Elected Members were advised that following the government's removal of the HRA debt cap in October 2019, there was an opportunity for the Authority to use borrowing, repaid from rental income, to attract additional capital grant funding to increase the provision of affordable housing. The proposed capital programme aimed to deliver an additional 164 units in the period 2020/21 to 2024/25 by investing up to £19.168m funded by £7.960m external funding and borrowing of £11.208m. Amounts relating to specific years were shown in the table included in the report. The Investment Plan proposed to deliver 50 high quality empty property acquisitions, 40 new build acquisitions from private developers and 74 new builds built on Council owned land. The business model for the scheme required that acquisitions would generate additional income for the HRA, which would help to reduce the HRA deficit and contribute to the higher costs of some of the more challenging former empty properties.

The following recommendation was moved by Councillor Moore and seconded by Councillor Young:-

"That the Finance and Policy Committees recommended HRA Capital Investment Plan to deliver 164 units at a cost up to £19.168m, requiring borrowing of £11.208m to be funded from rental income be approved and to approve the inclusion of this scheme within the Capital Programme and Prudential Indicators."

It was moved by Councillor Young and seconded by Councillor C Akers-Belcher:-

"That a full options appraisal report, on student accommodation, be submitted to the next meeting of the Finance and Policy Committee".

It was moved by Councillor S Akers-Belcher and seconded by Councillor James:-

“That the options appraisal report include bungalows for younger families”.

An Elected Member referred to the report considered by the Committee on 10 February 2020 when a rent increase for 2020/21 of 2.7% had been recommended. The Elected Member considered that the Council could still maintain the same level of HRA performance without the proposed increase in rent by the utilisation of Section 106 money from development at Wynyard. The Member considered the rent increase to be unfair, referred to the high level of poverty experienced by families and highlighted that there were funding alternative ways to deliver the additional housing.

It was moved by Councillor C Akers-Belcher and seconded by Councillor S Akers-Belcher:-

“That a separate vote be taken on the Council house rent increase”.

Following further concerns expressed regarding the rent increase, the Director of Finance and Policy suggested that consideration of the report be deferred and considered again by Full Council in March, following an additional meeting of the Finance and Policy Committee.

The Chair of the Finance and Policy Committee responded to the issues which had been raised in relation to the rent increase. Elected Members were advised that the Council's rents were the lowest on the market and in the previous four years there had been rent reductions imposed by Government. With reference to the use of Section 106 money, it was highlighted that the Garden Village Development at Wynyard was a 15 year project. The Chair and Vice Chair of the Committee expressed concerns at the implications if the rent increase was not progressed.

Following further debate and prior to the vote being taken, the Director of Finance and Policy clarified that a recorded vote would be taken on referring the report back to an additional meeting of the Finance and Policy Committee prior to the next ordinary meeting of Council for further consideration of rent increases, an options appraisal to include student accommodation and bungalows for younger families requiring disability support.

in accordance with Council Procedure Rule 15.5 of the Constitution, a recorded vote was taken :-.

Those in favour:

Councillors C Akers-Belcher, S Akers-Belcher, Black, Brown, Cartwright, Hamilton, Harrison, Howson, Hunter, James, King, Lindridge, Little, Loynes, Marshall, , Prince, A Richardson and C Richardson

Those against:

Councillors Brewer, Fleming, Hall, Lauderdale, Moore, Stokell, Tennant, Ward and Young

Those abstaining:

None

The vote was carried

3. Youth Justice Strategic Plan 2019-2021 – Report of Children’s Services Committee.

Full Council was advised that the Children’s Service Committee had approved the consultation process for the Strategic Plan on 19th November. Consequently the Youth Justice Plan had been presented to Safer Hartlepool Partnership and Audit and Governance Committee where it had been accepted and no additional comments or amendments had been suggested. Children’s Service Committee had approved the Youth Justice Strategy on the 28th January 2020 and it was therefore requested that the Council adopt the Youth Justice Plan 2019/2021, a copy of which was appended to the report.

It was moved by Councillor Lauderdale and seconded by Councillor James:-

“That the Youth Justice Plan 2019/20 be approved”.

A vote taken, by show of hands, was carried unanimously.

(b) Proposal for Departure from the Budget and Policy Framework

None

109. MOTIONS ON NOTICE

Three Motions had been received, on notice:-

- (1) “The Labour Group move that as a Council we are robust and proactive in our dealings with Councillors who do not adhere to the Code of Conduct.

Whilst we realise and appreciate the constraints that are put on Councils, we want to lobby for greater transparency when dealing with Elected Members who fail to adhere to the Code of Conduct.

Therefore, Hartlepool Borough Council should resolve to lobby for Councils to be given more powers in disciplinary procedures which should extend to the dismissal of a Member if the need arises.”

Signed: Councillors Harrison, Prince, Brown, C Richardson and Lindridge

On moving the amendment, Councillor Harrison explained the rationale for the Motion and proposed that a lobbying letter be sent to the Minister and the Local Government Association.

The Motion was seconded by Councillor Brown.

The Chief Solicitor advised Members, for information, that the Model Code of Conduct was being updated by the Local Government Association. Consultation on the Draft Code would commence in March this year and a report seeking views on the draft document would be submitted to Elected Members.

It was moved by Councillor S Akers-Belcher and seconded by Councillor Brown:-

“That a lobbying letter be forwarded also to the National Association of Councillors”.

A vote taken, by show of hands, was carried unanimously.

- (2) “Given the recent interest in the application of policies and procedures for allotments, can Council resolve that Neighbourhood Services review the dispute resolution process in respect of allotments to specifically allow for a review stage outside of the department and such process must be completed before any eviction action is taken.”

Can it also be requested that the Head of Paid Service review the location of allotments in the departmental structure and consider designation of allotments to Adult and Community Based Services taking into consideration the impact allotment use has on individuals, community groups and associations in tackling isolation, family poverty and promoting wellbeing.”

Signed: Councillors C Akers-Belcher, James, Marshall, S Akers-Belcher, T Richardson and Brewer

On moving the Motion, Councillor Tennant proposed that the Chair of Council utilise her power under Council Procedural Rule 11.5 for the Motion to be referred to the Neighbourhood Services Committee.

It was seconded by Councillor Moore.

In response to assurance sought from an Elected Member, it was confirmed that a report would be submitted back to Full Council before the end of the Municipal year.

The Chief Solicitor clarified that Council Procedure Rule 11.5 stated that upon being moved and seconded, the subject matter stands referred to any Committee without discussion to such Committee.

Following further requests for clarification, it was reported that a report would be submitted to the Neighbourhood Services Committee and the issue in relation to location of allotments in the departmental structure would be considered by next meeting of the Finance and Policy Committee.

A vote was carried unanimously.

Councillor James and Marshall left the meeting during consideration of the following item.

- (3) “That this council resolve to write to the Minister requesting to recognise the non means tested pension for women affected by the 1995 and 2011 Pensions Acts and to compensate those at risk and also to give proper notice of any further changes.

That we also write to the other Tees Valley Authorities and request they consider the joint commissioning of free bus passes for those who are affected.”

Signed: Councillors Little, Moore, A Richardson, Brewer, Brown and Loynes.

On moving the Motion, Councillor Loynes explained the rationale for the Motion, highlighted the vital nature of the free bus passes proposal and expressed her thanks to those who had led on the campaign.

Elected Members expressed their support for the Motion. For clarification purposes, the Chair of the Finance and Policy Committee informed Full Council that he had been in discussions regarding the proposed free bus passes but highlighted an issue in the Tees Valley in terms of how bus passes are commissioned.

The Motion was seconded by Councillor Cartwright.

A vote taken, by show of hands, was carried unanimously.

Councillor James and Marshall returned to the meeting.

CHIEF EXECUTIVE’S REPORT

110. 2020/21 TREASURY MANAGEMENT STRATEGY

The Director of Finance and Policy reported that the Local Government Act 2003 required the Council to ‘have regard to’ the CIPFA Prudential Code and to set prudential indicators for the next three years to ensure that the Authority’s capital investment plans are affordable, prudent and sustainable. The Act therefore required the Council to determine a Treasury Management Strategy for borrowing and to prepare an Annual Investment Strategy, which set out the Council’s policies for managing its investments and for giving priority to the

security and liquidity of those investments. The Secretary of State has issued Guidance on Local Government Investments which came into force on 1st April, 2004. This guidance recommends that all Local Authorities produce an Annual Investment Strategy that is approved by full Council, which was also included in this report.

Elected Members were advised that Full Council was required to nominate a body to be responsible for ensuring effective scrutiny of the Treasury Management Strategy and policies, before making recommendations to Council. This responsibility had been allocated to the Audit and Governance Committee.

The recommended Treasury Management Strategy was considered by the Audit and Governance Committee on the 9th January 2020 and this report was appended to the report. The Committee had scrutinised the proposed Treasury Management strategy and approved that the recommended strategy be referred to full Council.

RESOLVED – That the report be noted and the following recommendation from the Audit and Governance Committee to approve the following detailed recommendations for the 2020/21 Treasury Management Strategy and related issues be adopted;

Borrowing Strategy 2020/21

- i) **Core borrowing requirement** – following the securing of exceptionally low interest rates approve that the remainder of the under borrowing is netted down against investments.
- ii) To note that in the event of a change in economic circumstances that the Director of Finance and Policy may take out additional borrowing if this secures the lowest long term interest cost.
- iii) To authorise the Director of Finance and Policy to implement Treasury Management arrangements which minimise the short and long term cost to the Council.
- iv) **Capital Investment Programme (CIP)** - to note that in order to secure the CIP pot of £13.395m the Director of Finance and Policy will seek to lock in long term loans once the 2020/21 budget proposals have been approved by full Council.

Investment Strategy 2020/21

- v) Approve the Counterparty limits as set out in paragraph 8.7 of Appendix 1.

Minimum Revenue Provision (MRP) Statement

- vi) Approve the MRP statement outlined in paragraph 9.3 of Appendix 1.

Prudential Indicators 2020/21

- xi) Approve the prudential indicators outlined in Appendix 2.

A vote taken, by show of hands, was carried unanimously.

111. RESIGNATION FROM POLITICAL GROUP

Elected Members were requested to note that notification had been received that Councillor T Richardson had resigned from Brexit Party and the Coalition Group and would be, therefore, an Independent Councillor.

RESOLVED – That the report be noted.

112. CHANGE IN COMMITTEE MEMBERSHIP

It was reported that notification had been received of the following changes to the membership of Committees arising from resignations from Committees by Councillor Cartwright:-

Councillor Cassidy to replace Councillor Cartwright on Neighbourhood Services Committee

Councillor Loynes to replace Councillor Cartwright on Regeneration Services Committee

Vacancy Chair of South and Central Community Forum

A vacancy was still available for Vice Chair of South and Central Community Forum and a vacancy on Licensing Committee both following resignation of David Mincher previously reported to Council

At the meeting. Elected Members were informed of a nomination of Councillor Brown to the vacancy on the Licensing Committee following the resignation of David Mincher.

The Leader of the Coalition Group referred to the seat on the Planning Committee being a coalition seat and advised that he would nominate to that seat following the meeting.

RESOLVED – That the changes in the membership of Committees be approved.

113. PUBLIC QUESTION

None

114. QUESTIONS FROM MEMBERS OF THE COUNCIL

- a) Questions to the Chairs about recent decisions of Council Committees and Forums without notice under Council Procedure Rule 12.1

None

- b) Questions on notice to the Chair of any Committee or Forum under Council Procedure Rule 12.2

Two questions had been received on notice:-

1. Question from Councillor S Akers-Belcher to Chair of Neighbourhood Services Committee

“At Council in October 2019 members expressed their extreme disappointment in the level of FPN's issued in respect of littering and dog fouling compare to those for car parking offences. Council was assured that consideration would be given to having a dedicated enforcement team to tackle the obscene amount of litter and dog fouling in the town. Can you please confirm what progress has been made to support the will of residents to have a dedicated enforcement team and outline how many FPN's have been issued in respect of Litter, Dog fouling and Car Parking since Council on October?”

The Chair of the Neighbourhood Services Committee responded that a report would be taken to Neighbourhood Services Committee on the 13th March 2020 which would cover the Council's current approach to civil and environmental enforcement, the existing service arrangements, figures detailing the action taken, the work undertaken more recently and the proposals going forward.

Following the response, Councillor S Akers-Belcher requested information in relation to the figures which he had requested in his question. In response, the Chair of the Committee presented figures which covered the period June to November 2019 and advised that further details would be included in the Committee report he had referred to earlier in his response.

Referring to Council Procedure Rule 8 – Duration of Meeting – the Chief Solicitor highlighted that the time was approaching 9.00 pm and sought the instructions of Full Council whether the meeting should continue past 9.00 pm.

Full Council agreed that the meeting be extended to 9.15 pm to allow for the remaining business to be concluded.

Councillor S Akers-Belcher questioned the period covered by the information presented and highlighted that the information was different to that which had been provided to a resident who had made a freedom of information request. Disappointment was expressed that the Elected Member had not received a fully articulated response and that the inadequate response was a constitutional issue. In response to the concerns expressed, the Chair of the Committee advised that he could provide a written response following this meeting of Full

Council or alternatively the information would be provided at the next meeting of the Committee.

2. Question from Councillor Tennant to Chair of Finance and Policy Committee

*“Given the recent announcement from HM Treasury to consult on proposals for the creation of 10 freeports in the UK it is incredibly important that Hartlepool does everything it can to make sure we are included within any proposed Freeport area around the River Tees or wider North East.
Can this council confirm that they will not only take part in this consultation but also write to the Chief Secretary of the Treasury, Rishi Sunak, with haste to make a strong case for why the Port of Hartlepool must be included within any plans for a Freeport in our region?”*

The Chair of the Finance and Policy Committee responded that Government had recently launched a consultation exercise and the Council is committed to engaging with the consultation which closes on 20th April 2020. The Government consultation is aimed primarily at business/operators but there are also considerations for the Council including Enterprise Zone Status and business rates, changes to Planning Regulations, Port Infrastructure, education and skills and potential public/private partnerships. Prior to submitting a response to Government the Council will liaise with the relevant key local businesses, landowners and also the Tees Valley Combined Authority to make representations that protect Hartlepool's and Hartlepool Council's interest.

Further to responding to the formal Government consultation the Council will write to the Chief Secretary of the Treasury to make representation advocating that the Port of Hartlepool is crucial to the economic performance of Hartlepool, the Tees Valley and wider region and therefore should be granted free port status. The Chair of the Committee added that he had written already to the Tees Valley Elected Mayor and as a member of the Tees Valley Combined Authority Cabinet would continue to campaign for free port status.

c) Questions on notice to the Council representatives on the Police and Crime Panel and Cleveland Fire Authority

None

d) Minutes of the meetings held by the Cleveland Fire Authority and the Police and Crime Panel

The minutes of the meeting of the Police and Crime Panel held on 12 November 2019 and the Cleveland Fire Authority held on 18 October 2019 were noted.

The meeting concluded at 9.10 p.m.

CEREMONIAL MAYOR



Report of: Finance & Policy Committee

Subject: HOUSING REVENUE ACCOUNT AND STUDENT ACCOMMODATION

1. TYPE OF DECISION/APPLICABLE CATEGORY

- 1.1 Key Decision test (i) and (ii) Forward Plan Reference RN/320.

2. PURPOSE OF REPORT

- 2.1 The purposes of the report are to approve the proposals in relation to:

- Rent levels and the impact on the level of Housing Revenue Account (HRA) capital investment;
- Future potential section 106 contributions and the impact on future HRA capital investment;
- The provision of bungalows for families within the HRA;
- Student accommodation options

3. BACKGROUND

- 3.1 A comprehensive report on the HRA was considered by Finance and Policy Committee on 10th February 2010 (**Appendix 1a** and not for publication **Appendix 1b**). **This item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, (paragraph 3) information relating to the financial or business affairs of any particular person (including the authority holding that information).**
- 3.2 Proposals were referred to Council for approval on 20th February 2020. These proposals were not approved and Council resolved to refer the issues identified in paragraph 2.1 back to Finance and Policy Committee. This report summarises the revised recommendations approved by Finance and Policy Committee on 9th March (**Appendix 1c**) for consideration and approval by Council.

4. RECOMMENDATIONS

- 4.1 It is recommended that Council approve the following:
- 4.2 Approve a 2020/21 rent increase of 1.7% which will support prudential borrowing of £0.682m and attract Homes England grant of £0.420m to fund 11 additional properties in 2020/21.
- 4.3 Note that implementation of the 2020/21 rent increase will be effective from 1st May 2020 as a months' notice will need to be provided after Council makes a final decision on 19th March 2020.
- 4.4 Note that if additional section 106 contributions are achieved and rents in future years (2021/22 to 2024/25) are increased by 2.7% per year this will maximise the increase in the number of properties added to the HRA.
- 4.5 Note that the existing allocation policy for bungalows will be revised to include families with special accommodation needs.
- 4.6 Note that Student Accommodation operates outside the HRA as a General Funding self-funded trading account.
- 4.7 Note there currently isn't a shortfall in student accommodation and it is therefore recommended that a strategic planning alliance is established between the colleges to monitor the situation and we include student accommodation as part of our town centre master planning within the context of the Town Deal. If there is a future demand for additional student accommodation a full option appraisal will need to be completed.

5. OTHER CONSIDERATIONS

Staff Considerations	No relevant issues
Consultation	
Child/Family Poverty Considerations	Covered in the Housing Revenue Account and Student Accommodation Report to Finance & Policy Committee 9 th March, 2020
Equality and Diversity Considerations	
Risk Implications	
Financial Considerations	
Legal Considerations	
Section 17 of the Crime and Disorder Act 1998 Considerations	
Asset Management Considerations	

6. REASONS FOR RECOMMENDATIONS

- 6.1 To help meet the need for 'Affordable Housing' and to ensure that the HRA is sustainable.

7. BACKGROUND PAPERS

- 7.1 Housing Revenue Account and Student Accommodation, Finance and Policy Committee, 9th March, 2020 – attached at **Appendix 1c**.

8. CONTACT OFFICER

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Sign Off:-

- Director of Finance and Policy ☒
- Chief Solicitor/Monitoring Officer ☒
- Chief Executive ☒

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FINANCE AND POLICY COMMITTEE
10th February 2020



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

**Subject: HOUSING REVENUE ACCOUNT – FINANCIAL
BUSINESS PLAN UPDATE**

1. TYPE OF DECISION/APPLICABLE CATEGORY

1.1 Key Decision test (i) and (ii) Forward Plan Reference RN/320

2. PURPOSE OF REPORT

2.1 The aims of this report are to:

- Review the recent financial performance of the Housing Revenue Account (HRA) and consider the future financial outlook.
- Recommend the rent increase for 2020/21 and seek referral to Council on 20th February, 2020 for approval.
- Identify the extent of housing need and consider proposals for future investment and refer the recommended capital budgets and borrowing approvals to Council.

3. BACKGROUND

3.1 The Council began investing in social housing in 2010 and reopened its Housing Revenue Account (HRA) on the 1st April 2016 when the housing stock exceeded the Government's limit of 200 properties. The HRA is a separate ring fenced account and all costs have to be met from rental income. There can be no cross subsidy between the HRA and General Fund Revenue Budget, and vice versa. The HRA is subject to specific Government regulations.

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- 3.2 The Council currently owns and manages 300 properties and is committed to acquiring a further eight empty properties in the current year. The following table provides a breakdown of housing stock held and additional numbers resulting from current investment commitments.

Table 1 - Housing Stock Summary

	Units
1 Bed Flats	5
2 Bed Flats	4
Bungalow 2 Bed	26
Bungalow 3 Bed	1
House 1 Bed	10
House 2 Bed	160
House 3 Bed	84
House 4 Bed	9
House 6 Bed	1
Total Current Stock	300
Current Commitments	
Empty Properties	3
Total Stock for Business Plan	303

- 3.3 In addition to the above, discussions are taking place to secure grant funding to enable 18 new build houses to be built on land owned by the Council in Greatham. The sale of land at Station Lane to Port Homes will result in the Council receiving five units during the development.
- 3.4 As summarised below the Council has been extremely successful in securing external grant and section 106 to fund capital investment in the HRA. The majority of this funding has been secured from Homes England, formerly the Homes and Communities Agency (HCA). The total amount of capital investment to date and amount externally funded is summarised in the following table:

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Table 2: Total Capital Investment to Date

As at September 2019 (295 Units)	£000	% of Total
Grant secured	9,711	43%
S106 allocated to Date	2,473	11%
Total External Funding	12,184	54%
Borrowing	9,869	43%
Revenue Contribution to Capital Outlay (RCCO)	628	3%
Total Capital investment	22,681	100%
Per Unit:		
Grant and S106 funding	41	
Borrowing	33	
RCCO	2	
Total Capital Investment	77	

- 3.5 In summary the table shows that **54% (£12.184m)** of the investment has been funded from external funding and 43% (£9.869m) from borrowing, which will be repaid from rents. The borrowing per property equates to £33,000. The Council has been very successful in attracting grant funding and matching funding with borrowing funded from future rental streams. All schemes have been completed within or below budget which is a significant achievement considering the sums involved.
- 3.6 Hartlepool was the first council to reopen its HRA and has been approached for advice by numerous other council's looking to follow in our footsteps.

4. STRATEGIC HOUSING VISION & PRIORITIES

- 4.1 The vision for the 2019-2024 Housing Strategy is ***'Developing and maintaining successful communities where people choose to live, by meeting the housing needs of our residents now and in the future'***.
- 4.2 The priorities identified for the Housing Strategy have been developed using the evidence base available and reflect issues identified through consultation. Considering legislation and government policy direction, the following themes and priorities have been set for the next five years:

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GROW	Maximising housing growth and delivering sustainable new homes <ul style="list-style-type: none"> • Increase the delivery of new homes • Deliver housing that meets identified needs
IMPROVE	Making the best use of existing homes, regenerating and improving communities <ul style="list-style-type: none"> • Improve housing standards, quality and choice • Manage the impact of long-term empty homes • Support regeneration activity in areas identified as in need of intervention
SUPPORT	Supporting people with specific housing needs to access and maintain appropriate housing <ul style="list-style-type: none"> • Target those most vulnerable to homelessness and provide early intervention where possible • Support residents who continue to be affected by welfare reform • Improve access to appropriate accommodation for vulnerable residents • Improve housing options for people with specific housing needs • Enable independent living

4.3 Good quality, appropriate and affordable housing makes an important contribution towards health and wellbeing, the economy, education and the environment. The delivery of affordable housing will continue to be delivered through the Shared Ownership and Affordable Housing Programme.

4.4 The current Homes England funding programme 2018-2021 awarded funding for a number of schemes in Hartlepool. The Council's Housing Investment Strategy was developed in 2018 with the ambition to build and acquire new affordable homes following the re-opening of its Housing Revenue Account in 2016 after taking back the management of its housing stock in April 2015. On 30th October 2018 the borrowing cap was lifted for Local Authorities providing the Council the increased opportunity for direct delivery of new affordable accommodation.

4.5 Planning Context

4.6 In order to help understand and inform the housing requirements for the Borough a Strategic Housing Market Assessment (SHMA) was produced and endorsed in March 2015. It identifies the size, type and tenure of market housing required in sub-areas by considering current market demand relative

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to supply. It also addresses affordable housing requirements across the Borough which is particularly relevant for the HRA.

4.7 The housing need in Hartlepool is primarily driven by:

- An increasing population, with Office of National Statistics (ONS) 2012 based population projections indicating an increase of 5.5% from 92,600 in 2014 to 97,400 by 2037;
- An increase in new household formation amongst the existing population;
- An ageing population;
- The need to retain the young and working age people;
- Economic growth and improvement and diversification of the local economy and;
- The ongoing replacement of obsolete housing stock.

4.8 The SHMA has been used to help establish the need for new housing to be provided in the Borough over the next 15 years. The SHMA addendum states that an appropriate housing target would be approximately 290 net additional dwellings per annum going forward over the next 15 years. Taking the SHMA housing target as a starting point, it is also important to consider:

- **Demolitions** likely to take place over the plan period (this has been assessed by the Council's Housing Services Team) and reflects the ongoing aspiration to continue successful housing market renewal initiatives within the central area.
- **Affordable Housing Delivery:** There will be an imbalance between the number of affordable homes delivered in the Borough and the need for affordable homes identified in the SHMA. To reduce this imbalance a 20% buffer has been included in the housing requirement. The buffer will deliver both affordable and market housing but its primary purpose is to increase affordable housing delivery.

4.9 **Hartlepool Strategic Housing Market Assessment 2015 (SHMA)**

4.10 The previous 2012 Tees Valley SHMA identified an affordable housing need in the Borough of 27.5%. The 2015 SHMA continues to identify areas of affordable housing need in the Borough and advocates an annual affordable housing delivery target of approximately 144 dwellings, the net affordable housing delivery target is therefore approximately 35%.

4.12 As well as the allocation of a range of housing sites across the Borough, with a focus on westward expansion at the South West Extension and High Tunstall and Quarry Farm areas, the Local Plan also includes policies on:

4.13 Affordable Housing (HSG9) – this policy seeks to secure affordable housing on developments of 15 dwellings or more. The policy sets a requirement of

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18% affordable provision which is considered to be viable on most sites across the borough. On site affordable is sought on all sites other than executive developments where an offsite payment is required. The policy links to the SHMA in terms of the required tenure split on a site by site basis to determine the split between social and intermediate tenure products.

- 4.14 Housing Market Renewal (Hsg10) – This policy identifies that the Council will seek to tackle the problem of the imbalance of supply and demand in the existing stock through co-ordinated programmes including Housing Market Renewal with priority given to housing regeneration areas in central Hartlepool as identified in the Housing Strategy.
- 4.15 As the planning context demonstrates the need for affordable housing in the borough is at 35% but the policy allows for 18% to be delivered through planning permissions due to viability. Through the HRA business plan the Council can increase the provision of affordable housing and help to achieve the overall affordable housing targets for the Borough. In addition to the evidence base above information from the Choice Based Lettings System (Compass) suggests that there is high demand for good quality affordable accommodation in Hartlepool. Bidding demand is strong for all properties brought forward through the recent empty homes programmes and new build properties. Demand for properties will be assessed on an individual scheme basis taking into account the location and existing stock in that locality and the property type.

5. FINANCIAL CONSIDERATIONS

5.1 Background

- 5.2 The Council has funded its current housing stock using a combination of grants from Homes England (formerly the Homes and Communities Agency HCA), the Department of Communities and Local Government (DCLG) and prudential borrowing funded from rent income. The original business model for each scheme to acquire houses was subject to rigorous evaluation and investment appraisal to ensure the business case/financial model was robust and able to withstand a range of financial scenarios.

- 5.3 The 2017/18 HRA Business Plan highlighted that despite the prudent approach taken to investment appraisal, the HRA faced some major challenges and was expected to carry a deficit for the eight year period to March 2024, funded from the HRA reserve. The two main reasons for the deficit were as follows:

- The introduction of the 1% rent cut over four years (2015/16 to 2019/20) and the removal of the ability to increase rents in line with inflation which resulted in a real terms cut of 14.7% in income. By 2019/20 this equated to a reduction in rent income of £170,000 per annum

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compared to the intended level under the governments previous HRA rent setting regime.

