

FINANCE AND POLICY COMMITTEE

AGENDA



Wednesday 28 September 2022

at 10.00 am

in the Council Chamber,
Civic Centre, Hartlepool.

MEMBERS: FINANCE AND POLICY COMMITTEE

Councillors Brash, Buchan, Cassidy, Harrison, Lindridge, Little, Martin-Wells, Moore, Morley, Young and 1 vacancy.

1. APOLOGIES FOR ABSENCE

2. TO RECEIVE ANY DECLARATIONS OF INTEREST BY MEMBERS

3. MINUTES

- 3.1 To receive the minutes of the meeting of the Finance and Policy Committee held on 22 August, 2022.
- 3.2 To receive the minutes of the meeting of the Health and Wellbeing Board held on 4 July 2022.

4. BUDGET AND POLICY FRAMEWORK ITEMS

- 4.1 Local Council Tax Support 2023/24 – *Director of Resources and Development*
- 4.2 Medium Term Financial Strategy (MTFS) 2023/24 to 2024/25 – *Director of Resources and Development*

5. KEY DECISIONS

- 5.1 NEC House Lease Surrender and Renewal – *Director of Resources and Development*
- 5.2 Household Support Fund - *Director, Children and Joint Commissioning Services and Director of Resources and Development*

CIVIC CENTRE EVACUATION AND ASSEMBLY PROCEDURE

In the event of a fire alarm or a bomb alarm, please leave by the nearest emergency exit as directed by Council Officers. A Fire Alarm is a continuous ringing. A Bomb Alarm is a continuous tone. The Assembly Point for everyone is Victory Square by the Cenotaph. If the meeting has to be evacuated, please proceed to the Assembly Point so that you can be safely accounted for.

6. OTHER ITEMS REQUIRING DECISION

- 6.1 Warm Hubs – *Director of Adult and Community Based Services*
- 6.2 Waterfront Regeneration Programme; Project Update – *Director of Adult and Community Based Services and Director of Resources and Development*
- 6.3 Senior Leadership Restructure – *Managing Director*

7. ITEMS FOR INFORMATION

- 7.1 Strategic Financial Management Report - as at 31st July 2022 – *Director of Resources and Development*
- 7.2 Corporate Procurement Quarterly Report on Contracts – *Chief Solicitor*

8. ANY OTHER BUSINESS WHICH THE CHAIR CONSIDERS URGENT

For Information:

Dates and times of forthcoming meetings of the Finance and Policy Committee –

Monday 10 October, 2022 at 10.00 am
Monday 21 November, 2022 at 10.00 am (Revised date)
Monday 12 December, 2022 at 10.00 am
Monday 23 January, 2023 at 10.00 am
Monday 13 February, 2023 at 10.00 am
Monday 13 March, 2023 at 10.00 am



FINANCE AND POLICY COMMITTEE

MINUTES AND DECISION RECORD

22 AUGUST 2002

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

Present:

Councillor Shane Moore (In the Chair)

Councillors: Jonathan Brash, Bob Buchan, Tom Cassidy, Brenda Harrison, Jim Lindridge, Sue Little, Amy Prince and Mike Young.

Also Present: as substitutes in accordance with Council Procedure Rule 4.2:
Councillor Moss Boddy for Councillor Melanie Morley,
Councillor Veronica Nicholson for Councillor Andrew Martin-Wells.

Officers: Denise McGuckin, Managing Director
Neil Wilson, Deputy Chief Solicitor
Jill Harrison, Director of Adult and Community Based Services
Chris Little, Director of Resources and Development
Paul Taylor, Strategic Development and Sustainability Manager
Simon Mills,
Steve Hilton, Communications and Marketing Team
David Cosgrove, Democratic Services Team

21. Apologies for Absence

Councillors Andrew Martin-Wells and Melanie Morley.

22. Declarations of Interest

None.

23. Minutes of the meeting held on 26 July 2022

Received.

24. Minutes of the meeting of the Safer Hartlepool Partnership held on 8 March 2022

Received.

25. **Town Deal Business Case – Reimagining Middleton Grange Shopping Centre** *(Director of Resources and Development)*

Type of decision

Non-key Decision.

Purpose of report

The purpose of the report was to update the Finance and Policy Committee on the development of the project Business Cases under the Council's £25m Town Deal Programme, and to present the business case for the Reimagining Middleton Grange project.

Issue(s) for consideration

The Managing Director reported that the Reimagining Middleton Grange project was the final business case under the Town Deal programme for Member approval prior to forwarding to Tees Valley Combined Authority (TVCA) to be independently assessed to identify residual risks against Town Deal criteria (Strategic, Economic, Commercial, Financial and Management). Following this process, the business case will be forwarded to the Department for Levelling Up Housing and Communities (DLUHC).

The Managing Director indicated that at this time no firm timetable for approval has been provided by DLUHC for this Business Case, although it was hoped that the programme delivery stage of the project could commence in December 2022. The Reimagining Middleton Grange project had already utilised Early Drawdown funding to accelerate the programme to deliver key elements of topographical and structural surveys ahead of delivery stages. Section 4 of the report provides detail on the proposed redevelopment as set out in the Business Case, and Confidential appendices presents the detailed Business Case for redevelopment. The appendices contained exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, (para 3) information relating to the financial or business affairs of any particular person (including the authority holding that information).

Following consideration of a number of options, the Business Case identified a range of interventions that could be implemented using external grant funding that would unlock the potential and growth of the town centre, which would otherwise be financially-unviable. The Towns Fund allocation of £13.9m for the project was subject to approval of this business case by the Committee and DLUHC.

The economic detail is set out in the Confidential Appendix and the Economic Case details that by rationalising, repurposing and restoring key assets at the Heart of Hartlepool, the preferred option for redevelopment

can deliver a 'strong value for money proposition'. This was evidenced through the performance of economic metrics including the Benefit Cost Ratio (BCR) approaching 3.0, and a Net Present Social Value of +£17.6 million. The BCR demonstrated that for every pound of Town Deal Investment, the project would produce almost three pounds in net value.

The Managing Director stated that the Reimagining Middleton Grange project would have a positive impact on social value in addition to the economic benefits detailed in the report. It was expected to create 185 construction stage jobs providing opportunities for local firms and subcontractors to secure work during the construction phase.

The Chair welcomed the business case and recorded his thanks to all those involved in bringing the business case forward – the Town Deal Board and officers – acknowledging the considerable amount of work that had already been undertaken on this project.

Members questioned some of the statements made within the report. The predicted increase in footfall in the shopping centre was raised with Members commenting that with the economy entering recession and the dramatic changes that the Covid-19 pandemic had made to the way people now shopped, was this deliverable. The Managing Director stated that there was a significant over-supply of retail square footage across Hartlepool and currently 29% of the shopping centre was unoccupied. Officers also commented that the highly detailed and technical metrics and methodology used in the preparation of the business case supported the predications. The metrics and methodology were set by Government.

The Middleton Grange Shopping Centre was currently the third largest covered shopping centre in the North East and was simply too big for Hartlepool. The move towards reducing the amount of retail space and increasing the amount of hospitality could potentially provide the uplift the town centre needed. It was acknowledged that this was not without risk. Members commented on the risk and the investment that had been made in other areas of the town centre that had failed to deliver and this scheme did not need to add to the cynicism some members of the public had about Council backed regeneration schemes. The Chair commented that schemes in the past had 'over promised' and there was a deliberate move away from that now, not recognising the current climate did provide some risks to the scheme, there were greater risks to the town centre without public intervention. The Council did, though, have a role to play in attracting business into the town centre. A Member questioned if there was the potential of any new high street names coming in as part of the redevelopment. The Managing Director indicated that there was a move away from such big stores to independent local shops who only required small units or flexible space to start-up and develop.

Members referred to the provision of jobs and investment in training and development of people. The Managing Director referred to the two schemes

previously approved as part of the Town Deal – the Health and Care Academy and Civil Engineering Academy.

A Member was concerned that there had been past investment in the Marina and Church Street, that had failed to create the footfall that had been promised and there needed to be an honesty with the public that this was a risk. The Council could not be risk-averse needed to manage that risk as best it could.

The meeting moved into closed session so that the contents of the Business Case could be discussed further.

Decision

That the meeting move into closed session.

26. Local Government (Access to Information) (Variation Order) 2006

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

Minute 27 – Town Deal Business Case – Reimagining Middleton Grange Shopping Centre – 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).

27. Town Deal Business Case – Reimagining Middleton Grange Shopping Centre *(Director of Resources and Development)* 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)

Type of decision

Non-key Decision.

Purpose of report

The purpose of the report was to update the Finance and Policy Committee on the development of the project Business Cases under the Council's £25m Town Deal Programme, and to present the business case for the Reimagining Middleton Grange project.

Issue(s) for consideration

Members continued their debate and questions on the Reimagining Middleton Grange project Business Cases under the Council's £25m Town Deal Programme.

At the conclusion of the debate, the meeting returned to open session and the following decision was agreed without dissent.

Decision

1. That the contents of the report and the update on progress with the development of a complex Business Case for Middleton Grange be noted.
2. That the submission of the Business Cases to the Department for Levelling Up Housing and Communities (DLUHC) following independent assurance (by Tees Valley Combined Authority) be approved.

28. Any Other Items which the Chairman Considers are Urgent

The Chairman informed Members that there would be a forthcoming Members' Seminar and subsequent report to this Committee on the Tees Valley Mayoral Development Corporation proposal. A submission of interest had already been forwarded to Government but the final submission proposal required the full approval of all the partner Councils.

The meeting concluded at 11.05 am

H MARTIN

CHIEF SOLICITOR

PUBLICATION DATE: 1 SEPTEMBER 2022

HEALTH AND WELLBEING BOARD

MINUTES AND DECISION RECORD

4 JULY 2022

The meeting commenced at 2.00 pm in the Civic Centre, Hartlepool

Present:

Prescribed Members:

Elected Members, Hartlepool Borough Council – Councillors Allen and Cook.
Councillor Buchan as substitute for Councillor Young.
Councillor Moore appointed Councillor Cook as his substitute and therefore, in accordance with the Constitution, Councillor Cook chaired the meeting.
Representative of NHS Integrated Care Board – Director of Governance and Partnerships, Dan Jackson
Director of Public Health, Hartlepool Borough Council – Craig Blundred
Director of Adult and Community Based Services, Hartlepool Borough Council, Jill Harrison
Representatives of Healthwatch – Christopher Akers-Belcher and Margaret Wrenn

Other Members:

Assistant Director of Joint Commissioning, Hartlepool Borough Council – Danielle Swainston
Representative of the NHS England – Dr Tim Butler
Representative of North Tees and Hartlepool NHS Trust – Stuart Irvine
Representative of Hartlepool Voluntary and Community Sector – Christine Fewster

Also in attendance:-

Stephen Thomas, Hartlepool Healthwatch

Officers: Dr Philippa Walters, Pharmacist Lead, Public Health
Joan Stevens, Statutory Scrutiny Manager
David Cosgrove, Democratic Services Team

Councillor Cook in the Chair.

1. Apologies for Absence

Councillor Moore, Leader of Council. Councillor Young.

Dr Nick Timlin and David Gallagher, Representatives of NHS Tees Valley Clinical Commissioning Group.
Director of Children's and Joint Commissioning Services, Hartlepool Borough Council – Sally Robinson
Managing Director, Hartlepool Borough Council – Denise McGuckin
Director of Neighbourhoods and Regulatory Services, Hartlepool Borough Council – Tony Hanson
Representative of GP Federation – Fiona Adamson
Representative of North Tees and Hartlepool NHS Trust –Deepak Dwarakanath / Julie Gillon.
Representative of Tees, Esk and Wear Valley NHS Trust – Brent Kilmurray

2. Declarations of interest by Members

None.

3. Minutes of the meeting of the Board held on 21 March 2022

Confirmed.

4. Minutes of the meeting of the Children's Strategic Partnership held on 29 September 2021

Received.

5. Children with SEND (Special Educational Needs and/or Disabilities) Annual Report April 2021-March 2022 *(Director, Children's and Joint Commissioning Services)*

The Assistant Director, Joint Commissioning submitted for the Board's consideration, the Children with SEND (Special Educational Needs and/or Disabilities) Annual Report April 2021-March 2022. The Health and Wellbeing Board has responsibility for the implementation and monitoring of progress for the outcomes of children with SEND. The annual report sets out progress against the requirements within the Code of Practice and areas of development and was a partnership evaluation as the Code of Practice places statutory duties on all partners.

The Assistant Director reported that the Government had instigated a national review for SEND and had stated that proposals would be published in March 2022, though this had not yet happened. In 2015 the Government had commissioned Ofsted and the CQC to inspect SEND arrangement in local areas. Hartlepool had been inspected in October 2016 and found to have significant weakness in its SEND arrangements across the partnership. A written statement of action was produced and a revisit took place in January

2019. Following this a review meeting took place in February 2021 with DfE, NHS England council, CCG, schools and parent representatives. The meeting reviewed progress against the SEND Accelerated Progress Plan. DfE felt that the area had made significant progress and said that formal monitoring was no longer needed and there is no further need for an Accelerated Progress Plan.

The annual report had been completed with the SEND Operational group which consists of: parents, schools, social care, SEND team, commissioning, CCG (Clinical Commissioning Group), North Tees and Hartlepool NHS Foundation Trust, TEWV (Tees, Esk and Wear Valley NHS Foundation Trust), Local authority officers.

Decision

That the SEND annual report be noted and that members understand their responsibilities in relation to SEND.

6. HealthWatch Hartlepool Accessing GP Services Consultation Report (*Hartlepool HealthWatch*)

Hartlepool HealthWatch representatives presented their report on Accessing GP Services in Hartlepool. The report highlighted two key areas of concern: -

- 1) Accessing GP practices by telephone to make an appointment is difficult, time consuming and for some patients poses significant barriers to accessing primary care services in a timely and appropriate manner.
- 2) Patients generally accept that Covid restrictions which saw most GP consultations delivered either on-line or by telephone were necessary to safeguard patients and health professionals and limit infection. However, the consultation showed significant concerns that the return of face to face appointments is too slow, and many patients feel that on-line or telephone consultations are a barrier to receiving the care, diagnostic rigour and reassurance that face to face consultations bring.

It was acknowledged that these problems were not unique to Hartlepool but it was noted that some patients reported more issues at certain surgeries. The move towards more online services during the Covid-19 pandemic did not work for all patients, particularly older people. There also seemed to be a rather slow return to face-to-face appointments despite the lifting of restrictions.

Many people reported difficulty in being able to access appointments 'on the day', often finding that despite phoning at the times requested by surgeries, all appointments had been taken by the time they got to speak to someone. This difficulty in accessing timely medical advice was affecting people and in some instances putting people off seeking early medical advice thus allowing some conditions to get worse. This was a particularly concerning impact. There

was also concern for frontline staff in GP surgeries who were often taking the brunt of patient's frustrations.

The HealthWatch representative highlighted the recommendation set out in the report and commended them to the Board.

During the debate it was highlighted that all the recommendations had been shared with GP surgeries. The Chair suggested that the Board may wish to review the actions from the recommendations to ensure that improvements were being made and suggested an initial review after six months. It was acknowledged that there was a shortage of GPs both locally and nationally but it was clear from the report that the patient experience was not wholly positive. It was suggested that there would need to be follow up surveys in 6 to 12 months' time to assess what improvements had been made and the HealthWatch representative stated that they would wish to do this in collaboration with Health colleagues. A representative also highlighted that there were other means of gaining advice, such as community pharmacists that could assist people and alleviate some of the pressure on GPs.

Decision

1. That the following recommendations from the HealthWatch Hartlepool Accessing GP Services Consultation Report be adopted: -
 - All GP practices in Hartlepool should review current appointment processes and in particular their effectiveness in enabling patients to access appointments/consultations quickly. Hartlepool and Stockton Health (HASH) should provide support as appropriate.
 - Practices should make extended times available for patients to phone and book appointments, the introduction/re-introduction of on-line bookings and evening/weekend arrangements.
 - Patients must be involved in the review process and be consulted about proposed changes to appointment processes.
 - All practices should introduce texting services for Deaf patients to use to book appointments and general communication.
 - All key practice information must be available in accessible formats appropriate to the needs of patients with sensory impairments and other conditions and disabilities.
 - The availability of face to face appointments should be reinstated as quickly as possible in line with government guidelines and safety considerations.
 - Practices introduce/re-visit staff training to increase awareness of the communication needs and preferences of different patient groups (Deaf, visually impaired, people living with dementia, learning disability etc.).
 - Practices ensure that information dissemination systems are as effective as possible, and that patients are fully informed of all appointment (including out of hours) and prescription services and arrangements.

2. That an action plan be developed including a further consultation exercise after 6 months to assess the levels of improvement.

7. **Pharmaceutical Needs Assessment 2022** *(Director of Public Health)*

The Director of Public Health submitted the final draft of the Hartlepool Pharmaceutical Needs Assessment (PNA) 2022 for approval prior to its publication before the statutory deadline of 1st September 2022.

The Pharmacist Lead commented that the document was an important tool that would be used in the shaping of local service delivery. It was highlighted that wider service delivery would be changing with the introduction of the new Integrated Care Board across the North East and North Cumbria. The PNA had not identified the need for any new pharmacy in Hartlepool.

There was some discussion around the opening hours of some pharmacies and the Pharmacist Lead stated that there were national contracts based on either 40 hours opening per week, or 100 hours opening per week. Pharmacies were not, however, paid per hour. Some did have additional hours within their contracts.

Decision

1. That the Health and Wellbeing Board approves the final version of the PNA for publication on the Council's website before 1st October 2022, subject to minor errata, amendments or updates identified before the publication date.
2. That the Health and Wellbeing Board undertakes a review of the process in relation to Supplementary Statements and in the intervening period continue to delegate authority to the Director of Public Health, in consultation with the Chair of the Health and Wellbeing Board, to approve as required:
 - Publication of minor errata / service updates as on-going notifications that fall short of formal Supplementary Statements to the PNA (for example changes of ownership, minor adjustments to opening hours and service contracts that do not impact on need);
 - Any response on behalf of the Hartlepool Health and Wellbeing Board to NHS E&I invitation to (42 day) consultation on applications to provide new or amended pharmaceutical services, based on the PNA;
 - Any response behalf of the Hartlepool HWB in relation to an application to consolidate pharmacies, and make a statement or representation, to NHS England (within 45 days) stating whether the consolidation would, or would not create a gap in pharmaceutical services provision;

- Following determination on an application to consolidate two pharmacies by NHS England, publication of a supplementary statement reporting that removal of the pharmacy (which is to close from the Pharmaceutical List) will not create a gap in pharmaceutical services and update the map of premises where pharmaceutical services are provided (Regulation 4(2)); and
 - Any initial determination with respect to the potential for either a Supplementary Statement or need for full review. Publication of Supplementary Statements to be ratified by the HWB at suitable periodic intervals (e.g. annually) as required.
3. That the Health and Wellbeing Board including the need to assess ongoing changes which might impact on pharmaceutical need and the assessment thereof and respond by initiating early review or publishing a Supplementary Statement to the 2022 PNA as required.
 4. That the Health and Wellbeing Board continue delegation of authority to Director of Public Health (in conjunction with the Chair of the HWB) as above, to make initial assessments with respect to potential Supplementary Statements or need for full review.
 6. That the Health and Wellbeing Board progress the production of an easy read companion document to the PNA; and
 7. That the Health and Wellbeing Board explores the use of infographic(s) to promote pharmacies, their services (where they are, what is available and how it can be accessed) and how this links into wider primary care and public health provision.
 8. That HealthWatch be asked to explore as part of its work programme for 2022 improved mechanisms to promote understanding / awareness of pharmacy services.

8. **Better Care Fund Update** (*Director of Adult and Community Based Services*)

The Director of Adult and Community Based Services submitted an update the Health and Wellbeing Board on current performance against the Hartlepool Better Care Fund Plan. BCF performance reports were routinely submitted to NHS England on a quarterly basis, however, routine reporting had been suspended over the past two years due to COVID19 and a single year end return was required which followed a different format to previous returns. The year-end return for 2021/22 was submitted in May 2021 and confirmed that all national conditions continued to be achieved, as well as confirming that BCF contributions were in line with national guidance.

