

# FINANCE AND POLICY COMMITTEE

## AGENDA



**Monday 25 November 2024**

**at 10.00 am**

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

**MEMBERS:** FINANCE AND POLICY COMMITTEE

Councillors Allen, Creevy, Feeney (VC), Hargreaves, Harrison (C), Lindridge, Little, Nelson, Oliver, Reeve and Young.

Parish Council Co-opted Member:

M Ireland (Dalton Piercy Parish Council)

### **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 16 September 2024 (*previously published and circulated*)
- 3.2 To receive the minutes of the meetings of the Safer Hartlepool Partnership held on 15 July 2024
- 3.3 To receive the minutes of the meeting of the Health and Wellbeing Board held on 8 July 2024

### **4. BUDGET AND POLICY FRAMEWORK ITEMS**

- 4.1 Strategic Financial Management Report – as at 30 September 2024 – *Director of Finance, IT and Digital*
- 4.2 Local Council Tax Support 2025/26 – *Director of Finance, IT and Digital*
- 4.3 Council Tax Base 2025/26 – *Director of Finance, IT and Digital*

#### **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.

- 4.4 Medium Term Financial Strategy (MTFS) 2025/26 to 2027/28 – *Director of Finance, IT and Digital*

**5. KEY DECISIONS**

- 5.1 No items

**6. OTHER ITEMS REQUIRING DECISION**

- 6.1 Housing Management Service Complaints Policy : Annual Performance Monitoring Report - *Executive Director of Development, Neighbourhoods and Regulatory Services*
- 6.2 Joint Health and Wellbeing Strategy – *Director of Public Health*

**7. ITEMS FOR INFORMATION**

- No items

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

**FOR INFORMATION**

Date of next meeting - Monday 20 January 2024 at 2.00 pm in the Civic Centre, Hartlepool



# **SAFER HARTLEPOOL PARTNERSHIP**

## **MINUTES AND DECISION RECORD**

15 July 2024

The meeting commenced at 5.00pm in the Civic Centre, Hartlepool.

**Present:**

**Responsible Authority Members:**

Councillors Oliver, Elected Member, Hartlepool Borough Council (Chair)  
Tony Hanson, Director of Neighbourhoods and Regulatory Services  
Hartlepool Borough Council  
Sylvia Pinkney, Assistant Director, Regulatory Services, Hartlepool Borough Council  
Superintendent Martin Hopps, Community Safety, Cleveland Police  
Jo Heaney, Chair of Youth Offending Board  
Karen Hawkins, Director of Place, North East and North Cumbria Integrated Care Board (NENC ICB)  
Ann Powell, Head of Stockton and Hartlepool Probation Delivery Unit  
Darren Lane, Cleveland Fire Authority

**Other Members:**

Craig Blundred, Director of Public Health, Hartlepool Borough Council  
Matthew Storey, Office of Police and Crime Commissioner for Cleveland  
Joanne Hodgkinson, Hartlepool Voluntary and Community Sector  
Representative, Chief Executive, Safer Communities  
Sally Robinson, Director of Children's and Joint Commissioning Services,  
Hartlepool Borough Council

**Also Present:**

Councillor Jorgeson, Non-Voting Observer, Representative of Audit and Governance Committee, Hartlepool Borough Council

**Officers:**

Sylvia Pinkey, Assistant Director, Regulatory Services, Hartlepool Borough Council  
Steve Hilton, Senior Public Relations Officer, Hartlepool Borough Council  
Ronnie Checksfield, YOS Team Manager, Hartlepool Borough Council  
Philip Hepburn, Enforcement & Car Parking Services Manager  
Anna Waddington, Anna Waddington, Cleveland Violence Reduction Unit (CURV)  
Sarah Wilson, Office of Police and Crime Commissioner for Cleveland  
Olivia Highley, Domestic Abuse Coordinator, Hartlepool Borough Council  
Joan Stevens, Statutory Scrutiny Officer

## 1. **Apologies for Absence**

Councillor Brash, Elected Member, Hartlepool Borough Council  
Denise McGuckin, Managing Director, Hartlepool Borough Council  
Jill Harrison, Director of Adult and Community Based Services, Hartlepool Borough Council  
John Lovatt, Assistant Director Adult Social Care  
Susan Hurst, Head Of Service - Promoting Independence  
Carl Pattinson, Cleveland Fire Authority  
Angela Corner, Head of Community Resilience, Thirteen Group

## 2. **Declarations of Interest**

None.

## 3. **Minutes of the meeting held on 26 February 2024**

Confirmed.

## 4. **Fire Brigade District Performance** (*Community Liaison Officer, Cleveland Fire Brigade*)

### **Purpose of report**

To provide the Safer Hartlepool Partnership with an update on Cleveland Fire Brigade performance during May 2024, focusing specifically on the Hartlepool District.

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

The Hartlepool District Manager, Cleveland Fire Brigade, provided a performance update for May 2024, which allowed the Partnership to compare incident levels from May 2023 and May 2024, across a range of fire indicators.

A 40% reduction in the total number of fires had been recorded in May 2024, compared to May 2023. Whilst fire brigade preventative activities had been a factor in reducing overall levels of fires, Members were interested in the impact of increased rainfall. Details of weather patterns, and their correlation with reduced levels of fires were requested.

### **Decision**

The update report was received.

## 5. **Neighbourhood Policing Verbal Update** (*Superintendent, Cleveland Police*)

### **Purpose of report**

The purpose of the report was to provide members of the Safer Hartlepool Partnership an update in respect of general policing duties within Hartlepool.

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

The Superintendent, Cleveland Police, provided the Partnership with an update on the work of the Neighbourhood Policing Team and refresh of the Neighbourhood Policing Strategy (NPS).

Emphasis within the NPS on engagement and building effective relationships with community safety partners was noted, alongside its focus on targeted prevention, enforcement activity, collaborative problem-solving, protecting communities, tackling criminals, managing offenders. Specifically in relation to the NPS's focus on identifying and addressing problems at a local level, attention was drawn to the creation of 70 designated appointments a day with Neighbourhood officers across the district, of which 2 a day were provided in Hartlepool based on demand. It was, however, noted that a potential increase in the number of appointments available across the division, and the provision of ring-fenced Neighbourhood Officer(s), was being looked in to.

Attention was also drawn to the:

- Results of the recent staff consultation on shift patterns which had shown that 87% of officers supported a move to a 4 on 4 off pattern. It was hoped that this could be introduced in late November, with no impact on the number of officers on neighbourhood teams.
- Success of the Hartlepool Proactive Team in effectively disrupting serious harm, since its introduction in May 2024. The first four weeks of which had seen 47 arrests (robbery, rape and threats to kill, along with high-risk domestic abuse) and 20 stop searches that resulted in the seizure of drugs and suspected stolen property.
- The return of Operation Artemis and roll out of the Right Care Right Person (RCRP) initiative to ensure that vulnerable people get the right support from the right emergency services.

It was noted that off-road bikes (ORB's) continued to be a problem for communities across Hartlepool and was also a priority for the Police and Crime Commissioner. Hartlepool specific ORB data had been unavailable at the meeting, however, it was agreed that it would be circulated to the members of the partnership (including the number of seizures).

### **Decision**

The Neighbourhood Policing update be noted.

## **6. Domestic Abuse Strategy and Progress** *(Executive Director of Children's and Joint Commissioning Services)*

### **Purpose of report**

To update members on the progress of the Domestic Abuse Local Strategic Partnership Board (DALSPB) in delivering the Domestic Abuse Strategy in the last year 2023 – 2024 and the proposed delivery plan for 2024 – 2025.

**Issue(s) for consideration**

The Domestic Abuse Local Strategic Partnership Board (DALSPB) meets the requirements of the Domestic Abuse Act 2021 and consists of representatives from the local authority, health services, policing and criminal justice, voluntary organisations and representatives for the voice of both child and adult victims of domestic abuse.

The Executive Director of Children's and Joint Commissioning Services reported that over the last financial year the DALSPB had been implementing an action plan, with a focus on the key strategic priorities within the Domestic Abuse Strategy. Details of actions taken were outlined in the report and it was confirmed that the key strategic priorities for 2023 – 2024 would remain the same, with a DALSP focus on:

- Refreshing the Needs Assessment and Strategy for 2025;
- Continuing to incorporate the voice of victims and survivors, both adults and children;
- Promotion of the domestic abuse support services offer and key awareness raising campaigns with a communication strategy;
- Continuing the outcome monitoring of commissioned services;
- Implementation of the Safe and Together model and development of training packages;
- Supporting the strategic review of MARAC to ensure that it is fit for purpose, delivers appropriate outcomes and is reflected within operational MARAC arrangements;
- Exploring options of safe accommodation and ensuring housing systems and applications are trauma-informed and victim-led; and
- Continuing to develop accommodation pathways for perpetrators and a perpetrator strategy.

The Chair took the opportunity to thank the DALSPB for all the work that had been, and continued to be, undertaken.

**Decision**

That progress on implementation of the strategy, and proposed delivery plan for 2024 – 2025, be noted.

## **7. Youth Justice Strategic Plan** (*Executive Director of Children's and Joint Commissioning Services*)

**Purpose of report**

To present the Youth Justice Strategic Plan for 2024-2025 and seek comments for incorporation in the report back to the Children's Services Committee, prior to adoption of the plan by full Council.

**Issue(s) for consideration**

The Director of Children's and Joint Commissioning Services reported that the meeting of Hartlepool Borough Council on 3<sup>rd</sup> October 2024 would be requested to adopt the Youth Justice Strategic Plan for 2024-2025, a copy

of which was appended to the report. The recommendations made by Safer Hartlepool Partnership, Finance and Policy Committee, Children's Services Committee and Audit and Governance would be considered in the final plan presented to Council. The final version of the Strategic Plan would also be sent to National Youth Justice Board.

### **Decision**

That the report be noted.

## **8. 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 9 – Domestic Homicide Review** – *Executive Director of Development, Neighbourhoods and Regulatory Services* (Para 2) – This item contains exempt information under Schedule 12A Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) Order 2006 namely (para 2) Information which is likely to reveal the identity of an individual.

- 9. Domestic Homicide Review** (*Executive Director of Development, Neighbourhoods and Regulatory Services*) 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 2) Information which is likely to reveal the identity of an individual.

### **Purpose of report**

To consider the report into a recent death as part of the Safer Hartlepool Partnerships Statutory duty to commission Domestic Homicide Reviews under Section 9 of the Domestic Violence, Crime and Victims Act (2004).

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

Under section 9 of the Domestic Violence, Crime and Victims Act (2004) Community Safety Partnerships have a statutory duty to undertake Domestic Homicide Reviews and a detailed report was considered by the Partnership, details of which are set out in the exempt section of the minutes.

### **Decision**

The Safer Hartlepool Partnership Executive considered the Domestic Homicide Review Report and agreed that the final report be sent to the Home Office to be quality assessed.

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

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

- 1) Police and Crime Plan Consultation – Attention was drawn to the start of the consultation process in relation to the Police and Crime Plan and participation was encouraged.

## **Date and Time of Next Meeting**

The Chair reported that the date of the next meeting was to be confirmed.

The meeting concluded at 6.30pm.

CHAIR

# HEALTH AND WELLBEING BOARD

## MINUTES AND DECISION RECORD

8 July 2024

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

Present:

Councillor Harrison, Leader of Council (In the Chair)

### **Prescribed Members:-**

Elected Members, Hartlepool Borough Council - Councillors Boddy, Darby and Roy  
Representatives of NHS North East and North Cumbria Integrated Care Board -  
Karen Hawkins

Director of Public Health, Hartlepool Borough Council – Craig Blundred

Executive Director of Children's and Joint Commissioning Services, Hartlepool  
Borough Council - Sally Robinson

Executive Director of Adult and Community Based Services, Hartlepool Borough  
Council - Jill Harrison

Representatives of Healthwatch - Margaret Wrenn and Stephen Thomas (substitute  
for Christopher Akers-Belcher)

### **Other Members:-**

Managing Director, Hartlepool Borough Council – Denise McGuckin

Representative of Hartlepool Voluntary and Community Sector – Carl Jorgeson

Representative of Tees, Esk and Wear Valley NHS Trust – Dominic Gardner  
(substitute for Brent Kilmurray)

Representative of North Tees and Hartlepool NHS Trust – Michael Houghton

Representative of Headteachers - Sonya Black

Observer – Statutory Scrutiny Representative, Hartlepool Borough Council –  
Councillor Jorgeson

### **Also in attendance:-**

Julian Penton - Co-Lead Officer, Hartlepower Community Trust

Dr. Pamela Graham - Assistant Professor, Northumbria University

Katie McLeod - Commissioning Manager, NHS North East and North Cumbria  
Integrated Care Board

Philippa Walters, Pharmacy Lead

### **Officers:-**

Joan Stevens - Statutory Scrutiny Manager

## **1. Apologies for Absence**

Apologies for absence were received from Levi Buckley, Christopher Akers-Belcher, Tony Hanson, Danielle Swainston, Christine Fewster, Brent Kilmurray, Supt Martin Hopps, Fiona Adamson and Claire Robinson.

## 2. Declarations of interest by Members

None

## 3. Minutes of meetings

- (i) The minutes of the meeting held on 11th March 2024 were confirmed.
- (ii) The minutes of the Tees Valley Area Integrated Care Partnership meeting held on 2 February 2024 were received.

## 4. Hartlepool Food Partnership – Progress Update (Partnership Steering Group)

The Board was updated on progress made by the Hartlepool Food Partnership (HFP) in bringing together the local authority, food-related businesses, the voluntary & community sector, NHS and educational institutions to address multiple aspects of the locality's food system.

Of the food partnerships across the UK, around 100 are members of the Sustainable Food Places (SFP) network. Becoming a member of the SFP required that food partnerships demonstrate a whole system approach to the local food system, based upon multi-sector collaboration, across 6 areas of work.

- Food governance and strategy;
- Good food movement;
- Healthy food for all;
- Sustainable food economy;
- Catering and procurement; and
- Food for the planet.

Details of how the HFP performs against each of the areas required to qualify for membership of the SFP were presented to the Board and attention drawn to the food-related drivers of ill health within Hartlepool. It was recognised that a considerable amount of work was being undertaken to address the issue of food poverty which included the conduct and oversight of partnership activities through an open, multi-sector steering group. The membership of which included the PFC Trust, Hartlepool Healthwatch, Hartlepool Foodbank, the Thirteen Group, Joseph Rowntree Foundation and some council departments.