- Changes to the Housing Benefit regime (commonly referred to as the Bedroom tax) and constraints on benefit levels put pressure on market rents and made it difficult to let some properties. The introduction of Universal Credit has had an adverse impact on rent collection, resulting in increased rent arrears.

5.4 The financial outlook for the HRA was expected to improve as a result of the Government removing rent cuts from April 2020 and allowing rents to be linked to inflation. The HRA was also expected to benefit from acquiring high quality empty homes and new build houses that would contribute a net rent surplus per unit and help build in future resilience in the HRA budget.

5.5 The outturn deficit for 2018/19 was £190,000 which was higher than expected in the HRA Business Plan and reduced the HRA Reserve to £347,000. This was primarily due to high level of long term voids for Empty Properties Phase one houses, which are the most challenging stock to let. This resulted in lower rent income, higher repairs expenditure and increased council tax costs. Since then various actions have been implemented to reduce the deficit and the HRA is now expected to be in surplus by 2020/21. Actions taken included the following:

- i) The rental of 23 long term void properties to 'Mears' for a period of seven years. This has secured rental income for previously void properties and has a significant impact on reducing the level of long term voids from 9% to 3%.
- ii) Replacing the use of approved borrowing with £810,000 of Section 106 funding which was received after the original funding was approved. This has helped to reduce borrowing costs.
- iii) Increasing the number of high quality empty properties and new builds in response to the new funding opportunities arising from additional Section 106 contributions and increased Homes England grant funding per dwelling to £37,000 from £18,500. This has helped to build in additional resilience into the business model.
- iv) Use of the discretionary housing payments scheme funded from the HRA to help fund the shortfall faced by single tenants as a result of the bedroom tax.

5.6 There have been major changes to the regulatory environment since the last HRA Business Plan report. Central Government has adopted a more favourable stance towards local authorities increasing affordable and social housing provision. This has been reflected in some key policy changes such as:

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- An end to the period of rent cuts was announced in October 2018. The Government will allow registered providers to increase their rents from April 2020 by the rate of increase in the Consumer Prices Index (as at September) plus 1% each year, for a period of at least five years.
- Removal of the borrowing cap, for the Council this was set at £10.880m. It is now possible to fund capital expenditure with borrowing without requiring consent by the government', subject to there being a robust business case.
- Government have announced that they will not be progressing the High Value Void levy and
- Increasing the amount of capital grant funding available through the Homes England 'affordable housing' programme.

5.7 HRA Outlook and Forecast

5.8 The Council maintains a 40 year HRA Business Plan which models the impact of changes to budget planning assumptions and risk factors. The model has been updated for the following changes to planning assumptions:

- Increased numbers of housing stock (29 dwellings since 1 April, 2019).
- Expectation that rents will be increased in line with government's recommendation as detailed in paragraph 5.12. .

5.9 The following Table shows the forecast for the next five years based on the current commitment to increase units to 303 (as detailed in paragraph 3.2), which provides the existing baseline for the HRA

Table 3 – Medium Term Financial Forecast

	2019/20	2020/21	2021/22	2022/23	2023/24
	£'000	£'000	£'000	£'000	£'000
Income	(1,213)	(1,356)	(1,387)	(1,420)	(1,453)
Expenditure	1,238	1,338	1,358	1,378	1,389
HRA (Surplus) / Deficit	25	(18)	(29)	(42)	(64)
HRA Reserve - Opening Balance	347	322	340	369	411
HRA Reserve - Closing Balance	322	340	369	411	475

5.10 The above forecast does not yet include future units in relation to the proposed development at Greatham and Seaton Lane due to uncertainty regarding the timing of when these will be completed and ready to let.

5.11 From the above table it can be seen that the HRA is now predicted to return to a surplus in 2020/21. This is owing to the actions taken detailed in paragraph 5.5. The achievement of the above forecasts will need to be carefully managed as small negative changes in forecast void levels and repairs and maintenance expenditure could result in the HRA moving back into deficit. On

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the basis of the above forecasts the HRA should be able to reinstate the HRA reserve to a prudent level by 31st March 2024. Further detail in respect of the above forecast is shown at **APPENDIX 3** and reflects the proposed rent increase detailed in the following paragraph. It is recommended that the Committee approve the 2020/21 Budget as shown in APPENDIX 3.

5.12 Proposed Rent Increase

5.13 Over a number of years Government Policy aimed to equalise rents across the social rented sector. The Council's current weekly rent for a 2 bedroom property is £82.20 and for a 3 bedroom property is £90.86. Comparative rents for other social housing providers in Hartlepool are £82.67 and £93.07 respectively, based on current advertised properties on the 'choice based lettings' system.

5.14 Over the last four years government rental policy required annual rent cuts of 1%, resulting in a 14.7% reduction to the base budget for rent income and the HRA moving into deficit. Central Governments has responded to concerns from social housing providers that this policy adversely impacts on future capital investment and the viability of revenue budgets. In response the Government has announced a rent policy for the next 5 years to allow rents to increase by 1% plus CPI inflation, which for 2020/21 equates to 2.7%.

5.15 The Government will provide additional funding for housing benefit and Universal Credit tenants to meet the rent increase. Approximately two thirds of HRA tenants will therefore have all or part of the rent increase funded by the Government.

5.16 It is recommended that rents for 2020/21 are increased by 2.7% as this will help make the HRA more sustainable and support additional capital investment in additional housing units. This will result in average weekly rent increases of:

- £2.22 for a 2 bedroom property;
- £2.45 for a 3 bedroom property.

5.17 At the time of preparing this report, the six other North East Councils with a HRA were contacted to ascertain what rent increases they were proposing and all responded with a confirmation that they were also proposing a 2.7% rent increase. The Council's HRA advisors have also been contacted and they confirmed that all 60 of their clients were also seeking a 2.7% rent increase.

5.18 Alternative Rent Increases for 2020/21

5.19 The housing investment programme detailed in section 7 is based on a proposed 2.7% rent increase and will provide 18 additional properties in 2020/21 and 164 by 2024/25.

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- 5.20 Alternative 2020/21 rent levels (i.e. rent freeze or 1.7% increase) would reduce the amount of borrowing which could be funded and used as match funding to secure external capital grants. As summarised in the following table the reduction in available capital funding would reduce the number of additional HRA properties which could be provided in 2020/21:

Rent Increase Scenarios 2020/21	Recurring Rent Income Foregone £000	Recurring Reduction in Borrowing Capacity £000	Recurring Reduction in Grant £000	Recurring Total Capital Funding Foregone £000	Housing Units Foregone*
Baseline Forecast 2.7%	0	0	0	0	0
CPI Inflation 1.7%	13	403	247	650	7
Cash Freeze	35	1,084	666	1,750	18

* Relates to empty properties and new builds

- 5.21 This report only seeks approval of the 2020/21 rent increase. However, future proposed capital investment to deliver 164 additional HRA properties is based on annual rent increase of 2.7% up to 2024/25. If rent increases are set at a lower level this will reduce the number of additional HRA properties as follows:

- Rent freeze – 90 unit reduction in number of additional HRA properties from planned level of 164;
- 1.7% annual rent increase – 34 unit reduction in number of additional HRA properties from planned level of 164;

5.22 Risks and Sensitivity Analysis

- 5.23 The following table below demonstrates the impact of potential variations to the planning assumptions used in the HRA Business Plan as detailed in Appendix A.

Key Budget Risks	Scenario 1		Scenario 2	
	% Change	£000	% Change	£000
Voids as a % of Rent	1%	13	2%	27
Additional Bad Debt Provision as a % of Rent	1%	13	2%	27
Reactive Repairs	5%	11	10%	22
Total		37		76

- 5.24 Each risk factor above has the potential to reduce the forecast surplus and a combination could potentially put the HRA back into deficit. These issues will continue to be monitored closely.
- 5.25 Other risks include an above inflation pay award and loss of net rent from higher levels of 'Right to Buy' sales as discussed below.

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5.26 Increasing rents in line with the government limit will help mitigate these risks.

5.27 HRA Reserve

5.28 The ringfenced nature of the HRA Account means that the HRA reserve can only be used for the purposes of the HRA. It is also the only source of funding available to fund deficits and therefore must be kept at a level which ensures the HRA remains viable. The Local Government and Housing Act 1989 section 76 requires that Council's must ensure that the HRA budget does not allow for the HRA Reserve to become 'overdrawn'. Given the significant £190,000 depletion of the reserve in 2018/19, which was a 35% reduction in a single financial year, this reserve needs careful management. Benchmarking of HRA Reserves shows that the average level held by 26 councils was **39%** of rent income. The amount forecast for Hartlepool as at 31st March 2020 is **25%**, increasing to **31%** by 31st March, 2023. Therefore Hartlepool is still below the average benchmark and will need to continue to manage this position carefully. It is recommended that the HRA Reserve is increased as detailed in paragraph 5.9. This will help to rebuild resilience to withstand future potential shocks, especially given the current level of uncertainty in the economy, housing market continuing risk in relation to voids already in the HRA housing stock and Right to Buy impacts going forward.

5.29 Right to Buy (RTB)

5.30 The Council's housing is subject to 'RTB legislation which in recent years has made it easier for tenants to qualify and increased the amount of discount available. The Council is in the fairly unique position of having two significantly different types of housing stock, with 43% being new build, which are expected to be very attractive to potential tenants exercising their RTB when discounts are applied. The remaining 57% are refurbished properties, which are less attractive to potential purchase under RTB.

5.31 The discounted price for new build is limited by a 'cost floor' for a period of 15 years for properties built after 1st April, 2012 and 10 years for properties built before this date. The cost floor ensures that the purchase price cannot be lower than costs incurred by the Council during this period. This has the effect of reducing the discount available during this period, making it less attractive for RTB. The effect of this is that when the cost floor runs out the HRA may be subject to a significant discount 'cliff'. The Business Plan has assumed that there will be no RTB sales during the cost floor period and after this the forecast level will be a maximum of two new build houses per year which is a typical percentage for local authorities. This position will need to be closely monitored.

5.32 The impact of each RTB sale will be detrimental to the HRA, with a typical loss of £3,100 net rent per property after repairs and maintenance costs. This net rent is used to fund debt repayments as well as contribute to management and administration overhead costs. The discounted sales receipt can range

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between £26,000 and £56,000 and therefore may not always be sufficient to repay the outstanding debt per dwelling of £33,000 (average) which results in overhanging debt. Replacing properties lost through RTB is therefore a key part of the strategy for addressing the long term resilience of the HRA and is covered in Section 7.

6. CURRENT COMMITMENTS

- 6.1 In addition to the number of dwellings already included in the Business Plan the Council has an opportunity to use the remaining funding for a scheme to develop 18 new build units on land owned by the Council at Greatham. Homes England have now confirmed that they will provide the grant funding for the scheme. The other funding is uncommitted rephased funding approved as part of the Empty Homes and Council Housing Phase 2 scheme (Council, August 2014) and Phase 3 scheme (Council, MTFS February 2018). The table below sets out indicative costs and funding.

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Table 4 : Proposed Greatham Development

	£000
Expenditure	
Land value	80
Build costs	2,080
	2,160
Funded by:	
Homes England	720
Borrowing	930
Section 106 Contributions	510
	2,160

- 6.2 Opportunities for obtaining new builds are limited by the amount of funding available and purchase price which can be afforded. Therefore this development is an excellent way for the Council to meet the need for new affordable housing while also reducing the HRA deficit. The business case anticipates that the scheme will contribute an annual net additional rental stream of £5,000 to the HRA on an ongoing basis and a £80,000 transfer receipt to the General Fund capital receipts target. By being on a single site, the scheme will have advantages in terms of lower management and maintenance costs.
- 6.3 A further five dwellings are expected as part of a land sale agreement and development at Seaton Lane. The timing of when these dwellings will be delivered is dependent on the progress of the development on site; where planning permission has been granted.
- 6.4 In summary the current commitments from ongoing schemes will result in an additional 23 units, increasing the total number of dwellings to 326 units.

7. FUTURE HOUSING INVESTMENT PROGRAMME 2020/21 to 2024/25

- 7.1 The assessment of Housing Need identified in Section 4 demonstrates that there is a demand for affordable social housing in former 'Right to Buy' properties and new builds in desirable areas. Based on the funding capacity detailed above and subject to availability of supply it is possible to deliver a further 164 additional units, which is an increase in the current stock of 56%, consisting of:
- 50 high quality empty property acquisitions
 - 40 new build acquisitions from private developers subject to market availability. The intention is to obtain the necessary funding approval so that the Council can respond to opportunities which may arise.

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- 74 new builds built on Council owned land. Officers have also identified a number of council owned sites which could be used for HRA housing development. Each site transferred to the HRA will contribute a capital receipt to the General Fund. A detailed business case will be produced in relation to each individual proposal.
- 7.2 The table in **CONFIDENTIAL APPENDIX 5 This item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, (para 3), information relating to the financial or business affairs of any particular person (including the authority holding that information** sets out the potential number of units and funding requirement based on the typical business case applied to past schemes.
- 7.3 The proposed capital programme aims to deliver an additional 164 units in the period 2020/21 to 2024/25, investing up to £19.2m as is set out in **CONFIDENTIAL APPENDIX 5 This item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, (para 3), information relating to the financial or business affairs of any particular person (including the authority holding that information.**
- 7.4 It is recommended that approval for individual property purchases is delegated to the Director of Regeneration and Neighbourhood Services in consultation with the Chair of Finance and Policy Committee. Property purchases referred for approval will be subject to the following criteria:
- i) Each unit must contribute a net rent income of £500 and
 - ii) That average cost of each house must not exceed the Unit Cost limits for each type of property as set out in **CONFIDENTIAL APPENDIX 5 This item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, (para 3), information relating to the financial or business affairs of any particular person (including the authority holding that information,** to be increased by BCIS (Building Cost Information Service) price inflation index for each year.

8. RISK IMPLICATIONS

- 8.1 There are a number of risks that will impact on deliverability of the proposed investment programme and profile of units by year; the main factors are:

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- The availability of supply for houses to purchase within the unit cost limits for empty properties and new builds;
- The cost of building units on Council owned land. The unit cost used been informed by recent experience in developing the proposed Greatham scheme but there is a risk that costs may vary for other sites.
- Securing Homes England grant funding of £6.4m;
- The level of grant income per unit may not increase in line with the inflation for building and purchase costs. In the event of this occurring, it will be necessary reduce the unit cost limit for properties accordingly. There will be greater certainty over future grant levels when Homes England introduce their new funding round in 2021;
- Securing interest rates for the next five years at the current level. Existing Public Works Loan Board (PWLb) interest rates were increased by the Government by 1% in October 2019 – as the previous interest was so low this was effectively a 50% increase interest costs. These higher recurring costs have been reflected in the HRA Business Plan. The HRA has limited financial flexibility to pre-fund the proposed borrowing for the next five years. Therefore, there is a potential risk that if interest rates increase over this period the value of borrowing may need to reduce. This would then either need to be replaced with other funding or the number of units reduced. This risk will continue to be managed carefully.

8.2 The additional proposed prudential borrowing will increase the ratio of total capital expenditure funded from borrowing from the current level of 44% to 50% by 2024/25. This increase is affordable and the HRA revenue forecasts make provision for the resulting interest costs.

8.3 The position will be closely monitored and progress reported as part of the quarterly HRA monitoring report to Finance and Policy Committee and any significant proposed changes to the capital programme will be referred to Council for approval.

9. LEGAL CONSIDERATIONS

9.1 The Council is required to comply with HRA regulations. There are no other legal considerations relating to this report at this time.

10. OTHER CONSIDERATIONS

Staff Considerations	No relevant issues
Consultation	No relevant issues
Child/Family Poverty Considerations	Buying and providing affordable homes will go towards addressing family poverty. A copy of the impact assessment form is

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	attached at APPENDIX 1.
Equality and Diversity Considerations	A copy of the equality and diversity impact form relating to this report is attached at APPENDIX 2.

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

- 11.1 Empty homes can become blight areas and become a target for arson and dumping of rubbish as well as various types of anti-social behavior including graffiti and drug activity. Therefore the ongoing regeneration and refurbishment of empty properties to bring these empty properties back into use is likely to contribute to reductions in crime and anti-social behavior.

12. ASSET MANAGEMENT CONSIDERATIONS

- 12.1 Ministry of Housing, Communities and Local Government (MHCLG) guidance in 'Implementing Self-financing for Council Housing' requires the Council to have a business plan for the HRA.
- 12.2 In implementing the proposed HRA Business Plan it is anticipated that the HRA housing stock will increase the overall stock to 490 affordable houses.

13. CONCLUSIONS

- 13.1 The HRA has undergone a period of significant financial challenge, which it was able to withstand as a result of the robust business case underpinning each scheme of investment, and the available HRA reserve. The 2018/19 outturn deficit of £190,000 was funded from the HRA reserve while corrective action was being taken to address the issue of long term voids. The HRA was also strengthened as a result of acquiring additional quality housing stock using grant funding and section 106 developer contributions. These generate a reliable net rent revenue stream and as a consequence the HRA is now expected to return to a small surplus in 2020/21, which is four years earlier than forecast in the previous Business Plan.
- 13.2 The forecast level of the HRA balance should be retained to ensure sufficient funding is available to fund potential deficits which may arise in the future from unexpected events such as higher than forecast inflation and interest rates, housing market charges, economic downturn, voids and Right to Buy activity.
- 13.3 Central Government has increased the level of grant funding available and removed the debt cap which has improved opportunities for expanding the HRA and meeting the objective of increasing affordable and social housing

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provision in Hartlepool. This report recommends that Council approves additional borrowing in order to provide the match funding necessary to secure additional Homes England Grant on the condition that the business case for each house purchase results in a rental surplus. Any additional Section 106 funding received will be used where possible to substitute the borrowing to minimise borrowing costs in the HRA.

- 13.4 Central Government has revised their rent guidance to make social housing more viable and for tenants receiving either housing benefit or universal credit will increase the level of rent support accordingly. This will apply to nearly two thirds of Hartlepool tenants. Part of the rent increase will be offset by higher interest costs on PWLB loans for new capital investment following the Government's decision to increase interest rates by 1% in October 2019.
- 13.5 The recommended rent increase, in line with the Government limit, will enable the Council to invest in additional properties by using Prudential Borrowing to match fund external capital grant fund. As detailed in section 5 lower rent increases will reduce the level of Prudential Borrowing available to match fund external capital grant fund, which will therefore reduce the number of additional HRA properties which can be provided.

14. RECOMMENDATIONS

- 14.1 It is recommended that Committee approve the following
- 14.2 The HRA Budget as shown in Appendix 3, including a rent increase of 2.7%, based on CPI inflation in accordance with government rent guidance as set out in paragraph 5.12. This is the amount required to put the HRA on a sustainable footing and restore the HRA balance to a level which can help manage future risks such as higher voids, RTB sales and repairs costs.
- 14.3 To note that tenants receiving either housing benefit or universal credit will increase the level of rent support accordingly. This will apply to nearly two thirds of Hartlepool tenants.
- 14.4 Approve the use of Section 106 funding instead of borrowing where possible to minimise the borrowing cost for the HRA and approve the use of this funding for current commitments as set out Section 7.
- 14.5 Note the current capital commitments and funding as set out in Section 6, including the proposal to fund 18 new build units on the development of the proposed Greatham site.
- 14.6 The Committee is recommended to refer the proposed capital programme and capital budget of £19.168m and borrowing requirement of £11.208m to acquire an additional 164 units to Council for approval as set out in **CONFIDENTIAL APPENDIX 5 This item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the**

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Local Government (Access to Information) (Variation) Order 2006) namely, (para 3), information relating to the financial or business affairs of any particular person (including the authority holding that information.

- 14.7 It is recommended that approval for individual property purchases is delegated to the Director of Regeneration and Neighbourhood Services in consultation with the Chair of Finance and Policy Committee.
- 14.8 Property purchases referred for approval must contribute a net rent surplus of £500 per unit and the average cost of each unit should not exceed the following limits for each type of property as set out in **CONFIDENTIAL APPENDIX 5 This item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, (para 3), information relating to the financial or business affairs of any particular person (including the authority holding that information, to be increased by BCIS building Inflation index for each year:**

15. REASONS FOR RECOMMENDATIONS

- 15.1 To ensure that the HRA Business Plan and budget is and sustainable and to enable Members to approve further investment in the HRA.

16. BACKGROUND PAPERS

- 16.1 HRA Business and Asset management Plan, Finance and Policy Committee, October 2017.

Housing Revenue Account Voids, Regeneration Committee 18th June 2018

Hartlepool Housing Strategy 2019-2024, Regeneration Committee 18th March 2019

HRA Strategic Financial Management Report, Finance and Policy Committee 30th September 2019

Hartlepool Housing Strategy 2019-2024, Regeneration Committee, 13th November 2019

17. CONTACT OFFICERS

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Sign Off:-

- Director of Finance and Policy ☒
- Chief Solicitor/Monitoring Officer ☒
- Chief Executive ☒ Finance & Policy Committee only

POVERTY IMPACT ASSESSMENT

APPENDIX 1

1. Is this decision a Budget & Policy Framework or Key Decision? YES If YES please answer question 2 below				
2. Will there be an impact of the decision requested in respect of Child and Family Poverty? YES If YES please complete the matrix below				
GROUP	POSITIVE IMPACT	NEGATIVE IMPACT	NO IMPACT	REASON & EVIDENCE
Young working people aged 18 - 21	/			No differential impact - the HRA proposals will provide an increased number of homes for social rent which will have a positive impact on a range of individuals in poverty.
Those who are disabled or suffer from illness / mental illness	/			
Those with low educational attainment	/			
Those who are unemployed	/			
Those who are underemployed	/			
Children born into families in poverty	/			
Those who find difficulty in managing their finances	/			
Lone parents	/			
Those from minority ethnic backgrounds	/			
Poverty is measured in different ways. Will the policy / decision have an impact on child and family poverty and in what way?				
Poverty Measure (examples of poverty measures appended overleaf)	POSITIVE IMPACT	NEGATIVE IMPACT	NO IMPACT	REASON & EVIDENCE
Number of affordable homes built	/			The capital scheme proposed will involve the building of affordable homes for social rent.
Overall impact of Policy / Decision				
POSITIVE IMPACT		/	ADJUST / CHANGE POLICY / SERVICE	
NO IMPACT / NO CHANGE			STOP / REMOVE POLICY / SERVICE	
ADVERSE IMPACT BUT CONTINUE				

Impact Assessment Form

Department	Division	Section	Owner/Officer
Regeneration and Neighbourhoods and Chief Executives Departments	N/A	N/A	Denise McGuckin / Chris Little
Service, policy, practice being reviewed/changed or planned	Housing Revenue Account – Financial Business Plan The main proposals in the HRA Financial Business Plan are: <ul style="list-style-type: none"> - rent increase of 2.7%; - use of Section 106 funding instead of borrowing where possible; - capital programme of £19.168m. 		
Why are you making the change?	Rent increase - This is the amount required to put the HRA on a sustainable footing and restore the HRA balance to a level which can help manage future risks such as higher voids, RTB sales and repairs costs. Section 106 use – this will minimise the borrowing cost for the HRA. Capital programme – this will provide an additional 164 units for social rent.		
How might this impact (positively/negatively) on people who share protected characteristics?			
<i>Please tick</i>		POSITIVELY	NEGATIVELY
Age			
No differential impact.			
Disability			
No differential impact.			
Gender Re-assignment			
No differential impact.			
Race			
No differential impact.			
Religion			
No differential impact.			
Gender			
No differential impact.			
Sexual Orientation			
No differential impact.			
Marriage & Civil Partnership			
No differential impact.			
Pregnancy & Maternity			
No differential impact.			

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Has there been consultation /is consultation planned with people who will be affected by this policy? How has this affected your decision making?			
As a result of your decision how can you mitigate negative/maximise positive outcomes and foster good relationships?			
Describe how you will address and monitor the impact		1. No Impact - No Major Change	
Initial Assessment	9/1/2020	Reviewed	00/00/00
Completed	00/00/00	Published	00/00/00

APPENDIX 3

HOUSING REVENUE ACCOUNT

Medium Term Financial Forecast - Rent Increase is CPI 1.7% + 1%

	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000
Income					
Net Rent	(1,188)	(1,341)	(1,371)	(1,404)	(1,436)
Other Income	(25)	(15)	(16)	(16)	(17)
Income sub total	(1,213)	(1,356)	(1,387)	(1,420)	(1,453)
Expenditure					
Repairs and maintenance	226	201	205	210	214
Supervision and management	314	357	357	363	368
Council Tax	22	20	21	21	22
Additional bad debt provision	30	63	71	73	67
Major Repairs Allowance	293	332	339	346	353
Net Interest Payable	353	365	365	365	365
Expenditure sub total	1,238	1,338	1,358	1,378	1,389
HRA (Surplus) / Deficit for the year	25	(18)	(29)	(42)	(64)
Movement on the HRA Reserve					
HRA Reserve Opening Balance	347	322	340	369	411
HRA Reserve Closing Balance	322	340	369	411	475

Section 106 Contributions

	£000
Balance as at 1st April, 2018	538
Add: Amount received in 2018/19	2,046
Less: Amount applied to schemes in 2018/19	
- Empty Homes & Social Housing Phase 2	510
- Empty Homes & Social Housing Phase 3	299
- ISQ Property Purchase and Renovation	109
	918
Add: Amount received to date in 2019/20	367
Balance Available to Fund Schemes	2,033
Proposed use of funding	
Match funding for Committed Schemes (25 units)*	1,305
Seaton Lane - Port Homes Scheme (5 units)	219
Proposed Greatham Development (18 Units)	509
	2,033

FINANCE AND POLICY COMMITTEE

9th March 2020



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

**Subject: HOUSING REVENUE ACCOUNT AND
STUDENT ACCOMMODATION**

1. TYPE OF DECISION/APPLICABLE CATEGORY

1.1 Key Decision test (i) and (ii) Forward Plan Reference RN/320.

2. PURPOSE OF REPORT

2.1 The purposes of the report are to provide additional information as requested at Council on 20th February 2020 in relation to:

- Potential rent levels and the impact on the level of Housing Revenue Account (HRA) capital investment;
- Future potential section 106 contributions and the impact on future HRA capital investment;
- The provision of bungalows for families within the HRA;
- Student accommodation options; and
- To determine proposals to be referred to Council for consideration and approval.

3. BACKGROUND

3.1 A comprehensive report on the HRA was considered by Finance and Policy Committee on 10th February 2010 and is attached at **Appendix A**. Details of HRA capital investment outlined in Appendix A were then considered by Council on 20th February 2020. These proposals were not approved and Council resolved to refer the issues identified in paragraph 2.1 back to this Committee.

- 3.2 The Council currently owns and manages 300 properties and is committed to acquiring a further eight empty properties in the current year. The following table provides a breakdown of housing stock held and additional numbers resulting from current investment commitments.