Decision

That the Health and Wellbeing Board retrospectively approves the Hartlepool Better Care Fund 2021/22 return.

9. Integrated Care Board (ICB) – Update

The NHS Integrated Care Board Director of Governance and Partnerships gave a presentation to the Board setting out the background to the Integrated Care Boards (ICB), the ICB operating model and the ICB for the North East and North Cumbria, the ICB strategic aims, key functions and Governance. Details of the leadership team and the Board and Committee structure were also set out. The structure of the Integrated Care Partnerships that operated below the ICB structure were also detailed with four ICPs covering North Cumbria; Durham, South Tyneside and Sunderland; North of Tyne and Gateshead; and Tees Valley.

HealthWatch representatives indicated that there were some concerns around decision making and how local that would be and how HealthWatch Groups would integrate with the ICP structure. It was indicated that each ICP would be place based. There was also concern around the voice of voluntary sector organisations through the structure. It was indicated that there was a VCS representative on the ICB and it was acknowledged that there needed to be a clear voice and route for VCS organisation.

Decision

That the presentation be noted and shared with Board Members.

10. Any Other Items which the Chairman Considers are Urgent

The Chair requested that an update be provided at the next meeting on the current situation with Covid-19 and the emerging issue of Monkey pox.

The Board noted that the date of next meeting was Monday 5 September 2022 commencing at 10.00 a.m. in the Civic Centre, Hartlepool.

Meeting concluded at 4.20 pm.

CHAIR

FINANCE AND POLICY COMMITTEE

19 September 2022



Report of: Director of Resources and Development

Subject: LOCAL COUNCIL TAX SUPPORT 2023/24

1. TYPE OF DECISION/APPLICABLE CATEGORY

1.1 Budget and Policy Framework.

2. PURPOSE OF REPORT

2.1 The purpose of the report is to:

- i) Update Members on the operation of the Local Council Tax Support (LCTS) scheme; and
- ii) Set out options for the operation of the LCTS scheme for 2023/24 for consideration and determine the option to be recommended to Council.

3. BACKGROUND

3.1 The former national Council Tax Benefit Scheme was abolished by the Welfare Reform Act of 2012 and was replaced with a requirement for Councils to determine and operate their own LCTS scheme with effect from 1 April 2013, thereby transferring responsibility for Council Tax support from central to local government.

3.2 The Council has operated a "12% scheme" in every year since 2014/15 (8.5% in 2013/14) ensuring that working age households with a full entitlement pay no more than 12% of Council Tax. Having a supportive LCTS scheme is consistent with the Councils determination to support vulnerable households and the Council Plan 2021/22 to 2023/24. The 12% scheme means that for 2022/23 a Band A household in receipt of full support will pay £176 (inclusive of Council, Cleveland Fire Authority and the Police and Crime Commissioner).

3.3 Research by the Institute for Fiscal Studies (published January 2019) showed that for 2018/19 nationally 20% was the most common scheme operated, but a significant number of councils operated a scheme with a

higher percentage i.e. less favourable to claimants. Unfortunately, more recent national benchmarking is not available.

Claimant Numbers

- 3.4 There had been a general reduction in claimants over the period of the local schemes operation. An increase in claimants was experienced during 2020/21, peaking in August 2020 as the Covid pandemic impacted the economy before gradually reducing towards year end. Claimants were supported by the one-off hardship allocation provided by government. As at July 2022 there were 13,306 LCTS claimants, of which 8,764 were working age and 4,542 pension age.
- 3.5 Forecasting future claimant numbers is difficult, especially given the current circumstances. At this stage it is anticipated that the impact of the Cost of Living increase will not be permanent with a steady increase in working age caseload before falling back to historic norms. The Council Tax Base for 2023/24 will include the best available estimate at that time.

Collection Performance

- 3.6 Collecting Council Tax from LCTS households is more resource intensive than non LCTS households. These households are less likely to pay by Direct Debit, instead choosing to make payment in different ways e.g. cash, either at the Civic Centre or via the Post Office and Paypoint network at local shops. In addition there is a greater likelihood that payment is ultimately obtained through Attachment of Benefit. All recovery action is managed sensitively, whilst seeking to maximise income collection.
- 3.7 Attachment of Benefits (AOB) can only be requested to the DWP following the Council securing a liability order via the Magistrates Court. Currently the highest attachment allowable is £20.58 per month, with only one AOB deduction active at any one time. In the best case scenario, such an attachment could only be secured 3 months into the financial year, thus allowing 9 months of collection. The maximum collectable in this scenario is £185.22 in total for the first year. Whilst the least amount payable for a Band A property is £176 as set out in section 3.2 above, in many circumstances, unless individual's circumstances change, debt continues to accrue year on year.
- 3.8 Currently 6,443 Council Tax accounts have an Attachment of Benefits, though these will not all be current LCTS accounts. In addition there are 5,143 Liability Orders at pending stage. As at the end of July 2022 £3.647m of debt is outstanding to those with Attachment of Benefits. Collection levels remain high for this debt, albeit payment is not all received in the year the liability first became due.

Cost of Scheme

- 3.9 The cost of the current LCTS scheme for 2021/22 was £13.019m in relation to Council Tax support provided to eligible low income households, including pensioners. Each year an estimate is made as to the forecast cost and this is included within the annual Council Tax Base calculation.

Core Principles

- 3.10 The Hartlepool LCTS scheme has been centred on a number of core principles:

Every working age household should pay something towards Council Tax - All working age claimants will have their LCTS entitlements calculated to ensure an affordable and sustainable scheme.

Everyone in the Household should contribute appropriately - We will implement Central Government changes to the value of non-dependant adult deductions from Council Tax Support entitlements.

The LCTS scheme should encourage work – claimants will be allowed to keep more of their earnings before they are taken into account in the LCTS award calculation. Our scheme increases earnings disregards by £5 per week; to £10, £15 and £30 for a single person, couple and single parent households respectively.

Streamline / Simplify the LCTS Scheme – Our scheme will continue to remove 2nd adult rebate, and restrict backdating of LCTS to a maximum of 4 weeks. The 2nd Adult rebate applies only to Working Age claims, Pension Age claims continue to be eligible for 2nd Adult rebate although current numbers are extremely small.

Retain War Widows / War Pensions Local disregards framework – under the national CTB regulations Local Authorities are required to disregard the first £10 per week of War Pension Scheme and Armed Forces Compensation Scheme payments. In addition Local Authorities have the discretion to top up the disregard to the full amount. Hartlepool have historically applied the discretionary top up and this continues to apply in the Council's LCTS scheme.

- 3.11 The Government considered the position of low income pensioners associated with the abolition of Council Tax Benefit and the introduction of LCTS. They determined that, unlike most other groups, pensioners cannot reasonably be expected to seek paid employment to increase their income. Therefore the Government determined that as a specific vulnerable group, low income pensioners should be protected from any reduction in support as a result of this reform. There is no indication that

the Government will change its position on this core principle for 2023/24.

4. POTENTIAL OPTIONS

- 4.1 The Council has the option to amend the LCTS on an annual basis subject to approval and relevant consultations. Given the budget position outlined elsewhere on today's agenda an increase in support (i.e. a reduction in rate payable) has not been included as an option for consideration – as this would increase the budget gap and mean more service cuts are required.
- 4.2 The table below details a number of potential options to reduce support (i.e. increase the rate payable) for consideration.

LCTS Scheme	Additional Potential Council Tax Income*	Impact on Households				
		Band A LCTS Liability *	Council Tax Increase for LCTS - full entitlement	Amounted Collected via Attachment of Benefit In Year	Arrears at the end of Year 1**	Arrears at the end of Year 2**
12%	n/a	£176	n/a	£185	(£9)	(£18)
14%	£0.164m	£205	16%	£185	£20	£40
16%	£0.327m	£234	33%	£185	£49	£98
18%	£0.491m	£263	49%	£185	£78	£156
20%	£0.654m	£293	66%	£185	£108	£216

*Figures are based on a 90% collection rate for LCTS households, using 2022/23 rates and are inclusive of Cleveland Fire Authority and the Police Commissioner.

**Based on maximum LCTS support and maximum Attachment of Benefits.

- 4.3 An increase from the current 12% amount payable would have a beneficial impact on the value of Council Tax collectable within the Borough. However, there would be a number of consequential outcomes that need careful consideration:
- Collection from LCTS households is generally more challenging and resource intensive for the Revenues Team. An increase to the LCTS amount payable would significantly increase the risk that a 99% overall collection rate inherent in our Base position becomes unachievable.
 - Whilst the headline increases may appear small, the percentage increase is more significant and impacts on those least able to pay. An increase from 12% to 20% represents a 66% increase for those in full receipt of LCTS i.e. from £176 to £293.
 - Currently, Attachment of Benefits (AoB) from month 4 would result in no year-end arrears. An increase in the scheme percentage rate would increase arrears for these low income households. In a 20%

scheme scenario these arrears increase significantly to £108 for year one. As only one AoB can be in place at any one time, higher arrears will also become stacked, placing a significant financial burden on low income households.

- Despite best efforts, there would be an increase in arrears and bad debt write off in future years as a consequence of any increase. For many of those with Attachment of Benefits, arrears would grow year on year.
- The last public consultation on the LCTS was in autumn 2019. Of the 333 respondents, 64% were in favour of retaining the 12% minimum payment. Of those who did favour an increase, 49% were in favour of the smallest possible increase, to 14%.

- 4.4 A growing number of Councils are moving to a “banded scheme” which creates income bands that determines a level of Council Tax Support, rather than specific income. Two of the Tees Valley authorities moved to such a scheme in recent years. Such an approach whilst creating “cliff-edges” in support does simplify the scheme and has clear administrative benefits.
- 4.5 The government has recently recommenced Universal Credit migration. Those households transferring no longer receive housing benefit from the Council but instead receive housing financial support as part of their Universal Credit. This has a consequential impact on the level of Housing Benefit Administration Grant received by the Council and therefore the size and structure of the Benefits team within the Council
- 4.6 Given the factors set out in 4.4 and 4.5 officers have begun the complex financial modelling for a proposed banded scheme and details will be reported as part of the process for setting the 2024/25 LCTS scheme.
- 4.7 However, experience from councils which have adopted this banded approach indicates that the changes either increase the cost to the council, which would increase the overall budget gap, or reduces support to some low income households. Neither outcome would be appropriate during the current economic uncertainty and given cost of living pressures. As such it is not proposed to progress a banded scheme for 2023/24, but instead continue to adopt a 12% LCTS scheme.
- 4.8 The core principles set out in section 3.9 underpin the Council’s LCTS scheme and have been in place from the outset. It is proposed that these principles are carried forward into the 2023/24 scheme without amendment.
- 4.9 LCTS entitlements are determined using a complex means tested calculation. Hartlepool continue to apply within its LCTS schemes, those changes applied by the DWP to the national Housing Benefit

- scheme. It is proposed that this continues for 2023/24 to mirror national changes to promote consistency and simplify administrative processes.
- 4.10 On the basis of the above factors it is recommended that a 12% scheme is maintained.

5. RISK IMPLICATIONS

- 5.1 Any increase in the level of Council Tax payable by recipients of LCTS will increase the risk of collection performance dropping for LCTS recipients but also the wider collection position given the increased administrative burden that will result. Continuing with a 12% scheme will mitigate that risk.

6. FINANCIAL CONSIDERATIONS

- 6.1 The cost of the LCTS scheme is included within the annual Council Tax Base calculations. The MTFS allows for a base increase over the period, reflecting both the anticipated cost of LCTS, but also other factors such as housing growth. The MTFS will be updated when the Base position is calculated based on latest available information in November.
- 6.2 The proposals set at section 4, outline the potential increased Council Tax that could be achieved with a reduction in support. Continued effort will be made to engage with and increase the collection rate for those in receipt of LCTS.

7. LEGAL CONSIDERATIONS

- 7.1 Councils are required to determine and operate their own LCTS scheme for each financial year. Once a LCTS scheme has been set for a financial year it cannot be altered until the following financial year.

8. CONSULTATION

- 8.1 There is a requirement to consult on any proposals that amend the current LCTS scheme. Therefore, if Members determine they wish to consider alternative LCTS schemes the necessary consultation will need to be undertaken and a further report then brought back to this Committee to determine the recommended scheme to be referred to Council.

9. CHILD / FAMILY POVERTY

- 9.1 An Impact Assessment covering LCTS has been reviewed and is included at Appendix A, which reflects continuation of a 12% scheme. This will need updating if Members wish to consult on alternative options and the implications then considered alongside the consultation outcome before a final decision is made.

10. EQUALITY AND DIVERSITY

- 10.1 An Impact Assessment covering LCTS has been reviewed and is included at Appendix B. As detailed in paragraph 9.1 this is based on a 12% scheme and would also need to be updated should alternative options be considered.

11. OTHER CONSIDERATIONS

Staff Considerations	No relevant issues
Asset Management considerations	No relevant issues
Environment, sustainability and climate change considerations	No relevant issues

12. RECOMMENDATIONS

- 12.1 It is recommended that Members:
- i. Note the current costs and administration impact/risks associated with the LCTS scheme; and
 - ii. Approve the 2023/24 scheme continues as a 12% scheme, to be referred to full Council.

13. REASON FOR RECOMMENDATIONS

- 13.1 To update Finance and Policy Committee on the latest position with regard to the LCTS scheme.
- 13.2 The recommendation to refer continuation of a 12% LCTS scheme for 2023/24 to full Council is designed to provide a period of stability for both low income working age households eligible for this support and the Council, during the current economic uncertainty.

14. BACKGROUND PAPERS

- 14.1 Local Council Tax Support 2022/23 – Report to Finance and Policy Committee 13 September 2021.

15. CONTACT OFFICER

James Magog
 Assistant Director (Finance)
 01429 523093
James.magog@hartlepool.gov.uk

Sign Off:-

Managing Director



Director of Resources and Development



Chief Solicitor



Poverty Impact Assessment Form

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	✓			The operation of a Local Council Tax Support Scheme means that those meeting the eligibility criteria will receive a reduction to Council Tax payable.
Those who are disabled or suffer from illness / mental illness	✓			The operation of a Local Council Tax Support Scheme means that those meeting the eligibility criteria will receive a reduction to Council Tax payable.
Those with low educational attainment	✓			The operation of a Local Council Tax Support Scheme means that those meeting the eligibility criteria will receive a reduction to Council Tax payable.
Those who are unemployed	✓			The operation of a Local Council Tax Support Scheme means that those meeting the eligibility criteria will receive a reduction to Council Tax payable.
Those who are underemployed	✓			The operation of a Local Council Tax Support Scheme means that those meeting the eligibility criteria will receive a reduction to Council Tax payable.
Children born into families in poverty	✓			The operation of a Local Council Tax Support Scheme means that those meeting the eligibility criteria will receive a reduction to Council Tax payable.
Those who find difficulty in managing their finances	✓			The operation of a Local Council Tax Support Scheme means that those meeting the eligibility criteria will receive a reduction to Council Tax payable.
Lone parents	✓			The operation of a Local Council Tax Support Scheme means that those meeting the eligibility criteria will receive a reduction to Council Tax payable.
Those from minority ethnic backgrounds	✓			The operation of a Local Council Tax Support Scheme means that those meeting the eligibility criteria will receive a reduction to Council Tax payable.

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
Low Income Individuals, Families and Households	Yes			The operation of a Local Council Tax Support Scheme means that those meeting the eligibility criteria will receive a reduction to Council Tax payable.
Overall impact of Policy / Decision				
POSITIVE IMPACT	Yes	ADJUST / CHANGE POLICY / SERVICE		N/A
NO IMPACT / NO CHANGE	N/A	STOP / REMOVE POLICY / SERVICE		N/A
ADVERSE IMPACT BUT CONTINUE	N/A			
Examples of Indicators that impact of Child and Family Poverty.				
Economic				
Children in Low Income Families (%)				
Children in Working Households (%)				
Overall employment rate (%)				
Proportion of young people who are NEET				
Adults with Learning difficulties in employment				
Education				
Free School meals attainment gap (key stage 2 and key stage 4)				
Gap in progression to higher education FSM / Non FSM				
Achievement gap between disadvantaged pupils and all pupils (key stage 2 and key stage 4)				
Housing				
Average time taken to process Housing Benefit / Council tax benefit claims				
Number of affordable homes built				

Health
Prevalence of underweight children in reception year
Prevalence of obese children in reception year
Prevalence of underweight children in year 6
Prevalence of obese children in reception year 6
Life expectancy

Equality Impact Assessment Form

Department	Division	Section	Owner/Officer
Resources and Development	Finance	Benefits	James Magog
Service, policy, practice being reviewed/changed or planned	Local Council Tax Support Scheme 2022/23		
Why are you making the change?	At this stage no change is proposed.		
How might this impact (positively/negatively) on people who share protected characteristics?			
		<i>Please tick</i>	
		POSITIVELY	NEGATIVELY
Age			
The Government considered the position of low income pensioners associated with the abolition of Council Tax Benefit and the introduction of LCTS. The Government determined that unlike most other groups, pensioners cannot reasonably be expected to seek paid employment to increase their income. Therefore the Government determined that as a specific vulnerable group, low income pensioners should be protected from any reduction in support as a result of this reform. The Government has not changed its position on this core principle for 2023/24. A neutral relative impact is therefore envisaged.			
Disability			
The 2023/24 proposed scheme continues with the core principle that every working age household should pay something towards Council Tax. The Council endeavours to minimise the impact of LCTS. The scheme does not provide protection of detriment to any specific working age group. A neutral relative impact is therefore envisaged.			
Gender Re-assignment			
The 2023/24 proposed scheme continues with the core principle that every working age household should pay something towards Council Tax. The Council endeavours to minimise the impact of LCTS. The scheme does not provide protection of detriment to any specific working age group. A neutral relative impact is therefore envisaged.			
Race			
The 2023/24 proposed scheme continues with the core principle that every working age household should pay something towards Council Tax. The Council endeavours to minimise the impact of LCTS. The scheme does not provide protection of detriment to any specific working age group. A neutral relative impact is therefore envisaged.			
Religion			
The 2023/24 proposed scheme continues with the core principle that every working age household should pay something towards Council Tax. The Council endeavours to minimise the impact of LCTS. The scheme does not provide protection of detriment to any specific working age group. A neutral relative impact is therefore envisaged.			
Gender			
The 2023/24 proposed scheme continues with the core principle that every working age household should pay something towards Council Tax. The Council endeavours to minimise the impact of LCTS. The scheme does not provide protection of detriment to any specific working age group. A neutral relative impact is therefore envisaged.			
Sexual Orientation			
The 2023/24 proposed scheme continues with the core principle that every working age household should pay something towards Council Tax. The Council endeavours to minimise the impact of LCTS. The scheme does not provide protection of detriment to any specific working age group. A neutral relative impact is therefore envisaged.			

Appendix B

Marriage & Civil Partnership			
The 2023/24 proposed scheme continues with the core principle that every working age household should pay something towards Council Tax. The Council endeavours to minimise the impact of LCTS. The scheme does not provide protection of detriment to any specific working age group. A neutral relative impact is therefore envisaged.			
Pregnancy & Maternity			
The 2023/24 proposed scheme continues with the core principle that every working age household should pay something towards Council Tax. The Council endeavours to minimise the impact of LCTS. The scheme does not provide protection of detriment to any specific working age group. A neutral relative impact is therefore envisaged.			
Has there been consultation /is consultation planned with people who will be affected by this policy? How has this affected your decision making?		<p>The existing scheme has been consulted upon previously. Consultation would be undertaken should an amendment be proposed.</p> <p>It is not envisaged that any scheme change will impact the Equality Impact Assessment, the same relative impact is anticipated.</p>	
As a result of your decision how can you mitigate negative/maximise positive outcomes and foster good relationships?		By applying the scheme fairly and consistently across all households within Hartlepool.	
Describe how you will address and monitor the impact		1. No Impact - No Major Change No new impact expected.	
		2. Adjust/Change Policy N/A	
		3. Adverse Impact but Continue as is N/A	
		4. Stop/Remove Policy/Proposal N/A	
Initial Assessment		Reviewed	19/08/22
Completed	19/08/22	Published	19/09/22

FINANCE AND POLICY COMMITTEE

19th September 2022



Report of: Director of Resources and Development

Subject: MEDIUM TERM FINANCIAL STRATEGY (MTFS)
2023/24 TO 2024/25

1. TYPE OF DECISION/APPLICABLE CATEGORY

Budget and Policy Framework.