The Board was impressed by the range of services provided, the level of involvement across all areas of the Council and activities to involve young people. In addition, attention was drawn to the importance of reflecting the needs of older people (e.g. the benefits of gardening to people with dementia), the distribution of excess allotment produce and addressing the issue of ultra-processed foods in the town.

Building on the work already undertaken, the Board was asked to consider the progression of three further actions:

- The conduct of a benchmarking exercise to explore how Hartlepool Borough Council's services align with the objectives of the Food Partnership objectives. The information obtained to be used to inform further cross-departmental working within the council;
- The exploration of opportunities to reintroduce the Hartlepool Show, in collaboration with the Food Partnership; and
- Discussions with the appropriate tier of the regional NHS infrastructure regarding NHS engagement with Hartlepool's Food Partnership.

The Board was supportive of the above actions and it was agreed by the ICB representative on the Board that an appropriate individual(s) would be identified to represent the NHS on the working group going forward.

### **Decision**

1) The Board endorsed:

- i) Conduct of a benchmarking exercise to explore how Hartlepool Borough Council's services align with the objectives of the Food Partnership objectives;
- ii) Opportunities to reintroduce the Hartlepool Show, in collaboration with the Food Partnership; be explored with appropriate officers from the Adult and Community Based Services Department;

2) It was agreed that an appropriate individual(s) would be identified by the ICB to sit on the Hartlepool Food Partnership Working Group going forward.

## **5. 'Pathways to Brighter Hartlepool' – Residents' views about Hartlepool** *(Northumbria University and Multi-Agency Project Group)*

The Board received an update on the outcome of the online survey and discussion-based focus-groups undertaken by Northumbria University to identify the perception of Hartlepool citizens' on the town's strengths and challenges.

Dr. Pamela Graham, Assistant Professor from Northumbria University, outlined the background to the piece of work, participants and findings in relation to:

- Local amenities
- Transport infrastructure
- Coast, history and green space
- Family and community support
- Healthcare services
- Crime, anti-social behaviour and drugs
- Cost of living and austerity
- Education, aspirations and opportunities

- Youth services
- Community
- Sport
- Public services
- Schools and education

The results of the piece of work reflected national concerns about hospital / health care, mental health, substance misuse and crime. It was noted that many of the findings of the children and young people's focus groups aligned with those expressed at the adults' focus groups. In relation to the provision of health services, support for access to local services was a strong theme. The Board was concerned that the lack of awareness of the services available in Hartlepool also applied to the provision of health services and it was agreed that details of services provided from the University Hospital of Hartlepool would be recirculated to the members of the Board.

Specific pastoral challenges were, however, raised via the children and young people's focus groups in relation to behaviour policies, mental health and restricted access to drinking water and restrooms. Emphasis was placed on the need to take in to consideration the limitations that schools face when exploring the issues raised by the Northumbria University work.

This also applied to the Mental Health Transformation Programme which is provided in some, but not all, schools with recognition of the need to consider how a consistent offer could be provided for all pupils. It was recognised that the differentiation between academies and maintained schools added to the complexity of providing a consistent offer and it was suggested that the potential of working with the Primary School Council be explored.

Emphasis was placed on the need to consider the Northumbria University's findings alongside the range of other pieces of work that have / are being undertaken, including the Big Conversation and the Hartlepool Healthwatch work programme. It was also important to consider the activities of existing groups alongside the findings and how they could contribute to the work that stems from Northumbria University's work.

### **Decision**

The report was noted and approval given for the further exploration of the relationship between Northumbria University and the council, in respect of Hartlepool citizens' views and engagement.

## **6. Pharmaceutical Needs Assessment (PNA) 2022 – Maintenance Report** *(Director of Public Health)*

The Board was updated in accordance with the process for statutory maintenance of the Pharmaceutical Needs Assessment (PNA) 2022.

The Board noted the below applications, decisions and notices of change to pharmaceutical services, received since production of the last maintenance report (11th March 2024):

- Notice of changes to opening hours (and thereby availability of necessary pharmaceutical services) at Winterbottom Pharmacy and Tesco Pharmacy, Belle Vue. These changes did not require the issue of supplementary statements to the PNA and no change to the map.
- New distance selling pharmacy, opened in Hartlepool on the 22 April 2024, had been included in the Pharmaceutical List.

Hartlepool's Pharmaceutical Needs assessment (PNA) was published in 2022 and the deadline for publication of a revised PNA is the 30<sup>th</sup> September 2025. The Board approved the initiation of the process for the revision of the PNA, including the publication of a statement of intent to review on the Hartlepool Borough Council's web site.

### **Decision**

The Health and Wellbeing Board:-

- 1) Noted:
  - i) That no supplementary statements to the Hartlepool PNA 2022 had been issued since the last report of changes on 11 March 2024.
  - ii) The changes to opening hours (and thereby availability of necessary pharmaceutical services) at Winterbottom Pharmacy and Tesco Pharmacy, Belle Vue.
  - iii) The inclusion in the Pharmaceutical List of a new distance selling pharmacy located in Hartlepool which opened 22 April 2024.
- 2) Authorised and acknowledged the initiation of the process towards publication of the next Pharmaceutical Needs Assessment by the statutory due date in 2025.
- 3) Approved publication of the below statement of intent on the Hartlepool Borough Council website to initiate the PNA review process.

"Hartlepool Health and Wellbeing Board understands its statutory duties in relation to the Pharmaceutical Needs Assessment (PNA) and intends to publish its next full revised assessment within the required timeframe. Notwithstanding any changes to pharmaceutical services and related, or other NHS services that have taken place since first publication and without prejudice to the assessment of need described in the existing PNA, the HWB for Hartlepool formally reports that the Pharmaceutical Needs Assessment 2022 is under review. Hartlepool HWB has commenced its process leading to publication of a revised assessment and fourth PNA, with a publication date on or before 30th September 2025."

## **7. Better Care Fund Update** *(Executive Director of Adult and Community Based Services)*

Board members were advised that performance reports were routinely submitted to NHS England on a quarterly basis however, reporting had been suspended in 2020/21 due to COVID19 and a single year end return was now required.

The year-end return for 2023/24 had been submitted in May 2023 and had confirmed that all national conditions continued to be achieved, as well as confirming that BCF contributions were in line with national guidance. The 2023/24 return had required local systems to submit performance data against a revised set of metrics and local areas had been asked to record their views regarding a number of statements and the responses provided for Hartlepool were set out in the report.

In relation to the metrics against which performance is measured, the Board agreed that an additional local metric in relation to mental health hospital discharges should be monitored going forward.

### **Decision**

The Health and Wellbeing Board:

- i) Retrospectively approved the Hartlepool Better Care Fund 2023/24 return, submitted in line with the national timescales.
- ii) Agreed that an additional local metric in relation to mental health hospital discharges would be monitored going forward.

## **8. Joint Local Health and Wellbeing Board Strategy 2025-2030** *(Director of Public Health)*

The Board was updated on the proposed draft structure of the refreshed Health and Wellbeing Board (HWBB) Strategy.

The HWBB was responsible for the development of the Joint Strategic Needs Assessment and Joint Health and Wellbeing Strategy (now known as the Joint local Health and Wellbeing Strategy 2018-25 (JLHWS)).

The point at which to review the JLHWS was at the discretion of the Board and at its meeting on the 5th September 2022, a refresh of the current 2018-2025 strategy was approved. Following this, a stocktake of the previous strategy was undertaken in 2022/23, consideration was given to the refresh process and questions were included in the council's 'Big Conversation' consultation (December 2023 - January 2024).

The Board was now in a position to develop a refreshed JLHWS and building on the results of the stocktake, and consultation results, a

workshop had been organised to further inform the identification of draft the priorities. The agreed priorities to be set out in the strategy for the next five years, with a detailed action plan and outcome framework which the HWBB was to oversee and monitor.

A suggested structure for the refreshed strategy was approved by the Board and support expressed for the provision of the 'plan on a page' format and opportunity for the HWBB to work with the ICB Place Based Committee. In response to queries about the data contained in the draft document, it was confirmed that indicative data had been included and would be updated in the finalised strategy. A number of suggestions were made in relation to potential data for inclusion in the final strategy:

- Clarification of unemployment rates (differentiation between those who can, and cannot, claim out of work benefits);
- Levels of underweight children (6 years and under); and
- Levels of absolute poverty as a measure of the challenge facing the Board.

Emphasis was placed on the importance of partner contributions to the development and implementation of the strategy, and its priorities.

### **Decision**

The proposed structure of the strategy was approved and the joint development of the strategy and associated priorities supported.

## **9. Public Health Priorities 2024/25 – Director of Public Health Board Forward Plan** *(Director of Public Health)*

The Board received an update on Hartlepool Council's, Public Health Team priorities, commissioning programmes, research interests and programme of spend on other public health initiatives for 2024/25. The aim of the document being to summarise activity and priorities, to support joint working and planning of future activities.

The Public Health Overview and Planning document for 2024/25 was welcomed by the Board. Its contents to be cross referenced with the ICB work plan.

### **Decision**

The Board noted the report and supported its use to inform partnership working with the Public Health team.

## **10. Board Forward Plan** *(Director of Public Health)*

The Board received a report outlining the proposed work programme for the Health and Wellbeing Board, which provided a forward plan of items to facilitate report writing and an opportunity to consider any additional items for discussion. The Board agreed the content of the forward plan

and was asked to consider what other reports should be add to the forward plan.

#### Decision

The Board agreed that the content of the forward plan with no further additions.

Meeting concluded at 12noon

CHAIR

# FINANCE AND POLICY COMMITTEE

25<sup>TH</sup> NOVEMBER 2024



**Subject:** STRATEGIC FINANCIAL MANAGEMENT REPORT -  
AS AT 30TH SEPTEMBER 2024

**Report of:** Director of Finance, IT and Digital

**Decision Type:** Budget and Policy Framework

## 1. COUNCIL PLAN PRIORITY

|  |
|--|
| <b>Hartlepool will be a place:</b>   |
| - where people are enabled to live healthy, independent and prosperous lives.                    |
| - where those who are vulnerable will be safe and protected from harm.                           |
| - of resilient and resourceful communities with opportunities for all.                           |
| - that is sustainable, clean, safe and green.  |
| - that has an inclusive and growing economy.   |
| - with a Council that is ambitious, fit for purpose and reflects the diversity of its community. |

## 2. PURPOSE OF REPORT

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

- i) Forecast General Fund outturn for 2024/25;
- ii) Reserves forecasts;
- iii) Forecast Housing Revenue Account outturn for 2024/25;
- iv) Corporate Income Collection Performance; and
- v) Capital Programme Monitoring 2024/25.

### 3. BACKGROUND

- 3.1 The previous report to Finance and Policy Committee in September highlighted the significant and continued financial pressures being experienced by the Council. In addition to the historic underfunding of the Council, these are largely from inflated costs of goods and services, pressures on income generation and significant pressures within Children's Social Care. The second quarter of 2024/25 has seen a continuation of these pressures and are detailed further in this report.
- 3.2 General inflationary has continued at the 2% level during 2024/25 but the profound impact of the now permanent inflation increases over the last 2 years continue to be felt. The Bank of England continue to set their policy approach to support their objective of maintaining inflation at their 2% target.
- 3.3 The in-year forecast overspend and wider financial position of the Council again necessitated in-year action. The Managing Director has continued strong messaging to all staff and in particular budget managers, reinforcing spend efficiency measures, reviewing staff vacancies and ceasing non-essential spend. Additional information and training sessions have been held with budget managers.
- 3.4 The new Government's first budget delivered by the Chancellor on the 30<sup>th</sup> October 2024 provided for planned increases in expenditure in public services, largely funded through increased taxation. Local government is to receive a £1.3 billion increase in government grant funding in 2025/26, although the distribution of this is still to be confirmed. The provisional financial settlement will be issued by Government in late December and will detail government grant allocations to individual Council's.
- 3.5 The latest 2024/25 forecast outturn position for the Council is outlined below.

### 4. GENERAL FUND REVENUE OUTTURN 2024/25

- 4.1 The current forecast outturn for 2024/25 is a forecast overspend of £1.670m. Importantly, it should be noted that this position is after the approved use of £3.166m of the Budget Support Fund to balance the 2024/25 budget (i.e. in 2024/25 the council is forecast to spend £4.836m more than the in-year resources we will receive or generate).
- 4.2 The forecast position by Directorate is detailed in **Appendices A to E**, with a summary commentary set out from section 4.3 onwards. The forecast overspend is a £1.230m improvement on the position reported at the end of quarter 1 (£2.900m), but still of significant concern given the continued deterioration of the Children's Social Care budget position and the Council's wider finance stability.
- 4.3 The response of budget managers and staff to the Managing Director's direction noted at 3.3 above, has supported the improvement from the quarter

1 forecast. Further such efforts throughout the remainder of the financial year are essential, in an attempt to drive towards a balanced outturn position for 2024/25.

| Summary of 2024/25 Forecast General Fund Outturn                    |   |   |
|---|---|---|
| Q1 Forecast<br>Outturn -<br>Overspend/<br>(Underspend)<br><br>£'000 | Departmental Budgets                              | Q2 Forecast<br>Outturn -<br>Overspend/<br>(Underspend)<br><br>£'000 |
| 275   | Adult & Community Based Services                  | 205   |
| 4,790   | Children's & Joint Commissioning                  | 5,880   |
| (300)   | Finance, IT and Digital                           | (300)   |
| (65)  | Legal, Governance and HR                          | (65)  |
| 200   | Development, Neighbourhoods & Regulatory Services | (250)   |
| (2,000)   | Corporate   | (2,800)   |
| 0   | Provision for Pay Award                           | (1,000)   |
| <b>2,900</b>  | <b>Total Forecast Budget Overspend</b>            | <b>1,670</b>  |

### Adult and Community Based Services

- 4.4 The forecast outturn is a net departmental overspend of £0.205m, consisting of a projected £0.630m overspend within Preventative & Community Based Services, offset by a projected £0.425m underspend within Adult Social Care. The projected departmental overspend of £0.205m represents less than 1% of the department's overall net budget.
- 4.5 The forecast underspend within Adult Social Care includes the use of some one-off grant funding, staff vacancies and incremental drift and is based on current client numbers and costs. However, with the winter period to come, these projections will be closely monitored and updated as the year progresses. This underspend offsets the anticipated pressure from the forecast reduced income arising from delaying the implementation of charging for Telecare until 1st October 2024.
- 4.6 The forecast overspend within Preventative & Community Based Services mainly relates to reduced income across the following areas; Cemeteries and Crematoria, arising from the capital works impacting on the operating days/hours of the chapel, the Borough Hall/Town Hall Theatre temporary closures and the temporary cessation of activities at Carlton Adventure.