Table 1 - Housing Stock Summary

	Units
1 Bed Flats	5
2 Bed Flats	4
Bungalow 2 Bed	26
Bungalow 3 Bed	1
House 1 Bed	10
House 2 Bed	160
House 3 Bed	84
House 4 Bed	9
House 6 Bed	1
Total Current Stock	300
Current Commitments	
Empty Properties	3
Total Stock for Business Plan	303

- 3.3 The Council has been extremely successful in securing external grant and section 106 contributions to fund capital investment in the HRA. The majority of this funding has been secured from Homes England, formerly the Homes and Communities Agency (HCA). The total amount of capital investment to date and amount externally funded is summarised in the following table:

Table 2: Total Capital Investment to Date

As at September 2019 (295 Units)	£000	% of Total
Grant secured	9,711	43%
S106 allocated to Date	2,473	11%
Total External Funding	12,184	54%
Borrowing	9,869	43%
Revenue Contribution to Capital Outlay (RCCO)	628	3%
Total Capital investment	22,681	100%
<u>Per Unit:</u>		
Grant	34	
S106	8	
Borrowing	33	
RCCO	2	
Total Capital Investment	77	

4. POTENTIAL RENT LEVELS AND THE IMPACT ON THE LEVEL OF HRA CAPITAL INVESTMENT

- 4.1 The previous report advised Members, that despite the prudent approach taken to investment appraisal, the HRA has faced some major financial challenges and was expected to carry a deficit for the eight year period to March 2024, funded from the HRA reserve. The three main reasons for the forecast deficits were:
- The introduction of the 1% rent cut over four years (2015/16 to 2019/20). By 2019/20 this equated to a reduction in rent income of £170,000 per annum compared to the intended level under the governments previous HRA rent setting regime.
 - Changes to the Housing Benefit regime (commonly referred to as the Bedroom tax) and constraints on benefit levels put pressure on market rents and made it difficult to let some properties. The introduction of Universal Credit has had an adverse impact on rent collection, resulting in increased rent arrears.
 - Higher than forecast voids, which reflected the Council's decision to buy properties in areas with low demand to help support the housing market and local communities. These issues have been successfully addressed, although they will require careful ongoing management.
- 4.2 The financial outlook for the HRA was expected to improve as a result of the Government removing rent cuts from April 2020 and allowing rents to be linked to inflation. The HRA was also expected to benefit from acquiring high quality empty homes and new build houses that would contribute a net rent surplus per unit and help build in future resilience into the HRA budget.
- 4.3 Over a number of years Government Policy aimed to equalise rents across the social rented sector. The Council's current weekly rent for a 2 bedroom property is £82.20 and for a 3 bedroom property is £90.86. Comparative rents for other social housing providers in Hartlepool are £82.67 and £93.07 respectively, based on current advertised properties on the 'choice based lettings' system.
- 4.4 Central Government has responded to concerns from social housing providers that the national rent policy operating for 2015/16 to 2019/20 had adversely impacted capital investment and the viability of revenue budgets. In response the Government has announced a rent policy for the next 5 years to allow rents to increase by 1% plus CPI inflation, which for 2020/21 equates to 2.7%.
- 4.5 The revised national rent policy means that rental income will be able to keep pace with inflationary expenditure pressures and provide some capacity for new borrowing. Without this change in policy social housing would continue to face ongoing financial pressure and would

have significantly less financial flexibility to support additional capital investment.

- 4.6 The Government will provide additional funding for housing benefit and Universal Credit tenants to meet the rent increase. Approximately two thirds of HRA tenants will therefore have all or part of the rent increase funded by the Government.
- 4.7 The previous report had recommended that rents for 2020/21 are increased by 2.7% as this will help make the HRA more sustainable and support additional capital investment in additional housing units. This will result in average 2020/21 weekly rent increases of:
- £2.22 for a 2 bedroom property;
 - £2.45 for a 3 bedroom property.
- 4.8 The housing investment programme detailed in Appendix A was based on proposed annual rent increases of 2.7%. This would provide capacity for additional Prudential Borrowing to match fund external grant funding and this would provide 18 additional properties in 2020/21 and 164 by 2024/25. This level on investment is based on the following forecast funding:

Forecast resources (164 Units)	£000	% of Total
Grant	6,425	34%
S106	1,535	8%
Total External Funding	7,960	42%
Borrowing	11,208	58%
Total Capital investment	19,168	100%
<u>Per Unit:</u>		
Grant	39	
S106	9	
Borrowing	68	
Total Capital Investment (including land and infrastructure costs)	116	

- 4.9 **Alternative Rent Increases for 2020/21**
- 4.10 Alternative 2020/21 rent levels (i.e. rent freeze or 1.7% increase) would reduce the amount of borrowing which could be funded and used as match funding to secure external capital grants. As summarised in the following table the reduction in available capital funding would reduce the number of additional HRA properties which could be provided in 2020/21:

Rent Increase Scenarios 2020/21	Recurring Rent Income Foregone £000	Recurring Reduction in Borrowing Capacity £000	Recurring Reduction in Grant £000	Recurring Total Capital Funding Foregone £000	Housing Units Foregone
Baseline Forecast 2.7%	0	0	0	0	0
CPI Inflation 1.7%	13	403	247	650	7
Cash Freeze	35	1,084	666	1,750	18

4.11 The proposed capital investment programme, covering 2020/21 to 2024/24, to deliver 164 additional HRA properties, is based on annual rent increase of 2.7% up to 2024/25. If rent increases are set at a lower level this will reduce the number of additional HRA properties as follows:

- Rent freeze – 90 unit reduction in number of additional HRA properties from planned level of 164;
- 1.7% annual rent increase – 34 unit reduction in number of additional HRA properties from planned level of 164;

4.12 Provision of bungalows for families and other priorities groups (excluding older people)

4.13 The existing HRA has delivered 27 bungalows – which is 9% of the total number of properties. These bungalows mostly meet the need of older people. The Strategic Housing Market Assessment (SHMA) undertaken in 2016 identifies that 12% of the overall housing stock in the borough is bungalows; and that is already a healthy proportion. The table below (page 83 in the SHMA) identifies what the affordable housing need is in the Borough, and any housing delivered by the HRA will be by definition an affordable house:

Table 5.18 Net annual affordable housing imbalance by ward, property size and designation 2014/15 to 2018/19				
Ward	General Needs		Older Person	Total
	1/2 Bed	3+ Bed	1/2 Bed	
Burn Valley	48	12	8	67
De Bruce	-35	-12	8	-38
Fens and Rossmere	20	7	8	35
Foggy Furze	17	0	5	23
Hart	5	32	-6	31
Headland and Harbour	-30	-13	5	-38
Jesmond	66	-9	1	58
Manor House	-77	-5	5	-77
Rural West	1	-1	27	27
Seaton	-2	31	3	32
Victoria	21	2	2	25
Total	34	44	66	144

4.14 The table refers to the older person, which includes the bungalow house type. The above table demonstrates that there is a need for affordable bungalows in Rural West, but no need Hart, with a varying need across all other wards. As the SHMA states in the table above the greatest affordable housing need is not for bungalows; it's for 1-3 bedroom general needs housing.

- 4.15 For general needs housing the cost of bungalows is typically 15% higher than of the cost of a house and this additional cost reflects the lower density of bungalows per site owing to the higher foot print for bungalows compared to houses. The cost of building new adapted bungalows for special needs is 50% higher than general needs housing.
- 4.16 The financial modelling to deliver 164 units includes provision for 50 empty homes, 40 new build from developers and 74 on Council owned land, therefore the only influence we have is on the 74. The council sites are classed as marginal in terms of economic viability and if we restrict them to be bungalows only sites, it is unlikely they will be viable in terms of the cost envelope. It is therefore proposed that each site is considered on its own merit and if bungalows are deemed to be economically viable then we should seek to develop those sites for bungalows only or for the provision of an agreed number, which is what has happened for the Tanfield Road site, the sale of land of which will be considered at this meeting. Members should be mindful of the recent planning approval obtained for 89 bungalows at the Brierton site, therefore if the sale of land at Tanfield is approved, the town will benefit from an additional 106 bungalows over the course of the next few years.
- 4.17 If Members wished for a prescribed proportion of properties to be bungalows this would reduce the total number of properties which could be delivered. As the investment plans detailed in this report cover a 5 year period, with 18 units planned for 2020/21, it is recommended that this issue is given further consideration as part of the planned developments for 2021/22 onwards.

5. FUTURE POTENTIAL SECTION 106 CONTRIBUTIONS AND IMPACT ON FUTURE HRA CAPITAL INVESTMENT

- 5.1 The investment detailed in the previous paragraph could be increased if additional section 106 contributions are received from future new private sector housing developments. This funding would enable additional properties to be added to the 164 forecast properties.
- 5.2 If rents are frozen for 2020/21 and the following 4 financial years the HRA would not be able to support Prudential Borrowing totalling £11.208m, which is required to enable the Council to secure Home England grant of £6.425m. A cash freeze would result in a £5.420m reduction to borrowing capacity. This amount that would need to be replaced by additional section 106 contributions to secure the Homes England grant funding and there achieved the overall funding need to achieve the 164 units planned with annual rent increases. Depending on the value and timing of additional potential section 106 contributions the Council may not be able to deliver 164 units, or achievement of this target will take significantly longer than five years to achieve.

5.3 The following table summarises potential alternative options for securing additional HRA capital investment as follows:

- **Option 1** - Existing HRA plan based on 2.7% annual rent increase.

This is a realistic base line and the additional rent income will maximise the opportunity to secure Home England grant and therefore enable the Council to deliver 164 units.

- **Option 2** - Worst case – impact of five year rent freeze and no additional section 106 contributions

This option shows the reduction in investment and would mean that only 74 units could be delivered, compared to 164 units under option 1.

- **Option 3** - Replacement case – five year rent freeze and replacement section 106 contributions achieved.

This options shows the level of additional section 106 contributions which would need to be achieved to replace the reduced borrowing capacity. The additional section 106 contribution of £5.420m is in addition to the forecast section 106 contributions already built into all three options of £1.5m.

The additional level of section 106 contribution is extremely unlikely to be achieved within the next five years as it would require a significant increase in private sector house building. As reported in the Medium Term Financial Strategy report Hartlepool's Council Tax base increased by 13.6% between 2014/15 and 2020/21, compared to a Teesside average of 11.7% - which highlights the challenges of increasing private sector development further, as Hartlepool has consistently exceeded the Teesside average.

	Option 1	Option 2	Option 3
	Existing HRA plan based on 2.7% annual rent increase	Worst case – impact of five year rent freeze and no additional section 106 contributions	Replacement case – five year rent freeze and replacement section 106 contributions achieved
Prudential borrowing supported from rent increase	£11.208m	£5.788m	£5.788m
Additional section 106 contributions required to offset lost borrowing capacity	n/a	Nil	£5.420m
Forecast Homes England grant	£6.425m	£3.095ml	£6.425m
Number of additional properties	164	74	164

6. STUDENT ACCOMMODATION

- 6.1 The potential need for Student Accommodation relates to students attending the Northern School of Art. Current demand is met from a combination of provision by private sector rental, halls of residence managed by Thirteen Group (Crown House and Titan House locations) and the Council (Avondene).
- 6.2 The Council developed Avondene to provide 12 units of student accommodation. This development was undertaken to support the redevelopment of Church Street and to help improve the student accommodation offer. This development put the Council in a unique position in the North East as when developing our business case it was determined that no other North East councils directly provide student accommodation despite some councils (Durham, Newcastle, Sunderland and Middlesbrough) having major universities.
- 6.3 The Council has received a planning application for student accommodation in Church street, and has also received interest for another potential development in the same area. These proposals will be funded by the private sector and are likely to increase available capacity over the next 18 to 24 months. If completed these development will help enhance the sustainability of Church Street.
- 6.4 Student Accommodation is not part of the HRA and is managed as a General Fund Trading Account whereby the financial objective is to break-even. The financial risks, or potential benefits of developing student accommodation, belong to the General Fund budget. Therefore, there is no benefit to the HRA of developing student accommodation.
- 6.5 The main reasons why Student Accommodation is managed in this way are;
- The HRA uses a 'secure ' tenancy' which has to be consistent with the councils allocation scheme and tenancy strategy;
 - Student tenancy is more temporary and does not include RTB rights;
 - Student Rent includes a premium for extras such as furniture, wifi, white goods etc. to ensure the overall 'offer' is competitive with other providers. Therefore student rents are not set in accordance with social/affordable rent policies of the Council.
- 6.6 In terms of future potential expansion of student accommodation this will only be viable if there is an increase in the number of students attending the Northern School of Art. At this stage there is no evidence of a shortfall in student accommodation. This position may change in the future if the North School of Art significantly increases student numbers. To manage this position it is recommended that a strategic alliance is established with the college to monitor the situation

and include student accommodation as part of our town centre master planning within the context of the Town Deal.

- 6.7 In the event that there is a future increase in demand for student accommodation there are a range of potential options to address an increase need:

- **Potential development by the Private Sector without Council support**

The provision of Student Accommodation by the private sector is well established in the major university towns / cities and does not involve the local council, as development are either solely undertaken by the private sector or in partnership with the relevant university/college.

- **Potential development by the Private Sector with Council support**

A local developer has contacted the Council regarding the potential development of student accommodation. Their proposals would require the Council to enter into a head lease, which would guarantee their income and enable them to secure finance for the project. The Council cannot enter a multi-year head lease without a detailed business case which option appraises this against a council-financed option. In the event that the private sector option provided the more viable solution a full procurement process would be needed.

- **Potential development by the Council**

This option would involve the Council developing and operating additional student accommodation and would require a robust and deliverable business case.

- 6.8 In summary the potential development of student accommodation would not be part of the HRA as this would be a General Fund budget issue. Therefore any potential future financial surplus arising from the development of student accommodation could not be used to support the HRA.

- 6.9 There currently isn't a shortfall in accommodation and it is therefore recommended that a strategic planning alliance is established between the colleges to monitor the situation and we include student accommodation as part of our town centre master planning within the context of the Town Deal. If there is a future demand for additional student accommodation a full option appraisal will need to be completed.

7. RISK IMPLICATIONS

7.1 As details in the previous report there are a number of risks that will impact on deliverability of the proposed investment programme and profile of units by year; the main factors are:

- The availability of supply for houses to purchase within the unit cost limits for empty properties and new builds;
- The cost of building units on Council owned land. The unit cost used have been informed by recent experience in developing the proposed Greatham scheme but there is a risk that costs may vary for other sites.
- Securing Homes England grant funding of £6.4m;
- The level of grant income per unit may not increase in line with the inflation for building and purchase costs. In the event of this occurring, it will be necessary reduce the unit cost limit for properties accordingly. There will be greater certainty over future grant levels when Homes England introduce their new funding round in 2021;
- Securing interest rates for the next five years at the current level. Existing Public Works Loan Board (PWLB) interest rates were increased by the Government by 1% in October 2019 – as the previous interest was so low this was effectively a 50% increase interest costs. These higher recurring costs have been reflected in the HRA Business Plan. The HRA has limited financial flexibility to pre-fund the proposed borrowing for the next five years. Therefore, there is a potential risk that if interest rates increase over this period the value of borrowing may need to reduce. This would then either need to be replaced with other funding or the number of units reduced. This risk will continue to be managed carefully.

7.2 The additional proposed prudential borrowing will increase the ratio of total capital expenditure funded from borrowing from the current level of 44% to 50% by 2024/25. This increase is affordable and the HRA revenue forecasts make provision for the resulting interest costs.

7.3 The position will be closely monitored and progress reported as part of the quarterly HRA monitoring report to Finance and Policy Committee and any significant proposed changes to the capital programme will be referred to Council for approval.

8. LEGAL CONSIDERATIONS

8.1 The Council is required to comply with HRA regulations. There are no other legal considerations relating to this report at this time.

9. OTHER CONSIDERATIONS

Staff Considerations	No relevant issues
Consultation	No relevant issues

Child/Family Poverty Considerations	Buying and providing affordable homes will go towards addressing family poverty. A copy of the impact assessment form is included in APPENDIX A.
Equality and Diversity Considerations	A copy of the equality and diversity impact form is included in APPENDIX A.

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

- 10.1 Empty homes can become blight areas and become a target for arson and dumping of rubbish as well as various types of anti-social behavior including graffiti and drug activity. Therefore the ongoing regeneration and refurbishment of empty properties to bring these empty properties back into use is likely to contribute to reductions in crime and anti-social behavior.

11. ASSET MANAGEMENT CONSIDERATIONS

- 11.1 Ministry of Housing, Communities and Local Government (MHCLG) guidance in 'Implementing Self-financing for Council Housing' requires the Council to have a business plan for the HRA.
- 11.2 In implementing the proposed HRA Business Plan it is anticipated that the HRA housing stock will increase the overall stock to 490 affordable houses.

12. CONCLUSIONS

- 12.1 The HRA has undergone a period of significant financial challenge, which it was able to withstand as a result of the robust business case underpinning each scheme of investment, and the available HRA reserve. The 2018/19 outturn deficit of £190,000 was funded from the HRA reserve while corrective action was being taken to address the issue of long term voids. The HRA was also strengthened as a result of acquiring additional quality housing stock using grant funding and section 106 developer contributions. These generate a reliable net rent revenue stream and as a consequence the HRA is now expected to return to a small surplus in 2020/21, which is four years earlier than forecast in the previous Business Plan.
- 12.2 The forecast level of the HRA balance should be retained to ensure sufficient funding is available to fund potential deficits which may arise in the future from unexpected events such as higher than forecast inflation and interest rates, housing market changes, economic downturn, voids and Right to Buy activity.
- 12.3 In response to concerns from the social housing sector Central Government has revised their rent policy for the next five years. This

will enable rents to increase by CPI plus 1%, which enable social houses providers to cover inflationary expenditure pressures and support investment in new social homes.

- 12.4 The Government will also increase housing benefit and universal credit payments to reflect higher rent levels. This will apply to nearly two thirds of Hartlepool tenants, although remaining tenants will have to pay these increases from their own income.
- 12.5 As detailed in the report the level of rent increase for 2020/21 and future years (which will be subject to annual approval by Members) will determine the level of capital investment which can be support from Prudential Borrowing. This is a key issue for the HRA as the level of borrowing will determine the match funding grants that can be secured from Homes England.
- 12.6 The report shows that if rents are increased by 2.7% for five years the HRA will be able to deliver 164 additional properties – which is a 55% increase in the number of HRA properties. This investment will be based on the following funding being secured:

	£'m
Prudential Borrowing	11.208
Grant ##	6.425
Section 106 contributions	1.535
Total Forecast capital investment	19.168

The grant forecast is based on an average per property grant of £39,000, which equates to 34% of the capital cost. The existing HRA development were based on an average grant of £34,000, a grant rate of 44%.

- 12.7 If the Council can increase the level of section 106 contributions over the next five years the Council will be able to use these resources to either match fund additional Homes England grant bids, or additional Prudential borrowing. These properties would be in addition to the 164 forecast with the planned annual rent increases.
- 12.8 Lower rent increases over the next five years would reduce capacity to increase the properties added to the HRA. For example:
- Rent freeze – 90 unit reduction in number of additional HRA properties from planned level of 164;
 - 1.7% annual rent increase – 34 unit reduction in number of additional HRA properties from planned level of 164;
- 12.9 The recommendations in this report specifically cover the 2002/21 rent increase, the resulting forecast level of capital expenditure and number of properties which can be delivered next year. Decisions in future years will determine the scale of ongoing capital investment.

13. RECOMMENDATIONS

13.1 It is recommended that Members determine the recommendations to be referred to Council in relation to the following issues:

- i) Determine which of the following rent levels is applied for 2020/21 and note the resulting capital investment and additional properties which can be delivered for each option:

Rent Option	Prudential borrowing	Forecast Homes England grant	Number of properties
Rent freeze	£nil	£nil	nil
1.7% increase	£682,000	£420,000	11
2.7% increase	£1,084,000	£666,000	18

- ii) Note that implementation of any proposed 2020/21 rent increase will be effective from 1st May 2020 as a months' notice will need to be provided after Council makes a final decision on 19th March 2020;
- iii) Note that if additional section 106 contributions are achieved and rents are increased by 2.7% per year this will maximise the increase in the number of properties added to the HRA;
- iv) Note that if additional section 106 contributions are achieved this may offset the number of properties foregone from having lower rent increases than 2.7%, although the total number of houses would be less than could be achieved under recommendation (iii);
- v) Note that approval of a 2.7% recent increase for 2020/21 will deliver 18 properties and the viability of bungalows for families within this figure will be assessed as the detailed developments are progress. To also note that the potential to increase bungalow provision for families in future years will depend on future rent increases and this issues will be considered on a site by site basis to determine financial viability.
- vi) Note that Student Accommodation operates outside the HRA as a General Funding self-funded trading account;
- vii) Note there currently isn't a shortfall in student accommodation and it is therefore recommended that a strategic planning alliance is established between the colleges to monitor the situation and we include student accommodation as part of our town centre master planning within the context of the Town Deal. If there is a future demand for additional student

accommodation a full option appraisal will need to be completed.

14. REASONS FOR RECOMMENDATIONS

- 14.1 To enable the detailed recommendations to be referred to full Council to be determined.

15. BACKGROUND PAPERS

- 15.1 HRA Business and Asset management Plan, Finance and Policy Committee, February 2019.

16. CONTACT OFFICERS

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Sign Off:-

- Director of Finance and Policy ☒
- Chief Solicitor/Monitoring Officer ☒
- Chief Executive ☒
- Finance & Policy Committee only



Report of: Neighbourhood Services Committee

Subject: ALLOTMENTS SERVICE REVIEW AND DISPUTE
RESOLUTION PROCESS

1. PURPOSE OF REPORT

- 1.1 At Full Council on 20th February 2020 it was agreed by Members that a report would be submitted to the Neighbourhood Services Committee before the end of the municipal year and the issue in relation to the location of allotments in the departmental structure would be considered at the next meeting of the Finance and Policy Committee. Furthermore it was confirmed that a report would be submitted back to Full Council before the end of the Municipal year.

2. BACKGROUND

- 2.1 In accordance with the Constitution the Neighbourhood Services Committee are responsible for functions within the Heritage, Parks and Countryside team, in which the Allotment Service currently sits.
- 2.2 At its meeting on the 13th March, 2020, the Neighbourhood Services Committee will consider the report attached at **Appendix A**.
- 2.3 The report to members sets the proposed changes to the Allotment Rules and Regulations of Tenancy, the proposal to introduce a dispute resolution process involving a Chief Officer, and notes that the proposal to move the service to Adult and Community Based Services be considered separately in a restructure report being considered at Finance and Policy Committee on 9th March 2020.

3. PROPOSALS

- 3.1 By presenting these reports to Neighbourhood Services Committee and Finance and Policy Committee before the end of the municipal year ensures that the unanimous decision made by Members at Full Council on 20th February is appropriately actioned.

4. RECOMMENDATIONS

- 4.1 It is recommended that Members note the report.

5. BACKGROUND PAPERS

- 5.1 Neighbourhood Services Committee – 13th March 2020 – attached as Appendix A.
- 5.2 Finance and Policy Committee Report – 9th January 2020.

6. CONTACT OFFICER

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NEIGHBOURHOOD SERVICES COMMITTEE

13th March 2020



Report of: Assistant Director (Environment and Neighbourhood Services)

Subject: **ALLOTMENT SERVICE REVIEW AND DISPUTE RESOLUTION PROCESS**

1. TYPE OF DECISION/APPLICABLE CATEGORY

1.1 Key Decision – Test (ii) – General Exception applies.

2. PURPOSE OF REPORT

2.1 To consider the referral from Full Council on the 12th September 2019 for this Committee to carry out a review of the Authority's Allotment Service and consider the opportunities available to bring forward proposals for the development of a sustainable funding structure to support the Allotment Service, and more recently a referral from Full Council 20th February 2020 it was agreed by Members that a report would be submitted to the Neighbourhood Services Committee before the end of the municipal year and the issue in relation to the location of allotments in the departmental structure would be considered at the next meeting of the Finance and Policy Committee.

3. BACKGROUND

3.1 On the 12th September 2019 it was agreed at the meeting of Full Council:

“That the Neighbourhood Services Committee will bring forward proposals for the sustainable development of allotments to Finance and Policy Committee as part of the 2020/21 MTFS process which assumes the ongoing allocation of public health grant in order to ensure that allotment rents do not increase at a rate greater than inflation.”

3.2 Funding for the Allotment Service comes from the rental income generated by the plots. The current rent structure was introduced in April 2016. This is

based on a formula whereby tenants pay rent based on the size of the plot, along with a standard service charge of £25. As part of the MTFs Full Council agreed to mainstream £50k of funding using the General Fund saving arising from the Public Health grant, with rent increasing by inflation only for the foreseeable future.

- 3.3 On the 20th February 2020 a further motion was presented to Full Council regarding the allotment service as follows:

“Given the recent interest in the application of policies and procedures for allotments, can Council resolve that Neighbourhood Services review the dispute resolution process in respect of allotments to specifically allow for a review stage outside of the department and such process must be completed before any eviction action is taken.”

Can it also be requested that the Head of Paid Service review the location of allotments in the departmental structure and consider designation of allotments to Adult and Community Based Services taking into consideration the impact allotment use has on individuals, community groups and associations in tackling isolation, family poverty and promoting wellbeing.”

Members approved the motion unanimously and it was agreed that a report would be submitted to Neighbourhood Services Committee and that the issue in relation to location of allotments within the departmental structure would be considered at the next meeting of the Finance and Policy Committee. Furthermore it was confirmed that a report would be submitted back to Full Council before the end of the Municipal year.

4. CHANGES TO ALLOTMENT RULES AND REGULATIONS AND SITE MANAGEMENT

- 4.1 In response to a number of questions raised with regards to the allotment rules and regulation handbook, a full review was undertaken with the purpose of removing any ambiguity. Furthermore this review also ensured that the proposed changes would reflect both the requirements of the service and the tenants.
- 4.2 Therefore a number of amends were identified and the proposed changes were presented for consideration to the Allotment Focus Group at the meeting held with them on 10th December 2019, and also to a Members Seminar held on 29th January 2020.

Changes to Current Tenancy Rules and Regulations 2018

- 4.3 Following recent issues of multiple illegal subletting of allotment land by individual tenants, which is contrary to Section 27(4) Small Holdings and Allotments Act 1908, the following rule is proposed,

‘Rule 1.5.10 – Once a person becomes a registered partner on a plot, they may not become a partner on any further plots.’

Further to this it is proposed that Rule 1.2.7 is amended to read,
‘Plot allocation is restricted to one plot per person.’

4.4 It is considered that these rule changes, along with previous amendments to direct correspondence only to tenants and not third parties, will assist officers dealing with subletting.

4.5 A number of allotment sites have associations however to date, the Council has not required these groups to provide any evidence of their status. In order to understand the representations that groups have on sites it is proposed that a new rule will be introduced,

‘All named Associations on Allotment Sites must provide the Council with the following information at the beginning of the Financial Year i.e. April 1st,

- a) Copy of the Minutes of the most recent Annual General Meeting*
- b) Copy of the most recent Accounts*
- c) Details of their Chair, Vice Chair, Treasurer and Secretary*
- d) List of members who are tenants and partners on allotment sites.*

4.6 This information will ensure Officers have an understanding of the Associations and their sites.

4.7 The rules will not be retrospectively applied but will be introduced and implemented on 1st April 2020.

Introduction of Self-Managed Sites within the Allotment Service

4.8 There are currently no allotment sites in Hartlepool that are self-managed. Historically, only Woodcroft has taken on this delegated responsibility. This was done for a period of ten years between 2003 and 2013, at which point following a request from Woodcroft, the lease was brought to an end and the management of the site was returned to the Council.