2. PURPOSE OF REPORT

- 2.1 The purpose of this report is to provide an update on the Council's financial position and enable Members to approve the 2023/24 Council Tax level to be recommended to Council. The proposal reflects the national referendum limits summarised in paragraph 3.1 and the financial position outlined in the report.

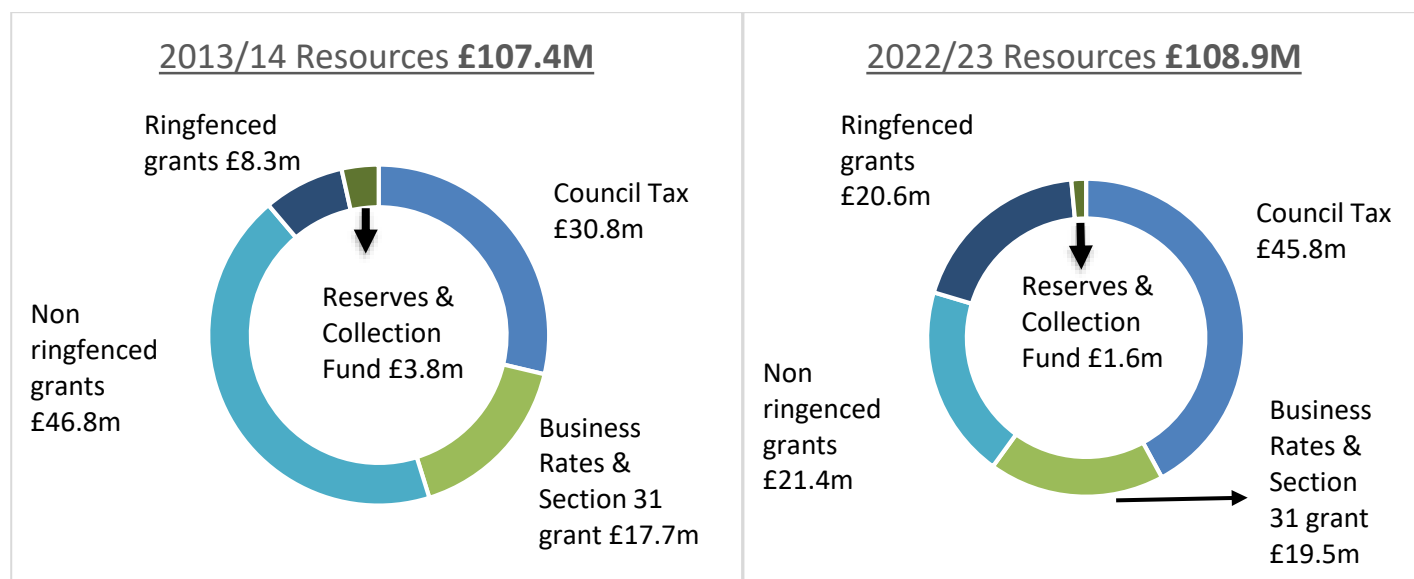
3. BACKGROUND

- 3.1 The Government previously set a Council Tax referendum limit of 2% and an Adult Social Care precept limit of 1% for 2023/24 and 2024/25 – i.e. total limit of 3%. These are annual limits and apply on a 'use it or lose' it basis - which means any increases below these limits cannot be caught up with a higher increase in the following year. In line with these limits Council approved indicative increases of 2.9% for these years. Whilst, the Government set annual referendum limits and the Council indicative increases there is a legal requirement to set the level of Council Tax and Adult Social Care precept on an annual basis.
- 3.2 A comprehensive update report was presented to the June meeting and highlighted a number of key issues over the period 2013/14 to 2022/23, which continue to have a major impact on services in future:
- Total cash resources in 2022/23 of £108.9m are only **1.4%** more than they were in 2013/14 (£107.4m) – a cash increase of only **£1.5m over 9 years**.

If total resources had increased in line with the Bank of England's inflation calculator recurring funding in 2022/23 would have been £138m – which is approximately £37m more than actual resources.

- Reliance on Council Tax has increased significantly – in 2013/14 this was **29%** of resources – in 2022/23 it is **42%**. This is a **£15m** shift in funding on to local tax payers – which only covers 59% of the reduction in non ring-fenced Government Funding of **£25.4m**.

3.3 These changes are summarised in the following charts.



3.4 The previous MTFS report indicated that the budget deficits had increased as summarised below:

Previous Forecast Deficits 2023/23 and 2024/25
(with Council Tax and ASC increases in line with national limits)

	2023/24 £m	2024/25 £m	Total £m
Gross forecast deficit	4.834	2.229	7.063
Less recurring Council Tax and ASC Precept Income	(1.330)	(1.370)	(2.700)
Use of Budget Support Reserve (i.e. deficit deferred from 2023/24 to 2024/25)	(0.600)	0.600	0.000
Net forecast deficit	2.904	1.459	4.363

3.5 In view of the risks regarding inflation Members approved the recommendation to develop a saving plan on the basis of savings of £4.4m all being achieved for 2023/24 – and noted the risk these figures would increase and an update is provided in the next section.

4. UPDATE OF 2023/24 AND 2024/25 FORECASTS

4.1 Since the June MTFS update was prepared there have been significant external financial pressure which impact on the Council's financial position, as follows:

- 25th July 2022 – National Employers Organisation pay offer

Pay awards for council staff are agreed nationally, although no additional Government funding is provided.

The previous MTFS report highlighted the risk that the April 2022 pay offer may exceed the revised 4% forecast, which was in line with the provision made by most other councils, although some remained at 3% or even 2%.

The recent national pay offer is a flat rate increase for all council staff of £1,925 from April 2022. This results in higher percentage increases for the lowest paid staff most affected by inflation and results in increases of between 10% and 3.5% (2% or less for Assistant Directors and Directors). Once the April 2022 pay award is agreed the National Employers Organisation have indicated they want to commence the negotiations for 2023 as soon as possible.

The Trade Unions are consulting on this offer in August/September. Assuming Trade Union members accept this offer the earliest we will have certainty is early October.

In financial terms this is an additional budget pressure of £2m - which takes the total pay award pressure for 2022/23 to £4m, which is 7% of the pay bill

If a similar offer is made for 2023/24 this would again exceed the MTFS planning forecast of 3% and increase the budget deficit.

- 4th August 2022 – Bank of England Interest Rate increase

The Base Rate increased to 1.75% from 4th August 2022. When account is taken of increases in previous months this means that since early May 2022 interest rates has increased from 0.25%. It is anticipated the Bank of England will increase interest further in the coming months and rates may increase to 3%, or potentially higher.

For the Council the key issue is long term interest rates and following the recent Bank of England decision PWLB (Public Works Loans Board) interest rates for 50 years loans have increased to 3.7% and will remain at this level, or a higher level until inflation reduces below the 2% Bank of England target.

The Treasury Management Strategy anticipated an increase in long term interest rates – albeit not to the current level. Accordingly in March 2020

we agreed a forward deal to borrow £17m for the capital programme at 2.3% - this secured the interest rate needed for the approved borrowing for the capital programme approved in the 2020/21 MTFS. If we had delayed this decision we would have faced an annual budget pressures of £0.166m based on current PWLB rates.

However, any future borrowing requirement for the capital programme will likely be made at the current higher prevailing rates.

- 17th August 2022 – July inflation figures issued

Figures published on 17th August showed the continuing impact of inflation as the CPI (Consumer Prices Inflation) increased to 10.1% and RPI (Retail Prices Inflation) to 12.3%. The Bank of England has recently forecast CPI increasing to 13% by the end of 2022. Other financial institutions are increasingly forecasting an even higher inflationary peak.

It is not yet clear when inflation will begin to fall and how quickly. The budget for 2023/24 faces a double inflation impact from increases in 2022/23 and 2023/24.

- 4.2 On the basis of these changes the forecast deficit for 2023/24 has increased significantly. The position for 2024/25 is more uncertain and subject to greater risk as a number of areas still need to be assessed and will be subject to external inflation. However, it is expected to deteriorate from the position shown below.

2023/24 and 2024/25 Forecast Deficit

	2023/24 £m	2024/25 £m	Total £m
Gross forecast deficit	4.834	2.229	7.063
Less recurring Council Tax and ASC Income	(1.330)	(1.370)	(2.700)
Use of Budget Support Reserve	(0.600)	0.600	0.000
Sub Total Net Forecast deficit reported June	2.904	1.459	4.363
Specific Inflationary Pressures	2.272	TBC	2.272
Recurring impact of April 2022 Pay Award	2.000	TBC	2.000
External Placement Pressure	1.000	0.000	1.000
Other Service Pressures	0.400	0.090	0.490
Net forecast deficit	8.576	1.549	10.125

- 4.3 The next MTFS report will include the forecast deficit for 2025/26 which will reflect the fact that even if inflation reduces to the previous 2% Bank of England target (which is a significant uncertainty and risk) and Council Tax referendum limits are set at 2% there will be a recurring deficit if Government funding is frozen. The position for 2025/26 would be worse if service demands continue and are not funded by an increase in Government grant. This underlines the need for a robust plan to address the deficits for the next two years.

- 4.4 The 2022/23 MTFS had approved saving to be implemented over the next two years of £1.5m. The significant increase in the deficit will require a new and more radical plan and proposals will be reported to the Committee on 21 November 2022.
- 4.5 As part of this plan a review of reserves will be completed to identify additional resources to support the budget over the next two years. The pay award in 2022/23 will have to be funded from the Budget Support Fund and this will reduce the un-committed resources available to support the budget in 2023/24 and 2024/25 to £3.2m. The review of reserves will need to increase this reserve to provide one off funding for:
- Transitional costs of achieving recurring savings – including redundancy / retirement costs; and
 - To phase the £10m deficit over two years. This will need extremely careful management and a robust plan for delivering savings by 1st April 2024 of £10m otherwise the Council could simply run out of time and money to address the deficit. The reality of the situation is the majority of the deficit will need to be addressed in 2023/24 to avoid deferring an unmanageable deficit to 2024/25 as the inflation risk remains significant for 2024/25
- 4.6 This plan is based on the indicative Council Tax and Adult Social Care precept increases for 2024/25 and 2024/25 being confirmed each year as required by law. Without this income the **£10m** deficit increases to **£12.7m**.
- 4.7 Council Tax increases are always difficult as unlike most other taxes they require an annual decision to increase this income. Payroll Tax increase automatically as pay increases and this income can also increase almost unnoticed if personal allowances are frozen at a time of rising wages for many people, albeit not to at the level of inflation. Similarly, many other taxes, such as VAT, increases as prices rise. Both situations result in increased income for the Treasury and some protection against the impact of inflation.
- 4.8 To highlight this point the national pay award will cost the Council £4m and the payroll taxes will be £1.2m. The Treasury will also gain increased recurring Income Tax and National Insurance from school staff, which is a recurring cost to school budgets from 2022/23.

5. BUDGET TIMETABLE

- 5.1 In view of the significant increase in the deficit the budget timetable has been revised and new key tasks summarised below:

Task	Timescale (dates in brackets previous dates proposed in June F & P MTFS report)
MTFS update and determination of 2022/23 Council Tax level to be recommended to Council. This report will provide the strategic financial direction and be a major determinate of the budget deficit to be addressed from budget savings / other income increases. The report will also provide an updated assessment of the inflation impact. Separate supporting report on 2023/24 Local Council Tax Support (LCTS) scheme options	Finance and Policy Committee – 19 September 2022 - no change
MTFS and LCTS proposals referred by Finance and Policy Committee	Council – 29 September – no change
Review of reserves	Finance and Policy Committee – 21 November 2022 (10 October 2022)
Consideration of initial savings proposals 2023/24 to 2025/26	Finance and Policy Committee 21 November 2022 (10 October 2022)
Consideration of initial savings proposals referred from Finance and Policy Committee	Individual Policy Committees (late November / early December)
Determine budget proposal to be referred to Council	Finance and Policy Committee 12 December 2022 (14 November 2022)
Consideration of budget proposals referred from Finance and Policy Committee	Council – no change – 15 December 2022 (copy of F and P report will be issued with Council papers and supplementary report then issued after F and P meeting)

- 5.2 The budget timetable will also include Members briefings, consultation with the Trade Unions and Business Sector representatives, and statutory consultation as required in relation to detailed budget proposals as these are developed.

6. OTHER CONSIDERATIONS

6.1 Legal Considerations

6.2 The following issues are relevant in relation to this report:

- the Local Government Finance Act 1992 requires local authorities to set a balanced budget – this report continues the budget process and further reports will enable budget proposals to be approved and then referred to Council to meet this requirement;
- the Local Government Act 2003 requires local authorities to consider the advice of their Section 151 Chief Finance Officer (the Director of Resources and Development) when making budget decisions. This advice must include details of the robustness of the estimates made for the purposes of the calculations and the adequacy of the proposed financial reserves. These requirements will be addressed in future reports and initial advice is detailed later in the report.

Risk Implications	Will be addressed as MTFS and savings proposals are developed and will be reported to future meetings.
Consultation	Covered in budget timetable session and will include Members seminars.
Child / Family Poverty	<p>Will be addressed as MTFS and savings proposals are developed and will be reported to future meetings.</p> <p>The recommended Council Tax and ASC precept increases are in line with previously announced national Referendum Limits and significantly below inflation. Increasing Council Tax clearly impacts on all households. The recommendation to retain a 12% LCTS scheme will also support the most financially vulnerable households.</p>
Equality and Diversity	As above.
Section 17 of the Crime and Disorder Act 1998	As above.
Staff	As above

Asset Management	As above.
Environment, Sustainability and Climate Change	As above.

7. ROBUSTNESS ADVICE

- 7.1 By law as the Council's Section 151 Officer I am required to provide advice on the robustness of the budget forecasts. This advice will be provided latter in the year when Finance and Policy Committee, and then Council, consider the overall plan for addressing the significant budget deficits in 2023/24 and 2024/25.
- 7.2 Increasing Council Tax by 1.9% and implementing the 1% ASC precept for 2023/24 achieves recurring income of £1.330m which helps secure a more robust budget position. The challenge of balancing the remaining deficit is significant and will require the development and approval of a robust plan.
- 7.3 Council Tax funds **42%** of the net budget so protecting this recurring income is critical to the financial sustainability of the Council. Not achieving this income would not be robust as it would reduce recurring income and require even greater service cuts to be made in 2023/24.

8. CONCLUSIONS

- 8.1 The financial challenges facing the Council in the current and the next two financial years come on the back of a period of austerity following the 2010 financial crisis. We then faced the Covid pandemic – which the Government recognised was an un-precedent event and provided one off funding to support the economy and councils.
- 8.2 The main factor impacting on the budget is now inflation, which was initially driven by high energy/fuel costs and is now spreading into other cost areas and pay settlements.
- 8.3 As detailed in the separate budget management report the Council will overspend the 2022/23 budget, even after using all the one-off funding set aside for inflation risks and income shortfalls, by £2m. This deficit will need to be funded from the Budget Support Fund – which reduces financial resilience as reserves can only be used once. This highlights the speed and severity of the impact of inflation on the cost of services.
- 8.4 The impact of inflation in 2023/24 is even greater as this year is hit by the ongoing impact of inflation in the current year (without the benefit of the one of resources available in 2022/23) and inflation continuing into 2023/24.

- 8.5 The pressures facing the Council are affecting the whole of the public sector and the new Prime Minister will quickly need to develop a plan to support the economy and the public sector. However, it is unclear whether councils, in particular those with adult and children's social care, will be anywhere near the top of the new Government's funding priorities when considered alongside the NHS, defence, education, police and welfare spending.
- 8.6 Against this background the deficit for 2023/24 of approximately £8.6m is net of:
- a forecast increase in Government funding of £1.890m (4%);
- As reported in June the Chancellor's Spring Statement forecast a 3.4% increase in funding for Local Government, compared to 3.7% for NHS England and 2.9% for Education.
- an increase in income from Council Tax (1.9%) and the ASC precept (1%) – of £1.330m.
- 8.7 Even after allowing for these income increases the Council faces significant deficits over the next two years, and likely beyond, and the decisions which will need to be made will adversely impact on services.
- 8.8 To highlight the scale of the 2023/24 deficit it would require an increase in Government funding for Hartlepool of 22% - which is an unrealistic expectation.
- 8.9 The recommendation to increase Council Tax and the ASC precept in line with previously announced national Referendum Limits is the first step in developing a strategy to address the deficit. Further difficult decisions will be required and will be based around three broad themes – with the first two addressing the 2023/24 deficit and all three addressing the 2024/25 deficit:
- Service reductions - changes in service standards or ceasing some services
 - Income maximisation – scope to increase fees and charges at, or nearer to the rate of inflation and opportunities for growth;
 - Transformation savings – these require longer lead time and may require one off funding based on pay back periods.
- 8.10 The reality of the financial position facing the Council is that service reductions will be the greatest contribution to addressing the deficit as previous measures have already reduced the workforce by 20%.

9. RECOMMENDATIONS

9.1 It is recommended that Members:

- i) Note the report;
- ii) Note the significant inflation pressures now facing the Council and the risk these pressures will increase 2023/24 and 2024/25;
- iii) Recommend to Council that the 2023/24 indicative 1.9% Council Tax increase and 1% Adult Social Care precept are confirmed.
- iv) Note recommendation (iii) reflects national Referendum Limits previously set by the Government for 2023/24 and 2024/25.

10. REASON FOR RECOMMENDATIONS

10.1 To enable the Finance and Policy Committee to approve the proposals to progress the development of the MTFS.

11. BACKGROUND PAPERS

The following background papers were used in the preparation of this report:-

- Finance and Policy Committee - Medium Term Financial Strategy (MTFS) 2023/24 to 2024/25 – 20th June 2022.

12. CONTACT OFFICER

Chris Little
 Director of Resources and Development
 Email: chris.little@hartlepool.gov.uk
 Telephone: 01429 523003

Sign Off:-

Managing Director	<input checked="" type="checkbox"/>
Director of Resources and Development	<input checked="" type="checkbox"/>
Chief Solicitor	<input checked="" type="checkbox"/>

FINANCE AND POLICY COMMITTEE

19th September 2022



Report of: Director of Resources and Development

Subject: NEC HOUSE LEASE SURRENDER AND RENEWAL

1. TYPE OF DECISION/APPLICABLE CATEGORY

- 1.1 Key Decision (test (i)) Forward Plan Reference No. CE83/22. (Report originally listed in the Forward Plan for decision in October 2022.)

2. PURPOSE OF REPORT

- 2.1 The purpose of the report is to seek approval of acceptance of a surrender of the existing lease and grant of a new lease of NEC House to the current lessee, NEC Software Solutions Ltd.

3. BACKGROUND

- 3.1 NEC Software Solutions Ltd have leased NEC House (formerly known as Bryan Hanson House and then Northgate House) from the Council since March 2014. NEC were formerly Northgate Public Services (UK) Ltd and prior to that Northgate Information Solutions UK Ltd.
- 3.2 In 2020 the original lease was extended on the same terms such that it would expire in September 2023. The building comprises a relatively modern 3 storey office building extending to approximately 1,958 square metres net internal area situated on Lynn Street opposite the Northern School of Art film studios. It is shown verged red on the plan in **APPENDIX 1**.
- 3.3 Following negotiations with NEC it is now proposed to accept a surrender of the existing lease and to grant a new lease on the terms set out in **CONFIDENTIAL APPENDIX 2** This item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, (paragraph 3) information relating to the financial or business affairs of any particular person (including the authority holding that information).