### Children and Joint Commissioning Services

- 4.7 The current forecast outturn is an overspend of £5.880m. This has increased since the position reported at Q1 mainly as a result of further increases in the number of children in our care requiring external residential and independent fostering agency placements. This reflects the increasing complexity of their

needs and the significant fees being charged by the external care market. These increases also have associated adverse impacts on social work staffing budgets.

- 4.8 This area continues to be a risk for all councils owing to a range of external factors and the budget position will continue to be monitored closely during 2024/25 as demand continues to increase. As such, at this stage, there is a real risk that the budget position could deteriorate further. The council has invested in increased “Edge of Care” provision through the transformation fund and it is hoped this initiative will help mitigate and potentially reduce demand and costs.
- 4.9 In addition, there has been increased demand for temporary accommodation linked to homelessness and this is expected to continue for the remainder of the year, resulting in a forecast overspend for the area.
- 4.10 A number of ‘one-off’ and time limited temporary grants are helping to offset some of these budget pressures in the current financial year however the majority are due to end in March 2025.

#### **Development, Neighbourhoods and Regulatory Services**

- 4.11 The current forecast outturn for the department is an underspend of £0.250m. This is as a result of actions taken by the department to mitigate the previously reported forecast overspend.
- 4.12 The department continues to face pressures in relation to Car Parking, Planning and Strategic Asset Management as reported in the previous quarter. However the position in relation to these services has improved slightly owing to the receipt of higher income than previously forecast. However these are volatile areas and the position will be closely monitored.
- 4.13 The position in relation to Highways, Coast Protection, Vehicle Fleet and Facilities Management have worsened slightly as detailed in Appendix C and action will be taken to attempt to mitigate these variances.
- 4.14 However, in addition to the underspend previously reported in relation to the Concessionary Fares as a result of favourable contract negotiations with bus companies, the department has worked to proactively to manage budgets to offset pressures where possible. Favourable variances are now anticipated in relation to the Building Design Team, Environmental Services, Passenger Transport, Community Safety and the salary abatement target and the position previously reported in relation Waste has also improved as detailed in Appendix C.
- 4.15 The department will continue to monitor the position closely and action will be taken to attempt to improve the position further.

### **Finance, IT and Digital**

- 4.16 The current forecast outturn is an underspend of £0.300m. This is mainly owing to favourable variances from staffing vacancies and staff not being at the top of their grade, which is offsetting a pressure in income generation.

### **Legal, Governance and HR**

- 4.17 The current forecast outturn is an underspend of £0.065m which mainly relates to vacant posts and staff not being at the top of their grade, offsetting reductions in income generation.

### **Corporate Areas**

- 4.18 Interest income generated from the investment of the council's reserves, continue to provide a vital revenue stream to support the overall budget position. Interest of £2.800m is now forecast to be generated for 2024/25 with the council taking advantage of temporarily high rates of interest. As previously noted, these returns will not be achievable in to future years as reserve cash balances reduce, coupled with the expected downwards trend on interest rates.
- 4.19 The national pay offer for 2024/25 was agreed during October. Following ballots, the trade unions accepted the pay offer, which equates to £1,290 per employee regardless of grade, up to spinal point 43. This increase equates to a 5.77% increase at spinal point 2 and 2.50% at point 43. Spinal points above 43 will receive a 2.5% increase. The agreed pay award is below the value provided for when setting the 2024/25 budget, resulting in a saving of approximately £1.000m in 2024/25 and in to future years.

### **Budget Savings Monitoring**

- 4.20 Progress is being made in the implementation of the £1.885m approved savings plans for 2024/25. The position is positive given the demands and pressures services are experiencing. Directors continue to take the necessary action to mitigate any delays or issues with implementation.
- £1.439m (76%) of the savings have been fully realised to date.
  - £0.005m (1%) of savings where good progress is being made, with a good prospect that full savings will be achieved.
  - £0.441m (23%) is in respect of areas where delays and issues have been encountered, and at this stage it is deemed unlikely they will be delivered as planned. For budget monitoring purposes these are included as a forecast outturn pressure and further information on the main areas are noted below.
- 4.21 The implementation of charging for the Telecare service was been delayed from the 1<sup>st</sup> April until 1<sup>st</sup> October 2024. As such only £0.160m of the £0.400m

forecast saving is anticipated to be achieved in 2024/25. The £0.240m shortfall is categorised as red in the above monitoring, however, is expected to be delivered in full during 2025/26.

- 4.22 A partnership arrangement for the block booking of children's social care provision with a local provider ceased earlier in the year due to the provider not accepting HBC referrals. Two children are still living in the 3 bedroom home, but the forecast saving of £0.312m has now reduced to £0.130m. The £0.182m reduction is categorised as red in the above monitoring.
- 4.23 Property holding costs pending the transfer of Bevan House continue to be incurred, impacting on the forecast saving for 2024/25. The forecast £0.015m savings reduction is categorised as red in the above monitoring.

### **Dedicated School Grant**

- 4.24 Up until 2022/23, the Council had successfully managed High Needs Block (HNB) costs within the available annual grant allocation and HNB reserves. This has been achieved despite a significant increase in demands on this service, including the impacts arising from the pandemic.
- 4.25 The 2023/24 outturn was an overspend of £2.348m. This overspend was considered necessary to invest in Hartlepool provision and so avoid placement of pupils with SEND outside the town, wherever possible. In time, this approach will reduce costs for independent and out of town provision and provide an improved outcome for Hartlepool children.
- 4.26 Applying all DSG reserves, the final DSG outturn for 2023/24 was an overspend of £1.589m. Accounting regulations covering the period up to 31<sup>st</sup> March 2026 do not allow this balance to be included in the General Fund. In accordance with accounting regulations this balance was transferred to the Dedicated Schools Grant Adjustment Account which is an unusable reserve.
- 4.27 Owing to this deficit position the Council had to produce a DSG Management Plan for submission to the Education Skills and Funding Agency (ESFA). This was a complex spend, demand and demographics data exercise, which documented 4 years of actual data, the current years budgeted data and 6 years predicted data. An initial meeting has taken place between the ESFA and Council Officers. There are further meetings planned to discuss the plan in more detail. This plan will be presented to a future meeting of the Children's and Joint Commissioning Services Committee once approved by the ESFA.
- 4.28 The 2024/25 High Needs Budget exceeded the funding allocation by £3.115m. A one year recovery plan, which included; limiting inflation on Top Up Funding and Special Schools funding, putting in place a target to reduce the Out of Area and Independent School places by meeting need in Hartlepool provision and the transfer of the Growth Fund from the Schools Block to the High Needs Block was agreed by Children's Services Committee. These measures reduced the budget requirement by £0.944m, resulting in a funding shortfall of £2.171m for 2024/25.

- 4.29 The current outturn projection for 2024/25 is an overspend of £4.070m (i.e. £1.899m beyond the originally identified 2024/25 shortfall), owing to increases in children being educated in independent or out of town provision, overspends on Individual Pupil Support payments, the cost of exclusions and the lag in funding for the Free School which opened in September 2024.

### Reserves

- 4.30 The current reserves position and the forecast usage of reserves by year is summarised in the table below, with a more detailed analysis included at **Appendix M**.

| Reserve Area                                       | Current Reserves<br>31/03/24 | Transfer between Reserves | Balance as at 31st March 2024 (Revised) | Forecast Usage  |                    | Forecast Balance 31/3/28 |
|--|------------------------------|---------------------------|---|-----------------|--------------------|--------------------------|
|  |                              |                           |   | 2024/25         | 2025/26 to 2027/28 |                          |
|  | £'000                        |                           |   | £'000           | £'000              | £'000                    |
| Unearmarked General Fund                           | 5,501                        | (1)                       | 5,500                                   | 0               | 0                  | 5,500                    |
| Budget Support Fund                                | 7,947                        | 3,147                     | 11,094                                  | (4,836)         | (5,500)            | 758                      |
| Budget Support – Transformation and Invest to Save | 3,000                        | 750                       | 3,750                                   | (700)           | (3,050)            | 0                        |
| Other Revenue Reserves                             | 23,306                       | (3,896)                   | 19,410                                  | (6,933)         | (7,750)            | 4,727                    |
| <b>Revenue Reserves Total</b>                      | <b>39,754</b>                | <b>0</b>                  | <b>39,754</b>                           | <b>(12,469)</b> | <b>(16,300)</b>    | <b>10,985</b>            |
| Capital Reserves                                   | 25,917                       |                           | 25,917                                  | (18,060)        | (7,857)            | 0                        |
| <b>TOTAL</b>                                       | <b>65,671</b>                | <b>0</b>                  | <b>65,671</b>                           | <b>(30,529)</b> | <b>(24,157)</b>    | <b>10,985</b>            |

- 4.31 A full review of the reserves has been carried out. This review is to re-prioritise reserves, where possible, in support of the Business Support Fund and also provide the resources necessary to support delivery of Transformation activity. As shown in the table above £3.897m of revenue reserves have been redirected to the Budget Support Fund and Transformation reserve. This movement is deemed essential to support medium term financial planning, as detailed elsewhere on today's agenda.
- 4.32 Please note the information provided excludes any ring-fenced School, HRA and unusable reserves given their restricted nature.

### Community Recovery Fund

- 4.33 In response to the unrest experienced within Hartlepool and elsewhere during the summer, the government have awarded a Community Recovery Grant of £600,000 to Hartlepool to be spent by the 31 March 2025. This grant is split between Revenue (£510,000) and Capital (£90,000) and in addition to funding the immediate aftermath of the unrest its purpose is to reduce the risk of future disorder and to promote community cohesion between communities.
- 4.34 At this stage £50,000 is committed to the immediate tidy up. A further £60,000 has been allocated to three locally based Voluntary and Community Sector Enterprises in order to promote benefit maximisation. This will support benefit take up and therefore reduce the feeling of disenfranchisement that was a

contributing factor during the unrest. This was approved via an urgent Managing Director's decision record in accordance with delegation MD8 in Part 3 of the Constitution. It was determined that this could not wait until the meeting of Finance and Policy Committee for decision as the additional capacity is required urgently and prior to winter when household costs tend to be highest.

- 4.35 Full proposals for use of the grant and any wider community cohesion commitments will be reported to committee in due course.

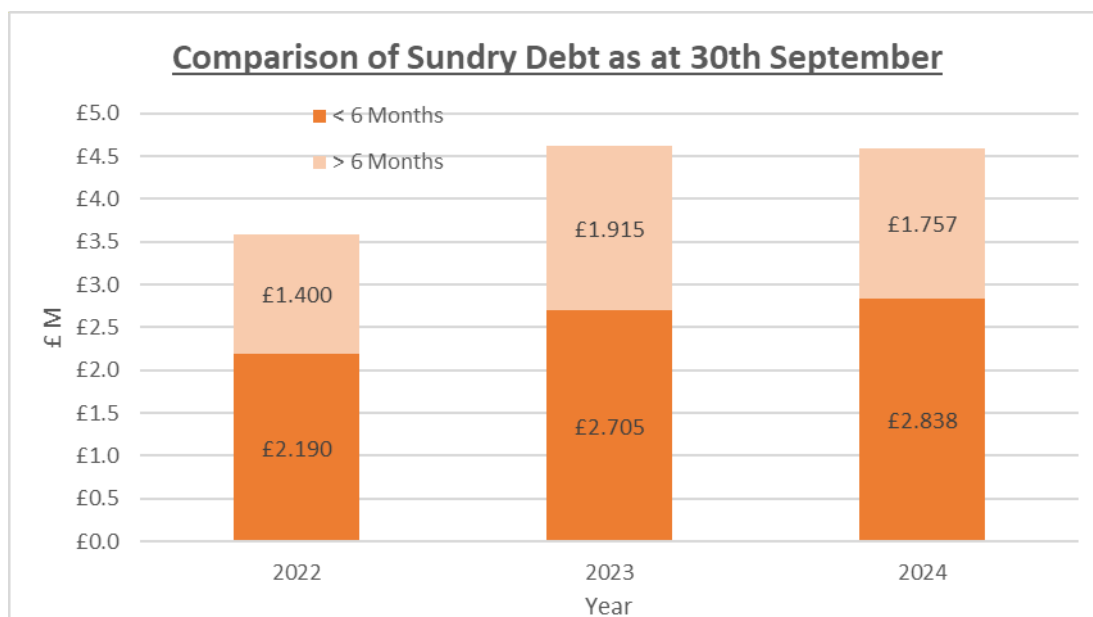
## 5. HOUSING REVENUE ACCOUNT (HRA)

- 5.1 There is a forecast nil outturn variance in relation to the HRA. The position is summarised below with further details provided at **Appendix F**.
- 5.2 Rental income is forecast to be lower than budgeted as new Afghan Resettlement properties have not come on line as quickly as anticipated at the time of setting the budget. This is because of the presence of some asbestos detected in the properties that require additional works.
- 5.3 There is also an adverse variance in relation to Net Interest Payable owing to an increase in the Capital Finance Requirement and interest rates.
- 5.4 Although this reduces future resilience of the HRA, as there will be less funding available for Major Repairs and mitigation of the potential impact of Right to Buy properties, the adverse variance can be mitigated through a combination of the following:
- Reduction in contribution to Right to Buy Reserve;
  - Reduction in voluntary contribution to the Major Repairs Reserve (MRR);
- 5.5 The Capital position is outlined in **Appendix G**. Members are asked to approve one budget amendments in relation to capital schemes:
- Increase in S106 Affordable Housing of £0.006m to reflect receipt of additional S106 monies.

## 6. INCOME COLLECTION AND COLLECTION FUND

### Sundry Debts

- 6.1 The Council collects significant Sundry Debts income for the payment of services provided by the Council. In total £14.257 sundry debts were raised in the first six months of 2024/25. As at 30th September 2024, £12.161m (85.30%) of this amount had been collected.
- 6.2 Robust procedures for collecting the remaining outstanding debt are in place. The following graph shows the comparable positions at 30<sup>th</sup> September for the last three years for long term debt and current debt which has been outstanding for less than six months.



- 6.3 Debtors totalled £4.595m as at 30th September 2024, of which £2.838m (61.76%) relates to current debts (less than 6 months old). Included within current debts (less than 6 months old) is debt where the customer has been invoiced for the whole of 2024/25 but payment is to be received in instalments throughout the year.
- 6.4 Debts greater than 6 months old total £1.757m. 98.6% of this amount is under recovery action and 1.4% (c£24.6k) is now considered unrecoverable.