4.9 There is no legislation directly governing self-management of allotments, but there is best practice guidance which is based around a five level process of involvement. This ranges from stage one ‘dependence’ to stage five ‘autonomy’. It is generally accepted that stage five autonomy involves the Authority selling the land to the association.

4.10 The advantages of devolved management of an allotment site generally include the associations having greater control and therefore tenants taking care of the sites. Further to that, it allows the associations to make funding applications that are not open to Authorities. This allows the sites to benefit

from grants that would not be available if it were managed by the Allotment Team directly.

- 4.11 Officers are in discussion with two allotment associations to see if devolved management is viable and could be maintained in the current circumstances. It is generally accepted that having sites with delegated responsibility reduces both the financial and officer burden, and therefore the Service will support Associations who wish to progress with this solution.

Access to Plots

- 4.12 It is the intention to clarify the right of the tenant on their plot and the role of the Authority within the introduction of the rulebook, this would include stating,

‘The Council will grant the tenant(s) the quiet use and enjoyment of their allotment garden provided that the tenant adheres to their obligation under the tenancy agreement. An officer or agent of the Council may inspect your allotment and any shed, greenhouse or polytunnel on it. You must allow that officer or agent access at any reasonable time.’

- 4.13 The inclusion of this text indicates that the tenant would have a right to quiet enjoyment but they must understand that the land is not theirs and the Council are liable for anything which happens on it. Therefore for reasons such as; animal welfare, chemical storage, Health and Fire safety, tenancy/land management the Council must be able to inspect it when appropriate.

Right to Appeal

- 4.14 At the moment should a tenant wish to appeal a decision regarding a Notice to Quit that request is made to the Heritage and Countryside Manager. If the decision is not upheld, and the tenant wishes to take the matter further, they are advised to go through the Corporate Complaints Procedure and following the outcome of this, if they are still dissatisfied, the Local Government and Social Care Ombudsman (LGSCO).
- 4.15 To address the issue raised in the motion to Full Council on the 20th February 2020, it is proposed that an additional step be included in the process set out at 4.13 as a means of ‘dispute resolution’ whereby when a tenant remains dissatisfied with the decision of the Heritage and Countryside Manager’s response to their appeal, they may request that the matter be ‘reviewed.’ This ‘review’ would be carried out by a Chief Officer from another department. Where a tenant remains dissatisfied with the outcome of the aforementioned review, the next stage of the process would be for the tenant to be referred to the Corporate Complaints procedure where they can query the process followed. Should they remain unhappy with the outcome, then they may go to the Local Government and Social Care Ombudsman.

- 4.16 A copy of the existing Allotment Rules and Regulations Handbook can be found in the Members Library.

5. CONSULTATION

- 5.1 The review of the Allotment Rules and Regulations Handbook were discussed at the Allotment Focus Group Meetings in December 2018, June 2019, and most recently on the 10th December 2019.
- 5.2 Furthermore the Council offered to meet representatives at their sites to discuss the proposed changes and two sites took advantage of this opportunity
- 5.3 A Members Seminar was also held on 29th January 2020 to give Elected Members the opportunity to feedback comments and views on the proposed changes.

6. LEGAL CONSIDERATIONS

- 6.1 The proposed changes would be implemented on 1st April 2020 and a revised Allotment Rules and Regulations Handbook would be issued to Allotment Holders.

7. FINANCIAL CONSIDERATIONS

- 7.1 There are no financial implications with this report.

8. RISK IMPLICATIONS

- 8.1 The proposed changes to the rulebook will make it easier for tenants of the Council's allotment plots to understand the rules and regulations governing allotments in Hartlepool.

9. STAFFING

- 9.1 The Allotment Team currently sits in the Heritage and Countryside Service within the Regeneration and Neighbourhoods Division. At a meeting of Council in February it was proposed that the team should be moved to Adult and Community Based Services.
- 9.2 Although it may be considered that there are parallels between the leisure services provided by Adult and Community Based Services, this proposal

will be considered separately in a restructure report being considered at Finance and Policy Committee on 9th March 2020.

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

- 10.1 Historically, allotments have suffered from crime and anti social behaviour including vandalism, arson, theft and fly tipping. Efforts to improve site security and to make allotments a less attractive target have made some headway in recent years, and these works continue although it is acknowledged that there are still issues on some sites.

11. ASSET MANAGEMENT CONSIDERATIONS

- 11.1 Allotments are an important Council asset comprising 38 hectares (94 acres) of public land within the Borough. The service continues to manage the land in the most appropriate, cost effective way.

12. CHILD AND FAMILY POVERTY

- 12.1 Allotments provide benefits through increasing access to a healthy diet (fresh fruit and vegetables), exercise, fresh air and social interaction, all of which have proven benefits to health and mental well-being.

13. EQUALITY AND DIVERSITY CONSIDERATIONS

- 13.1 There are no equality and diversity considerations.

14. RECOMMENDATIONS

- 14.1 It is recommended that the Committee:
- i. Approves the proposed changes to the Allotment Rules and Regulations of Tenancy as outlined in paragraphs 4.3, 4.5 and 4.12 of the report;
 - ii. Approves the proposal to introduce a dispute resolution process involving a Chief Officer as detailed in paragraph 4.14 of the report; and
 - iii. Notes that the proposal to move the service to Adult and Community Based Services be considered separately in a restructure report being considered at Finance and Policy Committee on 9th March 2020.

15. REASONS FOR RECOMMENDATIONS

- 15.1 It was agreed at Council on 12th September 2019 that proposals would be brought forward for the sustainable development of allotments which assumes the ongoing allocation of grant funding in order to ensure that allotment rents do not increase at a rate greater than inflation.
- 15.2 The additional rules are necessary for the orderly management of the allotment sites and to prevent subletting of plots.

16. BACKGROUND PAPERS

Neighbourhood Services Committee Report 26th July 2016 Allotment Review

Neighbourhood Services Committee Report 19th February 2018 – Phase two Allotment Strategy and Review

Council Minutes – 12th September 2019

Council Minutes – 20th February 2020

17. CONTACT OFFICER

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Report of: Constitution Committee

Subject: FURTHER PERIODIC REVIEW OF THE COUNCIL'S CONSTITUTION

1. PURPOSE OF REPORT

To enable Council to consider the recommendations of the Committee following a periodic review of the Constitution by the Chief Solicitor/Monitoring Officer. The report also updates Elected Members on issues which have been considered by the Committee following referrals from Full Council.

2. BACKGROUND

At its meeting on 25th November 2019 the Constitution Committee considered a report which addressed issues which had arisen since the comprehensive review of the Constitution approved by Council on 21 March 2019. As agreed at the meeting of Full Council held in March 2019, the Committee had discussed on 15th July 2019 a ban on the purchase of alcohol by the Authority for Civic functions as part of a report relating to Civic and Democratic Arrangements Review.

A meeting of the Committee, held on 27 January 2020, provided further information on areas identified at the previous Committee meeting upon which Elected Members sought further information. The report also addressed issues raised at previous meetings regarding the legality of a non-elected member being appointed the Ceremonial Mayor and on the selection process for Ceremonial Mayor in terms of the rotation of Elected Members and the terms of office.

At the Constitution Committee meeting on 2 March 2020, reports were submitted which provided further information on areas identified at the previous meetings upon which Elected Members sought further information.

3. PROPOSALS

Following consideration of reports, the Committee has made a number of recommendations which are summarised in a table appended to this report.

The proposed changes to the Council Procedure Rules are recommended, by Committee, to Full Council. However, Members are reminded that any changes to Council Procedure Rules, in the absence of compliance with any statutory provision, would on being proposed and seconded, stand adjourned without discussion to the next ordinary meeting.

4. RECOMMENDATIONS

That Full Council considers the recommendations of the Committee detailed in the table appended to the report.

That in accordance with Council Procedure Rule 24.2, changes to Council Procedure Rules on being proposed and seconded, stand adjourned without discussion to the next Ordinary meeting of Council

5. BACKGROUND PAPERS

Full Council – 15 July 2019

Full Council – 21 March 2019

Constitution Committee Report – 25 November 2019

Constitution Committee Report – 27 January 2020

Constitution Committee Report – 2 March 2020

Hartlepool Borough Council – Constitution.

6. CONTACT OFFICER

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COUNCIL REFERRALS TO CONSTITUTION COMMITTEE

Reference Number	Date of Council Referral	Details of Referral	Committee Recommendation
01/19-20	21 March 2019	Delegation – Museum Acquisition and Disposals	<p>Considered by the Committee on 15 July 2019 – deferred for further information.</p> <p>Report was submitted to the Regeneration Services Committee on 5 February 2020 when it was agreed as follows:-</p> <p>(i) That the Hartlepool Collections Development Policy 2019-2022 be endorsed and be referred for decision to the next appropriate Council meeting.</p> <p>(ii) That on an ongoing basis the Council acquire and dispose of objects into the Museum's Collection in accordance with the Hartlepool Collections Development Policy 2019-2022.</p> <p>(iii) That delegation be given to the Director of Regeneration and Neighbourhoods, in consultation with the Chair of the Regeneration Committee, to make minor changes, where necessary, to the Hartlepool Collections Development Policy 2019-2022 and that these changes be agreed with Arts Council England</p>
02/19-20	20 June 2019	Full Council Procedure Rules – CPR9 – Questions from the Public	Considered by the Committee on 25 November 2019 and 27 January 2020. Further

			<p>report submitted to meeting on 2 March when it was recommended as follows:-</p> <p>That Full Council be recommended to approve the amended Council Procedure Rule 9 (attached) including the insertion of a supplementary question, referral to a Policy Committee and removal of debate.</p>
03/19-20	31 October 2019	Bullying and Harassment Motion	<p>Considered by the Committee on 27 January 2020.</p> <p>Elected Members were advised that the Committee on Standards in Public Life (CSPL) is undertaking a review of local government ethical standards. The CSPL carried out a consultation which the Authority responded to. Having considered the consultation responses, the CSPL have issued a report which includes best practice guidance and a list of 26 recommendations were appended to the report. A number of the recommendations involve legislative change which government are currently considering. <i>Once any changes have been implemented a further report will be brought to Members for consideration.</i></p>
04/19-20	19 December 2019	Review of the Authority's Civic and Democratic Functions	<p>Considered by the Committee on 27 January 2020.</p>

			<p>(i) That the advice of the Chief Solicitor that it was not possible for a non-elected member to be appointed to the role of Ceremonial Mayor was noted and it was agreed to recommend that the current approach for selection of Mayor/Chairman not be changed.</p> <p>(ii) That Article 5 be updated in order that the role of Deputy Mayor is explicitly detailed in the Constitution to ensure full understanding of the role.</p> <p>(iii) That no changes be made to the existing Civic and Democratic arrangements.</p>
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ELECTED MEMBER REFERRAL

05/19-20		Local Joint Consultative Committee (LJCC)	<p>Considered by the Committee on 27 January 2020. Further report submitted to meeting on 2 March when it was recommended as follows:-</p> <p>That the LJCC be removed from the list of Outside Bodies and authority was given to the Chair of the Committee, in consultation with the Chair of the LJCC and the Chief Executive to agree the wording of a</p>
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			<p>suitable dispute resolution process.</p> <p>Note: Following the authorisation, a meeting was held on 3 March, when it was agreed that meetings of the LJCC will no longer be rescheduled. However, it was also agreed that the function of LJCC be amended to reflect its role as means of resolving disputes where there is a formal failure to agree between the Authority and the Trade Unions. This will enable the views of members to be considered and make recommendations to be referred to Finance and Policy Committee for decision. Membership of the LJCC to include only those Members who are not members of the Finance and Policy Committee.</p>
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PERIODIC REVIEW OF THE CONSTITUTION 2019/20

Reference Number	Committee Date	Constitution Reference	Recommendation of Committee
06/19-20	25 November 2019	Part 3 – Responsibility for Functions	The Committee agreed a recommendation that the Homelessness and housing advice function transfer from the Children's Services Committee to the Finance and Policy Committee in view of the function being a town wide issue.

07/19-20	25 November 2019	Part 4 - Council Procedure Rule 9.3(i)	Questions will be asked in the order received, except that the Chair of the Council may group together similar questions, which would replace the current requirement for the random selection of questions.
08/19-20	25 November 2019	Part 4 - Council Procedure Rule 11 – Motions on Notice	Appended to this Schedule are the changes proposed to consideration of Motions on Notice.
9/19-20	25 November 2019	Part 4 - Council Procedure Rule 23 – Committees and Sub-Committees of the Council	It is proposed that a paragraph be added that where a Committee is to consider a matter upon which another Committee(s) shares a common interest, that Committee may invite Members of other Committee(s) to attend a joint meeting. The attending Committee Members will have no vote but may take part in the discussion.
10/19-20	25 November 2019	Part 4 – Officer Employment Procedure Rules and consequent change to Part 3 – the Authority’s Functions and Delegation Scheme.	It was proposed that the Procedure Rules be amended to reflect statutory requirements for disciplinary action relating to the Head of Paid Service, Monitoring Officer and Section 151 Officer (Statutory Officers). As a consequence of the changes, it was proposed also that the membership and terms of reference of an Independent Advisory Committee be added to Part 3 of the Constitution.
11/19-20	25 November 2019	Part 4 – Scrutiny Procedure Rules	It was proposed that the Procedure Rules be amended to provide

			clarification in relation to Co-opted Members on the Audit and Governance Committee and the Committee's membership. It was proposed also that Appendix C – Procedure for the Decision Making Route for Statutory Scrutiny Final Reports - replace reference to 'Policy Committees' with 'Committees'.
12/19-20	27 January 2020	Council Procedure Rule 23 – Committees and Sub Committees of the Council	To be updated to clarify the position in relation to an Elected Member attending a Committee meeting where exempt information is likely to be disclosed.
13/19-20	2 March 2020	Article 10 - Community Forums	<p>Considered by the Committee on 27 January 2020. Further report submitted to meeting on 2 March:-</p> <p>That subject to the timescale being amended in respect of the budget event to delete reference to September, the approach outlined in the report be adopted which will ensure that Community Forums are integrated in to the Your Say Our Future programme.</p>

CONSTITUTION COMMITTEE

MINUTES AND DECISION RECORD

15 July 2019

The meeting commenced at 2.00 p.m. in the Civic Centre, Hartlepool

Present:

Councillor Moore (In the Chair)

Councillors Fleming, Harrison, James, Loynes and Marshall.

Officers: Gill Alexander, Chief Executive
Hayley Martin, Chief Solicitor
Amanda Whitaker, Democratic Services

1. Apologies for Absence

Councillors Howson and Tennant

2. Declarations of interest by Members

As Ceremonial Mayor, Councillor Loynes declared an interest in agenda item 4.1 – Civic and Democratic Arrangements review. Councillor Loynes sought advice whether she would be allowed to stay at the meeting for consideration of the item. The Chief Solicitor advised Councillor Loynes that she was permitted to remain at the meeting.

3. Minutes

The minutes of the meeting held on 4 March 2019 were confirmed.

4. Civic and Democratic Arrangements Review (*Chief Solicitor*)

At the meeting of Full Council on the 20th December 2018, Members had approved the proposal that civic engagement and associated activities be reviewed. The Committee considered the following issues:-

- (i) Ceremonial Mayor - The report provided information on current arrangements, including the heritage and history of the role of the First Citizen of the Borough. Appended to the report was a complete list of the events attended by the Ceremonial Mayor in the years 2017/18 and 2018/19. It was

noted that the budget for attending events for the current financial year is £5,651.

Members acknowledged the benefits of the role of the Ceremonial Mayor. However, clarification was sought whether the role of Ceremonial Mayor had to be an Elected Member. It was confirmed that in accordance with the Authority's Constitution, at its Annual meeting Full Council is required to appoint a Chair of Council who will also take the title, Ceremonial Mayor for the municipal year, in accordance with the Local Government Act 1972. The Chief Executive advised that she was not aware of a precedent of a non-elected member being appointed the Ceremonial Mayor and advised that legal research could be undertaken and a further report submitted to the Committee. The implications, if the appointment of a non-elected member was permissible, were highlighted including the difficulties arising from the selection process.

Following the discussion it was agreed that there was no desire to change the role of Ceremonial Mayor but that consideration could be given to the selection process in terms of the rotation of Elected Members and the terms of office.

(ii) Civic Events - The budget for food and beverages at civic events (including Annual Council) is £4,074. At a meeting of Full Council in March, it was agreed that spend at civic events would be reviewed, particularly in relation to alcohol. The report set out the amount spent on alcohol at civic events in 2017/18 was £526.60 and in 2018/19 was £481.79. Actual expenditure on food and beverages in the last two years had been on budget with the average spend of approximately £3600. It was suggested that Members may wish to consider reducing the budget by 5% to reduce expenditure.

Members advised that alcohol was limited in terms of availability at civic events. It was noted that reducing the budget by 5% would equate to a saving of £180. Members responded to a question raised regarding the benefits for the public arising from the role of Ceremonial Mayor and highlighted the benefits derived from the role including role of networking. It was acknowledged by the Chair that the public perception of the role is not always correct and should, therefore, be explained to the public.

It was recommended that no change be made to the civic events budget.

(iii) Civic Transport and Costs - The report set out details relating to civic transport and associated costs. The cost of running the vehicle amounted to approximately £2,500 per annum. Current arrangements included the employment of a Civic driver who also undertakes the role of Mace bearer at meetings of Full Council. Further details regarding this post were set out by way of an appendix which contained exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely paragraphs 1 & 2.

It was highlighted that the Civic driver is also responsible for security of the civic chains during official engagements attended by the Ceremonial Mayor.

The role would continue to be required if the current arrangements for civic transport was to change and replaced, for example, with the use of taxis. During the debate, tribute was paid to the civic driver/mace bearer.

It was recommended that no changes be made to the current arrangements for civic transport.

(iv) Change in Election Cycle -

The report addressed issues relating to a change in election cycle. Under the current system the annual cost is £100,000 which equated to £300,000 over the election cycle. The annual budget for elections is £75,000 per year. If elections moved to 'all out' every 4th year it was estimated that this would cost around £140,000. Spread over the 4 years this amounted to an annual cost of £35,000 which equated to a saving of £40,000 per year against the existing budget. If any election is combined with a Tees Valley/National election further savings were realised.

Members spoke in support of the current election cycle and highlighted disadvantages of moving to 'all out' elections. However, it was suggested that there were other issues associated with the election process which could be considered, for example the election count being held the following day.

It was recommended that no changes be made to the election cycle and that the other issues associated with the election process be considered by Officers.

(v) Member Conferences and Development

With regard to Member Conferences and Development, the Committee was advised that there was a list of approved conferences in Part 7 of the Constitution. All Members could access support from this funding to improve the discharge of their duties subject to approval of the Leader and Chief Executive. The budget for Member Conferences and Development is £13,908. Actual Expenditure in the last two years had been broadly in line with the budget. Attendance at conferences and costs associated were disclosed in the published statements of accounts at an individual member level.

Members were requested to review the list of approved and attendance at other Conferences and review the Member Development programme and consider merging the budget for Member Development and Conferences and reduce the budget by 10% to offer a saving. Members considered that the current budget and approval arrangements were proper and the budget should not therefore be reduced. It was proposed also that the Local Government Association's training programme, which did not incur any costs other than that for travel, should be utilised.

Recommendations

- (i) That the role of Ceremonial Mayor continue unchanged and that consideration be given to the process for rotating elected members to the position of Chair of Council.
- (ii) That no change be made to the civic events budget.
- (iii) That no changes be made to the current arrangements for civic transport.
- (iv) That no changes be made to the election cycle and that issues associated with the election process be considered by Officers with a view to potential reduction in election costs.
- (v) That the current budget and approval arrangements were proper and the budget should not therefore be reduced. It was proposed also that the Local Government Association's training programme, which did not incur any costs other than that for travel, should be utilised.

5. Council Referral – Delegation Scheme (*Chief Solicitor*)

The report had been submitted to enable Members to consider a referral from Full Council, on 21 March 2019, relating to the delegation scheme set out within Part 3 of the Constitution. At the request of an elected member it had been agreed that the delegation scheme be approved with the exception of the provision relating to museum acquisitions and disposals so that further work could be carried out to ensure the appropriate safeguards were in place.

Members were advised that the proposed update to the delegation scheme was to allow for the Director of Regeneration & Neighbourhoods (in consultation with the Chair of the Regeneration Services Committee) to make the decision on acquisition/disposal of an item/specific collection rather than submit a report to Committee each time. Once the acquisition/disposal had been considered by the Director (in consultation with the Chair of Regeneration Services Committee), Officers would follow the Museum Association procedures which were detailed in the report. It was highlighted that whilst the Council regularly acquired objects, the disposal of items was not a regular occurrence and there had been no disposals in the previous 12 years.

Concerns were expressed regarding the proposed delegation. It was highlighted that a sub-committee had been convened previously, under previous governance arrangements, to consider acquisitions and disposals. During discussion, views were expressed that any finance accrued from disposal of an item/collection should be allocated to the General Fund. Members agreed to defer consideration with further information to be included in an additional report to be submitted to the Committee, including the formulation of a policy to be determined by the Regeneration Services Committee.

Decision

- (i) To recommend that any finance accrued from disposal of an item/collection should be allocated to the General Fund.
- (ii) To defer consideration with further information to be included in an additional report to be submitted to the Committee.

6. Annual Constitution Review – Verbal Update

The Chief Solicitor advised the Committee that as Monitoring Officer she was required to review the Constitution and report the outcome of that review to Council annually. Members were reminded, however, that a comprehensive review of the Constitution had recently been completed. The Chief Solicitor acknowledged, for inclusion in the next review, the issue of public questions at Council meetings which had been referred at the previous meeting of the Council. It was suggested also that the review also focus on a review of Procedure Rules. Committee Members were encouraged to forward any additional issues which they wanted to be included in the 2019/20 review direct to the Chief Solicitor.

The meeting concluded at 3.25 p.m.

CHAIR

Constitution Committee – 25 November 2019

The minutes of the meeting held on 15 July 2019 were confirmed subject to the following amendment:-

Minute 5 – Council Referral – Delegation Scheme – Third paragraph, final sentence - Deletion of 'including the formulation of a policy to be determined by the Regeneration Services Committee'.

CONSTITUTION COMMITTEE

MINUTES AND DECISION RECORD

25 November 2019

The meeting commenced at 2.00 p.m. in the Civic Centre, Hartlepool

Present:

Councillor Moore (In the Chair)

Councillors Harrison, Howson, James and Loynes

Councillor Brewer was in attendance as substitute for Councillor Tennant.

Officers: Chris Little, Director of Finance and Policy
Hayley Martin, Chief Solicitor
Amanda Whitaker, Legal and Democratic Services Manager

7. Apologies for Absence

Councillors Marshall and Tennant

8. Declarations of interest by Members

None

9. Minutes

The minutes of the meeting held on 15 July 2019 were confirmed subject to the following amendment:-

Minute 5 – Council Referral – Delegation Scheme – Third paragraph, final sentence - Deletion of ‘including the formulation of a policy to be determined by the Regeneration Services Committee’.

Arising from the minutes, it was agreed that the Chief Solicitor submit a report to this Committee to address issues raised at the previous meeting relating to the legality of a non-elected member being appointed the Ceremonial Mayor and on the selection process for Ceremonial Mayor in terms of the rotation of Elected Members and the terms of office.

10. Further Periodic Review of the Council's Constitution *(Chief Solicitor and Monitoring Officer)*

The Committee's consideration was sought of proposed changes to the Constitution prior to consideration of the changes by Council. Matters which had arisen during the review were presented as follows:-

Article 2 – Elected Members of the Authority

The Corporate Parent Forum, at its meeting on 11 June 2019, had agreed that this Committee be requested to consider the issue of compulsory training for all Elected Members on their role as corporate parents.

The Audit and Governance Working Group had recommended to the Audit and Governance Committee and it was agreed by Council on 31 October 2019, that guidance and mandatory training should be provided to new and existing Members on completion of the revised electronic form to record Members declarations of Interest.

It was highlighted that Elected Members are not employees of the Council which meant that the measures available to enforce adherence by officers to mandatory training would not necessarily be available for members. The Council could however consider a number of measures as set out in the report. Committee Members agreed that member compliance with their mandatory training should be reported to the Audit and Governance Committee. It was suggested, at the meeting, that non-compliance could be reported regularly also to Full Council.

Alternative methods for the training of Elected Members were discussed including e-learning. It was suggested also that the inaugural training programme, for newly elected Members, should be more structured and that a further report be submitted to this Committee to allow further consideration by members of the Committee.

Article 10 – Community Forums

Members were requested to consider a suggestion from an Elected Member that the Community Forums: 'North and Coastal' and 'South and Central' be combined. Whilst acknowledging the reasons for the suggestion, Elected Members expressed some concerns regarding the practical implications of the proposal. It was agreed that a further report be submitted to this Committee.

Part 3 - Responsibility for Functions

The Committee agreed a recommendation that the Homelessness and housing advice function transfer from the Children's Services Committee to the Finance and Policy Committee in view of the function being a town wide issue.

Full Council Procedure Rules (CPR) – Changes were proposed to the following Procedure Rules:-

CPR4 - APPOINTMENT OF SUBSTITUTE ELECTED MEMBERS OF COMMITTEES AND SUB-COMMITTEES

The Monitoring Officer had proposed to update the Procedure Rule for clarification purposes as set out in the report.

CPR9 – QUESTIONS FROM THE PUBLIC

At the meeting of Full Council held on 20 June, it had been moved and seconded that this Committee be requested to consider changes to Questions from the Public to allow supplementary questions. It was agreed that the issue of supplementary public questions be referred to this Committee. Members of the Committee highlighted issues which had occurred previously when the provision to ask supplementary public questions was included in the Constitution.

It was suggested at the meeting that if supplementary questions were permitted they should be for clarification purposes only which Members recognised would have to be managed by the Chair of Council. Members agreed further consideration was required and that a further report should be submitted to this Committee. Information which had been circulated to Members highlighted that the Constitutions of other Local Authorities did not include provisions for a debate following a public question. It was proposed that the further report address also whether the provision in the Authority's Constitution should continue to allow debate once the Chair of a Committee has responded to a public question.

It was proposed also that Council Procedure Rule 9.3 (i) be updated so that Questions will be asked in the order received, except that the Chair of the Council may group together similar questions, which would replace the current requirement for the random selection of questions.

CPR11 – MOTIONS ON NOTICE

Appended to the report were changes which were proposed to the above Procedure Rule.

CPR23 - COMMITTEES AND SUB-COMMITTEES OF THE COUNCIL

It is proposed that a paragraph be added that where a Committee is to consider a matter upon which another Committee(s) shares a common interest, that Committee may invite Members of other Committee(s) to attend a joint meeting. The attending Committee Members will have no vote but may take part in the discussion.