- 3.4 NEC are the Council's current IT provider.
- 3.5 At the time of writing this report NEC were preparing to install a new Heating Ventilation and Air Conditioning system to the office areas but not to the circulation areas and toilets, which will continue to be heated by the existing gas fired hot water radiator system.

4. PROPOSALS

- 4.1 No options submitted for consideration other than the recommendation.

5. OTHER CONSIDERATIONS

Risk Implications	No relevant issues
Legal Considerations	No relevant issues
Consultation	No relevant issues
Child/Family Poverty Considerations	No relevant issues
Equality and Diversity Considerations	No relevant issues
Section 17 of The Crime And Disorder Act 1998 Considerations	No relevant issues
Staff Considerations	No relevant issues

6. FINANCIAL CONSIDERATIONS

- 6.1 The rental income from the lease will continue to support the Council's revenue position and the grant of a further lease will also support the capital value of the property.

7. ASSET MANAGEMENT CONSIDERATIONS

- 7.1 The decision to take a commercial approach means that the Council should obtain full market value for any property it disposes of or leases out.

8. RECOMMENDATIONS

- 8.1 Committee is recommended to approve the terms set out in **CONFIDENTIAL APPENDIX 2 This item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, (paragraph 3) information relating to the financial or business affairs of any particular person (including the authority holding that information).**

9. REASONS FOR RECOMMENDATIONS

- 9.1 The proposed terms are considered to represent the market rental value of the property and NEC provide an excellent covenant and have always been a satisfactory lessee.

10. BACKGROUND PAPERS

- 10.1 There are no background papers in this instance.

11. CONTACT OFFICERS

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Sign Off:-

Managing Director



Director of Resources and Development

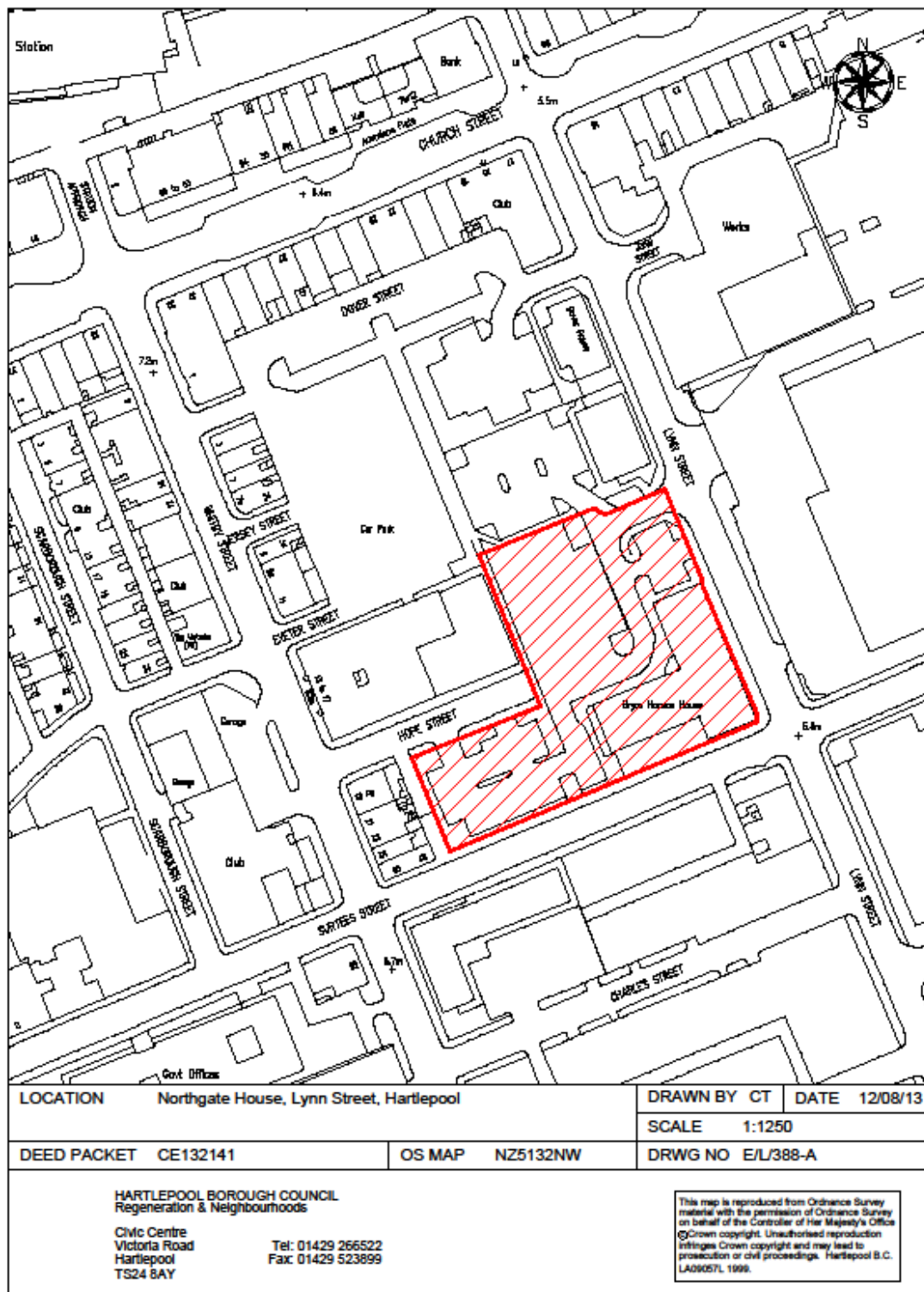


Chief Solicitor



APPENDIX 1

Plan of NEC House



FINANCE AND POLICY COMMITTEE

19 September 2022



Report of: Director, Children and Joint Commissioning Services
and Director of Resources and Development

Subject: HOUSEHOLD SUPPORT FUND

1. TYPE OF DECISION/APPLICABLE CATEGORY

1.1 Key decision tests (1) and (2) apply. General exception notice applies.

2. PURPOSE OF REPORT

2.1 To present to Finance and Policy Committee information on the delivery of phases one and two of the government's Household Support Fund and proposals for delivery of a phase three scheme to support those in greatest need of assistance.

3. BACKGROUND

3.1 Since the 30 September 2021 the Government has made available a 'Household Support Fund' targeting vulnerable households to help them with food and essentials as the country recovered from the pandemic. Guidelines have varied on schemes with changes of focus from children (phase one) to children and pensioners (phase two).

3.2 The table below indicates the two rounds of Household Support Fund received to date, the allocation streams agreed by committee and the estimated reach.

HSF phase	Support stream	Value	Estimated numbers reached
HSF 1 October 2021 to March 2022	Shopping vouchers for children aged 2 – 18 years in low income families (free school meals)	640,000	8,000

	Pensioners on a low income (LCTS)	85,000 (over agreed 50,000 budget by 35,000)	1,215
	Food via third party organisations	20,000	1,000
	Water	15,000	50
	Gas/ electricity/ energy	80,000	1,850
	Household essentials	90,000	1,100
	Housing support	60,000	40
	Admin	48,000	
HSF 2 April 2022 to September 2022	Shopping vouchers for children in low income families (free school meals)	480,000	c8000
	Pensioners on a low income (LCTS)	317,000	c4500
	Food via third party organisations	20,000	1,000
	Water	15,000	50
	Gas/ electricity/ energy	80,000	1850
	Household essentials	30,000	375
	Admin	48,000	

- 3.3 The latest HSF Guidance document indicates a number of changes to the delivery arrangements for phase three. These include:
- The removal of ring fences around how much of the grant should be allocated to particular cohorts of people;
 - The use of an application process for at least part of the grant targeting those in need including those that would ordinarily be ineligible for current cost of living government support;
 - Prioritise support with energy costs;
 - Offer food, wider essentials and in some exceptional cases housing costs support.
- 3.4 The latest HSF delivery scheme is for the period 01 October 2022 to 31 March 2023. Plans for delivery must be submitted to government no later than the 28th October and be made publicly available including details of any application processes.
- 3.5 Eligible spend includes:
- Energy;
 - Water;
 - Food;
 - Essentials linked to energy and water;
 - Wider essentials related to cost of living;
 - Housing Costs in cases of genuine emergency where existing housing support schemes do not meet this exceptional need;
 - Reasonable administrative costs including reasonable costs incurred administering the scheme.

Eligible spend does not include:

- Advice services such as money management or debt advice;
 - Mortgage costs.
- 3.6 On 30th August 2022, the Council received formal notification of the arrangements for the administration of the HSF including draft guidance. Notification of the indicative grant is still awaited though it is anticipated to be in the region of previous HSF awards.

4. PROPOSALS

- 4.1 The HSF is aimed at alleviating the cost of living crisis. In Hartlepool we know that a significant number of households are and will continue to struggle financially. Residents tell us that they are particularly worried about the cost of food and fuel.

4.2 Latest data tells us that:

- 39% of our children live in poverty including approximately 5,600 entitled to Free School Meals for financial reasons. If we extend this to include 2 year olds through to up to 19 year olds in education or training this increases to approximately 8,000 children and young people;
- approximately 13,500 households benefit from the Local Council Tax Support Scheme (LCTS), an indicator of low income;
- Approximately 10,589 households are in receipt of Universal Credit which includes those who are working but on a low income and are therefore in need of support.

4.3 To date, the delivery methods chosen to deliver the previous HSF schemes have proven effective reaching adults and children on a low income. Support from Third Party Organisations (TPO) has been essential in helping the local authority in its delivery approach and reach.

4.4 Officers have met to explore the available options to maximise the impact of this grant to support vulnerable households in Hartlepool in accordance with the new grant conditions. This has included considering what support can be delivered through Local Council Tax Support, food vouchers, support through voluntary and community sector organisations and the current Local Welfare Support Scheme.

4.5 It should be noted that the administration of such a large grant poses significant challenges to the capacity and workload of the local authority. Previous delivery of similar schemes has shown us that this requires significant input to ensure it runs effectively, reaches those most in need and is administered efficiently. In this context, it is considered that a wholesale scheme based on an application process will be too time consuming, unmanageable and will not reach all those who require the support. It would be unrealistic given the grant is only for a six month period.

4.6 In anticipation of a further HSF grant, expressions of interest were sought in July and August 2022 from third party organisations who may wish to deliver aspects of the HSF in conjunction with the local authority. Based on an Expression of Interest application process, a panel met on the 15 August 2022. Seven applications were received. The following providers were identified as potential delivery partners with the capacity, resilience and infrastructure required to meet the DWP's HSF compliance requirements:

- Hartlepool Foodbank
- The Bread and Butter Thing
- Citizens Advice Bureau
- Advice & Hart
- West View Advice and Resource Centre

[NB Anglian Water is the only provider of water support in the area].

- 4.7 Based on previous grant delivery experience, the latest Terms and Conditions of the grant and levels of need across the town, it is proposed that the grant is distributed by the following means:

Organisation/Scheme	Allocation	Rationale
Support for families with dependent children aged up to 19 years (in education or training)	£480,000	To provide food vouchers to the value of £60 to all children eligible for free school meals (financially vulnerable) aged 2 - 19. Based on previous grants this means approximately 48% of funding would be spent on children.
Support for pensioners in receipt of benefit (LCTS)	£270,000	To provide payments or food vouchers of £60 to circa 4,500 pensioners in receipt of LCTS. Based on previous grants this means approximately 27% of funding would be spent on pensioner households.
HSF application fund (delivered by the Local Welfare Support team) – aimed at those who can evidence they are struggling but unable to access other forms of support. This would help those above the Free School Meal threshold and those that are working but on a low income.	£50,000	The current Local Welfare Support Scheme is increased to enable the scheme to support applications for energy, food, household essentials and goods. These awards will be made based on personal circumstances and are not means tested. <i>An application process would apply.</i> Based on previous grants this means that approximately 5% of funding would be spent on those ineligible for other forms of support.
HSF application fund (delivered by the Housing Advice Team) for help with exceptional housing costs not already covered by other funding streams. This would help those on benefits and those	£15,000	The Housing Advice Team would take applications from residents struggling with exceptional housing costs. This may include help to move to a more affordable property, help with rent arrears or an unexpected dip in income that has caused financial stress. <i>An</i>

working but on a low income.		<i>application process would apply.</i>
Hartlepool Food Bank	£10,000	Food parcels/bags of shopping to be distributed through their schemes. Both organisations have formal arrangements with the Council and a client base of people who benefit from their services. The grant would be used to buy food that would then be shared with those that need it.
The Bread and Butter Thing	£10,000	
Citizen's Advice Bureau	£44,000	To provide fuel vouchers and help paying energy bills. Both organisations are able to access fuel bank vouchers that can be used for pre-paid meter top ups and/ or can help those on direct debits or monthly bills. <i>An application process would apply with evidence of need required before support is provided.</i>
Advice at Hart	£44,000	
Anglian Water	£15,000	To provide assistance to households in debt and water poverty through the Anglian Water Assistance Fund.
West View Advice and Resource Centre	£5,000	To provide access to Household Essentials that make a household's cost of living more affordable. This would be in conjunction with their existing HBC commissioned debt and money advice service.
HBC and TPO Grant administration	£50,000	To cover the costs of the staffing, administration, printing, postage etc. associated with delivering the scheme.
Total	Anticipated grant and spend - £993,000	

4.8 Using this method of delivery this would mean that –

- 15% of the grant would be accessed via an application process
- 80% would be allocated to households in receipt of benefits and on a low income
- 5% of the grant would be used for administration and compliance of the fund.

4.9 Should it become clear that individual strands of support outlined in 4.7 above are not being fully utilised, it is proposed to give delegation to the Director, Children and Joint Commissioning Services, in conjunction with the chair of Finance and Policy Committee, to amend funding pots so as to ensure full utilisation of grant within the time period.

4.10 Subject to the decision of Finance and Policy Committee on 19 September 2022 in relation to the creation of a network of Warm Hubs, should this decision be approved and grant funding not identified from other sources, £10k of the HSF could be allocated to this initiative. It is proposed that the HSF application fund is correspondingly reduced to £40,000.

5. RISK IMPLICATIONS

5.1 The Council is being asked to administer a Government grant for local people based on local need. Public expectations that the grant can fully alleviate the current cost of living crisis must be carefully managed. In addition administration of such a grant in short timescales creates risk for the Council in that officers have to mobilise resources quickly to develop the local scheme, eligibility criteria and implementation plan. There is a reputational risk to the Council if the scheme is not delivered effectively and efficiently and does not reach those most in need of support.

6. FINANCIAL CONSIDERATIONS

6.1 The Council is being asked to administer the Household Support Fund Grant, value yet unknown. In order to maximise funding, spend must be incurred by the 31 March 2023.

6.2 The conditions of grant allows for reasonable administrative costs, including reasonable costs incurred administering the scheme, to be claimed against the grant. Proposals outlined in the report, ensure the Council limits administrative costs to less than 5% of the total grant allocation.

6.3 In recognition of the costs incurred by TPOs, it is proposed that TPOs may use up to 5% of their allocation to cover the administration costs to their organisation.

7. LEGAL CONSIDERATIONS

- 7.1 The proposals outlined reflect the draft Terms and Conditions of the grant.

8. CONSULTATION

- 8.1 Feedback from previous beneficiaries of the scheme tells us that shopping vouchers and energy top ups are very effective.

9. CHILD AND FAMILY POVERTY (IMPACT ASSESSMENT FORM TO BE COMPLETED AS APPROPRIATE.)

- 9.1 A Child and Family Poverty impact assessment has been completed and is attached at **Appendix One** to this report.

10. EQUALITY AND DIVERSITY CONSIDERATIONS (IMPACT ASSESSMENT FORM TO BE COMPLETED AS APPROPRIATE.)

- 10.1 The proposals outlined in this report are targeted to support those in greatest need of financial assistance over the coming winter months. The scheme will be administered based on need and inclusive of all those with protected characteristics. It will reach those in receipt of benefits and those that are working but on a low income.

11. STAFF CONSIDERATIONS

- 11.1 It will be necessary for officers from HBC to implement and deliver the proposals outlined in this report on top of their current duties and responsibilities and it may be necessary for HBC to employ additional staff on a temporary basis to ensure the scheme is administered effectively.

12. ASSET MANAGEMENT CONSIDERATIONS

- 12.1 There are no asset management considerations arising from this report.

13. ENVIRONMENT, SUSTAINABILITY AND CLIMATE CHANGE CONSIDERATIONS

- 13.1 There are no environmental, sustainability or climate change considerations arising from this report

13. RECOMMENDATIONS

- 13.1 Finance and Policy Committee is asked to consider and approve the proposals outlined in this report and agree the preferred implementation model.
- 13.2 Finance and Policy Committee is asked to approve delegation to the Director, Children and Joint Commissioning Services, in conjunction with the chair of Finance and Policy Committee, to amend funding pots so as to ensure full utilisation of grant within the time period.

14. REASONS FOR RECOMMENDATIONS

- 14.1 The Household Support Fund is a significant grant that is being provided to Hartlepool Borough Council to support local residents and mitigate some of the impact of financial hardship associated with the cost of living crisis. Finance and Policy Committee has responsibility to agree the arrangements for the provision of assistance to local residents

15. BACKGROUND PAPERS

None

16. CONTACT OFFICERS

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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	Yes			The Household Support Grant is targeted to mitigate the impact of poverty and financial hardship on those most in need between September 2022 and March 2023. The provision of assistance through the implementation of the scheme will have a positive impact on those who experience poverty by providing assistance in terms of funding for food, fuel, water, exceptional housing costs other essential items.
Those who are disabled or suffer from illness / mental illness	Yes			
Those with low educational attainment	Yes			
Those who are unemployed	Yes			
Those who are underemployed	Yes			
Children born into families in poverty	Yes			
Those who find difficulty in managing their finances	Yes			
Lone parents	Yes			
Those from minority ethnic backgrounds	Yes			

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	Yes			The Household Support Grant is targeted to mitigate the impact of poverty and financial hardship on those most in need between September 2022 and March 2023. The provision of assistance through the implementation of the scheme will have a positive impact on those who experience poverty by providing assistance in terms of funding for food, fuel, water, exceptional housing costs other essential items.
Educational attainment	Yes			
Healthy eating	Yes			
Overall impact of Policy / Decision				
POSITIVE IMPACT	X	ADJUST / CHANGE POLICY / SERVICE		
NO IMPACT / NO CHANGE		STOP / REMOVE POLICY / SERVICE		
ADVERSE IMPACT BUT CONTINUE				
Examples of Indicators that impact of Child and Family Poverty.				
Economic				
Children in Low Income Families (%)				
Children in Working Households (%)				
Overall employment rate (%)				
Proportion of young people who are NEET				
Adults with Learning difficulties in employment				

Education
Free School meals attainment gap (key stage 2 and key stage 4)
Gap in progression to higher education FSM / Non FSM
Achievement gap between disadvantaged pupils and all pupils (key stage 2 and key stage 4)
Housing
Average time taken to process Housing Benefit / Council tax benefit claims
Number of affordable homes built
Health
Prevalence of underweight children in reception year
Prevalence of obese children in reception year
Prevalence of underweight children in year 6
Prevalence of obese children in reception year 6
Life expectancy

FINANCE AND POLICY COMMITTEE

19 September 2022



Report of: Director of Adult and Community Based Services

Subject: WARM HUBS

1. TYPE OF DECISION/APPLICABLE CATEGORY

1.1 Non-key decision.

2. PURPOSE OF REPORT

2.1 To update the Committee on proposals for Hartlepool Warm Hubs and to seek approval for the planned approach and funding.

3. BACKGROUND

3.1 The current cost of living crisis in the UK is creating unprecedented pressures on people already in poverty and this winter, despite the support given by Government, thousands of people in Hartlepool will be forced to make tough decisions about when and what they eat, what they can do in life, and when they can afford to heat their home.

3.2 From April 2022 Ofgem increased their price cap for default (standard variable tariffs) and prepayment meter tariffs by 54%. This meant the average bill rose to £1,971 a year from its previous level of £1,277. For the 4.5 million people on prepayment meters, the average bill rose to £2,017 a year. This is on top of the price increase in October 2021, which saw an average increase of £139 - £153 per year.