### Council Tax

- 6.5 The in-year performance to the end of September is slightly down on 2023/24, though at this stage it is expected that the rate will increase over the remainder of the year. As at the 30<sup>th</sup> September 2024 the Council had collected 51.62% of the 2024/25 liability, compared to 52.00% for the previous year. Arrears collection remains positive and consistent with 2023/24, which had record collections.
- 6.6 Members may recollect that increased efforts were to be made targeting potential single person discount fraud. An initial target of a 400 reduction during 2024/25 was agreed. In the first six months of the year the number claiming single person discount has reduced by 421. Efforts will ramp up further as we progress through the year with the expectation that numbers reduce further through the year.
- 6.7 As at the end of September the Local Council Tax Support claimant count was 13,015 of which there were 8,611 working age claimants.
- 6.8 The Collection Fund in respect of Council Tax continues to be closely monitored.

## Business Rates

- 6.9 At the 30<sup>th</sup> September 2024 the Council had collected 52.87% of the 2024/25 liability compared to 52.67% for the previous year. However, business rate collection tends to be volatile during the year, and is also impacted by changes to liability for businesses.

## 7 CAPITAL OUTTURN

- 7.1 Details of actual expenditure, budget variations and reprofiling of budget are provided in **Appendices H to L** and summarised below. Where applicable expenditure has been reprofiled into future years. Resources will also be carried forward to fund these commitments.

| Department  | Gross Budget   | Actual to 31/3/24 | Actual to 30/9/24 | Budget (adjusted for prior yr reprofiling) | Addition Schemes and Cost Variations to Existing Projects | Reprofiling of expenditure | Revised Budget   |
|---|----------------|-------------------|-------------------|--|---|----------------------------|------------------|
|   | £'000          | £'000             | 2024/25<br>£'000  | 2024/25<br>£'000                           | 2024/25<br>£'000  | 2024/25<br>£'000           | 2024/25<br>£'000 |
| Major Regeneration Schemes                        | 120,739        | 15,229            | 8,017             | 32,041                                     | (308)   | (3,829)                    | 27,904           |
| Adult & Community Based Services                  | 8,943          | 3,640             | 1,217             | 2,481                                      | 111   | (50)                       | 2,542            |
| Children's & Joint Commissioning Services         | 14,549         | 1,436             | 1,475             | 10,948                                     | 573   | (5,643)                    | 5,878            |
| Development, Neighbourhoods & Regulatory Services | 29,945         | 5,931             | 2,667             | 12,765                                     | 114   | (378)                      | 12,501           |
| Corporate   | 2,735          | 106               | 203               | 1,592                                      | (22)  | (19)                       | 1,551            |
| <b>Total Capital Expenditure</b>                  | <b>176,911</b> | <b>26,342</b>     | <b>13,579</b>     | <b>59,827</b>                              | <b>468</b>  | <b>(9,919)</b>             | <b>50,376</b>    |

- 7.2 As shown in the above table, actual 2024/25 in-year capital expenditure to 30<sup>th</sup> September 2024 is £13.579m and reprofiling of expenditure in to future years totals £9.919m. After taking account of the reprofiling and budget variations the forecast capital expenditure in 2024/25 now totals £50.376m.
- 7.3 The replacement of the Whitby Street Substance Misuse treatment centre was previously approved and included in the capital programme. The proposed build location of Roker Street received objections and ultimately did not proceed. Following consideration of various options it was determined that the most appropriate location for the new facility is the existing site. Due to the change of site from the original proposal and the associated delays, the cost of providing the building has risen from £3.027m to £3.600m (shown at Appendix J). This includes allocations for project management and contingencies, as well as the cost increases. The meeting of Council on the 3<sup>rd</sup> October approved the £0.573m budget increase, which will be funded through:

|                          |          |
|--------------------------|----------|
| Substance Misuse Reserve | £338,000 |
| Capital Receipt          | £130,000 |
| Public Health Reserve    | £105,000 |

- 7.4 Town Hall Theatre (THT) transfer of £0.700m from the Borough Hall was approved at Council on 3<sup>rd</sup> October 2024.

### Capital Receipts

- 7.6 The sale of Gladstone House was completed on the 18<sup>th</sup> September 2024, the receipt of £0.140m will contribute to the new Substance Misuse Treatment Centre as noted above. There has also been £0.013m received from the release of a restrictive covenant on the Hourglass.

## 8. OTHER CONSIDERATIONS/IMPLICATIONS

|  |  |
|--|--|
| <b>RISK IMPLICATIONS</b>   | No relevant issues.  |
| <b>FINANCIAL CONSIDERATIONS</b>                                      | The financial implications are fully set out in the main body of the report. |
| <b>SUBSIDY CONTROL</b>   | No relevant issues.  |
| <b>LEGAL CONSIDERATIONS</b>  | No relevant issues.  |
| <b>CHILD AND FAMILY POVERTY</b>                                      | No relevant issues.  |
| <b>EQUALITY AND DIVERSITY CONSIDERATIONS</b>                         | No relevant issues.  |
| <b>STAFF CONSIDERATIONS</b>  | No relevant issues.  |
| <b>ASSET MANAGEMENT CONSIDERATIONS</b>                               | No relevant issues.  |
| <b>ENVIRONMENT, SUSTAINABILITY AND CLIMATE CHANGE CONSIDERATIONS</b> | No relevant issues.  |
| <b>CONSULTATION</b>  | No consultation required.  |

## 9. RECOMMENDATIONS

9.1 It is recommended that Members:

- i) Note the 2024/25 forecast outturn position of £1.670m overspend and the accompanying financial performance for the year;
- ii) Note the reserve transfers and forecast use of reserves at paragraph 4.30;
- iii) Note the 2024/25 forecast outturn in relation to the Housing Revenue Account detailed within Section 5 of the report;
- iv) Approve HRA Capital Budget Amendment outlined in paragraph 5.5; and
- v) Note the capital programme position.

## 10. REASONS FOR RECOMMENDATIONS

10.1 To inform Finance and Policy Committee of the Council's 2024/25 financial forecast outturn position.

## 11. BACKGROUND PAPERS

11.1 The following background paper was used in the preparation of this report:-

Finance and Policy Committee – Strategic Financial Management Report – as at 30<sup>th</sup> June 2024 – 16<sup>th</sup> September 2024.

## 12. CONTACT OFFICERS

James Magog  
Director of Finance, IT and Digital  
Email: [james.magog@hartlepool.gov.uk](mailto:james.magog@hartlepool.gov.uk)

Paul Dixon  
Assistant Director, Corporate and Financial Services  
Email: [paul.dixon@hartlepool.gov.uk](mailto:paul.dixon@hartlepool.gov.uk)

Sign Off:-

|                                      |                  |
|--------------------------------------|------------------|
| Managing Director                    | Date: 12/11/2024 |
| Director of Finance, IT and Digital  | Date: 12/11/2024 |
| Director of Legal, Governance and HR | Date: 12/11/2024 |

## REVENUE FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2024/25 as at September 30th 2024

| Approved 2024/25<br>Budget<br>£'000 | Description of Service Area                                  | Actual Outturn<br>Adverse/<br>(Favourable)<br>£'000 | Director's Explanation of Variance  |
|-------------------------------------|--|---|---|
|                                     | <b>Adult Social Care</b>                                     |   |   |
| 74                                  | Carers   | 0   |   |
| 2,638                               | Commissioning - Adults                                       | 20  | Relates to a combination of historic income pressures relating to Court of Protection administration fees and increased spend across supplies and services budgets.   |
| 205                                 | Departmental Running Costs                                   | (15)  |   |
| 20                                  | Direct Care & Support (including Telecare)                   | 220   | The projected overspend mainly relates to the impact of Telecare charging implementation being delayed until 1 October 2024.  |
| 714                                 | LD & Transition Social Work                                  | (65)  | The underspend relates to staff savings from incremental drift and vacancies over and above the departmental salary abatement target.   |
| 2,199                               | Locality & Safeguarding Team                                 | (145)   | The underspend relates to staff savings from incremental drift and vacancies over and above the departmental salary abatement target.   |
| 1,177                               | Mental Health Services                                       | 0   |   |
| 1,516                               | OT & Disability Equipment                                    | 0   |   |
| 29,038                              | Packages of Care   | (340)   | Packages of Care forecast outturns reflect use of one-off grants and are based on current projections, with the winter period still to come, so these projections will be closely monitored and updated as the year progresses. |
| 74                                  | Transformation & Digital                                     | (50)  | The underspend relates to staff savings from incremental drift and vacancies over and above the departmental salary abatement target.   |
| 1,293                               | Working Age Adult Day Services                               | (50)  | The underspend mainly relates to savings within transport costs and incremental drift within staffing budgets.  |
| <b>38,948</b>                       | <b>Adult Social Care Sub Total</b>                           | <b>(425)</b>  |   |
|                                     | <b>Preventative &amp; Community Based Services</b>           |   |   |
| 67                                  | Adult Education  | (50)  | Mainly relates to increased income from grants and core staffing underspends.   |
| 84                                  | Allotments   | 5   |   |
| 24                                  | Archaeology  | 20  | The projected overspend mainly relates to reduced income against the historic income targets.   |
| (272)                               | Coast, Countryside, Heritage and Cemeteries & Crematoria     | 205   | The projected overspend mainly relates to the loss of income from the reduced operating days at Stranton Chapel which are the results of the capital improvement works. Works were completed in October 2024.                   |
| 1,146                               | Community Hubs   | 50  | The projected overspend mainly relates to budget reductions linked to branch libraries.   |
| 78                                  | Cultural - Events and Theatres                               | 170   | The projected overspend mainly relates to the loss of income arising from the temporary closure of the Town Hall Theatre and the Borough Hall.  |
| 578                                 | Cultural - Museums and Galleries                             | (15)  | Relates to various minor underspends across a number of areas.  |
| 534                                 | Sports, Leisure & Recreation Facilities                      | 245   | The projected overspend mainly relates to the loss of income arising from the temporary closure of Carlton Adventure.   |
| <b>2,239</b>                        | <b>Preventative &amp; Community Based Services Sub Total</b> | <b>630</b>  |   |
| <b>41,187</b>                       | <b>Adult &amp; Community Based Services Total</b>            | <b>205</b>  |   |

## REVENUE FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2024/25 as at September 30th 2024

| Approved 2024/25<br>Budget<br>£'000 | Description of Service Area  | Actual Outturn<br>Adverse/<br>(Favourable)<br>£'000 | Director's Explanation of Variance  |
|-------------------------------------|--|---|---|
|                                     | <b>Children's Services</b>   |   |   |
| 2,848                               | Children & Families  | 905   | Forecast overspend mainly relates to increases in the number of children subject to Child Arrangement Orders, Special Guardianship Allowances or receiving a Direct Payment.  |
| 20,964                              | Children in our Care   | 4,865   | Forecast overspend mainly relates to an increase in the number of children in our care requiring external residential and independent fostering agency placements. This reflects the increasing complexity of their needs and the significant fees being charged by the external care market. |
| (194)                               | Early Intervention   | (190)   | Forecast favourable variance mainly relates to staff savings from vacant posts and incremental drift.   |
| 419                                 | Housing, Hardship & Welfare  | (235)   | Forecast favourable variance mainly relates to the receipt of a number of 'one-off' grants which are offsetting increased temporary accommodation housing costs.  |
| 18                                  | Play & Care  | 45  | Forecast overspend mainly relates to historic income pressures.   |
| 5,232                               | Safeguarding Children  | 690   | Forecast overspend mainly relates to increased staffing costs.  |
| 623                                 | Standards, Engagement & Development  | 0   |   |
| 2,025                               | Strategic Commissioning  | (165)   | Forecast favourable variance mainly relates to the receipt of a number of temporary, 'time limited', grants.  |
| 294                                 | Youth Justice Service  | 0   |   |
| <b>32,229</b>                       | <b>Children's Services Sub Total</b>   | <b>5,915</b>  |   |
|                                     | <b>Education (excluding DSG)</b>   |   |   |
| 155                                 | Access to Education  | 15  | Reduction in School Buy Back income.  |
| 157                                 | Central Support Services   | 0   |   |
| 487                                 | Other School Related Expenditure   | 15  | Adverse variance is owing to inflationary pressures on historic pension payments.   |
| 430                                 | Raising Educational Achievement  | (36)  | Forecast variance relates to savings in supplies and services.  |
| 397                                 | Special Needs Services   | (25)  | Forecast variance relates to savings in supplies and services.  |
| 427                                 | Strategic Management   | (4)   | Forecast variance relates to savings in supplies and services.  |
| 393                                 | Youth Service  | 0   |   |
| <b>2,446</b>                        | <b>Education Sub Total</b>   | <b>(35)</b>   |   |
| <b>34,675</b>                       | <b>Children's and Joint Commissioning Services Sub Total</b>                             | <b>5,880</b>  |   |
|                                     |  |   |   |
|                                     | <b>Public Health Grant</b>   |   |   |
| 3,933                               | Children's Services  | (5)   | Minor variances   |
| 2,624                               | Substance Misuse Services  | (133)   | Underspend mainly relates to staff vacancies; any underspend will be transferred into the ring-fenced Public Health reserve at year end.  |
| 1,874                               | General Public Health Support Services   | (27)  | Mainly relates to staff vacancies and incremental drift.  |
| 633                                 | Sexual Health Services   | (1)   | Includes planned spend of £44k funded from Public Health reserve.   |
| 0                                   | Smoking Cessation  | 0   | New specific Stop Smoking Services and Support grant is being supplemented in 24/25 by use of £43k Public Health reserves.  |
| 451                                 | Physical Activity  | 0   |   |
| 14                                  | Mental Health  | (1)   | Minor variances.  |
| 56                                  | Health Checks  | 17  | Minor variances.  |
| 208                                 | Obesity  | 0   |   |
| (9,793)                             | Public Health Grant  | 0   |   |
| 0                                   | Contribution to ring-fenced Public Health Grant reserve (Substance Misuse)               | 133   | This relates to the forecast underspend on Substance Misuse Services and will be transferred to the Public Health Grant reserve.  |
| 0                                   | Contribution to ring-fenced Public Health Grant reserve (General)                        | 17  | Any underspend is transferred to the ring-fenced Public Health grant reserve.   |
| <b>0</b>                            | <b>Public Health Grant</b>   | <b>0</b>  |   |
| <b>34,675</b>                       | <b>Children's and Joint Commissioning Services Total (including Public Health Grant)</b> | <b>5,880</b>  |   |

|        | Dedicated Schools Grant       | Actual Outturn<br>Adverse/<br>(Favourable) |  |
|--------|-------------------------------|--|--|
| 9,797  | Early Years Block             | 0  |  |
| 19,845 | High Needs Block              | 4,070                                      |  |
| 595    | Schools Block                 | 0  |  |
| 30,237 | TOTAL Dedicated Schools Grant | 4,070                                      |  |