Officer Employment Procedure Rules – It was proposed that the Procedure Rules be amended to reflect statutory requirements for disciplinary action relating to the Head of Paid Service, Monitoring Officer and Section 151 Officer (Statutory Officers). As a consequence of the changes, it was proposed also that the membership and terms of reference of an Independent

Advisory Committee be added to Part 3 of the Constitution – the Authority's Functions and Delegation Scheme:-

Scrutiny Procedure Rules – It was proposed that the Procedure Rules be amended to provide clarification in relation to Co-opted Members on the Audit and Governance Committee and the Committee's membership. It was proposed also that Appendix C – Procedure for the Decision Making Route for Statutory Scrutiny Final Reports - replace reference to 'Policy Committees' with 'Committees'.

Decision – (i) That Full Council be recommended to approve the following:-

- The update of Article 2 to reflect the requirement for compulsory training for Elected Members on their role as corporate parents and also in relation to mandatory training to new and existing Elected Members.
- That member compliance with their mandatory training be reported to the Audit and Governance Committee and regular reports be submitted also to Full Council.
- That the Homelessness and housing advice function transfer from the Children's Services Committee to the Finance and Policy Committee in view of the function being a town wide issue.
- The suggested clarification of wording for Council Procedure Rule 4 relating to the Appointment Of Substitute Elected Members Of Committees And Sub-Committees
- That Council Procedure Rule 9.3 (i) be updated so that Questions will be asked in the order received, except that the Chair of the Council may group together similar questions, which would replace the current requirement for the random selection of questions
- That the proposed changes to CPR11 – Motions On Notice – be approved
- That a paragraph be added – at CPR 23 - that where a Committee is to consider a matter upon which another Committee(s) shares a common interest, that Committee may invite Members of other Committee(s) to attend a joint meeting. The attending Committee Members will have no vote but may take part in the discussion.
- That the Officer Employment Rules be amended to reflect statutory requirements.
- That the proposed amendments to the Scrutiny Procedure Rules be approved.

(ii) That a further report be submitted to this Committee regarding:-

- alternative methods for the training of Elected Members including e-learning and a more structured approach to Member induction.
- Community Forums
- Questions from Public – supplementary questions and debate

The meeting concluded at 3.15 p.m.

CHAIR

11. MOTIONS ON NOTICE

11.1 Notice

A Motion must be about a matter for which the Authority has a responsibility or which affects the Borough of Hartlepool.

Except for motions which can be moved without notice under Rule 12, written notice of every motion, signed by at least five Elected Members, must be submitted to and received by the Chief Executive, or by electronic mail to the Chief Executive ~~during normal office hours~~ before 5pm at least ~~seven~~ clear working days before the date of the meeting.

~~These~~ The notice of motion will be entered in a book open to public inspection.

~~ii)~~ The number of motions before an Ordinary Meeting of Council shall not exceed ~~3~~ three subject to consultation with the Chair of Council and in accordance with Council Procedure Rule 11.1. ~~(i)~~ Where, subject to rule 11.2, more than three Motions are received, the Motions to be submitted to Council shall be determined in a manner of random selection which will determine also the order the Motions will be listed on the agenda, any remaining Motions on Notice shall be dealt with at the next ordinary meeting of Full Council.

11.2 Scope

The Chief Executive in consultation with the Chair of the Council, may reject a Motion if:-

i) it is not about a matter for which the Authority has a responsibility or which affects the Borough;
or

ii) it is out of order, illegal, irregular or improper; or

iii) it is defamatory, frivolous or offensive; or

~~iv)~~ it is substantially the same as a Motion which has been put at a meeting of the Full Council in the past six months and since when there has been no change of circumstances justifying the resubmission of the question ; or

v) it requires the disclosure of confidential or exempt information; or

vi) it is unreasonably excessive because of its length or its number of parts;

~~11.3 Motion set out in agenda Motions for which due notice has been given will be listed on the agenda in the order in which notice was received, unless the Elected Members giving notice states, in writing (including electronic mail), that they propose to move it at a later meeting or withdraw it.~~

~~11.34~~ Withdrawal of motion not moved If a motion set out in the agenda is not moved either by ~~an~~ the Elected Members who gave notice of it or some other Elected Member on his/her behalf shall, unless postponed by consent of the Council, be treated as withdrawn and shall not be moved without fresh notice.

~~11.5 Remission to committee If in the view of the Chair of Council, in consultation with the Monitoring Officer, the subject matter of any Motion is the responsibility of any Committee or Committees it shall, upon being moved and seconded, stand referred without discussion to such Committee or Committees or to such other Committee or Committees as Full Council may determine, for consideration and report. Provided that the Chair may, if s/he considers it convenient and conducive to the despatch of business, allow the motion to be dealt with at the meeting of Full Council, following consultation with the Monitoring Officer.~~

CONSTITUTION COMMITTEE

MINUTES AND DECISION RECORD

27 January 2020

The meeting commenced at 2.00 p.m. in the Civic Centre, Hartlepool

Present:

Councillor Moore (In the Chair)

Councillors Fleming, Harrison, Howson, James, Johnson, Loynes,

In accordance with Council Procedure Rule 4.2, Councillor S Akers-Belcher was in attendance as substitute for Councillor Marshall and Councillor Cassidy was in attendance as substitute for Councillor Tennant.

Officers: Gill Alexander, Chief Executive
Hayley Martin, Chief Solicitor
Amanda Whitaker, Legal and Democratic Services Team Manager

11. Apologies for Absence

Councillors Marshall and Tennant.

12. Declarations of interest by Members

None

13. Minutes

The minutes of the meeting held on 25 November 2019 were confirmed.

Following a recent meeting of the Audit and Governance Committee, a member referred to the position in relation to an Elected Member attending a Committee meeting where exempt information is likely to be disclosed. It was requested that the Constitution be updated to clarify the position.

14. Further Periodic Review of the Council's Constitution – Update *(Chief Solicitor and Monitoring Officer)*

The report sought views from the Committee regarding proposed changes to the Constitution prior to consideration of changes by Full Council. A report to

this Committee on 25 November 2019 had addressed issues which had arisen since the previous review. The report provided information on areas identified at the previous meeting upon which Elected Members had sought further information. The report also addressed issues raised at previous meetings regarding the legality of a non-elected member being appointed the Ceremonial Mayor and on the selection process for Ceremonial Mayor in terms of the rotation of Elected Members and the terms of office.

The Committee debated each of the areas identified and expressed views as follows:-

PART 2 – ARTICLES

Article 2 – Elected Members of the Authority

The Committee noted the additional information which had been submitted in relation to the Member Development Programme and expressed the following views:-

- In addition to mandatory training for specified Committees, there should also be mandatory training for members of Policy Committees.
- In addition to reporting non-attendance at mandatory training sessions to Audit and Governance Committee/Council, the appropriate Committee should be advised accordingly.
- The Annual Planning Training Event should change from being optional to a mandatory training requirement.
- Some mandatory training should also be offered by use of e-learning resources.

Article 5 – The Ceremonial Mayor

The Committee was advised of the statutory requirement which stated that “the chairman of a principal council shall be elected annually by the Council from among the Councillors”. It further stated that “the Chairman of a county borough council is entitled to the style of ‘mayor’”. Elected Members noted that it was not possible, therefore, for a non-elected member to be appointed to the role of Ceremonial Mayor.

The Committee noted also an appendix which detailed the protocol for selection of Mayor/Chairman and which highlighted that other Local Authorities in the region had a similar approach to that which is applied in this Authority.

The Committee accepted the advice of the Chief Solicitor and following discussion agreed to recommend that the current approach for selection of Mayor/Chairman not be changed.

Elected Members discussed the importance of the role of Deputy Ceremonial Mayor and agreed to recommend that Article 5 be updated in order that the role is explicitly detailed in the Constitution to ensure full understanding of the role.

Article 10 – Community Forums

At the previous meeting of the Committee, Members had been requested to consider a suggestion that the Community Forums be combined. Following subsequent concerns to the Chief Executive, the Committee was requested to consider the role of the Community Forums which had been part of the Council's governance structure since 1999. The ways of communicating with the public had changed considerably and concerns had been expressed around how well the current arrangements were working and whether they met the Council's current needs around community engagement. It was also recognised that in the main the issues discussed at Community Forums could and were often already being dealt with through other mechanisms set out in the report. It was considered that the Your Say, Our Future exercise had worked very well and was an approach that had facilitated a greater level of involvement and discussion. Members views had been sought on a number of options and it was reported that no responses had been received.

The view was reiterated at the meeting that the Community Forums no longer operated in the way intended when they had been set up. Whilst support was expressed for stopping the Forums and replacing them with a roll out of the Your Say, Our Future approach through a planned annual programme, the Committee requested a report to the next meeting of the Committee to allow them to consider the planned annual programme prior to making any recommendation to Full Council.

PART 4 – RULES OF PROCEDURE

Full Council Procedure Rules – CPR9 – Questions from the Public

At the meeting of Full Council held on 20 June, it had been moved and seconded that this Committee be requested to consider changes to the above Procedure Rule in relation to supplementary questions. At the previous meeting of this Committee, Members had suggested that if supplementary questions were permitted they should be for clarification purposes only. It was noted in the table which had been submitted to that meeting that the Constitutions of other Local Authorities do not include provisions for a debate following a public question. As requested by the Committee, the table submitted previously had been updated following further research and was appended to the report. The outcome of the further review highlighted that the majority of Constitutions which permitted supplementary questions stated that a supplementary question must arise directly out of the original question or the reply. None of the Constitutions reviewed permitted debate following public questions.

Elected Members debated issues arising from the referral from Council. The view was expressed that responses to Council questions were required to be more robust. It was noted that this Authority's Constitution is unique in permitting debate following the response to a question. During the debate the responsibilities of the Chair of Committees were highlighted together with the

advantages of an alternative model whereby questions were formally submitted to Policy Committees which would ensure that other Members of the Committee could contribute to responses to questions. The Chief Executive agreed to model some options, based on the comments made, for submission to the next meeting of the Committee.

UPDATES

Elected Member Referral – Local Joint Consultative Committee (LJCC)

The current Chair of the LJCC had queried whether there was any merit in continuing to hold meetings of the Consultative Committee as there had not been issues referred to the Committee for consideration. Members noted that the Authority now operated various other methods of negotiation and consultation detailed in the report. This Committee was requested to consider whether the LJCC should continue. Elected Members were advised that if this Committee determined to recommend that the LJCC should cease, alternative arrangements would be put in place to formalise the alternative methods that were currently being utilised.

Elected Members were mindful to a review with the potential of replacing the LJCC with alternative methods detailed in the report together with an additional suggestion made at the meeting that any changes which would have been reported to the LJCC being included in the Chief Executive's Business report to Full Council.

It was agreed to recommend that an early meeting of the LJCC be convened to allow the views of members of the LJCC to be sought and reported back to this Committee.

Referrals by Full Council

Civic and Democratic Arrangements Review – A report had been considered by this Committee on 15 July 2019. A copy of that report and the minutes of that meeting were appended to the report. Furthermore on the 19 December 2019, during consideration of a report relating to the Medium Term Financial Strategy (MTFS) 2020/21 to 2023/24, it was resolved that a further review be commenced in relation to the costs of the Authority's civic and democratic functions including the Ceremonial Mayoral system and the electoral cycle.

It was highlighted that whilst some operational expenses could be reviewed outside of the constitutional review, changes to the electoral cycle required formal and statutory public consultation. Good practice guidance on consultation exercises suggested that a 12 week period would be appropriate therefore due to the forthcoming whole Council elections due to be held in May, this would need to be considered in the new Municipal year. Taking this in to account Members were asked to consider how they wished to take the review of civic and democratic arrangements forward. The Committee recommended unanimously that changes to the electoral cycle not be made.

Following the meeting of Full Council in December 2019, further representations were made regarding further savings in terms of the following:-

- *Removal of the Ceremonial Mayor position and all of its costs associated with it and move to a Council Leader chair function.*

Where a change in governance arrangements is proposed the Authority would need to take reasonable steps to consult with local electors and other interested persons in the area when drawing up proposals. The Authority must hold a binding referendum following the expiration of the statutory moratorium period in the holding of a referendum, namely, the period of 10 years from the date of the previous referendum. The Committee noted that the last change of governance arrangements followed a referendum in November 2012 and no further referendum to change the governance arrangements could therefore be held until 2022.

- *Remove the requirement to hold civic functions and attendance at civic functions.*

It was highlighted at the meeting that attending Civic functions and events is at the discretion of the Ceremonial Mayor. It was recommended that no further action be taken in relation to this suggestion.

- *Setup a new Events committee function that looks at the Councils events and how we can include local charities and good causes in this.*

Elected Members were advised that the Authority had a small events team within the Regeneration and Neighbourhoods department which organised and supported local events. Furthermore, the Council already had a cross Authority group, the 'Destination Hartlepool' Programme Board', which brought together relevant Council departments and representatives of anchor visitor attractions to plan an annual events programme and publish and promote an annual 'Hartlepool Events Guide.' The guide included details of events organised by the Authority as well as a number of charitable events and is made available via public buildings and schools as well as social media. The Committee agreed to recommend that no changes be made to the existing arrangements.

- *Live streaming of Council meetings on Youtube.*

This has previously been considered by Full Council however at the time was considered to be cost prohibitive. However changes in technology meant that newer and cheaper technology was possibly now available. The Committee acknowledged that the suggestion was not a constitutional issue and the issue was therefore referred to the Chief Executive for consideration.

- *A review of the process of electing Chairs and Deputies. It could be as simple as releasing a job description for chairs and deputies of each committee.*

Elected Members were reminded that the current process for the submission of nominations to the Annual Council Meeting were made following 'Round Table' discussions amongst all Elected Members. Nominations for Chairs and Vice Chairs were considered as part of this process. The functions and responsibilities of each Committee is set out in Article 7 and Part 3 of the Authority's Constitution. When considering the nominations for Chair to these Committees, Members should consider these functions and responsibilities and it was suggested that Members could also consider the introduction of a 'job description for Committee Chairs to be also considered as part of that process as detailed in the report. The Committee agreed to recommend that no changes be made to the existing arrangements.

Bullying and Harassment Motion – A Motion had been approved by Full Council in October 2019 in relation to staff in any workplace to being subjected to bullying and harassment and which urged this Council to agree with the sentiment of the motion and refer it to this Committee to consider whether any changes can be incorporated into the Constitution.

Elected Members were advised that the Committee on Standards in Public Life (CSPL) had recently undertaken a review of local government ethical standards. The CSPL had carried out a consultation which the Authority responded to. Having considered the consultation responses, the CSPL had issued a report which included best practice guidance and a list of 26 recommendations a copy of which was appended to the report. It was highlighted that a number of the recommendations involved legislative change which the Government was currently considering. Elected Members were assured that once any changes had been implemented a further report would be brought to Members for consideration.

RECOMMENDATIONS

- (i) That a report be submitted to the next meeting of this Committee to address issues raised at the meeting in relation to the following:-
 - Community Forums
 - Full Council Procedure Rules – Questions from the Public
 - Local Joint Consultative Committee
- (ii) That the advice of the Chief Solicitor that it was not possible for a non-elected member to be appointed to the role of Ceremonial Mayor was noted and it was agreed to recommend that the current approach for selection of Mayor/Chairman not be changed.
- (iii) That Article 5 be updated in order that the role of Deputy Mayor is explicitly detailed in the Constitution to ensure full understanding of the role.

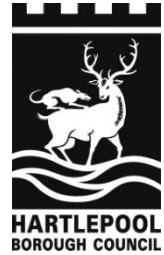
- (iv) That no changes be made to the existing Civic and Democratic arrangements
- (v) That the livestreaming of meetings of Full Council be referred to the Chief Executive for consideration.

The meeting concluded at 3.55 p.m.

CHAIR

CONSTITUTION COMMITTEE

2 March 2020



Report of: Chief Solicitor and Monitoring Officer

Subject: FURTHER PERIODIC REVIEW OF THE COUNCIL'S CONSTITUTION - UPDATE

1. PURPOSE OF REPORT

- 1.1 To seek a view from the Committee regarding proposed changes to the Constitution prior to consideration of changes by Full Council on 19 March 2020.

2. BACKGROUND

- 2.1 The Council's Constitution at Article 14 ("Review and Revision of the Constitution") requires that the Monitoring Officer "will monitor and review the operation of the Constitution to ensure that the aims and principles of the Constitution are given full effect." Members will recall that a comprehensive review was undertaken and approved by Council on 21 March 2019. Reports to this Committee on 25 November 2019 and 27 January 2020 addressed issues which had arisen since the previous review. This report provides further information on areas identified at the previous meetings upon which Elected Members sought further information.

3. PROPOSALS

- 3.1 Further information was sought by the Committee in relation to the following:-

Article 10 - Community Forums – a separate report is included on the agenda for this meeting which addresses the issues raised at the meeting on 27 January 2020.

Council Procedure Rule 9 – Questions from the Public – Following a review of practice adopted by other Authorities and taking on best practice guidance as set out in 'Knowles Best Practice on Local Authority Meetings' an amendment has been suggested to Rule 9.1

regarding debating public questions. This will allow more time for consideration of public questions.

Appendix 1 to this report addresses the issues highlighted at the meeting of this Committee on 27 January 2020 by way of suggested changes to the Constitution to include the insertion of a new Council Procedure Rule 9.8– Formal Referral of a Public Question to a Policy Committee. Also included in the appendix is a suggested Protocol for Referral of Public Questions to a Policy Committee Meeting which if approved would be inserted in to Part 5 of the Constitution.

Elected Member Referral - Local Joint Consultative Committee (LJCC) - Following the discussions at the previous meeting of this Committee, a meeting of the Local Joint Consultative Committee was convened on 7 February 2020 to consider whether there was any merit in continuing to hold meetings of the Joint Consultative Committee. The draft minutes of the meeting are attached at **Appendix 2**

The Committee will note that the LJCC agreed to recommend that this Committee recommends to Full Council as follows:-

- That the Local Joint Consultative Committee be removed from the list of Outside Bodies and
- That general details of any meetings which had taken place between Trade Union representative and Senior Management or Councillors be included in the Chief Executive's Business Report to Council in the future
- That all future scheduled meetings of the Local Joint Consultative Committee (including pre-agendas) be cancelled pending a final recommendation on its future by the Constitution Committee to Council

In considering the above issues, Members are advised that these proposals do not address potential arrangements for dispute resolution. Therefore a proposal to address this issue is included in the recommendations to this report.

4. RECOMMENDATIONS

- (i) That the Committee recommend to Full Council approve the amended Council Procedure Rule 9 including the insertion of a supplementary question, referral to a policy committee and removal of debate.
- (ii) That the Committee recommend to Full Council that the LJCC be removed from the list of Outside Bodies and that further work be undertaken, in consultation with the Trade Unions, to clarify a dispute resolution process and how Elected Members can be included in that process.

5. REASONS FOR RECOMMENDATIONS

- 5.1 It is the responsibility of the Monitoring Officer to monitor the Constitution to ensure that the aims and principles of the Constitution are given full effect.

6. BACKGROUND PAPERS

Hartlepool Borough Council Constitution
Constitution Committee Minutes 25 November 2019 and 27 January 2020
Knowles on Local Authority Meetings

COUNCIL PROCEDURE RULE 9 - QUESTIONS FROM THE PUBLIC

9.1 General

During a period of 30 minutes, or a longer period at the discretion of the Chair, residents of Hartlepool may raise questions of, Chairs of Committees and Sub-Committees at ordinary meetings of Full Council in accordance with these procedure rules. Questions and answers shall not be matters for debate.

9.2 Notice of questions

A question may only be asked if notice has been given by delivering it in writing or by electronic mail to the Chief Executive no later than noon on the Thursday of the week before the meeting (or in the case of a meeting held otherwise than on a Thursday, on the expiry of the fifth clear working day before the meeting). Each question must give the name and address of the questioner and must name the Chair of Committee or Sub-Committee to whom it is to be put (if the questioner is under 16 years of age, the notice must include the name, address and signature of the parent or guardian of the questioner).

Questions may be submitted at a later time than the deadline stated above if, in the opinion of the Chair of the Council, the question relates to an urgent issue that has arisen after the deadline.

9.3 Order of questions

- i) Not later than the day before the commencement of any meeting in respect of which more than one notification has been received under rule 9.2 and not rejected under rule 9.5, the order in which the questions shall be asked shall be determined in a manner of random selection to be stipulated by the Chief Executive. The determination of the order shall take place at the Civic Centre and shall be open to the public.
- ii) There shall be excluded from the process described in rule 9.3(i) the question of any person whose question was dealt with at the immediately preceding ordinary meeting of the Council which shall be placed at the end of the order of questions. If there is more than one question to which this paragraph applies, they shall be asked in the order in which they were asked at the preceding meeting.

9.4 Number of questions

At any one meeting no person may submit more than 2 questions but a question may consist of a number of parts.

9.5 Scope of questions

The Chief Executive in consultation with the Chair of the Council, may reject a question if:-

- i) it is not about a matter for which the Authority has a responsibility or which affects the Borough; or
- ii) it is out of order, illegal, irregular or improper; or
- iii) it is defamatory, frivolous or offensive; or
- iv) it is substantially the same as a question which has been put at a meeting of the Council in the past six months and since when there has been no change of circumstances justifying the resubmission of the question ; or
- v) it requires the disclosure of confidential or exempt information; or
- vi) it is unreasonably excessive because of its length or its number of parts; or
- vii) the name of the person wishing to ask the question is not on the Register of Electors

9.6 Record of questions

- i) The Chief Executive will enter each question in a book open to public inspection and will immediately send a copy of the question to the Elected Member to whom it is to be put. Rejected questions will include reasons for rejection.
- ii) The Chief Executive shall notify the questioner in writing addressed to the questioner at the address at which s/he is registered that his/her question has been accepted ([or referred to a Policy Committee under Rule 9.8](#)) or rejected under rule 9.5 (the letter will be copied to the parent or guardian identified in the notice if the questioner is under 16 years of age)
- iii) Copies of all questions will be circulated to all Elected Members and will be made available to the public attending the meeting.

9.7 Asking the question at the meeting

- (i) The Chair will invite the Chief Executive to read the submitted question to the Elected Member named in the notice.
- (ii) Any question which cannot be dealt with during public question time, either because of lack of time or because of the non-attendance of the

Elected Member who was to respond to the question, will be dealt with by way of a written answer.

- (iii) Once the question has been asked, the ~~Chair of the relevant Committee~~Elected Member named in the notice will have 5 minutes to respond to the question.
- (iv) ~~Once the Chair of the Committee the question has responded to the question, a questioner may ask one supplementary question for clarification purposes only without notice being given. The supplementary question must arise directly from the original question or reply~~
~~, Elected Members of the Council may, at the discretion of the Chair of the Council, make comment upon and discuss the issue raised by the question under rule 9.1 or move that the issue raised by the question be referred to a Council Committee.~~
- (v) ~~A Chair of the Committee responding to a question will have a maximum of five minutes for their response.~~

9.8 Formal Referral of a Public Question to a Policy Committee

If the Chief Executive in consultation with the Chair of Council considers that it would be more appropriate to do so, a question received on notice for submission to Full Council under Rule 9.2 may instead be referred to the next relevant Policy Committee for answer and shall be dealt with in accordance with the Council's Protocol for Public Questions at Policy Committee meetings which is included in Part 5 of the Constitution.

PROTOCOL FOR REFERRAL OF PUBLIC QUESTIONS TO A POLICY COMMITTEE MEETING

1. Where notice of a question from a member of the public is received in accordance with Rule 9.2 of the Council Procedure Rules and has not been rejected under Rule 9.5, the Chief Executive may in consultation with the Chair of Council refer the question to the relevant Policy Committee for answer.
2. A period of not more than fifteen minutes shall be allowed at each ordinary meeting of a Policy Committee for questions referred under Rule 9.8.
3. A list of the questions of which notice has been given shall be circulated to Elected Members of the relevant Policy Committee at, or before, the meeting at which they are to be asked.
4. Questions will be asked in the order notice of them was received, except that the Chair may group together similar questions.
5. The question will be answered by the Chair of the Policy Committee without discussion and the answer may take the form of:-
 - (a) a direct oral answer; or
 - (b) where the desired information is contained in a publication of the Authority, a reference to that publication; or
 - (c) where the reply to the question cannot conveniently be given orally, a written answer given to the member of the public submitting the question and circulated to the Policy Committee.
6. The questioner may ask one relevant supplementary question for clarification purposes only which shall be put and answered without discussion. A supplementary question must arise directly from the original question or reply
7. The Member to whom a question, or supplementary question, has been put may decline to answer it. (See note 1 below.)

Notes:

1. It will not be appropriate for a Chair to answer questions under this Protocol about:-

(a) matters which are subject to processes such as particular applications for planning permission, licences, registration, consents or other permissions, or

(b) matters for which there are other processes under the Council's Constitution, such as individual complaints or cases, personnel or disciplinary matters, ethical matters or allegations of fraud.

LOCAL JOINT CONSULTATIVE COMMITTEE

MINUTES OF THE MEETING OF 7th February 2020

The meeting commenced at 1.00pm in the Civic Centre, Hartlepool

PRESENT:

Councillor Marjorie James (In the Chair)

Councillors: Ged Hall and Tony Richardson

Trade Union Representatives: Edwin Jeffries, Matthew Pearce, Tony Watson and Stephen J Williams

Officers: Claire McLaren, Assistant Director (Corporate Services)
Neil Wilson, Assistant Chief Solicitor
Jo Stubbs, Democratic Services Officer

13 Referral from Constitution Committee *(Chief Solicitor)*

Members were advised that at its 27th January 2020 meeting the Constitution Committee had requested that members of the Local Joint Consultative Committee (LJCC) consider whether there was any merit in continuing to hold meetings of the LJCC. The Chair referred to the large number of scheduled meetings which had been cancelled in recent months due to a lack of business and felt that there had been no business 'of meaning' considered by the LJCC for over 2 years. The Authority operated various other methods of negotiation and consultation between Trade unions and the Council including Single Table Meetings, budget consultation and regular meetings with CMT, the Leader and the Chief Executive. The only group not involved in these meetings were backbench Councillors and the Chair of the LJCC had suggested to the Constitution Committee that this could be rectified by the inclusion of an addition to the Chief Executive's business report to Council giving general details of any meetings which had taken place involving Trade Union members and Senior Management or Councillors. This would then inform backbench members of any potential issues and open up a number of avenues to them, from debating the issues at Council at the time to convening a future meeting such as a members seminar or smaller meeting similar to the LJCC. She felt that the proper machinery was now in place and the LJCC was no longer needed as a regular scheduled meeting.

The Co-Chair confirmed that Trade Union members were not in opposition to the proposal regarding the deletion of the LJCC however they felt that there needed to be robust wording in place to protect the rights of backbench councillors in being informed should there be the risk of a breakdown in communication between Council and Trade Unions. The Chair agreed that the wording was important. The Assistant Director (Corporate Services) raised concerns at the possibility of confidential issues being brought into the open in this way but the Chair felt this could be solved by the use of exempt papers and limited detail on the open report. Should it be felt that there was a 'failure to agree' on the part of Trade Unions and the Council either side could then ask that a panel similar to the LJCC be convened as required.

In terms of the wording of the recommendation to go to Constitution Committee the Democratic Services Officer advised that a pre-agenda meeting of the Constitution Committee was due to take place on Thursday 13th February. The Co-Chair asked that the Trade Unions be given time to discuss the exact wording in terms of what would be included in future Chief Executive's reports to Council and that their suggestions be tabled at the pre-agenda meeting. This was confirmed.