3.3 Ofgem previously reviewed the Price Cap twice a year, however from October 2022 they will do so quarterly in order to reduce instability in the energy market. The price cap for October 2022 has recently been announced and analysts forecast that bills will continue to rise, potentially to over £4,600 a year in January and over £6,000 a year in April 2023. It should be noted that Ofgem have urged people to treat such predictions with extreme caution.

- 3.4 The government's position on support is evolving, with some measures already announced, including:
- Residents in council tax band A to D (or band E where there is a disabled reduction) are eligible for a £150 council tax rebate. The Council used discretionary funding to extend this to band E households and all LCTS households regardless of band.
 - All domestic energy customers in Great Britain will receive a £400 grant to help with the cost of their energy bills through the Energy Bill Support Scheme.
 - All pensioner households will receive an extra £300 to help them cover the rising cost of energy this winter.
 - People with disabilities will receive an extra £150 to help with the particular extra costs they face.
 - The Household Support Fund helps households who are not eligible for other kinds of help or need further support. The Government announced a further £500 million of support via the scheme, which will now run until March 2023.
- 3.5 The reality is that for most individuals and families, this support barely covers the increase imposed in April - it does not address the further increase in October or the impact on inflation on costs of food, fuel and other necessities. This means that although people will have extra money to go towards their energy costs it may not make enough of a difference.

4. PROPOSALS

- 4.1 As identified in the Council Plan, the Council is committed to Hartlepool being a place where:
- People are able to live healthy, independent and prosperous lives;
 - Those most vulnerable will be safe and protected from harm; and
 - Resilient and resourceful communities with opportunities for all.
- 4.2 In response to the cost of living crisis, and specifically the increasing energy costs that are being faced by local people, the Council proposes to work with local partners, building on the great partnership working that developed during the pandemic, to create a network of Warm Hubs; places where people can come together to stay warm, enjoy a cup of tea and a biscuit and access other opportunities should they wish to.
- 4.3 A map and directory will be developed showing all of the places available across the public, private, health and voluntary sectors so that anyone who is cold knows where they can go to get warm, stay warm and enjoy some company and a hot drink.
- 4.4 Organisations will be invited to express their interest if they believe they have a space that can be promoted as a 'Warm Hub'. All organisations that sign up will be asked to commit to the Hartlepool Warm Hubs Promise to help local people who want to use the Warm Hubs to know what to expect when they

step across the threshold of a Warm Hub building; a guarantee of respect, dignity and warmth.

- 4.5 An online toolkit/eLearning will be explored for organisations to ensure a consistent and safe approach to Warm Hubs. Information will include:
- Understanding the Warm Hubs Promise.
 - What organisations might do to prepare to be a Warm Hub.
 - Understanding the Cost of Living Crisis and how this affects people ensuring a confidential and empathetic approach to engagement.
 - Ensuring there is a strength based conversation, making every discussion count.
 - Signposting people to advice, advocacy, and support by being aware of other services and opportunities.
 - Dealing with difficult circumstances, managing difficult conversations and being mental health aware.
- 4.6 There will also be ‘drop in’ sessions in partnership with the Financial Inclusion Partnership, Welfare Advice Service, Community Hubs and other VCSE organisations offered alongside the Warm Hubs model to provide people and families with information, advice and guidance on:
- Basic energy efficiency information and signposting.
 - Signposting for energy advice to include charitable grants.
 - Understanding the Household Support Fund and how to refer.
 - Advice on accessing affordable food via The Bread and Butter Thing.
 - Advice on wellbeing and long term condition management.
 - Support for families with children and young people.
 - Advice and support for carers.
- 4.7 Branding will be developed to provide a unique and non-judgemental awareness of Warm Hubs giving people confidence on entering a venue without discrimination.
- 4.8 **Hartlepool Warm Hubs Promise**
- To provide a safe and warm space for those who need it.
 - Inclusivity and equality is at the heart of Warm Hubs.
 - Warm Hubs will provide warmth without judgement.
 - People will not be ‘assessed’ to access a Warm Hub.
 - The network will provide wider support opportunities as needed.
- 4.9 The Council and other public sector organisations have existing community and publically accessible buildings. The Council will review opportunities for assets to be identified as Warm Hubs considering taking into account operational issues and opening times.
- 4.10 Once all Warm Hub information is collated gaps on specific days and times will be identified and considered to try and ensure a comprehensive offer.
- 4.11 It is hoped that facilities that are usually open for extended and unsociable hours can be used for example leisure centres, fire stations and medical venues.

- 4.12 A number of schools and churches have also expressed their interest and are keen to explore their role in offering Warm Hubs.

5. RISK IMPLICATIONS

- 5.1 Risk management arrangements will be the responsibility of host organisations.
- 5.2 Warm Hub organisations will adhere to their own safeguarding policies and ensure that all staff and volunteers are briefed on relevant procedures.

6. FINANCIAL CONSIDERATIONS

- 6.1 Other local authority areas have allocated a small amount of one off funding to support the implementation of Warm Hubs and it is proposed to establish a small grant scheme in Hartlepool.
- 6.2 A grant scheme will allow registered Hartlepool Warm Hubs organisations to apply for a small grant (of up to £250) to enhance their space to enable it to be accommodating as a Warm Hub. The funding will be distributed in line with other small grants such as the Queen's Platinum Jubilee grants with criteria developed for use, which will exclude food and beverages.
- 6.3 External funds will be explored to consider if there is a collaborative contribution to a small grants programme.
- 6.4 Northern Powergrid Foundation have launched a grant programme that will support VCSE organisations in some of the most 'in need' communities. Further discussion has started across VCSE collaborations to consider a shared approach to this.
- 6.5 If funding cannot be secured from external sources the Corporate Management Team has proposed using up to £10,000 from the Household Support Fund to support a grant scheme.

7. LEGAL CONSIDERATIONS

- 7.1 There are no legal considerations associated with the proposal.

8. CONSULTATION

- 8.1 If the proposal is approved, information regarding Hartlepool Warm Hubs will be shared widely with VCSE organisations, statutory partners, schools, churches and other community groups.

9. CHILD AND FAMILY POVERTY

- 9.1 The creation of Warm Hubs will enable people in poverty to access safe, warm spaces in their communities, helping to alleviate the impact of fuel poverty. People accessing Warm Hubs will also be able to access information and advice regarding benefits, financial support and affordable food.

10. EQUALITY AND DIVERSITY CONSIDERATIONS

- 10.1 Warm Hubs will be open to all regardless of age or any protected characteristics. The Warm Hubs Promise makes clear that inclusivity and equality is fundamental within the proposed approach.

11. STAFF CONSIDERATIONS

- 11.1 There are no staff considerations associated with this proposal.

12. ASSET MANAGEMENT CONSIDERATIONS

- 12.1 There will be a review of Council assets to identify buildings that can provide Warm Hubs as part of this approach.

13. RECOMMENDATIONS

- 13.1 It is recommended that the Committee supports the establishment of Hartlepool Warm Hubs and the creation of a small grant scheme to support the proposal, using up to £10,000 of the Household Support Fund in the event that external funding cannot be secured.

14. REASONS FOR RECOMMENDATIONS

- 14.1 To enable the Council to develop an approach to Warm Hubs that is consistent and comprehensive.

15. CONTACT OFFICERS

- 15.1 Gemma Ptak
Assistant Director – Preventative and Community Based Services

Leigh Keeble
Head of Service (Community Hubs)

FINANCE AND POLICY COMMITTEE

19 September 2022



Report of: Director of Adult and Community Based Services and
Director of Resources and Development

Subject: WATERFRONT REGENERATION PROGRAMME
PROJECT UPDATE

1. TYPE OF DECISION/APPLICABLE CATEGORY

1.1 Non-key decision.

2. PURPOSE OF REPORT

2.1 To provide members with an update on three of the projects within the Waterfront Regeneration Programme; the Wingfield Castle (WC) Repair and Restoration, Museum of Hartlepool (MoH) refurbishment and the Damboard (DB) Repair and to seek agreement of the preferred options for each project.

3. BACKGROUND

3.1 The Capital Programme was approved by Council on 19th December 2019 and Finance and Policy Committee 30th January 2020. The Waterfront Regeneration Programme is part of this programme and comprises a number of culturally led, place-making projects, 'owned' principally by two parties: The National Museum of the Royal Navy (NMRN) and Hartlepool Borough Council (HBC).

3.2 This programme is part of a wider capital programme which is primarily funded by TVCA, Prudential borrowing and grant funding from other institutions (e.g. Arts Council).

3.3 Following instruction from Finance and Policy Committee in October 2021, further information has been sought regarding the options and costs of works required to both the WC and the DB.

3.4 Wingfield Castle

The *Wingfield Castle* is registered with National Historic Ships as number 83 and was amongst the first historic vessels to be registered when the scheme was launched in February 1996. Whilst this does not provide the same legal protection as that afforded a Listed Building, it does bring with it an awareness of the responsibility of the owners and of the Nation as a whole to look after a registered vessel in a professional manner.

A Conservation Management Plan (CMP) for the Paddle Steamer *Wingfield Castle*, including an options study, was commissioned by Hartlepool Borough Council (HBC) in September 2017. The plan provided a description of WC and the historic development of other paddle steamers and considered the vessel's current mooring and interpretation at the Museum of Hartlepool. The option study, produced as part of the CMP in 2017, described and compared various options for conserving the vessel, and proposed a preferred option.

Beckett Rankine were appointed by HBC to review and update this options study, which had become out of date, particularly following the change in condition of WC, wider council priorities and project objectives, and the increase in material costs.

3.5 Dam Board

The DB is fundamental to the future of both HMS Trincomalee and PS *Wingfield Castle*, as it is critical to the operation of the Trincomalee drydock. With the two historic vessels in the marina requiring a drydock for current and future maintenance/restoration projects, the dry dock and its gate are intrinsically connected to the future of these vessels. The current project was commissioned by HBC and NMRN to investigate options for refurbishing and/ or replacing the dam board.

The Dam board was visually surveyed by divers in November 2021. The tank steel work was found to be in fair condition. The Larson sheet piles, which form the front and seal of the gate were found to be heavily corroded. The wood is rotted and has been temporarily concreted over to maintain the seal.

3.6 Museum of Hartlepool

With the wider redevelopment of the Waterfront, an opportunity has arisen to consider the future role of the museum in respect of the operation of the site, the interpretation of collections and how capital investment plans might deliver a more resilient future for the service on behalf of the people of Hartlepool. Following a period of change and decline in audience number within the Museum of Hartlepool, the Case for Investment presents an evidence based justification for change and identifies a number of feasible options that will deliver this.

Pre pandemic the Museum of Hartlepool achieved 103,735 visitors per annum with current figures for 2021/2022 estimated at 37,300.

The Museum and Gallery service delivers the following:

- Educational workshops and programmes engaging over 1500 children per annum.
- A family programme engages over 700 participants per annum.
- A community programme delivers over 2000 engagements per annum.
- Programme of changing displays.

The MoH Project is largely unfunded, and it is the current intention to include this project in a fundraising strategy which is being put together in collaboration with the NMRN, which is likely to lead to the pursuing of grant funding from bodies such as the National Lottery Heritage Fund.

3.7 Note on Interdependencies

Upon development of the options for each project, the extent of interdependence between the projects become clearer:

- The WC and DB projects are linked by funding and programme.
- The WC and MoH are linked by scope and programme.

In summary, for the WC to be repaired sufficiently, as per the recommended option below, it needs to be dry docked in the Trincomalee Dock. For this to be possible, the Damboard needs to have been repaired and the Trincomalee floated out.

It should also be noted that the current scope for the WC project is for its safe 'Repair and Restoration' with the reuse and reinterpretation to be picked up as part of the MoH project, as alluded to in the preferred option taken from the MoH case for investment options. So the works to the WC as currently specified need to be cognisant of the future use of the vessel so as not to be in any way abortive in the future. The MoH design timeline should allow for later convergence in to the WC timeline so any economies of scale for 'on board works' can be realised if the reinterpretation phase becomes funded.

4. **PROPOSALS**

4.1 Wingfield Castle

The revised options give a new preferred way forward for the vessel for consideration.

The rating given to each factor and option has been defined depending upon how favourably or unfavourably the option meets the criteria. The scoring ranges from 1 to 5, with 1 representing a very negative/unfavourable score, and a 5 representing a very positive/favourable score.

The solutions are judged by comparing them to each other, and where possible, ranked based on their ability to meet the criterion. For example, if an option is a very low-cost solution, then a 5 out of 5 rating for "costs" would be assigned.

Additionally, the factors have been weighted according to their importance in the decision-making process. Hence, the rating for each factor has been multiplied by its weight.

Factor	Weight
Mobilisation period	x7
Vessel longevity	x4
Public access to vessel's heritage	x2
Vessel's heritage conservation	x6
Project risk	x5
CapEx	x10
OpEx	x8
Land requirements	x9
Short-term skills	x3
Long-term skills	x1

The table below represents a summary of the ranked options that can be found in detail within the report.

#	Summary	Total Score	Rank
A	Do Nothing	155	8
B1	Partial Repair In Situ	180	4
B2	Advanced Repair In Situ	180	4
C1	Repair in Drydock and Re-float	190	1
C2	Lift on Modular Pontoon and Re-Float	188	2
C3	Permanent Display in Cofferdam	174	6
C4	Permanent Display in Pontoon	181	3
D1	Sympathetic Deconstruction	153	9
D2	Permanent Display Externally	169	7
D3	Permanent Display Inside a Building	143	10

The WC is part of the National Historic Fleet, in addition to being recorded with the National Register of Historic Ships, alongside vessels such as the Mary Rose, Cutty Sark and HMS Victory. This status identifies WC as being of pre-eminent national or regional significance, and meriting a higher priority for long term conservation. Whilst options did explore the possibility of deaccessioning or dismantling the ship for display, it is strongly recommended that due to the importance of the vessel and the reputational impact that this could have (from funders and accreditation granting bodies in particular) this option (D1) is discounted.

It should be noted that advice indicates that if option A were to be taken then the vessel is likely to sink in the next 24 months.

Option B1/B2 will essentially move the issue 'down the road' and keep the vessel afloat for 5-10 years. Option B1 involves works that are required on top of the works required under all options C1-D3 although there may be economies of scale or removal of task duplication dependant on the ultimate option chosen.

4.2 Wingfield Castle - Preferred option

The preferred option is (C1) Repair in Drydock and re-float.

This entails the retention of vessel within the museum collections, conservation being carried out within the dry dock and then the vessel kept on the water beside the Museum of Hartlepool for redisplay. Delivery would be phased as follows:

Phase 1 – Emergency Works

2022 Q4 - 2023 Q1

Immediate emergency repairs are required to enable safe access and inspection works to take place, whilst minimising water ingress. These have been identified and costed by HBC and specialist contractors and fall outside the scope of the Beckett Rankine authored options appraisal report. It is recommended that these emergency repair works are commenced before the end of this calendar year

Phase 2 – Interim Repair Works

2023 Q1 - 2023 Q3

Due to the condition of Wingfield Castle, partial and interim repairs in situ are required to halt the degradation and give the council time to progress the necessary studies and design work to deliver the preferred options.

Work to calculate the maintenance of the conserved vessel still to be procured but would be undertaken during this phase.

Phase 3 – Option C1 Conservation and Repair Programme

2025 Q2 - 2025 Q3

The vessel would be removed from the water into the Trincomalee dry dock, allowing for high-quality refurbishment of the steel structures and the entirety of the hull exterior, with the potential of resin coating the structure, before being returned to the water where it could remain for up to another 25 to 30 years.

4.3 Dam Board

To use the dock as a drydock for HMS Trincomalee or other vessels the options considered included:

- Refurbishment of the Dam board
- Stop Logs
- Caisson
- Flap Gate
- Mitre Gates.

The option of doing nothing was also considered.

Due to the importance of maintaining a positive head within the Trincomalee dock, options that do not allow positive heads on either side have been disregarded as unsuitable.

#	Summary	Total Score	Rank
1	Refurbishment	39	6
2	Stop Logs A	55	4
3	Stop Logs B	70	1
4	Caisson	62	3
5	Mitre Gates	0	-
6	Flap Gate	0	-
7	Permanent Wall	65	2
8	Do Nothing	40	5

NMRN has expressed an interest in possibly using the dock for maintenance and refurbishment works of other ships in their portfolio. Initial plans include minesweepers such as the:

- Hunt class: L 85m x B 9m x D 3m
- Sandown class: L53m x B 11m x D2m

4.4 Dam Board: Preferred Option

It should be noted that 'option 8: Do Nothing' would have increased OPEX cost due to the poor condition of the asset. Also, there will be a gradual degradation of the watertight integrity of the sheet pile elements leading to increasing leakage. This will increase the risk that HMS Trincomalee would have an uncontrolled grounding onto the dock bottom in the event of a loss of water level in the marina.

With the current concrete sealing the dam-board is not capable of being operated, and the dock would not be available for drydocking PS Wingfield Castle or any other vessel.

Option 3: Stop Logs B is the preferred option and Option 2: Stop Log A was scored low on OPEX and Risk criteria, due to the complexities and costs associated with lightening HMS Trincomalee to sail over the sill. If further investigations identify that this operation is less complex and expensive than expected, then Option 2: Stop Log A could be the preferred option. The same would be said if the costs of lightening HMS Trincomalee can be covered by the single restoration projects, leaving the OPEX of the asset limited to the sole maintenance of the stop logs, and the hiring of the mobile crane.

It is suggested that both the stop log solutions (Option 2: Stop Log A and Option 3: Stop Log B) are taken forward, as there is still uncertainty around the sill level and its true impact on floating out HMS Trincomalee.

4.5 Museum of Hartlepool

Following the 'Case for Investment' being concluded by Purcell and Haley Sharpe Design, a proposal has been approved by the Capital Programme Board develop the scheme up to RIBA design stage 3. This will see the presentation of a preferred option and costed project brief for the project.

It should also be noted that the MoH currently shares an entrance with NMRN. The NMRN's vision involves a relocation of their main entrance to

the west of their site which would require a review of access and visitor experience services at the MoH.

The current leading option involves:

- Restoring access to and engagement with the Wingfield Castle which would secure its future, integrating it into the wider visitor experience at the Museum of Hartlepool.
- Renovating the current museum exhibition spaces to showcase new displays and objects that tell the story of Hartlepool.
- Creation of a new entrance into the Museum of Hartlepool to improve visitor access and welcome.
- Development of learning and community facilities for families and events.

5. RISK IMPLICATIONS

- 5.1 If the first phases of works to the Wingfield Castle are not carried out in the next 12-24 months, then the vessel is at real risk of sinking. Furthermore, if the total works are not carried out then there is a risk of losing museum accreditation, a risk to reputation and negative perception from possible funders.

6. FINANCIAL CONSIDERATIONS

- 6.1 There is funding allocated within the Council's Capital Programme towards these schemes. **Appendix A** contains commercially sensitive information regarding the projected costs for the three projects at this stage.

This item contains exempt information under the 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).

Once contracts are let details of individual project budgets will be reported in the open capital budget monitoring reports to this Committee.

- 6.2 Following the completion of this work, the investment strategy for the Museum of Hartlepool will continue to be developed utilising a phased approach to achieve the longer term aspirations for the service, with the restored Wingfield Castle acting as the key attraction
- 6.3 There are discussions ongoing with stakeholders and potential external funders, including the National Lottery Heritage Fund and the Arts Council, which will align future plans with those of the NMRN and the wider waterfront regeneration.

7. LEGAL CONSIDERATIONS

- 7.1 There are no relevant legal considerations specific to this report, however following the Committee's decision on the preferred option for the three projects, the Chief Solicitor will be instructed to consider all relevant legal considerations to enact the Committee's decision.

8. CONSULTATION

- 8.1 Stakeholders, in particular the NMRN, have been consulted via the Waterfront Project Board on an ongoing basis as plans have developed. Advice has also been sought from the Arts Council England, National Historic Ships Register and Museum Association in respect of the Wingfield Castle.