## REVENUE FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2024/25 as at September 30th 2024

| Approved 2024/25 Budget<br>£'000 | Description of Service Area   | Actual Outturn Adverse/<br>(Favourable)<br>£'000 | Director's Explanation of Variance   |
|----------------------------------|---|--|--|
|                                  | <b>Neighbourhood Services</b>   |  |  |
| (54)                             | Building Design Team  | (50)   | Surplus relates to increased productivity in relation to large capital schemes.  |
| 135                              | Construction Team   | 0  |  |
| 343                              | Engineering Services (including Coastal Protection and Contaminated Land) | 25   | Adverse variance reflects funding required for additional costs in relation to the headland coping stones repair scheme within Coast Protection.   |
| 3,050                            | Environmental Services  | (40)   | Income is anticipated to be higher than budgeted and fleet costs are lower than budgeted. The service has also benefited from UKSPF grant funding during the year.   |
| 2,754                            | Highways  | 115  | Forecast variance mainly relates to an increase in Insurance Premiums in relation to Highways and higher than budgeted expenditure in relation to Unscheduled Highways Maintenance. Action will be taken to mitigate this variance but at present an adverse variance is anticipated.                                |
| 2,159                            | Passenger Transport   | (100)  | Favourable variance reflects SEN transport savings as a result of the new SEN school and the cost of tenders for the September cohort were lower than anticipated. There has also been an increase in fees to reflect costs of service provision.  |
| 332                              | Planning & Development  | 100  | Forecast adverse variance reflects shortfall in planning income, the number of large planning applications is down compared to previous years.   |
| 165                              | Road Safety   | 0  |  |
| 999                              | Street Lighting   | 50   | Relates to ongoing maintenance costs and column replacements. Action will be taken to mitigate this variance but at present an adverse variance is anticipated.  |
| 2,475                            | Sustainable Transport   | (590)  | Reflects favourable contract negotiations in relation to Concessionary Fares.  |
| (96)                             | Vehicle Fleet   | 50   | Adverse variance reflects use of agency and overtime to cover work and staff sickness.   |
| 6,142                            | Waste Services  | (90)   | Forecast favourable variance reflects positive uptake of the green waste subscription service. This is likely to be a one-off surplus owing to potential future increases in step costs in relation to running the service that will off-set this additional income in future years.                                 |
| <b>18,404</b>                    | <b>Neighbourhood Services Sub Total</b>                                   | <b>(530)</b>                                     |  |
|                                  | <b>Regulatory Services</b>  |  |  |
| (849)                            | Car Parking & Enforcement   | 135  | Reflects a reduction in car parking income due to parking concessions and the residual impact of the pandemic, which has not only affected visitor numbers but also many workers who would have used the car parks but now work from home for part of the week. The reduction in car park usage is a national trend. |
| 909                              | Community Safety & Engagement   | (100)  | Favourable variance is linked to vacancies and the service actively managing the budgets to offset pressures elsewhere. The service has also benefited from UKSPF grant funding during the year.   |
| 1,225                            | Facilities Management   | 40   | Adverse variance reflects shortfall in income and increased costs in relation to school catering.  |
| 223                              | Health & Safety   | 0  |  |
| 603                              | Public Protection   | 0  |  |
| <b>2,111</b>                     | <b>Regulatory Services Sub Total</b>                                      | <b>75</b>  |  |
|                                  | <b>Development &amp; Growth</b>   |  |  |
| 422                              | Economic Growth   | (20)   | Favourable variance reflects the service actively managing the budgets to offset pressures elsewhere.  |
| 38                               | Procurement & Reprographics   | 65   | Forecast adverse variance reflects income shortfalls in relation to Reprographics.   |
| (123)                            | Strategic Asset Management  | 210  | Forecast adverse variance reflects shortfall in relation fee income and unforeseen additional one off costs in relation to an investment property.   |
| 96                               | Strategic Development & Sustainability                                    | 0  |  |
| <b>433</b>                       | <b>Development &amp; Growth Sub Total</b>                                 | <b>255</b>                                       |  |
|                                  | <b>Strategic Management &amp; Admin</b>                                   |  |  |
| 266                              | Strategic Management & Admin  | (50)   | Reflects posts kept vacant to mitigate adverse variances.  |
| <b>21,214</b>                    | <b>Development, Neighbourhoods &amp; Regulatory Services Total</b>        | <b>(250)</b>                                     |  |

## REVENUE FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2024/25 as at September 30th 2024

| Approved 2024/25<br>Budget<br>£'000 | Description of Service Area                       | Actual Outturn<br>Adverse/<br>(Favourable)<br>£'000 | Director's Explanation of Variance  |
|-------------------------------------|---|---|---|
|                                     | <b>Development and Growth</b>                     |   |   |
| 224                                 | Communications and Marketing *                    | (10)  | Favourable variance owing to vacant posts and posts not being at the top of the grade.  |
| 161                                 | Public Consultation & Diversity *                 |   |   |
| 385                                 | <b>Development and Growth Sub Total</b>           | (10)  |   |
|                                     | <b>Corporate and Financial Services</b>           |   |   |
| (1,047)                             | Central Administration Recharges                  | 0   |   |
| 1,349                               | Corporate Finance                                 | (55)  | Favourable variance owing to vacant posts and posts not being at the top of the grade.  |
| 211                                 | Internal Audit                                    | 0   | Note the budget has been reduced by £52k following the retirement of an officer prior to the start of the financial year.   |
| 693                                 | Shared Services                                   | (80)  | Favourable variance owing to vacant posts and posts not being at the top of the grade.  |
| 259                                 | Corporate Management Running Expenses             | (25)  | Favourable variance owing to savings on the corporate subscriptions budget.   |
| 1,465                               | <b>Corporate and Financial Services Sub Total</b> | (160)   |   |
|                                     | <b>Customer Services and IT</b>                   |   |   |
| 305                                 | Benefits  | (75)  | Favourable variance owing to vacant posts and posts not being at the top of the grade.  |
| 268                                 | Corporate ICT                                     | (10)  | Favourable variance owing to vacant posts and posts not being at the top of the grade.  |
| 1,167                               | Customer and Support Services                     | (55)  | Favourable variance owing to vacant posts and posts not being at the top of the grade.  |
| (133)                               | Registration Services                             | 20  | The adverse variance is owing to a reduction in income generation on both birth and death registration resulting from services being transferred to North Tees Hospital, along with a reduction in ceremonial certificates. |
| 1,255                               | Revenues  | (70)  | Favourable variance owing to vacant posts and posts not being at the top of the grade.  |
| (703)                               | Revenue & Benefits Central                        | 60  | The adverse variance is owing to additional costs on printing and postage.  |
| 2,159                               | <b>Customer Services and IT Sub Total</b>         | (130)   |   |
| <b>4,009</b>                        | <b>Finance, IT &amp; Digital Total</b>            | <b>(300)</b>  |   |

\* These budgets report to the Managing Director via the Assistant Director for Development and Growth

## REVENUE FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2024/25 as at September 30th 2024

| Approved 2024/25<br>Budget<br>£'000 | Description of Service Area                      | Actual Outturn<br>Adverse/<br>(Favourable)<br>£'000 | Director's Explanation of Variance   |
|-------------------------------------|--|---|--|
|                                     | <b>Legal</b>                                     |   |  |
| 46                                  | Civic Attendants                                 | 5   |  |
| 182                                 | Democratic                                       | (50)  | Favourable variance owing to vacant posts.   |
| 470                                 | Human Resources                                  | 15  | The adverse variance is owing to a reduction in income generation.                                     |
| 689                                 | Legal Services                                   | 15  | The adverse variance is owing to additional supplies and services costs and reduced income generation. |
| 193                                 | Managing Director's Office                       | (40)  | Favourable variance owing to vacant posts and posts not being at the top of the grade.                 |
| 168                                 | Municipal Elections and Registration of Electors | 0   |  |
| 31                                  | Other Office Services                            | 15  | The adverse variance is owing to a reduction in income generated from local land searches.             |
| 108                                 | Scrutiny   | 0   |  |
| 141                                 | Support to Members                               | (15)  | Favourable variance owing to reduced civic expenses and conference fees expected during the year.      |
| 32                                  | Trade Union                                      | (15)  | The favourable variance is owing to less staff time recharged against union duties.                    |
| 2                                   | Training & Equality                              | 5   |  |
| <b>2,062</b>                        | <b>Legal, Governance and HR Total</b>            | <b>(65)</b>   |  |

**HOUSING REVENUE ACCOUNT for 2024/25 as at 30th September 2024**
**Appendix F**

| 2023/24<br>OUTTURN |   | 2024/25<br>BUDGET | 2024/25<br>Forecast<br>Outturn as at<br>30/09/2024 | Variance    | COMMENTS   |
|--------------------|---|-------------------|--|-------------|--|
| £'000              |   | £'000             | £'000  | £'000       |  |
|                    | <b>Income</b>                               |                   |  |             |  |
| (1,637)            | Dwelling Rents                              | (1,962)           | (1,893)  | 69          | Reflects new Afghan Resettlement properties not coming on line as quickly as anticipated at budget build, owing to the presence of asbestos in the properties that require additional works. |
| (13)               | Non-dwelling Rents - Other Income           | (24)              | (24)   | 0           |  |
| (3)                | Charges for services and facilities         | (5)               | (7)  | (2)         |  |
| <b>(1,653)</b>     | <b>Income sub total</b>                     | <b>(1,991)</b>    | <b>(1,924)</b>                                     | <b>67</b>   |  |
|                    | <b>Expenditure</b>                          |                   |  |             |  |
| 506                | Repairs and maintenance                     | 498               | 520  | 22          | Adverse variance reflects the increase in higher value repairs for damp issues.  |
| 517                | Supervision and management                  | 454               | 468  | 14          | Adverse variance reflects increased insurance costs.   |
| 24                 | Rents, rates, taxes and other charges       | 27                | 25   | (2)         |  |
| 0                  | Right to Buy Reserve                        | 50                | 5  | (45)        | Reflects reduction in contribution to mitigate adverse variances.  |
| (86)               | Provision for bad or doubtful debts         | 0                 | 0  | 0           |  |
| 349                | Depreciation (Major Repairs Allowance)      | 529               | 424  | (105)       | Reflects reduction in the voluntary contribution to mitigate adverse variances.  |
| 1                  | Discretionary Housing Payments              | 5                 | 2  | (3)         |  |
| 10                 | Debt Management costs                       | 12                | 13   | 1           |  |
| 332                | Net Interest payable                        | 388               | 439  | 51          | Adverse variance owing to an increase in the Capital Finance Requirement and interest rates.   |
| <b>1,653</b>       | <b>Expenditure sub total</b>                | <b>1,963</b>      | <b>1,896</b>                                       | <b>(67)</b> |  |
| <b>0</b>           | <b>HRA (Surplus) / Deficit for the year</b> | <b>(28)</b>       | <b>(28)</b>  | <b>0</b>    |  |
|                    | <b>Movement on the HRA Reserve</b>          |                   |  |             |  |
| (500)              | HRA Reserve Opening Balance                 | (500)             | (500)  |             |  |
| 0                  | (Surplus)/Deficit for the year              | (28)              | (28)   |             |  |
| <b>(500)</b>       | <b>HRA Reserve Closing Balance</b>          | <b>(528)</b>      | <b>(528)</b>                                       | <b>0</b>    |  |

**COUNCIL HOUSING CAPITAL SCHEMES****CAPITAL MONITORING REPORT PERIOD ENDING 30th September 2024**

| Code                                     | Scheme Description             | Gross Budget | Actual to 31/3/24 | 2024/25 Actual to end Q2 (30/09/24) | Budget 2024/25 (adjusted for prior year reprofiling) | Additional Schemes and Cost Variations to Existing Projects 2024/25 | Reprofiling of Expenditure 2024/2025 | Revised Budget 2024/25 | Comments   |
|--|--------------------------------|--------------|-------------------|-------------------------------------|--|---|--------------------------------------|------------------------|--|
| S106                                     | Affordable Housing             | 1,429        | 0                 | 0                                   | 423  | 6   | (6)                                  | 423                    | S106 Developer Contributions. A small proportion of this funding may be required to meet costs associated with the 'Resettlement Accommodation' scheme pending confirmation of final grant funding. The HRA business plan will be updated later in the year and this will inform the future investment strategy. |
| 7182                                     | Empty Homes - Phase 3          | 618          | 103               | 0                                   | 0  | 0   | 0                                    | 0                      | Existing funding approval - individual business case approval required for each scheme. No current plans to utilise this borrowing approval. The HRA business plan will be updated later in the year and this will inform the future investment strategy.  |
| 7450                                     | Hill View Development          | 2,240        | 2,182             | 0                                   | 58   | 0   | 0                                    | 58                     | Final account still to be confirmed. Funded from S106 contributions.   |
| 7726                                     | Resettlement Accommodation     | 1,418        | 1,194             | 81                                  | 224  | 0   | 0                                    | 224                    | The remaining grant funding is still to be confirmed as this varies depending on the number of occupants accommodated. S106 funding is available to fund any shortfall.  |
| 8106                                     | New Build                      | 256          | 1                 | 0                                   | 0  | 0   | 0                                    | 0                      | Existing funding approval - individual business case approval required for each scheme. No current plans to utilise this borrowing approval. The HRA business plan will be updated later in the year and this will inform the future investment strategy.  |
| 8799                                     | Major Repairs                  | 210          | 34                | 52                                  | 76   | 0   | 0                                    | 76                     | HRA capital work funded from the MRR reserve.  |
| 9294                                     | HRA Adaptations                | 0            | 0                 | 28                                  | 100  | 0   | 0                                    | 100                    |  |
| 9317                                     | Social Housing Decarbonisation | 451          | 83                |                                     | 368  | 0   | 0                                    | 368                    | Contractor appointed, work will be completed by end March 2025 as per grant conditions.  |
| <b>COUNCIL HOUSING - CAPITAL SCHEMES</b> |                                | <b>6,622</b> | <b>3,597</b>      | <b>161</b>                          | <b>1,249</b>   | <b>6</b>  | <b>(6)</b>                           | <b>1,249</b>           |  |