Decision

- a) That a recommendation be made to Constitution Committee
 - i. that the Local Joint Consultative Committee be removed from the list of Outside Bodies for 2020/2021 and
 - ii. that general details of any meetings which had taken place between Trade Union representatives and Senior Management or Councillors be included in the Chief Executive's Business Report to Council in the future
- b) That all future scheduled meetings of the Local Joint Consultative Committee (including pre-agendas) be cancelled pending a final recommendation on its future by the Constitution Committee to Council

14. Apologies for Absence

Apologies were submitted by Councillors Lesley Hamilton and Carl Richardson and Trade Union Representatives Debbie Chapman, Alison Leonard and Julie Seymour.

15 Confirmation of the minutes of the meeting held on 10th September

Minutes confirmed

16. 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.

Members agreed that the meeting scheduled for 3rd March (and its associated pre-agenda) be cancelled due to a lack of business, subject to discussions by the Constitution Committee.

The meeting concluded at 1.20pm.

CHAIR

CONSTITUTION COMMITTEE

2nd March 2020



Report of: Assistant Director – Corporate Services

Subject: PROPOSAL TO ROLL OUT THE YOUR SAY, OUR FUTURE APPROACH

1. PURPOSE OF REPORT

- 1.1 To provide the Committee with further detail on the Council's engagement approach, Your Say, Our Future, for them to consider and use to inform their recommendation to Council on the future of the Community Forums.

2. BACKGROUND

- 2.1 Community Forums were introduced in May 2012 and held quarterly for two areas across the town to discuss local issues and concerns as well as providing information to residents. They helped ensure that residents of the town were better informed about the way council services and other major service providers are running and allowed them to get involved in the decision making process. The Constitution Committee considered the future of the Community Forums at their meeting on 27th January 2020. At that meeting the Committee requested a report outlining the planned annual programme for the roll out of the Your Say, Our Future approach for them to consider before making a recommendation to Council.

3. PROPOSALS

- 3.1 It is recognised that the Your Say, Our Future approach has worked very well and has facilitated a greater level of involvement and discussion through its collaborative and participatory style of engagement. Since the approach was first utilised in the development of the 2017-2020 Council Plan it has been used to engage with members of the public and partners across the Borough around key issues most recently the review of leisure services and facilities and the new Council Plan. The Face the Public events for the Health and Wellbeing Board and Safer Hartlepool Partnership have been undertaken under the Your Say, Our Future banner for the last few years and the bringing together of these events in 2019 encouraged greater involvement from members of the public.

- 3.2 The Your Say, Our Future approach is included within the Council's Community Engagement and Cohesion Strategy which was adopted by Council in March 2018. It sits within the Council's commitment to:

Engage with our communities so that they can have an active role in shaping the future of Hartlepool by influencing local decisions and co-designing services.

- 3.3 Going forward it is proposed that a programme of Your Say, Our Future events is agreed at the beginning of each municipal year and that this continues to include the Face the Public events for the Health and Wellbeing Board and Safer Hartlepool Partnership. The number of events held across the year and when they are held will be determined by the topics around which the Council needs to engage on in any given year. This will reflect the development of Strategies and Plans within the Council's Budget and Policy Framework and any other key consultations that are identified. After initial consideration the following programme for the 2020/21 municipal year has been drafted to include:

What	When
Community Safety Plan 2020-2023 and Safer Hartlepool Partnership	June/July 2020
Budget 2021-22 (Medium Term Financial Strategy and Local Council Tax Support Scheme as required)	September/October/November 2020
Health and Wellbeing Board Your Say Our Future Event	February/March 2021

- 3.4 The Your Say, Our Future approach focuses on engaging members of the public and partners, and provides the opportunity for engagement with officers from the Council and Partner Organisations. Although elected members are welcome to attend it is recognised that there are other mechanisms for engaging directly with elected members including the use of Members Seminars, informal discussions with Policy Chairs and committee members. What has worked well in the past has been when elected members have attended the Your Say, Our Future events and have been able to share what they have heard more widely within committee discussions.

4. CONSULTATION

- 4.1 Your Say, Our Future is the banner under which the Council's consultation and engagement activities are delivered. The approach of holding roundtable discussion events is one method that the Council utilises to understand the views of residents, partners and elected members. Other methods utilised by the Council include surveys (online and paper-based), drop in events, Members Seminars and focus groups for particular communities.

5. EQUALITY AND DIVERSITY CONSIDERATIONS

- 5.1 The Your Say, Our Future approach looks to strengthen the Council's engagement with individuals from across the range of protected characteristics and arrangements can be made to facilitate engagement including the use of interpreters at events when prior notice is given.

6. STAFF CONSIDERATIONS

- 6.1 In rolling out this approach the important role that staff will play in facilitating these events needs to be recognised. It is therefore proposed that the bank of suitably trained and experienced staff are expanded to ensure that these events are delivered to the highest possible standard.
- 6.2 Staff will also be encourage to take part in these events as many of them live within the Town and their views are very important to the Council.

7. RECOMMENDATIONS

- 7.1 That the Committee consider the report and subject to the views of Members the Committee formulates its recommendations around Community Forums for submission to Council on 19th March 2020.

8. REASONS FOR RECOMMENDATIONS

- 8.1 Constitution Committee are responsible for reviewing, monitoring, and where necessary, recommending changes to the Constitution to full Council, so that the aims and principles of the Council's Constitution are given full effect.

9. BACKGROUND PAPERS

Hartlepool Borough Council's Constitution
Constitution Committee Report, Further periodic review of the Council's
Constitution – update, 27th January 2020
Constitution Committee Draft Minutes 27th January 2020

10. CONTACT OFFICERS

Claire McLaren
Assistant Director – Corporate Services
Claire.mclaren@hartlepool.gov.uk
01429 523002

Report of: Appointments Panel

Subject: APPOINTMENT OF HEAD OF PAID SERVICE AND DESIGNATION OF RETURNING OFFICER

1. PURPOSE OF REPORT

- 1.1 To inform Council of the outcome of the Appointment Panel meeting on the 13th March 2020.

2. BACKGROUND

- 2.1 Finance and Policy Committee approved a revised Senior Management structure at their meeting on the 9th March 2020 and referred appointment arrangements to the Appointments Panel on the 13th March 2020. A further report will be issued to enable Council to consider the recommendations from the Appointments Panel.

COUNCIL
19 March 2020



Report of: Armed Forces Champion (Councillor Lee Cartwright)

Subject: HARTLEPOOL'S ARMED FORCES COVENANT -
PROGRESS (2019/2020)

1. PURPOSE OF REPORT

- 1.1 To provide an update on progress in relation to the implementation of the Armed Forces Community Covenant during 2019/2020.

2. BACKGROUND

- 2.1 In 2012 Hartlepool Borough Council signed the North East Armed Forces Community Charter and established its own Armed Forces Community Covenant, to encourage support from the Armed Forces Community in our town. The basis for the Covenant being that

"Those who serve in the Armed Forces, whether Regular or Reserve, those who have served in the past, and their families, should face no disadvantage compared to other citizens in the provision of public and commercial services. Special consideration is appropriate in some cases, especially for those who have given most such as the injured and the bereaved."

- 2.2 The Community Covenant requires that the Armed Forces Champion report annually to Full Council outlining progress in relation to the implementation of the Covenant. In accordance with this requirement, outlined below are details of progress, activity and achievements during 2019/20.

3. PROPOSALS

- 3.1 Over the last 7 years significant progress has been made in meeting the objectives and intentions of the Covenant and implementing the measures contained within it. This includes continued:-
- i) Prioritisation of armed forces personnel, their families and children, through the Council's allocations policies for Social Housing and in year school admissions;

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- ii) Disregarding of War Pensions, and Armed Forces Compensation Scheme payments, from Housing Benefit and Local Council Tax Support calculations.
- iii) Representation on the Tees Valley Armed Forces Forum and Association of North East Councils Armed Forces Forum to ensure that the needs of our armed forces community are considered;
- iv) Development of links with Armed Forces Associations across Hartlepool and cementing of relationships with the town's 883 Postal and Courier Squadron;
- v) Support and participate in Armed Forces Events and Parades across the town and wider region, supported by our Culture and Information Team, Members Services Team, Public Relations Team and the Legal Service Team;
- vi) Provision of Armed Forces Champion Surgeries on a monthly basis and a dedicated Armed Forces page on the Council's web site;
- vii) Promotion of:
 - Reserves Day (this year on the 24 June 2020) and opportunities as part of the Ministry of Defence 1% Reservist Challenge;
 - Military Discount Schemes / opportunities; and
 - Voting opportunities (as part of the Service Voters Campaign).
- ix) Support for the independently Chaired Hartlepool Armed Forces Liaison Group in its activities to bring together Armed Forces Associations from across Hartlepool to:
 - Share information / best practice; and
 - Assist in the implementation of the requirements of the Covenant and lead on (contribute to) the organisation of military / ceremonies in Hartlepool. In 2019, this included a third successful Armed Forces Day.
- x) Representation on the Tees Valley Armed Forces Forum and Association of North East Councils Armed Forces Forum.

3.2 Over and above our ongoing activities, we have continued to move forward in our support of the armed forces community in Hartlepool. The work of our Armed Forces Champions (past and present) resulting in:

- i) Receipt of our Gold Award, from the Ministry of Defence Employer Recognition Scheme (ERS), in recognition of our commitment to supporting the armed forces community across Hartlepool and our efforts to inspire others to do the same. Hartlepool Borough Council being the first Tees Valley Local Authority to receive this accolade.

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- ii) A refresh of the Community Covenant, originally signed in 2012, in partnership with our Military colleagues and partner organisations. As part of which the position of Veterans Champion was created to support the activities of the Armed Forces Champion;
- iii) The extension of the 'Get Hartlepool Active' card concession to Hartlepool residents (and their family living at the same address) who are currently serving in the regular armed forces, are ex-members of the armed forces with a discharge date within the last 5 years and those in the armed forces reservists. Further details of the scheme are available via the below link. The aim of this is to provide improved the health and wellbeing opportunities for the Armed Forces community and Hartlepool Borough Council is the first Tees Valley Local Authority to offer these concessions.

https://www.hartlepool.gov.uk/info/20004/council_and_democracy/580/armed_forces_support/10.

- iv) Promotion through our Economic Regeneration and Tourism Forum to encourage businesses, suppliers, contractors and voluntary/community sector to engage with the Armed Forces Community. Resulting in:
 - Additional co-signatories to the Covenant from education, housing, voluntary/community sector and local/national businesses; and
 - Links between REED and local companies, increasing involved in the Armed Forces Business Forum.
- v) An expansion of the Reserve Forces Policy to support our Reservists through the following:
 - 10 days additional paid leave,
 - The ability to purchase additional leave and request additional unpaid leave; and
 - Information about pensions, pay, childcare and keep-in-touch days.
- vi) Close working relationships with the 883 Postal and Courier Reservist Squadron to:
 - Support their employment and engagement events and facilitate their involvement in the AFLG and AFD; and
 - Hold recruitment events, including [drop in sessions for staff](#) are hosted in the Civic Centre and other community buildings.
- vii) Promotion and delivery of Drop-in sessions by the Royal British Legion (100+ individuals helped) the Community Sports Foundation (accessed by 121 individuals) and the [Mental Health Team](#).
- viii) Staff from key front line services actively volunteering for the RBL, establishing a constant presence in the town, enabling staff to receive ongoing RBC training and allowing cases to be opened directly with the

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RBL. This removed a delay to getting our armed forces community the help they need.

- ix) The direct provision of mental health support services such as the veterans weekly Mental Health Group and the council's Drug and Alcohol Support Team.
 - x) Front line staff receiving briefings from the RBL to help provide and enhanced understanding and appreciation of the Armed Forces with our non-military staff, combined with the inclusion of E-Learning modules for Frontline Staff' as part of the corporate training package.
 - xi) Introduction to, and promotion of the Veteran Friendly GP P Accreditation Scheme with Hartlepool GP's, through the GP Federation;
 - xii) Provision of other events, including the [100th anniversary of the end of the First World War](#), '[Honoured Project](#)' and the [Queens Commonwealth Canopy Project](#); and
 - xiii) Assistance to bodies such as the Hartlepool NDC Trust, in progressing its [Housing Heroes](#) accommodation and training scheme and sharing best practice to improve services (i.e. Gateshead scheme to increase registration with GP's).
- 3.3 A considerable amount of work has been done so far; however, I recognise that there is still a long way to go in supporting our armed forces personnel and their families in the future. We need to continue to move forward in identifying our service personnel and their needs, looking at how we can as a local authority work with our partners to deliver services and maximise funding opportunities.

4. RECOMMENDATIONS

- 4.1 Note the report and presentation.



Report of: Finance and Policy Committee

Subject: COUNCIL PLAN 2020-23

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to set out the Council's ambitions for the Borough and the strategic framework for achieving this. Specifically, Council is asked to consider and agree the proposed vision and strategic priorities for the Council Plan 2020/21 – 2022/23.

2. BACKGROUND

- 2.1 The current Council Plan 2017/18 – 2019/20 is coming to an end this year. It was developed following the extensive Your Say, Our Future consultation with residents, staff and partners which took place in the summer of 2016 and identified a series of key priorities for Hartlepool.
- 2.2 Finance and Policy Committee agreed at their meeting on 22nd July 2019 to begin preparing a new Council Plan to cover the period 2020/21 – 2022/23 with the aim of having it agreed before the end of the current municipal year.
- 2.3 Consultation on the Council Plan priorities for 2020/21 – 2022/23 launched on 13th September 2019 and ran for 4 weeks. There were 4 key questions that were asked throughout the consultation:
- What do you think is going well in Hartlepool?
 - What do you love about Hartlepool?
 - What do you think needs to improve in Hartlepool?
 - How do you think that the Council, our residents and our partners can work together to make a difference?

In addition residents were asked whether the priorities identified in the 2016 consultation were still important.

- 2.4 In order to raise public awareness of the consultation a wraparound was published in the Hartlepool Life and the Hartlepool Mail highlighting the achievements from the current Council Plan and promoting the ways in which people could get involved in shaping the new Council Plan. The opportunities that were made available for people to get involved included:
- Survey – online and paper copies made available in Community Hubs and other Council venues;
 - 3 public drop in events held at the Community Hubs;
 - A roundtable discussion with partners;
 - Roundtable discussions with our employees at the Autumn Corporate Management Team (CMT) Roadshows;
 - A roundtable discussion with the Youth Council;
 - A roundtable discussion with the Senior Leadership Team;
 - A Members Seminar.
- 2.5 A draft Council Plan 2020/21 – 2022/23 was developed building on what had already been achieved over the last 3 years and responding to what residents, employees and partners told us through the first stage of consultation. Finance and Policy Committee agreed for the draft Council Plan to go out to consultation at their meeting on 13th January 2020.
- 2.6 Consultation on the draft Council Plan ran for 5 weeks from 17th January to 21st February 2020 and included:
- Online copies of the consultation documents with email and written comments/responses requested;
 - Paper copies of the consultation documents available in the 3 Community Hubs;
 - A Members Seminar on 29th January 2020;
 - Discussion at Policy Committees – Finance and Policy Committee (13th January 2020), Children’s Services (28th January 2020), Adult and Community Based Services (30th January 2020), Regeneration Services (5th February 2020) and Neighbourhood Services (21st February 2020);
 - Sharing the draft with the Health and Wellbeing Board and Safer Hartlepool Partnership by email for their comments;
 - Presentation and email to the Economic Regeneration and Tourism Forum for their comments;
 - Promotion of the consultation through social media and press releases and by email/letter to the Hartlepool Online Panel and the Voluntary and Community Sector database.

3. DECISION MAKING ROUTE FOR THE PLAN

- 3.1 The Council Plan is part of the Council's Budget and Policy Framework and therefore requires approval by full Council. The Plan has been through the following stages before being presented to full Council for approval:

Finance and Policy Committee	22 nd July 2019	Agreed to begin preparing a new Council Plan.
Finance & Policy Committee	13 th January 2020	Considered and agreed draft Council Plan to go out for consultation.
Children's Services Committee	28 th January 2020	Considered draft Council Plan.
Adult and Community Based Services Committee	30 th January 2020	
Regeneration Services Committee	5 th February 2020	
Neighbourhood Services Committee	21 st February 2020	
Finance & Policy Committee	9 th March 2020	Considered feedback from Policy Committees and the Stage 2 public consultation along with the proposed final vision and strategic priorities for the Council Plan.

- 3.2 In addition to the formal decision making route there have been 2 stages of public consultation:

Stage 1 - Consultation on the Council Plan priorities for 2020/21 – 2022/23 launched on 13th September 2019 and ran for 4 weeks.

Stage 2 - Consultation on the draft Council Plan 2020/21 – 2022/23 launched on 17th January 2020 and ran for 5 weeks.

4. PROPOSALS - THE COUNCIL PLAN 2020/21-2022/23

- 4.1 Through the recent consultation we have received really constructive feedback on the draft Plan. The feedback we have received demonstrates how important the plan is becoming to our community, staff and elected members. In order to fully respond to what we've been told we will need to take some time to finalise the detail of the activity within the Plan and to develop the associated performance management framework that will be used to assess our progress in delivering the Plan. Therefore it is proposed that Council agree the overarching framework for the new Council Plan as

established by the vision and strategic priorities. Work will then continue on preparing the detail of the Council Plan and this will be brought to Finance and Policy Committee for approval early in the new municipal year. This will include detail of the main development projects as already agreed in the Capital Plan.

- 4.2 The proposed vision and strategic priorities which will provide the framework for the Council Plan 2020/21 – 2022/23 are:

Vision

Hartlepool will be a place where people work together to create a sustainable, thriving and welcoming community for people to live, visit, invest, work and grow.

Strategic Priorities

- 1 Growing a diverse economy by supporting local businesses, increasing jobs, attracting inward investment and improving skills and aspirations.
- 2 Creating a clean, green, and safe Hartlepool by protecting our environment and improving our neighbourhoods.
- 3 Creating an attractive and connected Hartlepool by attracting investment to improve key buildings, derelict land and our transport network.
- 4 Developing a healthy Hartlepool by working with our communities to improve the health and wellbeing of our people.
- 5 Building better beginnings and better futures for our children and young people.
- 6 Improving outcomes for adults with health and social care needs and their carers.
- 7 Building and improving homes and providing effective support to those with additional needs to ensure that all our residents can live independent lives in quality homes.
- 8 Shaping a well-led, safe, high performing and efficient council that is fit for the 21st Century.
- 9 Ensuring our services and staff can meet the increasingly diverse needs of our population.
- 10 Providing strong leadership to tackle climate change by developing a sustainable borough and working to reduce the Council's carbon footprint.

- 4.3 The feedback received on the draft Plan also highlighted the need to ensure that the Council Plan works to break down silo working within the Council

and with partners. Each of the strategic priorities are intended to be cross-cutting in nature and this will be clearly demonstrated in the detail that will be prepared and presented to Finance and Policy Committee in the new municipal year.

- 4.4 Council is requested to agree the proposed vision and strategic priorities for the Council Plan 2020/21 – 2022/23 and note the intention to develop the detail of the Plan and present this to Finance and Policy Committee for approval in the new municipal year

5. RISK IMPLICATIONS

- 5.1 The Council needs appropriate planning and performance management arrangements in place in order to manage its key strategic risks. The Council's Strategic Risk Register captures the strategic risks facing the Council in the delivery of the Council Plan and its key responsibilities and forms the third strand of the Council's performance management framework. The Register will be reviewed and updated to reflect the priorities identified in the new Council Plan.

6. FINANCIAL CONSIDERATIONS

- 6.1 The new Council Plan will be prepared alongside the Medium Term Financial Strategy and the 5 year Capital Plan as three parts of a single plan to ensure the links between the three are strengthened.

7. LEGAL CONSIDERATIONS

- 7.1 Whilst the Council Plan is not included in the list of plans and strategies required to be approved or adopted by the Local Authority under Regulation 3 of the Local Authorities (Committee System) (England) Regulations 2012, it is recommended good practice to do so and therefore is included as part of the Council's Budget and Policy Framework.

8. CHILD AND FAMILY POVERTY CONSIDERATIONS

- 8.1 The new Council Plan will continue to work to reduce child and family poverty within Hartlepool and a Child and Family Poverty Impact Assessment has been developed for the Plan. This has been reviewed and an updated version is included as Appendix 1.

9. EQUALITY AND DIVERSITY CONSIDERATIONS

- 9.1 The new Council Plan will aim to have a positive impact on the whole population of Hartlepool and will include the Council's Equality Objectives as

required through the Public Sector Equality Duty. An Equality Impact Assessment has been developed for the Plan and this has been reviewed and an updated version is included as Appendix 2.

10. STAFF CONSIDERATIONS

- 10.1 No implications.

11. ASSET MANAGEMENT CONSIDERATIONS

- 11.1 No implications.

12. RECOMMENDATIONS

- 12.1 Council is recommended to:
- Agree the vision and strategic priorities that will form the structure of the Council Plan 2020/21 – 2022/23 as set out in section 4.2;
 - Note the intention to develop the detail underpinning the plan which will be taken to Finance and Policy Committee for approval in the new municipal year.

13. REASONS FOR RECOMMENDATIONS

- 13.1 Council is responsible for approving the Council Plan as set out in the Budget and Policy Framework.

14. BACKGROUND PAPERS

- 14.1 Developing a new Council Plan 2020/21 – 2022/23 report to Finance and Policy Committee 22nd July 2019.

Council Plan 2020-23 report to Finance and Policy Committee 13th January 2020.

Council Plan 2020-23 report to Finance and Policy Committee 9th March 2020.

15. CONTACT OFFICER

- 15.1 Gill Alexander
Chief Executive
01429 523001
Gill.alexander@hartlepool.gov.uk

Sign Off:-

Chief Executive



Director of Finance and Policy



Chief Solicitor



POVERTY IMPACT ASSESSMENT

1. Is this decision a Budget & Policy Framework or Key Decision? YES

If YES please answer question 2 below

2. Will there be an impact of the decision requested in respect of Child and Family Poverty? YES

If YES please complete the matrix below

GROUP	POSITIVE IMPACT	NEGATIVE IMPACT	NO IMPACT	REASON & EVIDENCE
Young working people aged 18 - 21	X			The Council Plan will focus on increasing jobs and improving skills and aspirations and this will include young people aged 18-21.
Those who are disabled or suffer from illness / mental illness	X			The Council Plan will focus on improving outcomes for adults with health and social care needs and their carers – many of which will have a disability. The Council Plan will also focus on ensuring our services and staff can meet the increasingly diverse needs of our population.
Those with low educational attainment	X			The Council Plan will focus on building better beginnings and better futures for our children and young people and increasing jobs and improving skills and aspirations and this will include those with low educational attainment.
Those who are unemployed	X			The Council Plan will focus on increasing jobs and improving skills and aspirations and this will include those who are unemployed.
Those who are underemployed	X			The Council Plan will focus on increasing jobs and improving skills and aspirations and this will include those who are underemployed.
Children born into families in poverty	X			The Council Plan will focus on building better beginnings and better futures for our children and young people and increasing jobs and improving skills and aspirations both of which should have a positive impact on children born into families in poverty.
Those who find difficulty in managing their finances			X	There will be no direct impact on this group.
Lone parents			X	There will be no direct impact on this group.
Those from minority ethnic backgrounds			X	The Council Plan will focus on ensuring our services and staff can meet the increasingly diverse needs of our population.

POVERTY IMPACT ASSESSMENT

Poverty is measured in different ways. Will the policy / decision have an impact on child and family poverty and in what way?				
Poverty Measure (examples of poverty measures appended overleaf)	POSITIVE IMPACT	NEGATIVE IMPACT	NO IMPACT	REASON & EVIDENCE
Children in Low Income Families (%)	X			<p>The strategic priorities in the Council Plan aim to have a positive impact on all of the listed measures of poverty through:</p> <ul style="list-style-type: none">• building better beginnings and better futures for our children and young people;• increasing jobs and improving skills and aspirations;• developing a healthy Hartlepool;• improving outcomes for adults with health and social care needs and their carers;• building and improving homes and providing effective support to those with additional needs to ensure that all our residents can live independent lives in quality homes; and• ensuring our services and staff can meet the increasingly diverse needs of our population.
Children in Working Households (%)	X			
Overall employment rate (%)	X			
Proportion of young people who are NEET	X			
Adults with Learning difficulties in employment	X			
Free School meals attainment gap (key stage 2 and key stage 4)	X			
Gap in progression to higher education FSM / Non FSM	X			
Achievement gap between disadvantaged pupils and all pupils (key stage 2 and key stage 4)	X			
Number of affordable homes built	X			
Prevalence of obese children in reception year	X			
Prevalence of obese children in reception year 6	X			
Overall impact of Policy / Decision				
POSITIVE IMPACT		X	ADJUST / CHANGE POLICY / SERVICE	
NO IMPACT / NO CHANGE			STOP / REMOVE POLICY / SERVICE	
ADVERSE IMPACT BUT CONTINUE				

Impact Assessment Form

11(a)(1) Appendix 2

Department	Division	Section	Owner/Officer	
All – CED Lead	CS	CS&P Team	Claire McLaren / Catherine Grimwood	
Service, policy, practice being reviewed/changed or planned	Council Plan 2020/21 – 2022/23			
Why are you making the change?	A new 3-year Council Plan being prepared as the previous plan is coming to an end.			
How might this impact (positively/negatively) on people who share protected characteristics?				
		<i>Please tick</i>	POSITIVELY	NEGATIVELY
Age			X	
<p>The Council Plan will focus on improving outcomes for adults with health and social care needs and their carers.</p> <p>The Plan will also focus on building better beginning and better futures for children and young people.</p> <p>The Plan will also focus on ensuring our services and staff can meet the increasingly diverse needs of our population.</p>				
Disability			X	
<p>The Council Plan will focus on improving outcomes for adults with health and social care needs and their carers – many of which will have a disability.</p> <p>The Plan will also focus on ensuring our services and staff can meet the increasingly diverse needs of our population.</p>				
Gender Re-assignment			X	
<p>The Council Plan will focus on ensuring our services and staff can meet the increasingly diverse needs of our population.</p>				
Race			X	
<p>The Council Plan will focus on ensuring our services and staff can meet the increasingly diverse needs of our population.</p>				
Religion			X	
<p>The Council Plan will focus on ensuring our services and staff can meet the increasingly diverse needs of our population.</p>				
Gender			X	
<p>The Council Plan will focus on ensuring our services and staff can meet the increasingly diverse needs of our population.</p>				
Sexual Orientation			X	
<p>The Council Plan will focus on ensuring our services and staff can meet the increasingly diverse needs of our population.</p>				
Marriage & Civil Partnership			X	
<p>The Council Plan will focus on ensuring our services and staff can meet the increasingly diverse needs of our population.</p>				
Pregnancy & Maternity			X	
<p>The Council Plan will focus on ensuring our services and staff can meet the increasingly diverse needs of our population.</p>				

Has there been consultation /is consultation planned with people who will be affected by this policy? How has this affected your decision making?		Initial consultation on the priorities for the Council Plan took place between 13 th September and 11 th October (4 weeks). The findings from that exercise informed the draft Council Plan which went out to consultation for 5 weeks between 17 th January and 21 st February 2020. Feedback from that has been used to inform the proposed vision and strategic priorities which provide the framework for the Council Plan. This will be presented to Council in March 2020 for approval with further detail on the activity within the Plan being prepared for agreement by Finance and Policy Committee in the new municipal year.	
As a result of your decision how can you mitigate negative/maximise positive outcomes and foster good relationships?		Following feedback on the draft Council Plan an additional strategic priority has been added which reflects the Council's commitment to respond to the needs of our increasingly diverse population. It is not anticipated that the proposals included in the Council Plan will have any negative outcomes. By providing a range of opportunities to feed into the development of the Council Plan it is anticipated that it will maximise positive outcomes and foster good relations.	
Describe how you will address and monitor the impact		1. No Impact - No Major Change	
Initial Assessment	13/12/2019	Reviewed	13/02/2020
Completed	00/00/00	Published	00/00/00



Report of: Chief Executive

Subject: BUSINESS REPORT

1. PAY POLICY 2020/2021

Under Section 38 of the Localism Act (2011), Full Council has to approve a Pay Policy Statement (PPS) on an annual basis. The draft PPS for 2020/21 is attached at Appendix A for Council's consideration. The document has been updated and includes a change in paragraph 10.1. Restricting access to employment within the Council for those in receipt of a public sector pension could be potentially discriminatory on age grounds. The change of wording makes the Pay Policy clearer, fairer and lawful in this respect.