9. EQUALITY AND DIVERSITY CONSIDERATIONS

- 9.1 None identified at this stage. Equality Impact Assessments will be completed as required as projects progress.

10. STAFF CONSIDERATIONS

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

11. ASSET MANAGEMENT CONSIDERATIONS

- 11.1 The proposals set out in this report aim to protect, conserve and develop the Council's assets.

12. ENVIRONMENT, SUSTAINABILITY AND CLIMATE CHANGE CONSIDERATIONS

- 12.1 There are a range of environment and climate change considerations across the various projects, and these include ensuring that the Council's owned assets and services are not contributing to negative environmental impact and are minimising carbon emissions in their operation, including during the refurbishment stage. Each specific project within the programme will be supported by the Council's 'Net Zero Officer' who has recently joined the Strategic Development Team in Development and Growth and is currently developing a climate change investment plan for the Council.
- 12.2 The Net Zero Officer will support each project to review current emissions and impact, for example current energy use in the Museum of Hartlepool, and identify measures to reduce environmental and climate change impacts

such as the potential for, and cost / benefit of, energy efficiency measures and renewable technology installation.

- 12.3 From a sustainability perspective, repair in Drydock and re-floating of the Wingfield Castle is the preferred option as this will significantly de-risk the potential of the vessel sinking and potentially leading to water pollution and a costly recovery.

13. RECOMMENDATION

- 13.1 It is recommended that the Finance and Policy Committee agree the preferred options for the three projects.

14. REASONS FOR RECOMMENDATION

- 14.1 Agreement of the preferred options will allow these projects to progress as part of the wider waterfront regeneration, in line with the previous decisions on the Capital Programme priorities.

15. CONTACT OFFICER

- 15.1 Gemma Ptak
Assistant Director – Preventative and Community Based Services

Sign Off:-

Managing Director



Director of Resources and Development



Chief Solicitor



Finance and Policy Committee

19th September 2022



Report of: Managing Director

Subject: SENIOR LEADERSHIP RESTRUCTURE

1. TYPE OF DECISION / APPLICABLE CATEGORY

1.1 None Key Decision.

2. PURPOSE OF REPORT

2.1 To make recommendations in respect of the Chief Officer structure of the Resources and Development department.

3. BACKGROUND

3.1 The current Corporate Structure was approved in March 2020 and was designed to provide the appropriate managerial capacity and resilience to deliver the breadth and complexity of services provided by a unitary authority – recognising that these are the same issues faced by much larger unitary councils, many of which don't face the same socio-economic challenges and financial constraints as Hartlepool.

3.2 The current structure moved to a Managing Director model and made changes to the roles of various Directors and Assistant Directors with the objective of ensuring the Council had the necessary capacity to deliver services and the planned significant capital investment. I commenced in my current role in September 2020 and had not intended to consider making any changes at this stage. However, following the recent resignation of a key Assistant Director in the Resources and Development department, who has secured a promotion with another council, it is appropriate to review this area.

3.3 In considering the issue I am mindful of ensuring the overall senior leadership team of the Council remains robust, resilient and continues to address issues of succession planning. The latter factor is a major issue as council workforces across the North East are aging and there is increasing competition for skilled and experienced staff at all levels and in particular at the senior management level. I am proposing a limited range of changes in respect of the senior leadership structure to

address these issues and reflect experience of operating the current structure for the last two years.

4. PROPOSALS

4.1 The review has mainly focused on the Resources and Development department, with some minor changes to the Neighbourhood and Regulatory Services department and the responsibilities of the Chief Solicitor. There are no proposed changes to:

- Children's and Joint Commissioning Services which is dealing with increased services demands; or
- Adult and Community Based Services departments which is managing the impact of major Government reforms to Adult Social care.

4.2 The aim of the recommended changes is to ensure that the Council continues to have a senior leadership team clearly focused on the challenges facing the Council, which makes best use of the expertise currently in the authority and delivers for the Council excellent and consistent services. The proposals to achieve this aim are included in **Appendix 1** in the exempt section of the report. **This item contains exempt information under Schedule 12A of the Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, Para 2 – Information which is likely to reveal the identity of an individual).**

5. IMPLEMENTATION PROCESS

5.1 The proposals in relation to the implementation of the recommended structure are attached as Appendix 1 in the exempt section of the report. **This item contains exempt information under Schedule 12A of the Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, Para 2 – Information which is likely to reveal the identity of an individual).**

6. RISKS

6.1 It should be noted that with any change in structure there is a potential risk to service delivery and in respect of organisational knowledge. The limited proposals to change I have recommended is my best advice.

7. CHILD AND FAMILY POVERTY IMPACT

- 7.1 The proposal do not impact on our strategic focus on tackling child and family poverty. This is particularly important in the current financial climate.

8. LEGAL IMPLICATIONS

- 8.1 The proposed structure will continue to discharge the Council's statutory duties in relation functions of the Head of Paid Service, Director of Resources and Development (section 151 officer), Director of Children's and Joint Commissioning Services, the Director of Adult and Community Based Services, the Director of Public Health and Chief Solicitor (Monitoring Officer).

9. FINANCIAL IMPLICATIONS

- 9.1 The proposed structure will provide a small recurring saving towards addressing the 2023/24 forecast budget deficit. This saving needs to be considered in the context of:
- The recurring saving achieved when the current restructure was implement of £45,000 - a 6% savings;
 - Recurring savings in senior management costs from previous changes which resulted in a 38% reduction in chief officer posts (i.e. Director and Assistant Director posts) and a 50% reduction in the next senior management tier.
- 9.2 Further information is provided in **Appendix 1** in the exempt section of the report. **This item contains exempt information under Schedule 12A of the Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, Para 2 – Information which is likely to reveal the identity of an individual).**

10. CONSULTATION

- 10.1 The Hartlepool Joint Trade Unions Committee (HJTUC) have been provided with a copy of this report and asked for written comments in advance of your meeting which will be circulated as soon as possible after they are received. Consultation has also been undertaken with the Assistant Directors affected by these proposal.
- 10.2 All Officers affected by these proposals have been provided with a copy of this report. Comments and any revised recommendations

arising from those comments will be presented at the Finance and Policy Committee meeting.

11 EQUALITY AND DIVERSITY CONSIDERATIONS

11.1 The Council's recruitment and selection arrangements comply with all relevant equality and diversity legislation.

12. ASSET MANAGEMENT CONSIDERATIONS

12.1 There are no asset management considerations.

13. RECOMMENDATIONS

13.1 That Finance and Policy Committee:

- (a) Approves the deletion and addition of the posts, including changes in responsibilities and the grading of the posts, identified in the Not For Publication element of this report at section 4.1;
- (b) Note appointment to the new Head of IT and Customer Services is not at a Chief Officer level, therefore appointment will not require an Appointments Panel and will be carried out in line with existing recruitment arrangements.
- (c) Note the proposals as set out in the Not for Publication element of this report will form the basis of appropriate communications and consultations with those staff affected;
- (d) Note the proposed structure provides a recurring saving, identified in the Not for Publication element of this report.

14. REASONS FOR RECOMMENDATIONS

14.1 To enable Members to consider a limited range of proposed changes to the senior management structure to ensure the Council retains the appropriate managerial capacity and resilience to deliver the next phase of challenges facing the Council.

15. BACKGROUND PAPERS

15.1. Finance and Policy Committee 9th March 2020 - Senior Leadership Restructure Report.

16. CONTACT OFFICER

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Sign Off:-

Director of Resources and Dev. ☒

Chief Solicitor ☒

FINANCE AND POLICY COMMITTEE

19th September 2022



Report of: Director of Resources and Development

Subject: STRATEGIC FINANCIAL MANAGEMENT REPORT -
AS AT 31st July 2022

1. TYPE OF DECISION/APPLICABLE CATEGORY

1.1 For information.

2. PURPOSE OF REPORT

2.1 The purpose of this report is to inform Members of:

- i) 2022/23 Forecast General Fund Outturn;
- ii) Corporate Income Collection Performance; and
- iii) 2022/23 Capital Programme Monitoring.

3. BACKGROUND AND FINANCIAL OUTLOOK

3.1 Previous reports to Finance and Policy Committee detailing the 2021/22 outturn position and 2023/24 to 2024/25 MTFS position have highlighted the emerging inflationary pressures that are impacting on the Council's budget. These pressures are forecast to worsen and the MTFS report elsewhere on today's agenda sets out the on-going position.

3.2 The latest CPI inflation figure for July 2022 was a year on year 10.1% increase. This was above economists' expectations for this stage of the year. The last time price rises were in double digits was in February 1982. Whilst the cost of living is rising across the board, rising food and drink prices, energy and the cost of raw materials are key areas that are driving inflation, and to a large extent these are influenced by global economic factors.

3.3 The Bank of England is responding to these inflationary pressures by increasing the bank base rate and further increases are expected. In addition, there has been a welcome reduction in petrol prices since July. Despite this, inflation is expected to continue to increase with some economists anticipating the rate of increase to top 13%, if not higher, over the winter period.

- 3.4 Whilst a number of inflationary pressures are now crystallising, a significant degree of uncertainty remains and some of the inflationary costs will flow through later in the financial year or indeed into 2023/24.
- 3.5 In addition to the pressure on our direct costs, the wider economic impact of inflation is likely to lead to an increased demand on our services as well as a likely detrimental impact on our fees and charges income.
- 3.6 Officers within the Council are seeking to mitigate the impact as far as possible including enhanced budget manager training, cost control and overall budget scrutiny. As the year progresses, greater certainty of the inflationary impact and our mitigation action will become clearer and be reported to Finance and Policy Committee as part of the second and third review.

Energy

- 3.7 Wholesale energy costs continue to rise. Through a forward hedging strategy and bulk purchasing via NEPO we have sought to mitigate these increases, however the scale of the continued increase is resulting in greater pressure than forecast on budgets.
- 3.8 As part of the MTFS, the Council established an energy cost reserve at year end as part of a twofold strategy for increasing the revenue budget for anticipated long term prices and use of this reserve for the shorter term spike. This foresight has protected the Council in the current year, however, the sustained increases mean the reserve will be utilised sooner than anticipated. The on-going position will be addressed in the MTFS.

National Pay Award

- 3.9 As previously reported the budget provided for a 3% pay award for 2022/23. In the expectation of a higher award, given inflation and other public sector pay recommendations, a further 1% allowance was factored into the in-year budget position.
- 3.10 The National Employers Organisation has made a flat rate pay offer of £1,925 per employee. This offer equates to an increase in excess of 10% for lower graded staff, with the percentage increase reducing the higher up the pay scales. At a national level this equates to a blended rate of just over 7% increase in the pay bill. Work is on-going to quantify the impact on Hartlepool budgets, including traded areas whereby this cost would be difficult to absorb. At this stage it is anticipated that the pay bill of the Council will increase by £2m over the budget. In addition the offer included an additional day's holiday for staff from April 2023.
- 3.11 The offer has been put to the Trade Unions, one of which, Unite, has rejected it. Both Unison and GMB have put the offer out to consultation and are taking a neutral stance, neither recommending acceptance nor rejection.

Covid-19 Pandemic

- 3.12 Work is on-going to sign off all Covid-19 related grant schemes, including the business support grants. No issues are envisaged. At this stage in the financial year Covid-19 is not having a material impact on the budget, albeit with regard to fees and charges there is likely to be a degree of hesitancy still for some of these services. The position will be kept under review as we head into the autumn and winter where a re-emergence may occur.

4. 2022/23 FORECAST GENERAL FUND OUTTURN

- 4.1 The current forecast outturn position is summarised below and shows a forecast outturn of £2m after use of earmarked reserves. This will have to be funded from the Budget Support Fund, which will reduce one off resources available to support future budgets and reduce financial resilience. The position is detailed on Appendices A to D, with further detail set out below,

	Q1 Forecast Outturn - Overspend/ (Underspend)
	£'000
Departmental Budgets	
Adult & Community Based Services	(500)
Children's & Joint Commissioning	1,375
Neighbourhoods & Regulatory Services	476
Resources & Development	25
Corporate	304
Total Departmental Forecast Budget Overspend	1,680
Cost of National Pay Award	2,000
Total Overspend	3,680
Use of Income Reserve	(680)
Use of Inflation Reserve	(1,000)
Outstanding Gap	2,000

Adult and Community Based Services

- 4.2 The forecast outturn reflects some of the proposed 2023/24 savings being achieved in the current financial year, one-off grant funding, current packages of adult social care costs and current income projections for community based facilities. However, it is still early in the year, with the winter period to come where uncertainties remain around the level of demand for adult social care provision and any potential impact of Covid-19.

Children and Joint Commissioning Services

- 4.3 The forecast outturn excludes a specific high cost placement of a child in our care which the Council will jointly fund with health until July 2025 when the child turns 18. The cost will be funded on a one off basis with work on-going to determine the on-going funding requirements. In the current year this will be funded from the £1m Children In Our Care Reserve with the funding in future years to be funded from the reserve review. The outcome of the reserve review will be reported to a future meeting. After reflecting this funding strategy the forecast overspend reflects an increase in the number of children cared for by the Council with complex needs.

Hartlepool is not alone in experiencing pressures in children's social care. In June 2021, the Local Government Association reported that more than eight in 10 councils in England responsible for children's social care overspent in the year to 2019/20. This comes despite councils increasing their budgets by £535 million that year and by £1.1 billion in the previous two years. The report highlighted the increase in the numbers of children needing urgent child protection services has forced councils to divert limited resources to protect those at immediate risk. The report concludes there is an urgent need to secure the sustainability of children's social care services, both to keep children safe and to make sure they aren't left behind in the nation's recovery.

In May 2022, the Independent Review of Children's Social Care was published. This report called for a whole system reform programme requiring £2.6 billion of new spending over four years.

Neighbourhoods and Regulatory Services

- 4.4 The current forecast outturn for the department is an overspend of £0.476m. This is predominantly as a result of a number of factors including inflationary pressures on goods, materials and fuel and shortfalls in fee income. However, this is partly offset by forecast one-off savings in relation to Sustainable Transport and an anticipated over achievement of the salary abatement target from vacant posts.

Resources and Development (inc Legal)

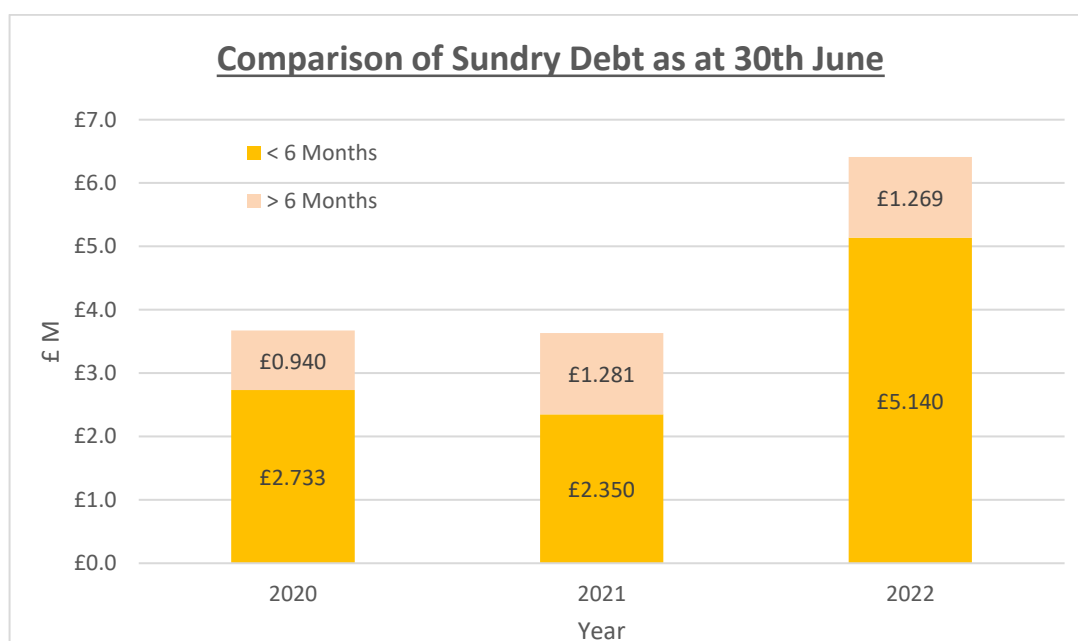
- 4.5 The forecast outturn is an overspend of £0.025m. This is predominantly owing to a reduction in income partly offset with favourable variances from staffing vacancies and staff not being at the top of their grade.

Corporate

- 4.6 The corporate budget is showing an overspend of £0.304m. This is mainly owing to the projected inflationary pressures on key contracts.

5 Sundry Debts

- 5.1 The Council also collects significant Sundry Debts income for the payment of services provided by the Council. In total £10.7m of sundry debts were raised in the first three months of 2022/23. As at 1st August 2022, £8.06m (75.4%) of this amount had been collected.
- 5.2 Robust procedures for collecting the remaining outstanding debt are in place. The following graph shows the comparable positions at 30th June for the last three years for long term debt and current debt which has been outstanding for less than six months.



- 5.3 Debtors totalled £6.409m as at 30th June 2022, of which £5.14m (80.2%) relates to current debts (less than 6 months old). The value of current debt for 2022 is higher than in previous years. The reason for this is a number of large one-off debts (greater than £0.1m) were raised at the end of the first quarter. The majority of these have now been collected with the total debt balance at 19th August 2022 reducing to £4.62m and current debt £3.34m (72.5%) of this value.
- 5.4 Included within current debts (less than 6 months old) is debt where the customer has been invoiced for the whole of 2022/23 but payment is to be received in instalments throughout the year.
- 5.5 Debts greater than 6 months old total £1.269m. 90.8% (£1.152m) of this amount is under recovery action and 9.2% (£0.117m) is now considered unrecoverable.

6. COLLECTION FUND

Business Rates

- 6.1 The government has continued to support businesses into 2022/23 in response to the Covid-19 pandemic with extended Retail, Hospitality and Leisure in place for the year. This relief results in a significant reduction in collectable business rates, but with full compensation by Government via a Section 31 grant.
- 6.2 At the 31st July 2022 the Council had collected 37.99% of the 2022/23 liability. Whilst this is the strongest comparable position at this stage of the year since the 2018/19 financial year, direct comparisons are difficult owing to the variable reliefs in place since the start of the pandemic.
- 6.3 The position is being closely monitored for signs of financial stress in the business sector and an update will be provided at second review on both collection and forecast collection fund outturn taking into account the latest position on reliefs awarded.

Council Tax

- 6.4 Whilst collection figures for Council Tax are showing recovery from the pandemic particularly with regard to arrears collection, performance to date has been impacted by the £150 Energy Rebate scheme. In addition to the significant staffing resource impact, reminder and enforcement activity were suspended until August in order to prioritise distribution of the rebate.
- 6.5 As at the 31st July 2022 the Council had collected 35.73% of the 2022/23 liability, compared to 35.04% for the previous year. Whilst this is the strongest position at this stage since the 2019/20 financial year it has, to an extent, been impacted by the offsetting of £150 against a number of Council Tax accounts, a number of which will subsequently be refunded (those receiving 100% Council Tax support or requested prior to 30th September 2022). As such it is likely future months will slip below performance targets.
- 6.6 In order to support collection recovery the section are currently investigating various technologies that have proved successful elsewhere in improving the service to the public journey and achieve process efficiency / collection rates.
- 6.7 As Cost of Living issues increase, there will likely be an increase in the number of households eligible for LCTS. To date only a small increase has been experienced. This will be closely monitored against the Council Tax Base assumptions. As at the end of July 2022 the caseload remained steady at 13,306 of which 8,764 were working age.
- 6.8 The position is being closely monitored for signs of financial stress within households and an update will be provided at second review on both collection and forecast collection fund outturn.