## MAJOR REGENERATION SCHEMES

## APPENDIX H

## CAPITAL MONITORING REPORT PERIOD ENDING 30th September 2024

| Code | Scheme Description  | Gross Budget   | Actual to 31/3/24 | 2024/25 Actual to end Q2 (30/09/24) | Revised Budget 2024/25 (From Q1) | Additional Schemes and Cost Variations to Existing Projects 2024/25 | Reprofiling of Expenditure 2024/2025 | Revised Budget 2024/25 | Comments   |
|------|---|----------------|-------------------|-------------------------------------|----------------------------------|---|--------------------------------------|------------------------|--|
|      |   | £000           | £000              | £000                                | £000                             | £000  | £000                                 | £000                   |  |
| 8958 | A19/ Elwick Road/ North Lane Junction and Elwick Road/Hartlepool Western Link Project | 24,497         | 1,585             | 168                                 | 1,041                            | 0   | 0                                    | 1,041                  |  |
| 7550 | CIP - Highlight   | 34,650         | 3,725             | 5,280                               | 17,608                           | 0   | 0                                    | 17,608                 |  |
| 9101 | CIP - Borough Hall Improvement  | 2,300          | 109               | 0                                   | 0                                | 0   | 0                                    | 0                      |  |
| NEW  | CIP - Town Hall Theatre Improvement   | 700            | 0                 | 0                                   | 700                              | 0   | (500)                                | 200                    | Agreed at Council 3rd October 2024 to transfer £0.700m from Borough Hall Capital Scheme. Works on Town Hall will commence 2024/25 and continue in 2025/26. £0.5m rephased in to 2025/26. |
| 9159 | CIP - Wingfield Castle and Dam Board  | 4,027          | 527               | 172                                 | 389                              | 0   | 0                                    | 389                    |  |
| 9161 | CIP - NMRN & Museum of Hartlepool   | 8,500          | 3,678             | 120                                 | 658                              | 0   | 0                                    | 658                    |  |
| 9130 | CIP - Business Park Investment  | 760            | 451               | 4                                   | 309                              | 0   | (295)                                | 14                     | The design of the roundabout feature has been delayed and will now not be manufactured until 2025/26. Budget rephased in to 2025/26.   |
| 7536 | CIP - SEMH Free School Access Road  | 549            | 464               | 26                                  | 393                              | (308)   | 0                                    | 85                     | Budget reduced in line with final spend on scheme.   |
| TBC  | CIP - Bowling Club Refurbishment  | 600            | 0                 | 0                                   | 0                                | 0   | 0                                    | 0                      |  |
| TBC  | CIP - Brierton Sports Complex   | 534            | 0                 | 0                                   | 0                                | 0   | 0                                    | 0                      |  |
| 9165 | Towns Fund - Middleton Grange   | 13,860         | 202               | 0                                   | 1,500                            | 0   | 0                                    | 1,500                  |  |
| 9231 | Towns Fund - Waterfront Connectivity  | 6,200          | 366               | 12                                  | 4,334                            | 0   | (3,034)                              | 1,300                  | Approval has been received for Phase 2 which comprising 7 works stages, of which 2 will be complete by March 2025. Balance of budget rephased in to 2025/26.                             |
| 7715 | Towns Fund - Wesley Chapel  | 1,400          | 402               | 172                                 | 998                              | 0   | 0                                    | 998                    |  |
| 9234 | Towns Fund - Health and Social Care Academy   | 1,250          | 266               | 801                                 | 984                              | 0   | 0                                    | 984                    |  |
| 9235 | Towns Fund - Civil Academy  | 2,250          | 1,108             | 1,020                               | 1,142                            | 0   | 0                                    | 1,142                  |  |
| 9247 | Levelling Up - Screen Production Village  | 18,662         | 2,346             | 242                                 | 1,985                            | 0   | 0                                    | 1,985                  |  |
|      | <b>Major Regeneration Schemes</b>   | <b>120,739</b> | <b>15,229</b>     | <b>8,017</b>                        | <b>32,041</b>                    | <b>(308)</b>  | <b>(3,829)</b>                       | <b>27,904</b>          |  |

## ADULT &amp; COMMUNITY BASED SERVICES

## APPENDIX I

## CAPITAL MONITORING REPORT PERIOD ENDING 30th September 2024

| Code  | Scheme Description                             | Gross Budget | Actual to 31/3/24 | 2024/25 Actual to end Q2 (30/09/24) | Revised Budget 2024/25 (From Q1) | Additional Schemes and Cost Variations to Existing Projects 2024/25 | Reprofiling of Expenditure 2024/2025 | Revised Budget 2024/25 | Comments   |
|---|--|--------------|-------------------|-------------------------------------|----------------------------------|---|--------------------------------------|------------------------|--|
|   |  | £000         | £000              | £000                                | £000                             | £000  | £000                                 | £000                   |  |
| 7218  | Disabled Facilities Grant                      | 5,450        | 1,651             | 783                                 | 1,244                            | 171   | 0                                    | 1,415                  | Received additional grant of £0.111m in 2024/25 and £0.060m Changing Places scheme balance returned. |
| 7522  | Stranton Cemetery Flood Alleviation            | 583          | 583               | 0                                   | 0                                | 0   | 0                                    | 0                      |  |
| 7576  | Seascapes - Seaton High & Lowlight             | 103          | 101               | 2                                   | 2                                | 0   | 0                                    | 2                      |  |
| 7711  | Carlton Adventure Centre                       | 434          | 8                 | 10                                  | 159                              | 0   | 0                                    | 159                    |  |
| 7811  | Summerhill Cycle Hub                           | 512          | 496               | 0                                   | 16                               | 0   | 0                                    | 16                     |  |
| 8088  | Community Hub South - Kitchen Replacement      | 55           | 47                | 0                                   | 8                                | 0   | 0                                    | 8                      |  |
| 8088  | Community Hub Central - Internal Alterations   | 56           | 34                | 0                                   | 22                               | 0   | 0                                    | 22                     |  |
| 8108  | Centre for Independent Living                  | 50           | 0                 | 0                                   | 50                               | 0   | (50)                                 | 0                      | Scheme rephased in to 2025/26.   |
| 9212  | Relocate Cemetery Office                       | 90           | 82                | 0                                   | 8                                | 0   | 0                                    | 8                      |  |
| 9232  | Playground Equipment - Levelling Up Parks Fund | 97           | 73                | 5                                   | 24                               | 0   | 0                                    | 24                     |  |
| Allot   | Other Allotment Schemes                        | 192          | 44                | 47                                  | 148                              | 0   | 0                                    | 148                    |  |
| 8700  | Waverley Allotments - Adult Education Scheme   | 51           | 50                | 0                                   | 1                                | 0   | 0                                    | 1                      |  |
| 8828  | Crematorium refurbishment                      | 848          | 311               | 361                                 | 537                              | 0   | 0                                    | 537                    |  |
| 9310  | Changing Places - Summerhill                   | 62           | 2                 | 0                                   | 60                               | (60)  | 0                                    | 0                      | Changing Places schemes balance returned to Disabled Facilities fund.                                |
| 9311  | Changing Places - Community Hub Central        | 105          | 76                | 0                                   | 29                               | 0   | 0                                    | 29                     |  |
| 7716  | Seaton Library refurbishment                   | 255          | 82                | 9                                   | 173                              | 0   | 0                                    | 173                    |  |
| <b>Total Adult &amp; Community Based Services</b> |  | <b>8,943</b> | <b>3,640</b>      | <b>1,217</b>                        | <b>2,481</b>                     | <b>111</b>  | <b>(50)</b>                          | <b>2,542</b>           |  |

## CAPITAL MONITORING REPORT PERIOD ENDING 30th September 2024

| Code | Scheme Description  | Gross Budget | Actual to 31/3/24 | 2024/25 Actual to end Q2 (30/09/24) | Revised Budget 2024/25 (From Q1) | Additional Schemes and Cost Variations to Existing Projects 2024/25 £000 | Reprofiling of Expenditure 2024/2025 | Revised Budget 2024/25 | Comments  |
|------|---|--------------|-------------------|-------------------------------------|----------------------------------|--|--------------------------------------|------------------------|---|
|      |   | £000         | £000              | £000                                | £000                             |  | £000                                 | £000                   |   |
| 7384 | Devolved Schools Capital  | 535          | 181               | 10                                  | 182                              | 0  | 0                                    | 182                    |   |
| 9238 | Energy Efficiency Capital Funding   | 136          | 71                | 21                                  | 65                               | 0  | 0                                    | 65                     |   |
| 7355 | CECA IT Infrastructure and Technology   | 42           | 18                | 0                                   | 24                               | 0  | 0                                    | 24                     |   |
| 7355 | CECA TVCA Grant Unallocated   | 31           | 0                 | 0                                   | 31                               | 0  | 0                                    | 31                     |   |
| 7142 | Schools General - Fire Safety Modifications (Conditions)                      | 0            | 0                 | 0                                   | 0                                | 0  | 0                                    | 0                      |   |
| 7142 | Schools General - Fire Safety Modifications (Conditions) 23/24                | 44           | 0                 | 0                                   | 44                               | 0  | 0                                    | 44                     |   |
| 7142 | Kingsley - Fire Safety Modifications  | 246          | 71                | 7                                   | 89                               | 0  | (89)                                 | 0                      | Scheme to be delivered in 2025/26. Budget rephased accordingly.   |
| 7142 | Throston - Fire Safety Modifications  | 314          | 232               | 32                                  | 82                               | 0  | 0                                    | 82                     |   |
| 7474 | High Tunstall 3G Pitch  | 23           | 22                | 0                                   | 1                                | 0  | 0                                    | 1                      |   |
| 7478 | High Tunstall Grass Pitch   | 15           | 0                 | 0                                   | 15                               | 0  | 0                                    | 15                     |   |
| 7521 | Two Year Old FNE Capacity Funding   | 23           | 0                 | 0                                   | 23                               | 0  | 0                                    | 23                     |   |
| 7770 | St Helens Primary School Main Entrance Access                                 | 50           | 48                | 3                                   | 2                                | 0  | 0                                    | 2                      |   |
| 9148 | Springwell School Increase Capacity   | 351          | 351               | 0                                   | 0                                | 0  | 0                                    | 0                      |   |
| 9004 | Schools General - Conditions unallocated                                      | 142          | 0                 | 0                                   | 142                              | 0  | 0                                    | 142                    |   |
| 9004 | Schools General - Contingency   | 74           | 0                 | 0                                   | 74                               | 0  | 0                                    | 74                     |   |
| 9004 | Schools General - Suitability Unallocated (SEMH)                              | 743          | 0                 | 0                                   | 743                              | 0  | (704)                                | 39                     | Rephased to 2025/26 to support future projects.   |
| 9004 | Schools General - Special Provision   | 628          | 0                 | 0                                   | 628                              | 0  | 0                                    | 628                    |   |
| 9004 | Schools General - Basic Need  | 1,716        | 0                 | 0                                   | 1,716                            | 0  | (1,600)                              | 116                    | Rephased to 2025/26 to support future projects.   |
| New  | Schools General - Schools Condition - 24/25 onwards                           | 1,130        | 0                 | 0                                   | 0                                | 0  | 0                                    | 0                      |   |
| 7768 | Supporting Treatment and Recovery Together (START) - Substance Misuse Service | 3,600        | 0                 | 137                                 | 3,027                            | 573  | (3,250)                              | 350                    | Budget value increased as approved by Council on 3rd October 2024. Budget profile updated for revised works programme (subject to planning permission), for delivery of the new facility at the Whitby Street site. |
| 8072 | ICS Case Management Improvement   | 37           | 0                 | 0                                   | 37                               | 0  | 0                                    | 37                     |   |
| 9246 | Children's Centre - Family HUB  | 75           | 4                 | 6                                   | 71                               | 0  | 0                                    | 71                     |   |
| 9325 | Clavering Primary School - Roofing Works                                      | 11           | 2                 | 21                                  | 9                                | 0  | 0                                    | 9                      |   |
| 9313 | Golden Flatts Primary School - Demolish Caretakers Bungalow                   | 32           | 13                | 26                                  | 19                               | 0  | 0                                    | 19                     |   |
| 9313 | Lynnfield Primary School - Roofing Works                                      | 50           | 27                | 20                                  | 23                               | 0  | 0                                    | 23                     |   |
| 9315 | Lynnfield Primary School - Heating Renewal                                    | 44           | 20                | 0                                   | 24                               | 0  | 0                                    | 24                     |   |
| 9312 | Throston Primary School - Heating, Pipework, Radiator renewal                 | 52           | 42                | 0                                   | 10                               | 0  | 0                                    | 10                     |   |
| 9389 | Throston Primary School - Heat Source   | 29           | 0                 | 8                                   | 29                               | 0  | 0                                    | 29                     |   |
| 9243 | Rossmere Youth Centre Refurbishment   | 1,270        | 54                | 687                                 | 1,216                            | 0  | 0                                    | 1,216                  |   |
| 7727 | Throston Youth Project Centre Refurbishment                                   | 96           | 5                 | 1                                   | 91                               | 0  | 0                                    | 91                     |   |
| 9324 | Golden Flatts Primary School RAAC Remedial Works                              | 18           | 18                | 40                                  | 0                                | 0  | 0                                    | 0                      |   |
| 7149 | Star Centre Children's Home   | 700          | 257               | 153                                 | 443                              | 0  | 0                                    | 443                    |   |
| 7731 | Early Years   | 121          | 0                 | 81                                  | 121                              | 0  | 0                                    | 121                    |   |
| 9397 | Clavering Primary School Fan Convectors                                       | 31           | 0                 | 0                                   | 31                               | 0  | 0                                    | 31                     |   |
| 9391 | Fens Primary School - Heating and Boiler Plant                                | 110          | 0                 | 4                                   | 110                              | 0  | 0                                    | 110                    |   |
| 9383 | Fens Primary School - Electrical Rewire (Phase 5)                             | 70           | 0                 | 38                                  | 70                               | 0  | 0                                    | 70                     |   |
| NEW  | Golden Flatts Primary School - Heating Emitters / ventilation                 | 26           | 0                 | 0                                   | 26                               | 0  | 0                                    | 26                     |   |
| NEW  | Golden Flatts Primary School - Lintel Replacements                            | 30           | 0                 | 0                                   | 30                               | 0  | 0                                    | 30                     |   |
| NEW  | Golden Flatts Primary School - Building Stonework                             | 20           | 0                 | 0                                   | 20                               | 0  | 0                                    | 20                     |   |
| NEW  | Golden Flatts Primary School - Kitchen Floor Replacement                      | 10           | 0                 | 0                                   | 10                               | 0  | 0                                    | 10                     |   |
| NEW  | Golden Flatts Primary School - Mains Water & Gas                              | 112          | 0                 | 0                                   | 112                              | 0  | 0                                    | 112                    |   |
| NEW  | Horizon School - Heating, Pipework  | 76           | 0                 | 0                                   | 0                                | 0  | 0                                    | 0                      |   |
| 7772 | Horizon School - Window Replacement   | 94           | 0                 | 79                                  | 94                               | 0  | 0                                    | 94                     |   |
| NEW  | Kingsley Primary School - Window Replacement                                  | 0            | 0                 | 0                                   | 0                                | 0  | 0                                    | 0                      |   |
| 9390 | Lynnfield Primary School - Electrical Rewire (Phase 2)                        | 67           | 0                 | 3                                   | 67                               | 0  | 0                                    | 67                     |   |
| 7739 | Lynnfield Primary School - Heating Pipework Renewal                           | 29           | 0                 | 0                                   | 29                               | 0  | 0                                    | 29                     |   |
| 9399 | Lynnfield Primary School - Toilet Cubicle Replacement                         | 37           | 0                 | 29                                  | 37                               | 0  | 0                                    | 37                     |   |
| 9398 | Lynnfield Primary School - Hall Flooring Renewal                              | 8            | 0                 | 10                                  | 8                                | 0  | 0                                    | 8                      |   |
| 9384 | Miers Avenue Childrens Centre - Lighting Renewal                              | 13           | 0                 | 1                                   | 13                               | 0  | 0                                    | 13                     |   |
| 7773 | Rift House Primary School - Window Replacement                                | 62           | 0                 | 50                                  | 62                               | 0  | 0                                    | 62                     |   |
| 9393 | Rift House Primary School - Electrical Rewire (Phase 1)                       | 80           | 0                 | 3                                   | 80                               | 0  | 0                                    | 80                     |   |
| 9392 | Rift House Primary School - Fire Alarm Renewal                                | 20           | 0                 | 1                                   | 20                               | 0  | 0                                    | 20                     |   |
| 7740 | High Tunstall College of Science (North Building) - Fire Alarm Renewal        | 54           | 0                 | 4                                   | 54                               | 0  | 0                                    | 54                     |   |
| NEW  | High Tunstall College of Science (North Building) - Electrical Rewire         | 88           | 0                 | 0                                   | 0                                | 0  | 0                                    | 0                      |   |