Full Council is requested to approve the Pay Policy Statement 2020/21 which is attached as Appendix A.

2. RECONVENED ANNUAL COUNCIL MEETING

Members will recall that Full Council agreed that the Annual Council meeting scheduled for 26 May 2020 will be reconvened on 28 May 2020 for the ceremonial part of the meeting.

Council is requested to consider agreeing to change the date of the reconvened meeting from Thursday 28 May to Tuesday 2 June 2020.

3. SPECIAL URGENCY DECISIONS

In accordance with the requirements of the Access to Information Procedure Rules included in the Council's Constitution, Council is informed that no special urgency decisions were taken in the periods set out below:-

November 2019 to January 2020

Council is requested to note the report.

4. CONSIDERATION OF SANCTIONS AGAINST COUNCILLOR TONY RICHARDSON – REPORT OF THE AUDIT AND GOVERNANCE COMMITTEE

Following the receipt of a complaint about Councillor Tony Richardson and a subsequent investigation, the Audit and Governance Committee conducted a hearing on 22 January 2020. The outcomes of the Audit and Governance Committee's hearing were reported to Full council on 20 February 2020 along with a request that additional sanctions be considered. Full Council agreed that consideration of these additional sanctions should be deferred pending receipt of an independent review regarding the appropriateness of the procedures that had been followed and an opinion upon the merits of awaiting the outcome of a related investigation being undertaken by Cleveland Police.

This review has now been undertaken and the opinion of leading counsel is attached at Appendix A. Counsel's review and opinion is based upon the following established facts:

- That Hartlepool Borough Council's Audit and Governance Committee were charged with determining a complaint that had been made in respect of the Council's Code of Conduct and not whether a criminal offence had been committed.
- The legal tests to be applied when considering a breach of a code of conduct and a criminal offence are very different.
- This breach of code was entirely and unequivocally accepted by Councillor Tony Richardson.
- The burden of proof and whether or not it is to the civil or criminal standard is immaterial for the purpose of this complaint. Councillor Tony Richardson accepted that he had shared the posts that were complained of and this acceptance would have been sufficient to satisfy either burden. Whether or not a fact is proved to either standard of proof is however only pertinent insofar as it relates to the elements of the breach/offence under consideration.
- The outcome of Audit and Governance Committee has been passed to Cleveland Police who have confirmed (in writing on 17/01/20 and again verbally on 05/03/20) that they have no reason to object to the Council dealing with its complaint in accordance with its procedures.

With due regard to this independent opinion, Full Council is now asked to consider the following recommendations made by the Audit and Governance Committee:

- That Full Council notes the findings and recommendations arising from the hearing that took place on 22 January 2020;
- That Full Council terminates the membership of Councillor Tony Richardson on the Licensing, Planning and Local Joint Consultative Committees, in accordance with the expressed wishes of the Coalition;
- That Full Council resolves that Councillor Tony Richardson shall not be appointed as a member of any committee for the remainder of his

current term of office and shall discourage any member from designating him as a substitute for them on any other committee;

- That Full Council resolves that Councillor Tony Richardson consider resigning as an elected member of Hartlepool Borough Council.
- That Full Council considers censure of Councillor Tony Richardson and issues the following formal statement:

“Hartlepool Borough Council is pleased to note that Councillor Tony Richardson accepts that he has breached the Council’s Code of Conduct and that he has apologised for doing so. The promotion of racist and offensive material in any forum falls well below the standards expected of those in public life and such actions cannot and will not be tolerated. The actions of Councillor Tony Richardson are not representative of this Authority or the communities that it represents and as such the Authority has worked to impose the most appropriate and stringent sanctions that are available in law.”

5. COMMUNITY GOVERNANCE REVIEWS

Elected members are requested to note that the Council has received two valid community governance petitions. The petitions have been received as follows:

- Residents of Wynyard have proposed that Wynyard be removed from Elwick Parish Council and that a stand-alone Wynyard Parish Council (Hartlepool) be established.
- Residents of South Fens have proposed that South Fens be removed from Greatham Parish Council but without an alternative Parish Council being established.

Upon receipt of valid petitions (which include the signatures of 250 electors from the Parish) the Council must, as a matter of law undertake a community governance review. In order to undertake these reviews working groups will need to be established to agree upon and publish terms of reference and thereafter undertake the reviews.

Reports in respect of these reviews will be prepared and submitted to Full Council for the start of the new municipal year, to ensure consistency. Community governance reviews must be completed within 12 months from the date of publication of the terms of reference.



Hartlepool Borough Council

Pay Policy Statement 2020/21

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1. INTRODUCTION

- 1.1 This document sets out the Council's Pay Policy in relation to the remuneration of its employees (excluding those employed by schools with delegated budgets) for the period 1 April 2020 to 31 March 2021 in accordance with Section 38 of the Localism Act 2011¹ and reflects the guidance issued by the Department for Communities and Local Government^{2 3} unless stated differently. This pay policy applies equally to all employees (excluding school employees) regardless of status and seniority unless stated differently. The policy is subject to annual review and must be approved by the Borough Council for each financial year. The policy will be published on the Council's website⁴ as soon as reasonably practicable after approval or amendment.
- 1.2 Hartlepool Borough Council is committed to transparency and fairness in its payment and remuneration of all of its employees and will comply with all relevant employment legislation.
- 1.3 In 2020/21, the Council has an overall pay budget of £62.2m (excluding school staff) including on-costs for its workforce. It will employ around 1,989 people excluding those who are employed directly by schools in Hartlepool, in a variety of diverse roles.
- 1.4 The Council's values give us a desire to increase the standard of living for everyone. Given that the Council is the largest employer in Hartlepool and that around 76.5% of employees live in the town, it has a major influence on the economic wellbeing of the town and a direct impact on levels of inequality. The Council wants to do all in its power to make Hartlepool a fairer town and is committed to reducing inequality by leading by example and doing so through the way it operates as an organisation.

2. NATIONAL AND OTHER CONDITIONS OF SERVICE

- 2.1 The appropriate National Conditions of Service (as detailed in Table 1) are automatically incorporated into employee contracts of employment.

1 Available at: <http://www.legislation.gov.uk/ukpga/2011/20/contents>

2 Available at: [Openness and accountability in local pay: guidance - Publications - GOV.UK](#)

3 Available at: [Openness and accountability in local pay: supplementary guidance - Publications - GOV.UK](#)

4 Available at: https://www.hartlepool.gov.uk/downloads/download/305/pay_policy

Table 1 – National Conditions of Service in use in the Council

Condition of Service	Type of Employees
Joint Negotiating Committee (JNC) for Local Authority Chief Executives	Chief Executive
Joint Negotiating Committee (JNC) for Chief Officers in Local Authorities	Directors, Assistant Directors and some other senior managers
The Soulbury Committee	Educational Improvement Professionals, Educational Psychologists and Young People's/Community Service Managers
Conditions Of Service for School Teachers in England And Wales ⁵	Head Teachers, Deputy/Assistant Head Teachers, all Leadership, Teachers, Qualified and Unqualified Teachers
Joint Negotiating Committee for Youth and Community Workers	Youth and Community Workers
National Joint Council (NJC) for Local Government Services – Part 2 only	All other employees

For legal and other reasons, some employees are employed on other conditions of service, for example as a result of TUPE transfers into the Council.

- 2.2 The Council's Single Status Agreement is automatically incorporated into the employment contract of NJC for Local Government Services employees.
- 2.3 Sections 1 (paragraphs 1.1.3 and 1.1.4 only), 3 (sub section 3.5 only), 5-9 and 12-16 of Part 2 of the Council's Single Status Agreement apply to all employees where their national conditions of service are silent.

3. PAY STRUCTURE

- 3.1 The Council uses nationally negotiated pay rates included in the above national conditions of service as the basis for its local pay structure, which determines the pay bands of its workforce.
- 3.2 National pay awards are automatically applied to the national and local pay rates where employees are employed under the national conditions of service detailed in Table 1. Employees who continue to be employed under their pre transfer conditions of service following their TUPE (or similar) transfer to the Council are:

⁵ The Conditions of Service for School Teachers In England And Wales August 2000 is supplemented by the statutory School Teachers' Pay and Conditions Document available at <https://www.gov.uk/government/publications/school-teachers-pay-and-conditions>

- not entitled to receive pay awards (equivalent to the appropriate Council condition of service national pay awards) where the value of the maximum of the employees pre transfer pay band is greater than the pay they would receive at the maximum of the pay band if they were employed under the appropriate Council conditions of service and/or if the employees are entitled to increments within their TUPE pay band as they are not at the maximum of their TUPE (or similar) pay band.
- entitled to receive national pay awards in all other circumstances subject to the employees pay plus any pay award not exceeding the maximum of the appropriate pay band if they were employed under the appropriate Council conditions of service.

- 3.3 All other pay-related allowances are the subject of either nationally or locally negotiated rates, having been determined from time to time in accordance with collective bargaining machinery.
- 3.4 In determining its grading structure and setting remuneration levels for any posts which fall outside the scope of nationally set pay grades, the Council takes account of the need to ensure value for money in respect of the use of public expenditure. This is balanced against the need to recruit and retain employees who are able to deliver high quality services to the community and the need to comply with pay related legislation e.g. in relation to equal pay, national minimum wage and the national living wage.
- 3.5 In line with good employment practice, JNC for Local Authority Chief Executives and JNC for Chief Officers in Local Authorities jobs have been evaluated using the LGA Senior Managers job evaluation scheme and NJC for Local Government Services jobs have been evaluated using the bespoke NJC job evaluation scheme. This is to ensure that jobs are graded fairly and equitably. Both job evaluation schemes used are substantial schemes. For legal and other reasons, a limited number of employees pay is not consistent with the current grading structures for example as a result of TUPE transfers.
- 3.6 No job evaluation scheme exists for the remainder of jobs i.e. those on Teachers, Youth and Community workers and Soulbury conditions of service, however, those employees are placed within nationally defined grading structures.
- 3.7 As part of its overall and ongoing monitoring of alignment with external pay markets both within and outside the sector, the Council will use available benchmark information as appropriate.
- 3.8 Periodic equal pay audits will be undertaken and pay structures and allowances will be reviewed as necessary.

4. REMUNERATION ON APPOINTMENT

- 4.1 Appointments to the posts of Chief Executive, Directors and other Chief Officer posts are subject to the Council's Officer Employment Procedure Rules⁶ and the salary package (including basic pay, any fees or allowances routinely payable to the appointee and any benefits in kind) for each post is determined by full Council. Appointments to posts where the salary package is £100,000 or more per annum will be approved by full Council in the case of the appointment of the Chief Executive/Head of Paid Service or by the Appointments Panel in the case of other appointments. Appointment of all other officers is the responsibility of the Head of Paid Service or his/her nominee, and may not be made by members.
- 4.2 New appointments are subject to the Council's Recruitment and Selection Policy and will generally be made to the agreed pay structures at the bottom spinal column point of all pay bands unless there are special circumstances and payment at a higher level can be objectively justified.
- 4.3 Where employees are redeployed into a lower graded post because of ill health (where this is supported by the Council's Occupational Health Advisor) or as an alternative to redundancy they will generally be appointed to the highest spinal column point within the lower grade so as to minimise financial loss.
- 4.4 From time to time, it may be necessary to take account of external pay levels in the labour market in determining starting salary levels and the use of market forces supplements in order to attract and retain employees with particular experience, skills and capacity.
- 4.5 The Council does not make any "golden hello" payment or any other incentive payments at recruitment other than market forces supplements where these are determined in accordance with the provisions in Table 3.
- 4.6 Where appropriate, the Council pays removal and relocation allowances, as detailed in the Council's Recruitment and Selection Policy upon the presentation of approved receipts.
- 4.7 On 1st April 2019 there was an introduction of a new pay spine with an assimilation plan agreed locally with relevant trade unions and approved by Finance and Policy Committee.
- 4.8 National negotiations are ongoing regarding cost of living increase to pay which is applicable from 1 April 2020.

⁶ Available at https://www.hartlepool.gov.uk/info/20004/council_and_democracy/370/hartlepool_borough_councils_constitution

5. SENIOR MANAGEMENT REMUNERATION

5.1 The definition of 'Senior Management' in this statement mirrors the definition of 'Chief Officer' as detailed in Section 42(2) of the Localism Act 2011 i.e.

- the head of its paid service designated under section 4(1) of the Local Government and Housing Act 1989;
- its monitoring officer designated under section 5(1) of that Act;
- a statutory chief officer mentioned in section 2(6) of that Act;
- a non-statutory chief officer mentioned in section 2(7) of that Act;
- a deputy chief officer mentioned in section 2(8) of that Act.

Within Hartlepool, the above definition includes employees on JNC for Local Authority Chief Executives, JNC for Chief Officers in Local Authorities and NJC for Local Government conditions of service plus employees employed on other terms and conditions of employment as a result of TUPE (or similar) transfers.

5.2 The 'Senior Management' salary bands for implementation as at 1 April 2020 are set out in Table 2 below.

5.3 At the time of the publication of this Pay Policy document there is no agreed pay deal for 2020/21.

5.4 Any increments due are implemented automatically on an annual basis.

5.5 In respect of Chief Officers (those posts below the Chief Executive and Directors, the Council operates with a small number of bandings to provide operational and strategic flexibilities, whilst providing a robust and competitive pay strategy to retain and attract high calibre staff.

Table 2 – Salary bands of 'Senior Management'

Role	Annual Salary Band as at 1 April 2020	No of Points in Pay Band
Chief Executive (WEF 1.4.2020 – 30.6.2020)	£148,583 – £159,197	6
Managing Director (WEF 1.7.2020)	£148,583	1
Directors	£106,131 - £116,744	6
Director of Public Health	£81,902 - £87,753	3
Chief Officer – Band A	£81,902 - £87,753	3
Chief Officer – Band B	£73,128 - £78,978	3
Chief Officer – Band C	£61,427 – £70,203	4
Chief Officer – Band D	£55,970 - £58,414	3

- 5.6 Information on 'Senior Management' responsibilities and remuneration will be published on the Council's website⁷ in line with Local Government Transparency Code 2015⁸ and the Accounts and Audit Regulations 2015⁹.

6. ADDITIONAL BENEFITS

- 6.1 Employees receive/have access to additional benefits (in addition to basic salary) as outlined in the Table 3 below.

Table 3 – Additional Benefits

Employees	Additional Benefit
All officers involved in delivering local, Parliamentary and/or European elections and/or referenda	Duty payments in connection with elections as determined locally in consultation with the other Tees Valley Councils and/or by statute depending on the duties concerned.
Employees in Development Scheme posts	Progression through pay bands where pre-determined progression criteria are met.
All employees whose pay reduces as a consequence of organisational change, job evaluation or redeployment	The pay protection arrangements detailed in the Council's Single Status Agreement apply to all employees as a means of assisting employees to adjust, over a 3 year period, to a reduction in pay arising from organisational change, job evaluation or redeployment. At the end of the 3 year protection period the standard pay arrangements apply.
All employees who are members of public sector pension schemes	<p>The Council operates the Local Government Pension Scheme (LGPS), the Teachers Pension Scheme (TPS) and the NHS Pension Scheme (PHPS) and makes employer pension contributions, as required, for all employees who elect to participate in one of the above schemes. The employer pension contributions from 1 April 2020 are as follows:</p> <p>Local Government Pension Scheme -12.4% of pensionable pay</p> <p>Teachers Pension Scheme - 23.6% of pensionable pay</p>

⁷ Available at: https://www.hartlepool.gov.uk/info/20004/council_and_democracy/430/local_government_transparency_code

⁸ Available at: <https://www.gov.uk/government/publications/local-government-transparency-code-2015>

⁹ Available at: <http://www.legislation.gov.uk/uksi/2015/234/contents/made>

	<p>NHS Pension Scheme – 20.68% of pensionable pay</p> <p>The contribution rates are regularly reviewed and set by actuaries advising the various Pension Funds.</p>
All employees in posts where there are particular recruitment and/or retention difficulties	<p>As a general rule, the pay bands provide relevant and adequate compensation to attract and retain employees for the vast majority of posts and the necessity to apply a salary supplement should not exist. There may be specific circumstances, however, where an additional market forces supplement may be required to either attract hard to recruit categories of employees or to retain such employees within the employment of the Council. In all circumstances a business case will need to be developed (and reviewed regularly) to support the payment of market supplements which will be approved by members in relation to posts subject to the Council's Officer Employment Procedure Rules¹⁰ and by the Director of Finance & Policy in relation to all other posts.</p> <p>The market forces supplement arrangements detailed in the Council's Single Status Agreement apply to all employees.</p>

Table 3 (cont.) – Additional Benefits

Posts/Employees	Additional Payment
All permanent employees	Able to access the Council's Lease Car scheme through a salary sacrifice arrangement in accordance with Her Majesty's Revenues and Customs (HMRC) rules and at no cost to the Council.
Employees registered and in receipt of Childcare Vouchers via the Council run Scheme on 5 April 2018.	Able to continue to access the Council's Childcare Voucher scheme through a salary sacrifice arrangement in accordance with Her Majesty's Revenues and Customs (HMRC) rules and at no cost to the Council.
All employees who are members of the Local Government Pension Scheme and pay Additional Voluntary Pension contributions	Able to access a Shared Cost Salary Sacrifice AVC scheme.

¹⁰ Available at https://www.hartlepool.gov.uk/info/20004/council_and_democracy/370/hartlepool_borough_councils_constitution

All employees	Able to access the Council's Cycle to Work scheme through a salary sacrifice arrangement in accordance with Her Majesty's Revenues and Customs (HMRC) rules and at no cost to the Council.
All employees	The Council pay a range of allowances/premium payments as detailed in National Conditions of Service (see Table 1).
All employees employed under the National Joint Council (NJC) for Local Government Services conditions of service	The Council pay a range of allowances/premium payments as detailed in the Council's Single Status Agreement subject to employees meeting the criteria for payment.

7. CHANGES TO SALARIES

7.1 Changes in salary for employees will occur only as a result of

- the application of the provisions in Table 3.
- promotion.
- significant changes to an employee's role which results in a different pay band being appropriate (as confirmed by the outcome of an appropriate job evaluation process, where appropriate).
- an honorarium or ex-gratia payment being appropriate to recognise circumstances or events not covered by conditions of service.
- progression of a maximum of one increment each year within previously agreed pay bands based on service.
- changes in the working arrangements of employees.

7.2 The Council does not currently award any performance related pay or bonuses to any of its employees or require them to have an element of their basic pay 'at risk' to be 'earned back' through meeting pre agreed objectives.

8. PAYMENTS TO ALL EMPLOYEES UPON TERMINATION OF EMPLOYMENT AND PUBLIC SECTOR EXIT PAYMENT RECOVERY

8.1 Employees who cease to hold office or be employed by the Council will receive payments based on entitlement within their contract of employment, their general terms and conditions and existing policies in relation to the Local Government Pension Scheme¹¹, specifically the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 and Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011¹².

¹¹ Available at: <http://www.lgpsregs.org/>

¹² Available at: <http://timeline.lge.gov.uk/regidx.html>

- 8.2 In accordance with the Council's Constitution, the determination of early retirement applications which do not generate sufficient savings to ensure that the costs of the application (including salary paid in lieu, redundancy compensation, strain on the pension fund, holiday pay and any bonuses, fees or allowances paid) are recovered within a pay-back period of 3.05 years or less are considered by members of the Personnel Sub Committee. Officers determine all other early retirement applications. This arrangement complies with previous Audit Commission guidance, has worked very well for a number of years and is an effective and efficient way of dealing with early retirement applications.
- 8.3 The Council, under the provisions of The Small Business, Enterprise and Employment Act 2015, implementing the Public Sector Exit Payment Recovery Regulations, with effect from 1st April 2016, will seek to recover, on a tapered basis, any public sector exit payments made under these regulations. This applies to those public sector workers who earned £80,000 per year or more and return to work for a public sector employer within 12 months of receipt of the exit payment, once the Government confirms the statutory implementation date.

9. LOWEST PAID EMPLOYEES

- 9.1 The lowest paid employees from 1st April 2020 will be remunerated at JNC for Government Services spinal column point 3 (equivalent to £18,065 per annum, £9.36 per hour).
- 9.2 The Council introduced its Single Status Agreement on 1st April 2007. The lowest paid employees within the Council are appointed to jobs which have been evaluated using the NJC Job Evaluation Scheme and are remunerated accordingly.
- 9.3 The relationship between the rates of pay for the lowest paid and for senior management is determined by the processes used for determining pay and grading structures as set out earlier in this Policy Statement.
- 9.4 The Council's 'median pay multiple', which complies with the Local Government Transparency Code 2015¹³, is the ratio between the taxable earnings of the highest paid employee and the median taxable earnings of the whole of the Council's workforce. The Chief Executive with a pay band of £148,583 – £159,197 at 1st April 2020 rates, is the highest paid employee. From 1 July 2020, the Managing Director will be remunerated at £148, 583.

¹³ Available at <https://www.gov.uk/government/publications/local-government-transparency-code-2015>

9.5 The 2019 'pay multiple' with comparative data is detailed in Table 5.

Table 5 – 'Pay Multiple'

Date	Taxable earnings of the highest paid employee	Median taxable earnings of the whole of the Council's workforce	Pay multiple based upon the taxable earnings of the highest paid employee
31 March 2014	£140,833	£17,051	8.26
31 March 2015	£142,833	£18,211	7.84
31 March 2016	£119,610	£18,074	6.62
31 March 2017	£126,772	£18,383	6.90
31 March 2018	£129,847	£18,352	7.08
31 March 2019	£134,288	£19,325	6.95

N.B. The pay multiple changes each year as a consequence of a combination of the taxable earnings of the highest paid employee increasing due to incremental progression within the pay band of £148,583 – £159,197, the time they are in post and the median taxable earnings of the whole of the Council's workforce changing.

9.6 The Council will generally aim to ensure that the basic pay 'pay multiple' does not exceed a value of ten.

10. EMPLOYMENT OR ENGAGEMENT OF FORMER EMPLOYEES

10.1 The Council will generally not re-employ or engage any individual under a contract of service or a contract for services whom has previously been employed by the Council and left that employment with the benefit of a severance, early retirement or redundancy payment under voluntary arrangements, unless it is in the best interests of the Council to do so or there are exceptional circumstances which would justify doing so. Under the Officer Employment Procedure Rules ¹⁴ Members will approve all appointments for Head of Paid Service, Directors and Chief Officers reporting to a Director or Head of Paid Service. In respect of all other posts the Chief Executive (in her/her role as Head of Paid Service) will formally approve any appointments.

¹⁴ Available at:

https://www.hartlepool.gov.uk/downloads/file/5261/hartlepool_borough_councils_constitution_2019-20 Part 4, p117.

11. EMPLOYMENT OF INDIVIDUALS ALREADY UNDER A CONTRACT FOR SERVICES

- 11.1 The Council does not generally support engaging individuals under a 'contract for services' where the Council is not required to make either pension or national insurance contributions for such individuals as it supports the Government's commitment to tackling all forms of tax avoidance and recognises that public appointments that involve arrangements whereby savings in tax and National Insurance contributions are made may be at the expense of other taxpayers or other parts of the public sector. However there may be exceptional circumstances where engaging an individual under these terms is the most effective and efficient way of meeting the Council's needs. If this situation applies formal approval will be sought from members in relation to posts subject to the Officer Employment Procedure Rules ¹⁸ and from the Chief Executive (in his/her role as head of the paid service) in respect of other posts and individuals will be sourced through an appropriate procurement process, including IR35 checks, and in accordance with the Council's Contract Procedure Rules which ensure the Council is able to demonstrate the maximum value for money benefits from competition in securing the relevant service.

12. INCOME TAX AND NATIONAL INSURANCE

- 12.1 The Council does not enter into arrangements with individual employees to minimise their tax and national insurance contributions other than via salary sacrifice schemes in accordance with Her Majesty's Revenues and Customs (HMRC) rules.

13. USE OF AGENCY WORKERS

- 13.1 The Council does not generally support using agency workers. However there may be circumstances where engaging agency workers is the most efficient and effective way of meeting the Council's needs. If this situation applies, formal approval will be sought from the relevant Assistant Director. Agency workers operating in the Council will be remunerated at JNC for Government Services spinal column point 3 (equivalent to £18,065 per annum, £9.36 per hour) initially and at least the pay of comparable employees after 12 weeks of qualifying service.

14. APPRENTICES

- 14.1 Apprentices are paid the appropriate national minimum wage (depending upon individual circumstances).
- 14.2 Employees with substantive jobs who undertake apprenticeships within their current duties and responsibilities will continue to be paid in accordance with their contract of employment.

15. USE OF ZERO HOUR CONTRACTS

- 15.1 The Council does not generally support the use of zero hour contracts and has acted to end such contracts, with the exception of where an individual employee has specifically requested to remain on such a contract. There may be circumstances where an individual employee requests the use of a zero based hour contract. The Director of Finance and Policy **must** consult with the Chief Executive and Chair of Finance and Policy Committee before the use of any such contracts are approved. Where employees are employed on a zero hour contract they are employed on a permanent or fixed term basis, are entitled to request a review of their contracted hours at any time after six months in post and are not prevented from working for other employers.

16. CONTRACTORS

- 16.1 The Council requires that contractors comply with the national minimum wage and national living wage legislation. All new and extended Council contracts are encouraged to pay JNC for Government Services spinal column point 3 (see 9.1 above) and avoid the use of zero hour contracts (see 15.1 above).
- 16.2 The Council will encourage all local employers employing 250 or more employees to publish their pay multiple.