7. 2022/23 CAPITAL PROGRAMME MONITORING

7.1 Capital Expenditure for all Departments to the 31st July 2022 is summarised in the table below.

Department	BUDGET	EXPENDITURE IN CURRENT YEAR				
	A	B	C	D	E	F
	2022/23 Budget £'000	2022/23 Actual as at 31/07/22 £'000	2022/23 Expenditure Remaining £'000	Expenditure Rephased into 2022/23 £'000	(B+C+D) 2022/23 Total Expenditure £'000	(E-A) 2022/23 Variance from Budget £'000
Adult & Community Based Services	11,978	785	3,315	7,878	11,978	0
Children's & Joint Commissioning Services	8,283	82	6,137	2,064	8,283	0
Neighbourhoods & Regulatory Services	28,652	1,906	5,669	21,077	28,652	0
Resources & Development	11,480	3,400	4,329	3,751	11,480	0
Corporate	1,830	600	1,230	0	1,830	0
Total Capital Expenditure	62,223	6,773	20,680	34,770	62,223	0

7.2 Actual expenditure to 31st July 2022 was £6.773m, compared to a 2022/23 budget of £62.223m; £34.770m has been rephased to 2023/24 leaving £20.680m to be spent during the remainder of 2022/23. The rephased amount reflects the expected profile of expenditure to be incurred and resources will be rephased accordingly. The main items included within this are:

- Adult and Community Based Services slippage mainly relates to the new Leisure Centre Development - The Highlight – which should have been phased to a later year in the budget.
- Children's and Joint Commissioning Services slippage mainly relates to the building of the new START Drugs Rehabilitation Centre which will be completed in 2023/24.
- Neighbourhoods and Regulatory Services slippage mainly relates to Elwick By-Pass £10.595m, as a result of delays in the planning application. In addition, vehicle purchases are rephased by £6.678m as a result of both planned and unplanned factors. The planned deferral of some vehicles replacements is optimised to maximise the useful life of existing vehicles. The unplanned rephasing of some new vehicles is the result of supply chain issues post pandemic.
- Resources and Development slippage relates to the Wingfield Castle/ NMRN Hartlepool Dam Board and the Museum of Hartlepool scheme as detailed in a separate report on this agenda.

7.3 There is a longer lead in time for capital schemes and therefore it is not unusual for expenditure to be low at this stage of the year.

7.4 As with revenue the capital programme is anticipated to come under pressure from the current inflationary pressures. These will materialise at different stages

in the year as individual projects progress and are currently being evaluated. An update will be provided at the second review later in the year.

Section 106 Developers Contributions

- 7.5 The level of contributions for housing and non - housing service areas as at 31st July 2022 is included in Appendix E.

8. CONCLUSION

- 8.1 The forecasts in this report are based on the emerging position for the first four months of this financial year. Given the inflationary environment and associated uncertainty, the current outturn position needs to be treated with a degree of caution at this stage as there is a risk the in-year overspend may increase. The position is being closely monitored and an update will be provided at the second review.
- 8.2 All efforts are being made to mitigate the position. However an overspend is forecast at year end and will require funding from the Budget Support Fund. This underlines the impact of inflation and the national pay award for 2022/23. These factors will continue to impact in 2023/24 and 2024/25 as detailed in a separate report on the agenda, which sets out the significant budget deficit facing the Council.

9. FINANCIAL CONSIDERATIONS

- 9.1 The financial implications are fully set out in the main body of the report.

10. OTHER CONSIDERATIONS

Risk Implications	No relevant issues
Legal Considerations	No relevant issues
Consultation	No relevant issues
Child and Family Poverty considerations	No relevant issues
Equality and Diversity considerations	No relevant issues
Staff Considerations	No relevant issues
Asset Management considerations	No relevant issues
Environment, sustainability and climate change considerations	No relevant issues

11 RECOMMENDATIONS

- 11.1 Members note the report.

12. REASONS FOR RECOMMENDATIONS

- 12.1 To keep Finance and Policy Committee updated on the Council's 2022/23 financial position.

13. BACKGROUND PAPERS

None.

14 CONTACT OFFICER

Chris Little
Director of Resources and Development
Email: chris.little@hartlepool.gov.uk
Contact: 01429 523002

Sign Off:-

Managing Director	<input checked="" type="checkbox"/>
Director of Policy and Finance	<input checked="" type="checkbox"/>
Chief Solicitor	<input checked="" type="checkbox"/>

REVENUE FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2022/23 as at 31 July 2022

Approved 2022/23 Budget £'000	Description of Service Area	Actual Adverse/ (Favourable) £'000	Director's Explanation of Variance
(13)	Benefits	(17)	Favourable variance owing to vacant posts and reduced working hours.
(1,006)	Central Administration Recharges	0	
140	Communications and Marketing	59	The adverse variance is owing to a reduction in income generation.
1,061	Corporate Finance	(136)	Favourable variance owing to vacant posts, posts not being at the top of the grade and some supplies and services savings, this is partly offset by a reduction in income generation.
596	Corporate Strategy & Public Consultation	(3)	
(143)	Council Tax & Housing Benefits Subsidy	100	The grant generates £24m in subsidy, but the grant is reducing along with the current transfer rate of claimants across to Universal Credit. The anticipated variance will be reviewed during the Mid Year Review, which will be submitted to DWP.
985	Customer and Support Services	(20)	Favourable variance owing to posts not being at the top of the grade.
325	Economic Regeneration	0	
535	Human Resources & Health and Safety	96	The adverse variance is owing to a reduction in income generation.
244	Internal Audit	13	The adverse variance is owing to additional supplies and services costs.
(138)	Registration Services	0	
1,064	Revenues	(13)	Favourable variance owing to vacant posts and reduced working hours.
(669)	Revenue & Benefits Central	0	
551	Shared Services	(27)	The favourable variance is owing to vacant posts, and some posts not being at the top of the grade.
(98)	Strategic Asset Management	37	The adverse variance relates to income shortfalls in relation to fees including capital receipt fee income.
148	Strategic Development and Sustainability	0	
0	Strategic Management and Admin	0	
4	Training & Equality	0	
393	Corporate Management Running Expenses	(49)	The favourable variance is owing to savings on the Corporate Subscriptions budget.
3,979	Resources & Development	40	
41	Civic Attendants	0	
163	Democratic	0	
573	Legal Services	10	The adverse variance is owing to a reduction in income generation.
165	Municipal Elections and Registration of Electors	0	
(3)	Other Office Services	0	
68	Procurement	(20)	Favourable variance owing to a part year vacant post.
(86)	Reprographics	0	
98	Scrutiny	(5)	Favourable variance owing to a part year vacant post.
132	Support to Members	0	
1,151	Legal	(15)	
5,130	Resources & Development and Legal Total	25	

REVENUE FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2022/23 as at 31 July 2022

Approved 2022/23 Budget £'000	Description of Service Area	Actual Adverse/ (Favourable) £'000	Director's Explanation of Variance
135	Access to Education	(24)	Favourable variance owing to staff vacancies.
172	Central Support Services	0	
21,015	Children and Families	1,510	Mainly relates to residential placements for children in our care.
1,726	Early Intervention	(350)	One-off grant funding and some incremental drift staff savings.
487	Other School Related Expenditure	(5)	Minor savings on premature retirement costs
3	Play & Care	35	Historic income pressures.
459	Raising Educational Achievement	216	The adverse pressure is predominately owing to historic income pressures.
329	Special Needs Services	0	
297	Standards, Engagement & Development	0	
1,251	Strategic Commissioning	0	
319	Strategic Management	16	
289	Youth Justice Service	0	
327	Youth Service	(23)	Favourable variance owing to staff vacancies.
26,809	Children's and Joint Commissioning Services	1,375	
Public Health Grant			
4,000	Children's Services	0	
2,501	Substance Misuse Services	0	
1,483	General Public Health Support Services	0	
693	Sexual Health Services	0	
302	Physical Activity	0	
170	Mental Health	0	
112	Health Checks	0	
100	Obesity	0	
(9,361)	Public Health Grant	0	
0	Contribution to Ring-Fenced Public Health Reserve	0	Any over or under-spend is funded from, or contributes to, the ring-fenced Public Health grant reserve
0	Public Health Grant	0	
26,809	Children's and Joint Commissioning Services Total (inc Public Health Grant)	1,375	

MEMO:-	Dedicated Schools Grant	Actual Adverse/ (Favourable)	Director's Explanation of Variance
	Early Years Block	0	Spend to budget level is estimated at this stage
	High Needs Block	0	Spend to budget level is estimated at this stage
	Schools Block	0	Spend to budget level is estimated at this stage
0	TOTAL Dedicated Schools Grant	0	

REVENUE FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2022/23 as at 31 July 2022

Approved 2022/23 Budget £'000	Description of Service Area	Actual Adverse/ (Favourable) £'000	Director's Explanation of Variance	
51	Adult Education	0		
20	Archaeology	0		
3	Carers & Assistive Technology	0		
(186)	Coast, Countryside & Heritage	15		
2,375	Commissioning - Adults	(20)		
1,244	Community Hubs	100	Historic savings target from proposed closure of Seaton Library which was not actioned, combined with reduced income from room hire.	
728	Cultural Services	110	Income pressures across the service including historic income pressures; Still early in the year and post-Covid 19 recovery so income will be closely monitored and updated as the year progresses.	
(191)	Departmental Running Costs	0		
647	Direct Care & Support Team	0		
0	Employment & Skills	0		
77	General Allotments	0		
701	LD & Transition Social Work	0		
2,240	Locality & Safeguarding Team	0		
1,136	Mental Health Services	0		
1,414	OT & Disability Equipment	(100)	Projection based on activity and demand for OT equipment over the last couple of years which has been lower than historically as a result of Covid 19; Will be closely monitored and updated as the year progresses.	
1,651	Packages of Care - Mental Health	(180)		
11,792	Packages of Care - Older People	(390)	Packages of Care forecast outturns are based on current projections however it is still early in the year with the winter period still to come so these projections will be closely monitored and updated as the year progresses.	
10,238	Packages of Care - Working Age Adults	(180)		
622	Sports, Leisure & Rec Facilities	145	Income pressures across Leisure Centres and other services including historic income pressures; Still early in the year and post-Covid 19 recovery so income will be closely monitored and updated as the year progresses.	
1,203	Working Age Adult Day Services	0		
35,765	Adult & Community Based Services Total	(500)		

NEIGHBOURHOODS & REGULATORY SERVICES

7.1 Appendix D

REVENUE FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2022/23 as at 31 July 2022

Approved 2022/23 Budget £'000	Description of Service Area	Actual Adverse/ (Favourable) £'000	Director's Explanation of Variance
(205)	Building Team Design	115	The forecast adverse variance relates to a shortfall in fees. However his position is improving in comparison to prior years.
(894)	Car Parking & Enforcement	0	
997	Community Safety & Engagement	(40)	Various non-staff savings including mileage.
(48)	Construction Team	50	Reflects inflationary pressures in relation to subcontractors and materials for previously agreed work.
326	Engineering Services (incl Coastal Protection and Contaminated Land)	0	
1,106	Facilities Management	325	Reflects inflationary pressures in relation to food costs and lower uptake of meals compared to pre-covid activity. Includes mitigation from 10p price rise per meal from September.
2,873	Environmental Services	0	
(305)	Highways Trading	0	
2,708	Highways Maintenance & Transportation	132	Reflects inflationary pressures. Work is ongoing to mitigate this adverse variance.
1,620	Passenger Transport	200	Reflects increasing number of SEND referrals to out of town placements and fuel inflation.
909	Public Protection	80	Short fall in Licence Fee income that had been anticipated in the prior year.
138	Road Safety	0	
938	Street Lighting	181	Predominantly reflects pressures in relation to maintenance, however work is ongoing to mitigate this adverse variance in relation to maintenance activity.
2,414	Sustainable Transport	(700)	Favourable variance relates to favourable negotiations with operators.
(82)	Vehicle Fleet	0	
5,426	Waste & Environmental Services	90	Adverse variance reflects Energy from Waste Facility shutdown however this is largely offset by increased income in relation to recycling.
272	Planning & Development	143	The adverse variance relates to a forecast shortfall in planning income.
376	Strategic Management & Admin	(100)	Reflects forecast favourable variance in relation to salary abatement as a result of vacant posts.
18,569	Neighbourhoods & Regulatory Services Total	476	

SECTION 106 DEVELOPERS CONTRIBUTIONS as at 31st July, 2022
7.1 Appendix E

	Affordable Housing Contributions ****	Cycleway	Highways	Bus Stop	Green Infrastructure	Maintenance	Play	Off Site Recreational **	Public Art	Sports	Ecological Mitigation *****	Traffic Calming	Education	Coastal	Health	Restoration - Security Bond ***	Other Service Areas Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Committed Balance Remaining (A+B-C) 1st April, 2022 *	0	219	660	15	180	0	133	157	5	141	149	15	881	22	41	100	2,718
<u>Amounts Received in Year 2022/23 (B)</u>																	
JCM Plant - Wynyard plots																	0
Britmag - Mitigation & Maintenance																	0
Hill Carter - England Coast Path National Trail																	0
Mr Reed - Abbey Hill Cottages														7			0
Thirteen Housing, Brierton Lane																	0
Hill View, Greatham																	0
Countryside Properties -Wynyard Park																	0
Total income	0	0	0	15	0	0	0	0	0	0	0	0	1	7	0	0	23
Sub Total - revised Balance	0	219	660	30	180	0	133	157	5	141	149	15	882	28	41	100	2,741
<u>Committed & Actual Expenditure as at 31st July 2022 (C)</u>																	
Council Housing - includes committed schemes	0																0
Grayfields & Headland																	0
Ward Jackson Park																	0
Path Maintenance, Thornhill Gardens to Jesmond Gardens																	0
Seaton																	0
Summerhill										14							14
Public Open Space																	0
Primary & Secondary improvements																	0
Coastal Footpath		45															45
Golden Flatts					3	0	5										8
																	0
Sub Total Expenditure	0	45	0	0	3	0	5	0	0	14	0	0	0	0	0	0	67
Forecast Committed Balance Remaining (A+B-C) 31st March, 2023 *	0	174	660	30	177	0	128	157	5	128	149	15	882	28	41	100	2,676

*Balances relate to amounts received and earmarked for purposes specified in developer agreements, but not yet transferred to a budget/scheme. However further expenditure is in the process of being planned and committed.

** To be used in vicinity of the Britmag site including but not limited to Central Park.

*** Held as security in case of any remedial action required during the operational life of the Wind Turbine.

**** All affordable housing contributions are earmarked for additional HRA houses.

***** This includes £27k for 'Dog Control orders' however if the measures are not needed then the funds are repayable.

Off Site - £60,500 Budget is included as part of Capital NIP scheme Budget Project 7440

Sports also includes contributions for Playing Pitches, Tennis Courts and Bowling Greens

FINANCE AND POLICY COMMITTEE

19 September 2022



Report of: Chief Solicitor

Subject: CORPORATE PROCUREMENT QUARTERLY REPORT ON CONTRACTS

1. TYPE OF DECISION/APPLICABLE CATEGORY

1.1 For information only in accordance with the Contract procedure Rules.

2. PURPOSE OF REPORT

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

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

3. BACKGROUND

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

Section of Contract Procedure Rules		Information to be reported
Introduction	Para 8 iii & Para 8 vi	Outcome of contract letting procedures
Part G	Para 12 v	
Introduction Part B	Para 8 iii Para 3 v	Basis of award decision if not lowest/highest price payable/receivable

Introduction	Para 8 vi	Contract Name & Reference Number
Part G	Para 12 v	
Introduction	Para 8 vi	Description of Goods/Services being procured
Part G	Para 12 v	
Introduction	Para 8 vi	Department/Service area procuring the goods/services
Part G	Para 12 v	
Introduction	Para 8 vi	Prices (separate to Bidders details to preserve commercial confidentiality)
Part G	Para 12 v	
Part G	Para 12 v	Details of Bidders

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

4. INFORMATION FOR REVIEW

4.1 Tender information

Appendix A details the required information for each procurement tender awarded since the last quarterly report along with the social value percentage weighting that was incorporated at the application stage.

4.2 Exemption information

Appendix B provides details of the required information in relation to Contract Procedure Rules exemptions granted since the last Corporate Procurement Quarterly Report on Contracts. Exemption request forms have been amended to detail reasons why Hartlepool based firms have not been selected and this information is now being collated.

4.3 Commercial / Confidential information

Appendix C includes the commercial information in respect of the tenders received and any confidential information relating to Contract Procedure Rule exemptions or contract extensions.

This item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, Appendix C.

5. OTHER IMPLICATIONS

Risk Implications	No relevant issues.
Financial Considerations	No relevant issues.
Legal Considerations	No relevant issues.
Staff Considerations	No relevant issues.
Asset Management	No relevant issues.

6. RECOMMENDATIONS

- 6.1 That the Committee note and comment on the contents of the report,

7. REASONS FOR RECOMMENDATIONS

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

8. BACKGROUND PAPERS

- 8.1 There are no background papers.

9. CONTACT OFFICER

- 9.1 Hayley Martin
Chief Solicitor
Civic Centre
Victoria Road
Hartlepool
TS24 8AY
Email Hayley.martin@hartlepool.gov.uk
Tel: 01429 523002

Sign Off:-

Managing Director	<input checked="" type="checkbox"/>
Director of Resources and Development	<input checked="" type="checkbox"/>
Chief Solicitor	<input checked="" type="checkbox"/>

Tender Information

Date of Contract Award	Contract Name and Reference Number	Description of Goods / Services being procured	Duration of Contract (optional extensions in	Department / Service area procuring the goods / services	Details of Companies invited including location	Details of Bids received	Basis of award decision if not lowest/highest price payable / receivable	Outcome of contract letting procedures	Previous Provider / Location
9.2.2022	Demolition of Market Hotel, Lynn Street DN 588974	Contractors on NEPO Demolition Services inc Asbestos Management Framework (NEPO Reference 221) were invited to provide prices for the demolition of the Market Hotel	5 Weeks	Neighbourhoods & Regulatory Services	G O'Brien & Sons Limited, Durham MGL Demolition Limited, Durham Robinson & Birdsall Limited, Yorkshire Thompsons of Prudhoe Limited, Durham	MGL Demolition Limited, Durham Thompsons of Prudhoe Limited, Durham	100% Price (Original Application Social Value 2%)	Thompsons of Prudhoe Limited, Durham	N/A
10.2.2022	Equipment for Section 38, Upper Warren DN 535920	3 Providers were invited to provide prices for the supply of various equipment for Section 38 Upper Warren, Hartlepool	2 months	Neighbourhoods & Regulatory Services	Light & Energy Distribution, Newcastle Exterior Lighting Solutions (UK) Ltd, Newcastle	Light & Energy Distribution, Newcastle Exterior Lighting Solutions (UK) Ltd, Newcastle	100% Price Delivery Times	Light & Energy Distribution, Newcastle	N/A

					Smith Bros(CAER CONAN) Wholesale Ltd, Doncaster				
21.12.2022	Leisure Management System DN 564357	A new leisure management IT solution for the Leisure, Recreation & Participation service	36 Months plus 2 x 12 month extension	Adult & Community Based Services	Debit Finance Collections (Legend), Buckinghamshire Gladstone MRM Limited, Oxfordshire Hedgehog Concept, London XN Leisure Limited, Oxfordshire	Debit Finance Collections (Legend), Buckinghamshire Gladstone MRM Limited, Oxfordshire XN Leisure Limited, Oxfordshire	70% Quality 30% Price Social Value 11% Quality Questionnaire	Gladstone MRM Limited, Oxfordshire	XN Leisure Limited, Oxfordshire
10.3.2022	24 Hour Short Stay, Care and Accommodation for Adults and Learning Disabilities	The service is designed to enable the 'cared for individual' to remain in a safe, stimulating and caring environment for periods of respite care.	36 Months plus 2 x 12 month extension	Children's & Joint Commissioning Services – Adult Commissioning	Open Invitation	Joining Hands Healthcare Limited, Bedfordshire Nttmedwellbeing Limited, Stockton	70% Quality 30% Price Social Value 10%	Voyage, Staffordshire	Voyage, Staffordshire