|   |   |        |       |       |        |     |         |       |
|---|---|--------|-------|-------|--------|-----|---------|-------|
| NEW   | High Tunstall College of Science (Shine Centre) - Electrical Rewire | 40     | 0     | 0     | 0      | 0   | 0       |       |
| 9421  | Childrens Homes Purchase  | 1,000  | 0     | 0     | 1,000  | 0   | 0       | 1,000 |
| NEW   | Springwell School Create Classroom                                  | 66     | 0     | 0     | 66     | 0   | 0       | 66    |
| NEW   | Greatham Primary School ARP   | 19     | 0     | 0     | 19     | 0   | 0       | 19    |
| NEW   | Rossmere Family Hub - Boiler Replacement                            | 9      | 0     | 0     | 9      | 0   | 0       | 9     |
| Total Children's and Joint Commissioning Services |   | 14,549 | 1,436 | 1,475 | 10,948 | 573 | (5,643) | 5,878 |

## DEVELOPMENT, NEIGHBOURHOODS &amp; REGULATORY SERVICES

## APPENDIX K

## CAPITAL MONITORING REPORT PERIOD ENDING 30th September 2024

| Code  | Scheme Description  | Gross Budget  | Actual to 31/3/24 | 2024/25 Actual to end Q2 (30/09/24) | Revised Budget 2024/25 (From Q1) | Additional Schemes and Cost Variations to Existing Projects 2024/25 £000 | Reprofiling of Expenditure 2024/2025 £000 | Revised Budget 2024/25 £000 | Comments   |
|---|---|---------------|-------------------|-------------------------------------|----------------------------------|--|---|-----------------------------|--|
|   |   | £000          | £000              | £000                                | £000                             |  | £000                                      | £000                        |  |
| 8306  | Schools - Kitchen Refurbishment   | 249           | 22                | 0                                   | 227                              | 0  | (172)                                     | 55                          | Works on-going in to 2025/26, budget rephased in to 2025/26 accordingly. |
| S106  | Developers Contribution Fund  | 5,833         | 129               | 40                                  | 5,704                            | 128  | 0   | 5,832                       | S106 Developer Contributions.  |
| 7272  | Wheelie Bin Purchase  | 347           | 77                | 46                                  | 90                               | 0  | 0   | 90                          |  |
| 7272  | Food Waste Collection Capital Transitional Grant                                    | 807           | 0                 | 0                                   | 0                                | 0  | 0   | 0                           |  |
| 7344  | Neighbourhood Improvement Programme (NIP) - Brougham (was Hindpool Close) Play Area | 77            | 5                 | 45                                  | 72                               | 0  | 0   | 72                          |  |
| 7437  | NIP - Sinking Fund  | 62            | 0                 | 0                                   | 62                               | 0  | (62)                                      | 0                           | Scheme rephased to 2025/26.  |
| 7440  | NIP - Central Park  | 120           | 114               | 4                                   | 6                                | 0  | 0   | 6                           |  |
| 7553  | Seaton Toilets  | 456           | 337               | 119                                 | 133                              | (14)   | 0   | 119                         | Budget reduced to match scheme final expenditure.                        |
| 7561  | Green Homes Grant - LAD2  | 663           | 660               | 0                                   | 3                                | 0  | 0   | 3                           |  |
| 8996  | NIP - Improvements to Parks   | 277           | 252               | 0                                   | 25                               | 0  | 0   | 25                          |  |
| 9147  | NIP - CCTV in parks   | 34            | 16                | 7                                   | 18                               | 0  | 0   | 18                          |  |
| 9396  | Waste Transfer Station  | 200           | 0                 | 0                                   | 0                                | 0  | 0   | 0                           |  |
| 7466  | DSO Vehicle Purchase  | 7,928         | 1,058             | 1,236                               | 2,104                            | 0  | (12)                                      | 2,092                       |  |
| 7577  | Engineering Design Management (EDM) Hartlepool North NDIP Study                     | 50            | 0                 | 0                                   | 0                                | 0  | 0   | 0                           |  |
| 7900  | EDM Hartlepool Marina - North Pier  | 379           | 4                 | 17                                  | 300                              | 0  | 0   | 300                         |  |
| 9403  | EDM Headland Seawall  | 100           | 0                 | 0                                   | 100                              | 0  | 0   | 100                         |  |
| 7902  | EDM Hartlepool Drainage Schemes   | 36            | 6                 | 0                                   | 0                                | 0  | 0   | 0                           |  |
| 8444  | EDM Town Wall Strengthening   | 46            | 25                | 0                                   | 21                               | 0  | 0   | 21                          |  |
| 8578  | EDM Management Unit Study   | 28            | 0                 | 0                                   | 5                                | 0  | 0   | 5                           |  |
| LTP   | Local Transport Plan (LTP) Schemes  | 11,999        | 3,224             | 1,153                               | 3,703                            | 0  | 0   | 3,703                       |  |
| 9331  | Environmental Agency (EA) Hartlepool Easington Road Storage & Screen Study          | 60            | 0                 | 0                                   | 60                               | 0  | 0   | 60                          |  |
| 9332  | EA Hartlepool Bamburgh Rd Surface water drainage study                              | 60            | 0                 | 0                                   | 0                                | 0  | 0   | 0                           |  |
| 7066  | Avondene Accommodation, Church St   | 67            | 0                 | 0                                   | 67                               | 0  | (67)                                      | 0                           | Scheme rephased to 2025/26.  |
| 7220  | Private Sector Housing Grants   | 67            | 2                 | 1                                   | 65                               | 0  | (65)                                      | 0                           | Scheme rephased to 2025/26.  |
| <b>Development, Neighbourhoods &amp; Regulatory Total</b> |   | <b>29,945</b> | <b>5,931</b>      | <b>2,667</b>                        | <b>12,765</b>                    | <b>114</b>   | <b>(378)</b>                              | <b>12,501</b>               |  |

## CORPORATE

## APPENDIX L

## CAPITAL MONITORING REPORT PERIOD ENDING 30th September 2024

| Code                   | Scheme Description                                | Gross Budget | Actual to 31/3/24 | 2024/25 Actual to end Q2 (30/09/24) | Revised Budget 2024/25 (From Q1) | Additional Schemes and Cost Variations to Existing Projects 2024/25 | Reprofiling of Expenditure 2024/2025 | Revised Budget 2024/25 | Comments   |
|------------------------|---|--------------|-------------------|-------------------------------------|----------------------------------|---|--------------------------------------|------------------------|--|
|                        |   | £000         | £000              | £000                                | £000                             | £000  | £000                                 | £000                   |  |
| 7036                   | Uncommitted Corporate Capital Fund                | 222          | 0                 | 0                                   | 0                                | 0   | 0                                    | 0                      |  |
| 7041                   | Corporate Capital Pot                             | 591          | 0                 | 0                                   | 131                              | (22)  | 0                                    | 109                    | £0.022m allocated for redecoration of Summerhill Outdoor Centre. Budget reallocated to Corporate Property reveune. |
| 7065                   | Fire Risk Assessments                             | 100          | 15                | 0                                   | 0                                | 0   | 0                                    | 0                      |  |
| 7200                   | Civic Centre Capital Project                      | 75           | 13                | 0                                   | 0                                | 0   | 0                                    | 0                      |  |
| 8970                   | Historic Quay Dilapidation Work                   | 97           | 0                 | 0                                   | 0                                | 0   | 0                                    | 0                      |  |
| 7771                   | Borough Hall - Lighting Replacement               | 60           | 41                | 0                                   | 19                               | 0   | (19)                                 | 0                      | Scheme linked to CIP - Borough Hall Works. Rephased to 2025/26.  |
| 7730                   | Art Gallery - Roof/ Drainage Replacement          | 126          | 33                | 93                                  | 93                               | 0   | 0                                    | 93                     |  |
| 7728                   | Exmoor Grove - Replace external windows and doors | 50           | 2                 | 18                                  | 48                               | 0   | 0                                    | 48                     |  |
| 9329                   | Crematorium - Rewire                              | 85           | 2                 | 35                                  | 83                               | 0   | 0                                    | 83                     |  |
| 9394                   | Printer Unit - Equipment                          | 66           | 0                 | 37                                  | 66                               | 0   | 0                                    | 66                     |  |
| NEW                    | Health and Safety Maintenance Fund                | 1,000        | 0                 | 20                                  | 1,000                            | 0   | 0                                    | 1,000                  |  |
| NEW                    | Exmoor Grove - Replace Boiler                     | 128          | 0                 | 0                                   | 128                              | 0   | 0                                    | 128                    |  |
| NEW                    | Borough Hall - Heating and Distribution           | 101          | 0                 | 0                                   | 0                                | 0   | 0                                    | 0                      |  |
| NEW                    | Boys Welfare - Replace Water Heater               | 4            | 0                 | 0                                   | 4                                | 0   | 0                                    | 4                      |  |
| NEW                    | Exmoor Grove - External Ramp                      | 20           | 0                 | 0                                   | 20                               | 0   | 0                                    | 20                     |  |
| NEW                    | Brierton Sports Centre - Replace Lighting         | 10           | 0                 | 0                                   | 0                                | 0   | 0                                    | 0                      |  |
| <b>Corporate Total</b> |   | <b>2,735</b> | <b>106</b>        | <b>203</b>                          | <b>1,592</b>                     | <b>(22)</b>   | <b>(19)</b>                          | <b>1,551</b>           |  |

## RESERVES FORECASTS (EXCLUDING SCHOOL BALANCES, HRA AND UNUSABLE RESERVES)

## APPENDIX M

|                                       | Balance as at 31st March 2024 | Transfer between Reserves | Balance as at 31st March 2024 (Revised) | Forecast Use of Reserves |                 |                |                | Forecast Balance as at 31st March 2028 |
|---------------------------------------|-------------------------------|---------------------------|---|--------------------------|-----------------|----------------|----------------|--|
|                                       |                               |                           |   | 2024/25                  | 2025/26         | 2026/27        | 2027/28        |  |
|                                       | £'000                         | £'000                     | £'000                                   | £'000                    | £'000           | £'000          | £'000          | £'000                                  |
| Revenue Reserve                       | 5,501                         | (1)                       | 5,500                                   | 0                        | 0               | 0              | 0              | 5,500                                  |
| Budget Support Fund (BSF) 24/25-26/27 | 7,947                         | 3,147                     | 11,094                                  | (4,836)                  | (3,500)         | (2,000)        | 0              | 758                                    |
| BSF - Transformation Costs            | 2,000                         | 0                         | 2,000                                   | 0                        | (1,000)         | (500)          | (500)          | 0                                      |
| BSF - Invest to Save                  | 1,000                         | 750                       | 1,750                                   | (700)                    | (700)           | (350)          | 0              | 0                                      |
| Revenue Grants Unapplied              | 6,300                         | (560)                     | 5,740                                   | (2,330)                  | (1,405)         | (924)          | (931)          | 150                                    |
| Business Rates Risk Reserve           | 3,250                         | (2,250)                   | 1,000                                   | 0                        | 0               | 0              | 0              | 1,000                                  |
| Insurance Fund                        | 2,965                         | 0                         | 2,965                                   | (50)                     | (50)            | (50)           | (50)           | 2,765                                  |
| Children in our Care Reserve          | 1,230                         | 0                         | 1,230                                   | (475)                    | (500)           | (255)          | 0              | 0                                      |
| BSF - Treasury Management Income      | 1,150                         | 0                         | 1,150                                   | (650)                    | (500)           | 0              | 0              | 0                                      |
| Asset Management Reserve              | 1,000                         | 0                         | 1,000                                   | (500)                    | (500)           | 0              | 0              | 0                                      |
| Earmarked Revenue Reserves under £1m  | 7,411                         | (1,086)                   | 6,325                                   | (2,928)                  | (1,413)         | (731)          | (441)          | 812                                    |
| <b>Revenue Reserves Total</b>         | <b>39,754</b>                 | <b>0</b>                  | <b>39,754</b>                           | <b>(12,469)</b>          | <b>(9,568)</b>  | <b>(4,810)</b> | <b>(1,922)</b> | <b>10,985</b>                          |
|                                       |                               |                           |   |                          |                 |                |                |  |
| Earmarked Capital Reserves            | 9,606                         | 0                         | 9,606                                   | (4,262)                  | (2,772)         | (2,572)        | 0              | 0                                      |
| Capital Grants Unapplied              | 16,311                        | 0                         | 16,311                                  | (13,798)                 | (2,513)         | 0              | 0              | 0                                      |
|                                       |                               |                           |   |                          |                 |                |                |  |
| <b>TOTAL</b>                          | <b>65,671</b>                 | <b>0</b>                  | <b>65,671</b>                           | <b>(30,529)</b>          | <b>(14,853)</b> | <b>(7,382)</b> | <b>(1,922)</b> | <b>10,985</b>                          |

# FINANCE AND POLICY COMMITTEE

## 25 NOVEMBER 2024



**Subject:** LOCAL COUNCIL TAX SUPPORT 2025/26

**Report of:** Director of Finance, IT and Digital

**Decision Type:** Budget and Policy Framework

### 1. COUNCIL PLAN PRIORITY

#### Hartlepool will be a place:

- where people are enabled to live healthy, independent and prosperous lives.
- of resilient and resourceful communities with opportunities for all.