**HARTLEPOOL BOROUGH COUNCIL
("HBC")**

INDEPENDENT REVIEW

OPINION

INTRODUCTION

1. I am instructed to conduct an Independent Review for HBC. This arises in the following way:-

- (1) HBC received a standards complaint ("the Complaint") against one of its Councillors, Tony Richardson ("CTR");
- (2) HBC's Deputy Monitoring Officer ("the DMO") was appointed as the Investigating Officer;
- (3) The DMO prepared a Report ("the Report") for HBC's standards committee, the Audit and Governance Committee ("the AGC");
- (4) The Report was agreed by CTR;
- (5) He accepted that he had breached HBC's Code of Conduct ("the Code");

- (6) The AGC recommended sanctions and referred the matter to Full Council;
 - (7) Full Council has deferred consideration of proposed sanctions until the outcome of a police investigation; and
 - (8) Full Council has asked for there to be an Independent Review.
2. I am now asked to review the process and procedures followed in the:-
- (1) Investigation; and
 - (2) Determination;

of the Complaint, with particular regard to whether they were biased or unfair.

LEGISLATIVE FRAMEWORK

3. Chapter 7 of Part 1 of the Localism Act 2011 (“LA 2011”) relates to Standards. HBC is a “relevant authority”.
4. Section 27 of LA 2011 is headed “Duty to promote and maintain high standards of conduct”. Subsections (1) and (2) provide (emphasis added):-

“

- (1) A relevant authority must promote and maintain high standards of conduct by members and co-opted members of the authority.
- (2) In discharging its duty under subsection (1), a relevant authority must, in particular, adopt a code dealing with the conduct that is expected of members and co-opted members of the authority when they are acting in that capacity.”

5. The purpose of a Code is therefore to promote and maintain high standards of conduct; and to strengthen in some respects the regime to govern standards set out in the Local Government Act 2000: see Hussain v Sandwell MBC (2017).

6. Section 28 is headed “Codes of Conduct”. Subsection (1) provides that a relevant authority must secure that a Code adopted by it under Section 27(2) is when viewed as a whole consistent with the seven Nolan Principles on Standards in Public Life, that are there set out, the ethical standards expected of public office holders.

7. Important provision is also made in Section 28 of LA 2011 for:-

- (1) “Arrangements”; and
- (2) “Independent Persons”.

THE STARTING POINT

8. HBC duly has:-

- (1) Its Code; and
- (2) Statutory “Arrangements” for dealing with standards complaints against Members (“the Arrangements”).

DOCUMENTATION

9. I have been provided with:-

- (1) The Code;
- (2) The Arrangements;
- (3) The Report;
- (4) The Minutes of the AGC Meeting on 20 January 2020;
- (5) The AGC Decision Notice on 3 February 2020;
- (6) The Full Council papers for its Meeting on 20 February 2020; and
- (7) E-mails with Cleveland Police

BACKGROUND

10. CTR has a Facebook Account as an HBC Councillor. He uses it to communicate with residents and other councillors. When he uses it that is in his official capacity. There is no issue in that respect.

11. The Complaint:-

- (1) Was made by another Councillor; and
- (2) Concerns posts that CTR had shared on this Facebook Account, which are alleged to be racist and offensive.

12. CTR:-

- (1) Agreed the Report and its contents; and
- (2) Apologised.

13. The AGC:-

- (1) Had the Code before it;
- (2) Considered the Report; and
- (3) Went on to consider the available sanctions.

14. The AGC:-

- (1) Was attended by a statutory Independent Person;
- (2) Had an Independent in the Chair;
- (3) Has a membership which is politically balanced, in accordance with the Local Government and Housing Act 1989 and Regulations thereunder; and
- (4) Was unanimous.

15. The AGC made Recommendations to Full Council about:-

- (1) CTR's membership of Committees; and
- (2) Censure.

16. There has been liaison with Cleveland Police in relation to the question of hate crimes by CTR.

17. HBC is to have Elections in May 2020. A "purdah" period begins before the end of March 2020. CTR's current term of office will terminate with the Elections.

POLICE COMPLAINT

18. In my opinion, it is not appropriate to delay further on account of the Police hate crime investigation.

THE CODE

19. The Introduction to the Code states;-

““This Code of Conduct is a key part of the Authority’s discharge of its statutory duty to promote and maintain high standards of conduct by its Elected Members ... The code is part of the Council’s Constitution and is to be considered in conjunction with other Codes of Conduct included in Part 5 of the Constitution, ...

This Code applies to you as an Elected Member of Hartlepool Borough Council and when you act in your role as an Elected Member it is your responsibility to comply with the provisions of this code. ...

You are a representative of this Authority and the public will view you as such. Therefore your actions impact on how the Authority as a whole is viewed and your actions can have both positive and negative impacts on the Authority.”

19. Section 2 of the Code incorporates the Nolan Principles of Public Life, including “Respect for Others”, as follows:-

“Members should promote equality by not discriminating unlawfully against any person and by treating people with respect, regardless of their race, age, religion, gender, sexual orientation or disability. They should respect the impartiality and integrity of the Authority’s Statutory Officers and its other employees.”

20. The Code continues:-

“As a Member your conduct will in particular address the statutory principles of this Code of Conduct as set out above by:

...

- Always treating people with respect, ...”

21. The Code sets out “General Obligations”, as follows:-

“1. When acting in your role as a Member of the Authority

1.1 You must treat others with respect.

1.2 You must not conduct yourself in a manner which is contrary to the Authority’s duty to promote and maintain high standards of conduct amongst its Members. ...”

THE ARRANGEMENTS

22. HBC's Arrangements duly address, amongst other matters:-

- (1) Whether a complaint will be investigated;
- (2) How an investigation is conducted;
- (3) What happens if the Investigating Officer concludes that there is a failure to comply with the Code, namely (i) Local Resolution or (ii) Local Hearing;
- (4) What action the AGC can take; and
- (5) Who is the Independent Person.

THE COMPLAINT

23. The Complaint focussed on the following:-

"I took my dog to the dole office to see what he was entitled to. The bloke behind the counter said, "You idiot, we don't give benefits to dogs." I argued, "Why not? He's brown, he stinks, he's never worked a fucking day in his life & he can't speak a fucking word of English." The man replied, "His first payment will be on Monday."

24. There were three other similar shared posts in evidence.

THE INVESTIGATION/REPORT

25. The Report, amongst other things, duly sets out:-

- (1) The assessment criteria;
- (2) What the DMO had regard to;
- (3) The relevant legislation;
- (4) The Code;
- (5) CTR's responses; and
- (6) The Independent Person's view.

26. The Investigating Officer's findings included that:-

- (1) The facts alleged were largely accepted by CTR;
- (2) He did share the four posts on his Facebook Account;
- (3) He now accepts that the contents of them had clear "racist connotations";
- (4) He accepts that the sharing of these posts (i) would likely cause offence and (ii) is a breach of the Code;

- (5) It is of “significant concern” that CTR had shared these posts whilst claiming to have no insight into their meaning;
- (6) The matter is not capable of Local Resolution;
- (7) It should be considered by and determined by way of a Local Hearing, in accordance with paragraph 8.2 of the Arrangements; and
- (8) The AGC should consider all available sanctions.

THE INDEPENDENT PERSON

27. The Independent Person was duly consulted. She expressed the following initial view:-

“That is vile and offensive. Hate speech in any one’s opinion. Definitely against the Code of Conduct I would have thought. Not upholding decent standards in public office at all.”

28. She fully concurred with the findings and recommendations of the Report.

THE AGC

29. The AGC considered the Report from 2.0 pm to 3.30 pm on 22 January 2020.

30. Its Decision is recorded as follows:-

“On 22 January 2020 a Hearing of the Council’s Audit and Governance Committee considered a report, dated 13 January 2020 from the Deputy Monitoring Officer, concerning the alleged conduct of Councillor Tony Richardson, following the receipt of a complaint.

The complaint had been received from Councillor Black on 31 December 2019 and related to a series of Facebook posts that had been shared by Councillor Tony Richardson on his Facebook account. The posts that had been shared were of a racially offensive nature.

It was therefore alleged that Councillor Tony Richardson’s behaviour had breached the Code of Conduct for Elected Members and Co-opted Members as contained within part 5 of the Council’s Constitution. In particular it was alleged that Councillor Tony Richardson had;

- failed to demonstrate Objectivity in that he had demonstrated both discrimination and bias towards a proportion of the community
- failed to demonstrate leadership in that he had failed to exhibit the Nolan principles in his own behaviour
- failed to demonstrate respect for others and in particular those of the Islamic faith and immigrants
- brought the reputation of the Council and his political group into disrepute
- caused embarrassment and offence to the whole community and in particular the subjects of the offensive posts

Decision

... the Audit and Governance Committee considered the verbal and written representations of the Deputy Monitoring Officer (as Investigating Officer) and Councillor Tony Richardson. Councillor Tony Richardson had acknowledged that the posts in question were racially offensive, he accepted that he had shared them and he agreed that in doing so he had breached the code of conduct as had been alleged. In light of the agreed facts of this case no additional witnesses were called to give evidence.

Councillor Richardson, without accepting that he had shared the posts claimed to have had no insight or understanding into the

meaning of the said posts. The Assistant Chief Solicitor's view was that a councillor who uses Facebook must ensure that they are able to use it competently and in full knowledge of what it is that they are doing. Social media is fundamentally about sharing content and creating conversations in an open and transparent forum. Councillor Tony Richardson's posts can be viewed by many other users and inappropriate content compromises his position as a councillor and the reputation of the Council as a whole.

The committee was, therefore, requested to consider the imposition of all sanctions available in law, which include:

- To publish its findings of Councillor Tony Richardson's conduct
- To report the findings to Full Council and for Full Council to consider both censure and the removal of the Councillor from all outside appointments;
- To recommend to the Councillor's group leader that he be removed from all committees and sub-committees of the Council;
- To instruct the Monitoring Officer to arrange for both diversity and social media training for the Councillor;
- To instruct the Monitoring Officer to arrange for both diversity and social media training for the Councillor;

- To withdraw facilities provided to the member by the Council such as computer, e-mail and internet access; and
- To exclude the councillor from all Council offices and premises with the exception of those necessary for attending meetings to which he is entitled to attend.

Members wished to thank Councillor James Black (whose attendance had been excused) for bringing the posts to light but were concerned that despite them having been shared quite widely, no one else had brought them to the Council's attention.

Councillor Tony Richardson addressed the Committee stating that he was extremely sorry for any offence he had caused and he was not a racist person. In mitigation, he stated that he was very illiterate with computers and had not realised the consequences.

Members acknowledged that Councillor Tony Richardson may have difficulties with computers but could not accept that he had not known that he was sharing offensive posts. Members expressed their concern that the Facebook posts reflected extremely badly on the Council as a whole. Members considered that, at best, the sharing of these posts had shown significant carelessness and naivety.

In reviewing the Code of Conduct, the Committee was of the view that there had been a serious breach of all elements of the code and that the six sanctions set out in the Assistant Chief Solicitor's report should be applied. The Committee went further in agreeing that they considered the breaches of the Code of Conduct so

severe that Councillor Tony Richardson should have resigned his position as an elected Councillor for Hartlepool in order to protect the reputation of the Council as a whole.

Actions

The committee was satisfied Councillor Tony Richardson had seriously breached the majority of the Code and in particular:

- Councillor Tony Richardson has not demonstrated Objectivity in that he had demonstrated both discrimination and bias towards a proportion of the community
- Councillor Tony Richardson has not demonstrated leadership in that he had failed to exhibit the Nolan principles in his own behaviour
- Councillor Tony Richardson has demonstrated a lack of respect for others and in particular those of the Islamic faith and immigrants
- Councillor Tony Richardson has brought the reputation of this Council and your political group into disrepute.
- Councillor Tony Richardson has caused embarrassment and offence to the whole community and in particular the subjects of his offensive posts.

The committee carefully considered all of the sanctions that were available to it. Consideration was also given to the representations

that Councillor Tony Richardson made. The Committee unanimously agreed that:

- The findings of this committee must be published to ensure transparency.
- The findings of this committee should be reported to full council at the next opportunity.
- Full council should censure Councillor Tony Richardson and issue a formal statement condemning his actions to make it clear that his actions are not representative of this council or the community that it represents. Full Council should ask Councillor Tony Richardson to consider resigning.
- Full council should consider removing Councillor Tony Richardson from the outside body appointment to the Local Joint Consultative Committee.
- A recommendation should be made to the leader of the Brexit Party and Conservative Coalition that Councillor Tony Richardson be removed as a member from the Licensing and Planning Committees forthwith. Furthermore, it is recommended that Councillor Tony Richardson should not be permitted to attend any committee as a substitute member. This sanction should last for the remainder of Councillor Tony Richardson's current term of office. Councillor Tony Richardson has demonstrated a clear prejudice and bias towards a

proportion of the community and this raises questions surrounding his objectivity when making decisions.

- The Monitoring Officer should arrange for both diversity training and social media training for Councillor Tony Richardson to attend and this training should be made available to all Councillors.

The Committee expressed its surprise that Councillor Tony Richardson had not yet resigned from the council and requests that he consider doing so. The committee also expressed its frustration at the sanctions that were available to it as it did not consider that they were sufficient in these circumstances.”

DISCUSSION AND CONCLUSIONS

31. It is apparent that:-

- (1) The Investigating Officer and the AGC have proceeded on the basis of the Code and the Arrangements;
- (2) The Independent Person has been appropriately involved;
- (3) The Investigating Officer and the AGC came to conclusions that were reasonably open to them;

- (4) Indeed it could not reasonably have been concluded that there was no breach of the Code;
 - (5) It was proper to proceed on the basis that breach of the Code was not in issue and that the sole question was as to sanctions;
 - (6) The proposed sanctions are not disproportionate; and
 - (7) The motivation of the complainant is irrelevant.
32. I find no flaw in process or procedure.
33. There is no basis for inferring any actual or apparent bias on the part of the Investigating Officer or the AGC.
34. There is no indication of any unfairness on the part of the Investigating Officer or the AGC.
35. There is no reason for Full Council not to proceed with consideration of sanctions.

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JAMES GOUDIE QC
27 February 2020



**HARTLEPOOL BOROUGH COUNCIL
("HBC")**

INDEPENDENT REVIEW

OPINION

JG

27/02/20

Hartlepool Borough Council

CLEVELAND FIRE AUTHORITY

MINUTES OF ORDINARY MEETING

13 DECEMBER 2019



PRESENT:

CHAIR

Cllr Paul Kirton – Stockton on Tees Borough Council

HARTLEPOOL BOROUGH COUNCIL

Cllr Tim Fleming

MIDDLESBROUGH COUNCIL

Cllrs Teresa Higgins, Ashley Waters

REDCAR & CLEVELAND BOROUGH COUNCIL

Cllrs Adam Brook, Norah Cooney, Mary Ovens

STOCKTON ON TEES BOROUGH COUNCIL

Cllrs Luke Frost, Andrew Stephenson, William Woodhead MBE

AUTHORISED OFFICERS

Chief Fire Officer, Director of Corporate Services/Clerk, Legal Adviser and Monitoring Officer, Treasurer

BRIGADE OFFICERS

Director of Technical Services

APOLOGIES:

Cllrs Marjorie James, Stephen Thomas - Hartlepool Borough Council

Cllrs Naweed Hussain - Middlesbrough Council

Cllr Billy Ayre - Redcar & Cleveland Borough Council

Cllr Jean O'Donnell - Stockton Borough Council

74. DECLARATIONS OF MEMBERS INTEREST

It was noted no Declarations of Interests were submitted to the meeting.

75. MINUTES

RESOLVED - that the Minutes of the Ordinary Meeting on 18 October 2019 be confirmed.

Councillor Fleming queried the reference to the 'original motion' at minute no. 57.1 – Members Allowance Scheme (page 5). The Legal Adviser and Monitoring Officer (LAMO) confirmed this had been encapsulated in the resolution.

76. MINUTES OF MEETINGS

RESOLVED - that the Minutes of the Audit & Governance Meeting on 15 November 2019 and Executive Committee Meeting on 22 November 2019 be confirmed.

77. MATTERS ARISING

77.1 CFA Attendance at Events

Councillor Stephenson queried the attendance at recent conferences and events and what the process was for selecting delegates. The Chair confirmed that delegates were chosen for these particular events based on their chairmanship of committees.

78. COMMUNICATIONS RECEIVED BY THE CHAIR

ZOE BILLINGHAM Fire & Rescue Inspection Update
LGA EMP/7/19 – Late Bank Holiday Pay Update

RESOLVED – that the communications be noted.

79. REPORTS OF THE CHIEF FIRE OFFICER

79.1 Grenfell Tower Inquiry: Phase 1 Report Overview

Members considered the Executive Summary Report and the Inquiry Chair's important findings and recommendations (Appendix 1) contained within the Phase 1 Inquiry report on the fire at Grenfell Tower, London on 14 June 2017 which claimed the lives of 72 people.

The CFO reported that Phase 1 of the inquiry considered how the emergency services responded to the incident and the executive summary looked at:

- the limited training London Fire Brigade (LFB) personnel had received on the dangers of combustible cladding
- limited training on evacuating premises of that nature
- how the 'stay put' policy failed and should have moved on to simultaneous evacuation
- serious deficiencies in command and control

The CFO reported that there were key lessons to be learned from this incident and Cleveland had set up an Operational Assurance Team to look at how the findings of the Phase 1 report could be used to improve the safety of high rise buildings across Teesside. Nationally, the CFO confirmed he is working with the National Fire Chiefs Council (NFCC) to ensure a collective and consistent response to the recommendations.

Councillor Stephenson referred to the lack of coordination reported between LFB, the Police and Ambulance Service and asked how Cleveland would have operated in a similar scenario. The CFO reported that the Joint Emergency Services Interoperability Principles (JESIP) outline the set procedure for joint working which in Cleveland is well practiced owing to its industrial footprint. The emergency services would co-locate at Gold/Silver/Bronze command to ensure the response is well coordinated and this is further supported by a constant exercise regime. The strategic command group is usually chaired by the police although in this scenario the guidance would come from fire. Councillor Stephenson thanked the CFO for giving reassurance.

Councillor Waters asked whether the 'stay put' policy was still in place in Cleveland. The CFO confirmed that across the UK there were 11,000 buildings with ACM type cladding at the current time and whether a 'stay put' policy is applied is the responsibility of the owner / responsible body to determine not the fire and rescue service.

Councillor Higgins stated that she would have expected LFB to have full access to the plan of the building and noted that residents had complained about health and safety aspects to the council, which she hoped would be covered in Phase 2.

Councillor Ovens noted that the building materials used are dictated by building regulations and asked whether more guidance could be available to ensure the cladding is safe. The CFO reported that following the deregulation of borough councils private companies were carrying out that role and fire and rescue services were only responsible for inspecting the common areas such as means of escape and lighting.

79.1 Grenfell Tower Inquiry: Phase 1 Report Overview cont.

The CFO confirmed that from Cleveland's perspective the Brigade was confident that it has a bespoke plan for each high rise building to ensure the safety of the residents.

Councillor Frost stated that it was disgraceful that the inquiry led on the fire brigade and asked what the Brigade defines as a high rise building. The CFO confirmed that the Brigade's capability is 18m although if a building is designed, constructed and maintained correctly it will be safe. He praised local social housing providers for being proactive in installing sprinklers in high rise buildings to ensure safety of the residents living in them.

Councillor Frost queried why, on local authority planning committee applications, there is often 'no comment' from Cleveland Fire Brigade and asked whether the Brigade could be more stringent to ensure planning safety is being met. While acknowledging that the Fire Authority / Cleveland Fire Brigade could reinforce its stance more robustly, the CFO referred to the Brigade's well documented campaign for sprinklers and reported that Hartlepool Borough Council had been successful in ensuring all new build schools include sprinkler systems as a planning requirement.

Councillor Higgins suggested changing planning legislation to make sprinklers compulsory in school and high rise buildings. Councillor Stephenson reported that this would need to be done via lobbying parliament. The LAMO noted that as a result of the Grenfell Inquiry it was likely that the government would be consulting on changes to planning legislation which may give the Authority an opportunity to submit its views.

The Chair noted that the high rise flats in Stockton all had sprinklers installed and two in Thornaby were manned 24 hours. Councillor Waters reported that Middlesbrough Council had a strategic partnership with social housing providers Thirteen and was willing to consider installing sprinklers. Councillor Ovens confirmed that the Kirkleatham Sixth Form extension had been fitted with sprinklers and noted that in Wales sprinklers were now mandatory for all residential new builds.

The CFO reminded Members that at present the planning departments do not have to apply the Authority's recommendations as it is not a legal requirement.

RESOLVED:-

- (i) That the Grenfell Tower Inquiry's Phase 1 Executive Summary report and the Inquiry Chair's important findings and recommendations (Appendix 1) be noted.**
- (ii) That Members receive further reports once consideration be given to the wider implications of the recommendations in relation to Cleveland Fire Brigade.**
- (iii) That Members endorsed the Chief Fire Officer to work with the National Fire Chiefs Council to address all of the operational matters raised in the report.**

80. Information Pack

- 79.1.1 Employers Circulars
- 79.1.2 National Joint Council Circulars
- 79.1.3 Campaigns

80. Information Pack cont.

Councillor Frost noted that 4,000 heaters had been loaned out during the Stay Safe & Warm Campaign and asked what further work is done following an assessment. The CFO confirmed that the Brigade's prevention teams worked closely with all four local authorities and operated a referral system to ensure vulnerable people are referred on to other agencies. He added that this innovative, coordinated initiative by Cleveland considered both the safety and wellbeing of its residents.

Councillor Ovens reported an issue with bin lorry fires in Redcar and Cleveland and expected this issue to continue throughout the festive period. She also noted an unprecedented level of anti-social behaviour in some areas. The CFO reported that the Executive Leadership Team would be considering the revised Arson Strategy on 19 December 2019 prior to it going to the Executive Committee on 31 January 2020.

RESOLVED - that the information pack be noted.

81. JOINT REPORT OF THE CHIEF FIRE OFFICER AND TREASURER

81.1 Medium Term Financial Strategy 2020/21 – 2022/23

Members considered the Medium Term Financial Strategy 2020/21 – 2022/23, including the 2020/21 Council Tax level, which covered:

- Government Funding - 2013/14 & 2019/20 cash budget comparison
- Spending Review 2020/21
- 2020/21 Council Tax Referendum Limits
- Firefighter Pension Funding
- Financial Position 2021/22 and 2022/23
- Fire Pension Grant impact on Forecast Budget Deficits
- 2020/21 Budget
- 2021/22 and 2022/23 Budget
- Reserves Strategy
- Asset Management Plan (AMP)
- Robustness Advice

The Treasurer acknowledged the degree of certainty from the one year spending review for 2020/21 and noted that this was now subject to the outcome of the General Election. The position for 2021/22 and future years remains uncertain with the CFOs Contingency Plan, supported by the Budget Support Fund, providing longer lead times to manage this situation.

The Treasurer highlighted the Authority's difficulty to fund local services from Council Tax and acknowledged that while it was high risk, it had a low ability to fund services from Council Tax owing to the low Council Tax base (i.e. higher than average proportion of properties in Council Tax bands A and B).

The CFO reinforced the level of financial uncertainty for the future and the impact of the Pension Grant coming back as an Authority liability. He acknowledged that resources were already being stretched trying to meet an expanding workload.

81.1 Medium Term Financial Strategy 2020/21 – 2022/23 cont.

Councillor Stephenson asked what level of interest the Authority is paying on its debts. The Treasurer confirmed that this detail would be included in the Treasury Management Strategy going to the next Authority meeting on 14 February 2020.

Councillor Frost confirmed that as an Independent Councillor he did not object to setting a 1.9% council tax for 2020/21 and highlighted that anything above this would trigger a council tax referendum.

Councillor Stephenson raised a question relating to a senior officer's salary and tax. The Chair confirmed that this query had been raised and answered on numerous occasions before and was not relevant to this meeting. He emphasised that this question would not be responded to again and if the questioning continued Councillor Stephenson would be asked to leave the meeting.

The LAMO outlined the code of conduct and gave Councillor Stephenson the opportunity to withdraw an inappropriate comment he had made. Councillor Stephenson withdrew the comment. The LAMO confirmed he was available to discuss any issues of conduct and procedures with all Members. Councillor Stephenson noted he was there to represent Stockton Council and ask questions. The LAMO reminded Members that in the Standing Orders a Member can be requested not to be heard or asked to leave if Members need an element of restraint and that ultimately the Chair governs the meeting.

The Chair moved that Members do not listen to any more questions from Councillor Stephenson. Members voted 8 for and 2 against. The LAMO informed Councillor Stephenson that he should not be further heard for the rest of the meeting. Councillor Stephenson stated that if he could not ask any more questions he would leave.

(1505) Councillor Stephenson left the meeting

RESOLVED - that as recommended by the Executive Committee, Members:

- (i) Noted the report which replicated the information reported to the Executive Committee on 22 November 2019;**
- (ii) Noted that 2020/21 Provisional Local Government Finance Settlement will not be issued until after the General Election, which it is anticipated will confirm indicative grant funding and the 2% Council Tax referendum limit set out in the Government's Technical Consultation for 2020/21;**
- (iii) Approved a 2020/21 Council Tax increases of 1.9% increase, which is below the 2% Government Council Tax referendum limit, and noted that this provides recurring addition funding of £237,000, which permanently protects whole time firefighter posts, and will result in the following Council Tax levels:**

81.1 Medium Term Financial Strategy 2020/21 – 2022/23 cont.

2019/20		2020/21			
Weekly Council Tax £	Property Band	Annual Council Tax £	Weekly Council Tax £	Annual increase £	
0.99	A	52.55	1.01	0.98	63% of households are in Band A or B
1.16	B	61.31	1.18	1.14	
1.32	C	70.07	1.35	1.31	
1.49	D	78.83	1.52	1.47	
1.82	E	96.35	1.85	1.80	
2.15	F	113.87	2.19	2.13	
2.48	G	131.38	2.53	2.45	
2.98	H	157.66	3.03	2.94	

- (iv) Noted that recurring savings of £221,000 will be achieved through contract negotiations in relation to ICT hardware and software and building security and cleaning to address the residual 2020/21 forecast deficit;
- (v) Noted that any variation in the final 2020/21 Government Grant allocation, Council Tax base, or final Collection Fund figures will be managed via the Budget Support Fund and details will be reported to the full Authority on 14 February 2020;
- (vi) Noted the significant financial risks and uncertainties facing the Authority from 2021/22 and that further updates will be provided when more information is available;
- (vii) Noted the robustness advice detailed in section 8.

82. ANY OTHER BUSINESS

82.1 HMICFRS Tranche 3 Inspection

The CFO informed Members that the results of the Authority's inspection were due to be published under embargo on Monday 16 December 2019 and would be forwarded to members once received.

83. **LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION ORDER) 2006**
RESOLVED - “That under Section 100(A) (4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business, on the grounds that it involves the likely disclosure of exempt information as defined in paragraphs 1, 3 and 4 below of Part 1 Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) Order 2006”, namely information relating to an individual; information relating to any financial or business affairs of any particular person (including the authority) holding that information; and information in relation to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.
84. **CONFIDENTIAL MINUTES**
RESOLVED – that the confidential minutes the Minutes of the Ordinary Meeting on 18 October 2019 be confirmed.
85. **CONFIDENTIAL MINUTES OF MEETINGS**
RESOLVED – that the confidential minutes of the Executive Committee on 22 November 2019 be confirmed.

COUNCILLOR PAUL KIRTON
CHAIR