	DN 586710					Voyage, Staffordshire			
5.4.2022	Document Printing Services Framework DN 593025	A contract for the provision for printed documents and related services.	24 Months plus 2 x 12 month extensions	Legal Services	<p>Alphagraphics, Stockton-on-Tees</p> <p>Atkinson Print, Hartlepool</p> <p>BLP (Northern) Limited, Newcastle</p> <p>Hpoolprint, Hartlepool</p> <p>James Print & Design Limited, Hartlepool</p> <p>Ord Office Limited, Hartlepool</p> <p>Potts Print, Northumberland</p>	<p>Alphagraphics, Stockton-on-Tees</p> <p>Atkinson Print, Hartlepool</p> <p>Ord Office Limited, Hartlepool</p> <p>Potts Print, Northumberland</p>	100% Price	<p>Alphagraphics, Stockton-on-Tees</p> <p>Atkinson Print, Hartlepool</p> <p>Ord Office Limited, Hartlepool</p> <p>Potts Print, Northumberland</p>	<p>Alphagraphics, Stockton-on-Tees</p> <p>Atkinson Print, Hartlepool</p> <p>Ord Office Limited, Hartlepool</p> <p>Potts Print, Northumberland</p>

27.4.2022	Provision of Energy Efficiency Measures DN 600257	A contract for the delivery of a range of energy efficiency measures to domestic properties	12 Months	Neighbourhoods & Regulatory Services	0800 Repair, Tyne & Wear EON, Nottingham J & J Crump, Sheffield Utilita Services Limited, Hampshire	0800 Repair, Tyne & Wear J & J Crump, Sheffield Utilita Services Limited, Hampshire	40% Quality 60% Price Social Value 15%	0800 Repair, Tyne & Wear	N/A
11.5.2022	Extended Activities, 11 Week Play Scheme and Toy Loan Service for Families of Children with Disabilities and Additional Needs (Short Break Services DN 608492	A contract for the delivery of extended activities and play scheme provision together with a specialist toy loan service for families of children with disabilities and additional needs living in the Hartlepool area	36 Months plus 2 x 12 month extension	Children's & Joint Commissioning Services – Children's Commissioning	Open Invitation	Families First North East, Hartlepool	100% Quality Social Value 10%	Families First North East, Hartlepool	Families First North East, Hartlepool

8.6.2022	Low Level Support for People with Hearing Loss - DN 609100	A contract for individuals to provide support, information, advice and guidance to the Deaf community in Hartlepool	36 Months plus 2 x 12 month extension	Children's & Joint Commissioning Services – Adults Commissioning	Open Invitation	Hartlepool Deaf Centre, Hartlepool North Regional Association for Sensory Support (NRASS), Durham	100% Quality Social Value 10%	North Regional Association for Sensory Support (NRASS), Durham	North Regional Association for Sensory Support (NRASS), Durham
14.6.2022	Support Services for People with Hearing Loss DN 610182	A contract to provide a Support Service for People with Hearing Loss in Hartlepool.	36 Months plus 2 x 12 month extension	Children's & Joint Commissioning Services – Adults Commissioning	Open Invitation	Hartlepool Deaf Centre, Hartlepool North Regional Association for Sensory Support (NRASS), Durham	100% Quality Social Value 10%	Hartlepool Deaf Centre, Hartlepool	Hartlepool Deaf Centre, Hartlepool
21.6.2022	Park Road / Waldon Street Traffic Signals – DN 611715	Contractors on HBC Select List of Contractors for Highways Civil Engineering were invited to submit prices for Park Road / Waldon Street Traffic Signals	3 months	Neighbourhoods & Regulatory Services	BAM Ritchies Glasgow Esh Construction Ltd Bowburn County Durham Hall Construction Services Ltd Rushyford County Durham	Highway Construction Services Ltd Stockton-on-Tees Rainton Construction Ltd Durham Seymour Civil Engineering Contractors Ltd Hartlepool	100% Price Original Application Social Value 8%	Highway Construction Services Ltd Stockton-on-Tees	N/A

					Highway Construction Services Ltd Stockton-on-Tees				
					Rainton Construction Ltd Durham				
					Seymour Civil Engineering Contractors Ltd Hartlepool				
29.6.2022	Central Estate Park – DN 606985	4 Providers were invited to provide prices for new steps, paving and an enclosure to Central Estate Park, Hartlepool	4 months	Neighbourhoods & Regulatory Services	Brambledown Landscape Services Limited, Durham Cleveland Land Services (Guisborough) Limited, Guisborough Dawson Landscapes Limited, Hartlepool Seymour Civil Engineering Contractors Ltd, Hartlepool	Brambledown Landscape Services Limited, Durham Dawson Landscapes Limited, Hartlepool Seymour Civil Engineering Contractors Ltd, Hartlepool	100% Price	Dawson Landscapes Limited, Hartlepool	N/A

Procurements Exempted from Council Contract Procedure Rules

Exemption Information

Dept.	Service Unit	Company Name	Company based at	Duration	Description	Approval
Public Health	Public Health	InsightPro	Belfast	10.1.2022 - 30.4.2022	<p>A consultant has been appointed to undertake a review of the Public Health Department:-</p> <p>This is the scope of work to be completed:</p> <ol style="list-style-type: none"> 1. Lead a strategic review their public health function and advise/consultant on what needs covering, what areas need the main focus etc 2. Provide public health leadership in relation to agreed services, such as mental health and recovery, drugs and alcohol 3. Support any urgent areas of work that may emerge <p>The piece of work will take approximately 20 days to complete.</p>	Request Approved by Chris Little, Sally Robinson and Hayley Martin - 10.2.2022
Adult & Community Based Services	Heritage and Countryside	Gray's Ecology	Saltburn-by-the-Sea	23.3.2022 – 1.9.2022	<p>There is a need for the authority to have ecological advice available when it is discharging it's planning function and carrying out works. The ecologist is leaving the authority on 11th March to move to another local authority.</p> <p>In light of the four week notice period, and the time it takes to recruit, it is proposed that as an interim freelance advice is sought in order to support the planning process.</p>	Request Approved by Chris Little, Jill Harrison and Hayley Martin - 24.2.2022
Adult & Community Based Services	Heritage and Countryside	Tees Valley Wildlife Trust	Saltburn-by-the-Sea	One off expenditure	The Section 106 legal agreement entered into by Bellway Homes at the time that planning permission was granted for Quarry Farm (application number: H/2014/0215) included an obligation to pay a sum of £20,000 'To secure & support ecological enhancements in the Rural West Ward of Hartlepool'. This sum was	Request Approved by Chris Little, Jill Harrison and Hayley Martin - 24.2.2022

					<p>received by HBC in January 2018 and the developer may request a refund of any unspent funds after 5 years.</p> <p>It is proposed to commission Tees Valley Wildlife Trust (TVWT) to undertake a package of habitat management works within The Howls Woodland Local Wildlife Site, which is also semi-natural ancient woodland, and also at The Batts, which is an area of former agricultural land south of Dalton Piercy and connected to the Howls by Dalton Beck.</p>	
Resources and Development	Development and Growth	Keepmoat Homes Limited	Doncaster	One off expenditure	<p>The appointment of Keepmoat Homes to deliver a design and build contract for the delivery of 84 affordable homes in four tranches is therefore required as the scheme is considered to be value for money, meets an identified affordable housing need, there is no alternative site in the Borough for the provision of these units and the land ownership rights are not in the Council's hands.</p>	<p>Request Approved by Denise, McGuckin, Chris Little and Hayley Martin - 17.3.2022</p>
Children's & Joint Commissioned Services	Adults Commissioning	Signis Limited	Birmingham	One off expenditure	<p>The current Adult Social Care internal practice manual requires significant researching/reviewing and updating</p> <p>Signis provide ready written procedures for adult social care that a significant number of local authorities use across the country which means they have been reviewed and tested without Hartlepool needing to add capacity to this work. These are Adult Social Care legally compliant.</p>	<p>Request Approved by James Magog, Jill Harrison and Hayley Martin - 2.4.2022</p>
Resources and Development	Senior Leadership Team	Orangebox Training Solutions	Hartlepool	£36,000	<p>Orange box have been appointed to provide bespoke consultancy training, coaching and facilitation services to support the objectives of the Council</p>	<p>Approved by Chris Little, Hayley Martin</p>

						and Neil Wilson – 12.4.2022
Children's & Joint Commissioned Services	Adults Commissioning	Carers Federation	Nottingham	£14,687	There is a requirement to appoint the Carers Federation because several LAs have decided to restructure & retender their Advocacy provision and the Lead Authority decided at very short notice to withdraw from the consortium. 4 of the LAs have decided to stay with the Carers Federation for the next year to be able to evaluate the current market situation and possible legal changes.	Approved by Chris Little, Hayley Martin and Jill Harrison – 14.4.2022
Neighbourhoods & Regulatory Service	Emergency Planning	Northumbria University	Newcastle	£25,000	Following recognition of the need to improve the support for LRFs HM government initiated a funding pilot project whereby grant funding was provided to LRFs with the aim of increasing capacity and capability. The LRF has identified that current capacity and capability is lacking in the area of community resilience (when benchmarked against the HM Government Standards). A need for a further understanding reference the communities and means of engagement on community resilience was identified. Links were made to a suitably qualified and experienced academic at Teesside University with experience of working with communities and resilience.	Approved by Chris Little, Hayley Martin and Tony Hanson – 16.5.2022
Neighbourhoods & Regulatory Services	Fleet Management	Dawson Group Bus and Coach Limited	Milton Keynes	£730,000	This exemption request seeks to purchase four second-hand coaches as part of the previously agreed vehicle replacement plan and associated borrowing approvals. The supplier will undertake Public Service Vehicle Accessibility Regulations (PSVAR) conversions to the vehicles before delivery	Approved by Chris Little, Hayley Martin and Tony Hanson – 18.5.2022

Resources & Development	Development & Growth	Artelia Projects UK Limited	London	£25,763	Artelia were procured by NMRN in 2019 to undertake project management of NMRN projects. The next stage of the Waterfront programme delivery requires close collaboration between NMRN and HBC led projects in order to maximise opportunities and efficiencies across the programme, ensure projects align in planning and delivery. Artelia are strategically placed to link the projects together and to support this approach which is particularly challenging for both organisations as they meet the challenges of low capacity.	Approved by Denise McGuckin, Hayley Martin and James Magog – 15.6.2022
Resources & Development	Development & Growth	C Bannister Engineering Services Limited	Ipswich	£2,500	An option appraisal is currently being conducted on the Wingfield Castle to determine potential solutions to preserve or dispose of the vessel. This decision needs to be made swiftly due to risk to the vessel and its stability in the water. Key in this decision is consideration for the impact of annual revenue budgets that preserving the vessel in the water may have. In order to inform this pending decision, a cost estimate of an annual maintenance regime and the work required in this is a key piece of information in the options appraisal. HBC now requires a specialist report from an experienced consultant to provide an informed schedule of maintenance and cost estimate.	Approved by Denise McGuckin, Hayley Martin and James Magog – 1.7.2022
Children's & Joint Commissioned Services	Adults Commissioning	Hearing Impairment & Visual Support UK (HiVis UK)	Hartlepool	£12,000	As a result of a successful Making Waves Lottery Bid the Department was able to engage and work with HiVIS UK on a joint sensory loss plan which also included agreed training and support from the organization. Unfortunately due to the global Covid pandemic the work was not able to be completed before the grant	Approved by Hayley Martin, Jill Harrison and James Magog – 15.6.2022

					arrangements ended in March 2022, therefore, an exemption is required to complete the work.	
Adult & Community Based Services	Tall Ships Event 2023	Sponsor Monster (Guy Wimpory)	East Sussex	£31,500	<p>There is a requirement for a specialist in the maritime sector who is able to recruit Tall Ships for our event, offering them suitable corporate hospitality packages, as well as developing sponsorship packages that will cover the costs of these events on board the ships.</p> <p>Ship Recruitment, Corporate Hospitality and Sponsorship are intrinsically linked for Tall Ship events and it is essential we have an experienced person managing and delivering these elements.</p>	Approved by Denise McGuckin, Hayley Martin, Jill Harrison and James Magog – 1.7.2022
Children's & Joint Commissioned Services	Children's Commissioning	Changing Futures (North East)	Hartlepool	£27,000	<p>Department of Work and Pensions have over the last couple of years allocated funding to local areas to improve the skills and expertise of the children's workforce in dealing with parental conflict. Recently we were informed that we would receive a grant to establish a local core offer/ continue to improve the skills of the workforce and deliver direct support to parents. Changing Futures North East has previously bid for DWP funding to deliver direct to parents and to deliver training to the workforce. CFNE are highly skilled in this area of work and have a workforce able to deliver the requirements for this programme.</p> <p>The council do not have the capacity to undertake this work and have worked closely over the last few years with Changing Futures North East. They have trained staff across the children's workforce to deliver parenting support as they are DWP accredited.</p> <p>This exemption will ensure that we can use this grant to undertake the requirements for the</p>	Approved by Hayley Martin, Jill Harrison and James Magog – 4.7.2022

					programme and be able to spend the funding within the required timescale.	
Children's & Joint Commissioned Services	Public Health	Foundations	Middlesbrough	£187,616	The government recently published its 10 year drugs strategy. In order to implement the priorities within the strategy the government have allocated a specific grant for Substance Misuse Treatment and Recovery. Hartlepool have received an allocation which needs to be used to increase capacity across the system. Foundations have been commissioned to provide the clinical element of our Substance misuse service and we need to expand this service to increase the number of people in treatment.	Approved by Hayley Martin, Jill Harrison and James Magog – 6.7.2022
Neighbourhood & Regulatory Services	Tall Ships Event 2023	Hatton Traffic Management Ltd	Newcastle-upon-Tyne	£50,000	There is a requirement to appoint Hatton Traffic Management for the design, development and implementation of the Traffic Management Plan for the Tall Ships 2023. The company were appointed for the previous Tall Ships Event in 2010 and were instrumental in the smooth running of the event.	Approved by Denise McGuckin, Hayley Martin, Tony Hanson and James Magog – 22.7.2022

Extension Information

Dept.	Service Unit	Company Name	Company based at	Duration	Description	Approval
Neighbourhoods & Regulatory Services	Place Management - Environmental Services	Different Bears Consulting Limited	Poole	01.12.2021 – 01.06.2022	An extension is required for this project which is being managed by an expert in the sector who has been jointly procured and he has identified a need to procure a specialist lobbyist and PR consultant to interface with the special interest groups who are likely to have an interest in the project at both a regional and national level. There has been only one suitable organisation identified by the Environmental Services Association as having the requisite skills and experience in this niche sector. Furthermore, the specialist nature of the organisation has resulted in them not featuring on any established frameworks under which the procurement could be undertaken.	Request Approved by Chris Little, Hayley Martin and Tony Hanson - 24.2.2022
Adults & Community based Services	Adults Commissioning	Buddi Limited	Herts	1.3.2022 – 28.2.2023	<p>The Commissioning Team are currently reviewing its approach to assistive technology/digital strategy but this will not be in place to procure providers before March 2022, therefore, an extension to the existing arrangement is required.</p> <p>The provision of personal emergency response services is currently held by Buddi Limited.</p> <p>The Service consists of 2 elements</p> <ul style="list-style-type: none"> • The sixty five (64) Individual Monitoring Units purchased previously. <p>The monthly payment for the Personal Emergency Response Coordination Service for</p>	Request Approved by Chris Little, Jill Harrison and Hayley Martin - 1.3.2022

					each Individual Monitoring Unit (at a cost of £20 per kit per month)	
Adults & Community based Services	Adults Commissioning	Hartlepool Deaf Centre	Hartlepool	1.4.2022 – 30.6.2022	<p>The service has been successfully provided by Hartlepool Deaf Centre under three consecutive contracts with the Council since 2014. Outcomes for people accessing the service have been positive and the provider is highly respected both within the Department and the deaf community.</p> <p>An extension to the existing contract would enable the Department to ensure that the tender for the replacement service would meet the demands of the Council linked to whether support continues to be provided internally or can be sourced externally which would be more sustainable than having one allocated worker</p>	Request Approved by Chris Little, Jill Harrison and Hayley Martin - 1.3.2022
Adults & Community based Services	Adults Commissioning	North Regional Association for Sensory Support	Tyne & Wear	1.4.2022 – 30.6.2022	<p>The service has been successfully provided NRASS under a series of consecutive contracts since 2016. Outcomes for people accessing the service have been positive and the provider is highly respected both within the Department and the deaf community.</p> <p>An extension to the existing contract would enable the Department to ensure that the tender for the replacement service would meet the demands of the Council linked to whether support continues to be provided internally or can be sourced externally which would be more sustainable than having one allocated worker</p>	Request Approved by Chris Little, Jill Harrison and Hayley Martin - 1.3.2022
Adults & Community based Services	Adults Commissioning	Just Checking Limited	Warwickshire	01.5.2022 – 30.4.2023	The provision of equipment and activity monitoring service is currently held by Just checking Limited. The previous agreement was	Request Approved by Chris Little, Jill Harrison and

					<p>for 12 months and ends on 30 April 2022. The Council has had previous agreements with Just Checking Limited since 10 May 2015.</p> <p>We are looking to extend the contract for one year as the approach to assistive technology/ digital strategy is being reviewed but this will not be in place to procure providers before May 2022.</p>	Hayley Martin - 8.3.2022
Development and growth	Strategic Development	Beckett Rankine	London	20.3.2022 – 30.6.2022	<p>The original contract is for the survey of the Wingfield Castle (WC) and Sir William Gray Dock Dam Board, production of an inspection report for both and an optioneering report for the repair/replacement of the dam-board.</p> <p>The Options study for the Dam board identified an option which the design of required further investigations and a specialist survey so a finalised option can be identified and design and costs delivered to CPB.</p> <p>To progress a decision on the future of the Wingfield Castle the technical options in the CMP need to be updated with options reassessed and capital and revenue cost implications identified.</p>	Request Approved by Denise McGuckin, Chris Little - 10.3.2022
Adults & Community based Services	Adults Commissioning	Dale Care Limited	Durham	4.9.2022 – 30.6.2023	<p>The current contract is due to terminate on 3 September 2022. In preparation for the new tender it was proposed that a review of extra care be undertaken.</p> <p>It is requested that approval be given to extend the existing contract by 9 months to allow for the review to be completed which will set out the future commissioning requirements.</p>	Request Approved by Chris Little, James Magog, Jill Harrison and Hayley Martin - 1.4.2022

Public Health	Public Health	Slainte Chugat Ltd	London	1.5.2022 – 30.6.2022	There continues to be vacancies in the public health team (recruitment is in progress) and in order to meet public health priorities additional temporary capacity is needed. There continues to be pressure re: COVID and support is needed across COVID activities and wider public health priorities such as substance misuse.	Request Approved by Sally Robinson, Hayley Martin and Chris Little - 5.4.2022
Public Health	Public Health	Panoramic Associates	Bristol	4.6.2022 – 2.9.2022	There is a requirement to extend the current arrangement for a further three months based on below: There continues to be pressures on the public health team and recruitment processes have taken place however postholder will not be in place until Sept 2022 There is ongoing significant work that needs to continue to support the DPH at this time: <ul style="list-style-type: none"> • Technical advice • Statutory PH requirements 	Request Approved by Sally Robinson, Hayley Martin and James Magog - 6.6.2022
Public Health	Public Health	Slainte Chugat Ltd	London	1.7.2022 – 26.8.2022	There continues to be vacancies in the public health team (recruitment is in progress) and in order to meet public health priorities additional temporary capacity is needed. There continues to be pressure re: COVID and support is needed across COVID activities and wider public health priorities such as substance misuse	Request Approved by Sally Robinson, Hayley Martin and James Magog - 7.6.2022
Resources & Development	Corporate Services	SOCITM Advisory	Northampton	30.9.2022 – 30.12.2022	HBC previously engaged with SOCITM Advisory to carry out a Best Value Review of the current ICT Managed Service contract with NEC (Northgate PS). We also have engaged their	Approved by Denise McGuckin, Hayley Martin,

					<p>services to support the procurement of the new ICT Managed Service contract.</p> <p>A contract extension until Dec 2022 is required.</p>	<p>and Chris Little – 11.8.2022</p>
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