### 2. PURPOSE OF REPORT

2.1 The purpose of the report is to:

- i) Agree the Local Council Tax Support (LCTS) scheme for 2025/26 to be referred to full Council for approval

### 3. BACKGROUND

3.1 Local Council Tax Support (LCTS) was introduced by Central Government in April 2013 as a replacement for the Council Tax Benefit scheme administered on behalf of the Department for Work and Pensions (DWP). As part of the introduction, the Government:

- Placed the duty to create a local scheme for Working Age applicants with billing authorities;
- Reduced initial funding by the equivalent of ten per cent from the levels paid through benefit subsidy to authorities under the previous Council Tax Benefit scheme; and
- Prescribed that persons of Pension age would be dealt with under regulations set by Central Government and not the authorities' local scheme.

3.2 Since that time, funding for the Council Tax Support scheme has been amalgamated into other Central Government grants paid to Local Authorities

and also within the Business Rates Retention regime. It is now generally accepted that it is not possible to identify the amount of funding actually provided from Central Government sources, but that this has been significantly reduced.

- 3.3 The current Council Tax Support scheme administered by the Council is divided into two schemes, with pension age applicants receiving support under the rules prescribed by Central Government, and the scheme for working age applicants being determined solely by the local authority.
- 3.4 Pensioners, subject to their income, can receive up to 100 per cent support towards their council tax. The Council has no power to change the level of support provided to pensioners and therefore any changes to the level of LCTS can only be made to the working age scheme.
- 3.5 When Council Tax Support was introduced in 2013, for working age applicants, the Council broadly adopted the previous means tested Council Tax Benefit scheme as the basis of awarding support. Due to the reduction in finance, the Council reduced the maximum level of support available to working age applicants in 2014/15 to 88%.

### Simplified Scheme

- 3.6 Following public consultation, council agreed a revised scheme for operation in 2024/25. This “simplified” scheme introduced a number of income bands to determine support. It also increased the level of maximum support from 88% to 90% to provide additional support to those in most need. The current income bands and support for 2024/25 are set out below:

|                | Passported             | Single             | Single with 1 child | Single with 2 or more children | Couples            | Couple with 1 child | Couple with 2 or more children |
|----------------|------------------------|--------------------|---------------------|--------------------------------|--------------------|---------------------|--------------------------------|
| Discount Level | Weekly Income Levels £ |                    |                     |                                |                    |                     |                                |
| Band 1 (90%)   | Relevant Benefit       | £0.00 to £110.10   | £0.00 to £176.16    | £0.00 to £242.22               | £0.00 to £154.14   | £0.00 to £225.71    | £0.00 to £286.26               |
| Band 2 (70%)   | N/A                    | £110.11 to £198.18 | £176.17 to £264.24  | £242.23 to £324.80             | £154.15 to £264.24 | £225.72 to £309.38  | £286.27 to £374.34             |
| Band 3 (40%)   | N/A                    | £198.19 to £236.72 | £264.25 to £280.76  | £324.81 to £385.35             | £264.25 to £319.29 | £309.39 to £352.32  | £374.35 to £440.40             |
| Band 4 (20%)   | N/A                    | £236.73 to £280.76 | £280.77 to £308.27  | £385.36 to £495.44             | £319.30 to £374.33 | £352.33 to £407.36  | £440.41 to £528.47             |

- 3.7 Key features of the scheme include:

- To encourage work, a standard £25 per week disregard is provided against all earnings;

- Disability benefits such as Disability Living Allowance and Personal Independence Allowance are disregarded;
- A further disregard of up to £40 a week from your income if an individual, their partner or a dependent child living with them receives one of the above benefits, thereby maintaining the current level of support to those with disabilities;
- Carer's Allowance and the Support Component of Employment and Support Allowance is disregarded;
- Child Benefit and Child Maintenance is disregarded;
- The following elements of Universal Credit are also disregarded:
  - An amount in respect of the Housing Element;
  - Limited Capability for Work and Work Related Activity Element;
  - Carer's Element; and
  - Disabled Child Element
- The total disregard on war pensions and war disablement pensions continue (maintaining the Council's commitment to the Armed Forces Community Covenant);
- The capital limit is set at £10,000 with no tariff (or assumed income) being applied; and
- With regard to non-dependents a £5 per week deduction is applied.

3.8 In addition, in order to align Council Tax Reduction with Universal Credit, a minimum level of income for those applicants who are self-employed was introduced. This is in line with the National Living Wage for 35 hours worked per week. The income does not apply for a designated start-up period of one year from the start of the business and the Council would have the discretion to vary or waive the use of this facility in exceptional circumstances or where the Council considers that the applicant is unable to work that number of hours. Where the declared income is at or above the Minimum Income Floor, the declared income will be used in the calculation of Council Tax Reduction.

### **Simplified Scheme - Introduction**

- 3.9 The new scheme was introduced on the 1 April 2024. Preceding this, significant training was undertaken within the Benefits team, but also within Revenues, Customer Services and Local Welfare Support. Information was provided to advice agencies within the borough to provide support for their customers. System upgrades were also carried out.
- 3.10 The roll out was successful. Whilst there was an initial increase in queries when bills went out, to date we have only received one formal complaint despite the significant scale of the change. The new system is considered to now be bedded in and where operational or system issues have arisen, the team have identified work around solutions.
- 3.11 In terms of administration impact, the scheme has successfully reduced the level of re-billing during the year with circa 2,000 less bills being issued by the end of August compared to the previous year. This will aid recovery of Council Tax, but also ensure residents on LCTS have a clearer understanding of their Council Tax position.

### **Claimant Numbers**

- 3.12 Over the years there has been a steady decrease in the number of LCTS claimants. Despite this, Hartlepool remains (as at Q1 2024/25) the highest claimant count per adult population in the country and is currently the 15<sup>th</sup> highest for pensioners. Given relative deprivation this is not unexpected, but it also demonstrates our success in supporting take up of benefits where eligible.
- 3.13 During the current year, the number of claimants has increased slightly. As at September 2024 there were 13,015 LCTS claimants, of which 8,611 were working age and 4,404 pension age.
- 3.14 Forecasting future claimant numbers is difficult. It is likely that the government and council's drive to increase pension credit take up will manifest itself in higher pensioner claimants of LCTS. However, increased fraud prevention work, will likely counter any significant increase. The Council Tax Base report, elsewhere on today's agenda will include the best available estimate.

### **Collection Performance**

- 3.15 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. 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.
- 3.16 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 £30.88 per month for a couple who are both over 25. If single and under 25, the deduction is £15.58. Only one AOB deduction can be 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 therefore £277.92 in total for the first year for the couple or £140.22 for a single individual under 25. The least amount payable for a Band A property is £158.51, therefore in many circumstances, unless individual's circumstances change, debt continues to accrue year on year. Note, proposed changes in the Autumn Budget may reduce the amount able to be collected and therefore increase the level of debt accruing from year to year.
- 3.17 Currently 6,831 Council Tax accounts have an Attachment of Benefits, though these will not all be current LCTS accounts. In addition, there are 6,474 Liability Orders at pending stage. As at the end of August 2024 £4.984m 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.

- 3.18 Continued effort will be made to engage with and increase the collection rate for those in receipt of LCTS.

#### 4. PROPOSAL

- 4.1 Given the introduction of the revised scheme on 1 April 2024, the fact that no significant issues have arisen and the need to establish the change to provide stability for our working age claimants, it is proposed that no change is made to the scheme for 2025/26, save for an inflationary uplift.
- 4.2 The September Consumer Price Index (CPI) figure is used by the national government to calculate uplift in benefits from the 1 April in the following year. The CPI rate at September 2024 was 1.7%. It is proposed to mirror this increase with our LCTS scheme, resulting in the following bands for 2025/26:

|                | Passported             | Single             | Single with 1 child | Single with 2 or more children | Couples            | Couple with 1 child | Couple with 2 or more children |
|----------------|------------------------|--------------------|---------------------|--------------------------------|--------------------|---------------------|--------------------------------|
| Discount Level | Weekly Income Levels £ |                    |                     |                                |                    |                     |                                |
| Band 1 (90%)   | Relevant Benefit       | £0.00 to £111.97   | £0.00 to £179.15    | £0.00 to £246.34               | £0.00 to £156.76   | £0.00 to £229.55    | £0.00 to £291.13               |
| Band 2 (70%)   | N/A                    | £111.98 to £201.55 | £179.16 to £268.73  | £246.35 to £330.32             | £156.77 to £268.73 | £229.56 to £314.64  | £291.14 to £380.70             |
| Band 3 (40%)   | N/A                    | £201.56 to £240.74 | £268.74 to £285.53  | £330.33 to £391.90             | £268.74 to £324.72 | £314.65 to £358.31  | £380.71 to £447.89             |
| Band 4 (20%)   | N/A                    | £240.75 to £285.53 | £285.54 to £313.51  | £391.91 to £503.86             | £324.73 to £380.69 | £358.32 to £414.29  | £447.90 to £537.45             |

- 4.3 Alternative options could be considered for the LCTS, including changing the bands or key features. To do so would require consultation. Given the scheme is in its infancy, is running smoothly, and the time and cost constraints of running a consultation this is not recommended. Similarly a different CPI rate could be applied to the uplifts or no inflation rate applied at all. This was not considered appropriate given using September CPI aligns with national benefit uplifts as well as generally being aligned to government grant uplifts in the past.

#### 5. FINANCIAL CONSIDERATIONS

- 5.1 The estimated cost for 2025/26 is £15.904m and included within the Base calculation elsewhere on today's agenda. Costs are shared between the Council and the major precepting authorities based on the precept levied on the collection fund. For 2024/25 the proportions are as follows:

- Hartlepool Borough Council (83.4%)
- Police and Crime Commissioner for Cleveland (12.8%)
- Cleveland Fire Brigade (3.8%)

## 6. OTHER CONSIDERATIONS

|  |   |
|--|---|
| <b>RISK IMPLICATIONS</b>   | No relevant issues.   |
| <b>LEGAL CONSIDERATIONS</b>  | Councils are required to determine their LCTS scheme for each financial year before 11 March of the year prior to the scheme coming into place. |
| <b>SUBSIDY CONTROL</b>   | No relevant issues  |
| <b>CHILD AND FAMILY POVERTY</b>                                      | An impact assessment is attached at <b>Appendix A</b>   |
| <b>EQUALITY AND DIVERSITY CONSIDERATIONS</b>                         | An impact assessment is attached at <b>Appendix B</b>   |
| <b>STAFF CONSIDERATIONS</b>  | No relevant issues.   |
| <b>ASSET MANAGEMENT CONSIDERATIONS</b>                               | No relevant issues.   |
| <b>ENVIRONMENT, SUSTAINABILITY AND CLIMATE CHANGE CONSIDERATIONS</b> | No relevant issues.   |
| <b>CONSULTATION</b>  | Not applicable given no changes are proposed.   |

## 7. RECOMMENDATIONS

7.1 It is recommended that Members:

- i) Agree the 2025/26 LCTS scheme as set out to be referred to full Council for approval.

## 8. REASONS FOR RECOMMENDATIONS

8.1 To comply with legislation and ensure stability and a chance for the recent scheme changes to become established follow the recent change to a simplified LCTS scheme.

## 9. BACKGROUND PAPERS

9.1 Local Council Tax Support 2024/25 – Report to Finance and Policy Committee 18 September 2023.

Local Council Tax Support 2024/25 – Report to Finance and Policy Committee 27 November 2024.

## 10. CONTACT OFFICERS

James Magog  
Director of Finance, IT and Digital  
Email: [james.magog@hartlepool.gov.uk](mailto:james.magog@hartlepool.gov.uk)  
Telephone: 01429 523093

Sign Off:-

|                                      |                |
|--------------------------------------|----------------|
| Managing Director                    | Date: 05/11/24 |
| Director of Finance, IT and Digital  | Date: 05/11/24 |
| Director of Legal, Governance and HR | Date: 05/11/24 |

## Poverty Impact Assessment Form

## 4.2 Appendix A

| <b>1. Is this decision a Budget &amp; Policy Framework or Key Decision? Yes</b><br>If YES please answer question 2 below                           |                    |                    |              |  |
|--|--------------------|--------------------|--------------|--|
| <b>2. Will there be an impact of the decision requested in respect of Child and Family Poverty? YES</b><br>If YES please complete the matrix below |                    |                    |              |  |
| GROUP  | POSITIVE<br>IMPACT | NEGATIVE<br>IMPACT | NO<br>IMPACT | REASON & EVIDENCE  |
| Young working people<br>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<br>disabled or suffer from<br>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<br>educational<br>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<br>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<br>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<br>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<br>difficulty in managing<br>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<br>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. |

|  |                        |   |                  |  |
|--|------------------------|---|------------------|--|
| <b>Poverty is measured in different ways. Will the policy / decision have an impact on child and family poverty and in what way?</b> |                        |   |                  |  |
| <b>Poverty Measure (examples of poverty measures appended overleaf)</b>  | <b>POSITIVE IMPACT</b> | <b>NEGATIVE IMPACT</b>                  | <b>NO IMPACT</b> | <b>REASON &amp; EVIDENCE</b>   |
| 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. |
| <b>Overall impact of Policy / Decision</b>   |                        |   |                  |  |
| <b>POSITIVE IMPACT</b>   | Yes                    | <b>ADJUST / CHANGE POLICY / SERVICE</b> |                  | N/A  |
| <b>NO IMPACT / NO CHANGE</b>   | N/A                    | <b>STOP / REMOVE POLICY / SERVICE</b>   |                  | N/A  |
| <b>ADVERSE IMPACT BUT CONTINUE</b>   | N/A                    |   |                  |  |
| <b>Examples of Indicators that impact of Child and Family Poverty.</b>   |                        |   |                  |  |
| <b>Economic</b>  |                        |   |                  |  |
| 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  |                        |   |                  |  |
| <b>Education</b>   |                        |   |                  |  |
| 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)  |                        |   |                  |  |
| <b>Housing</b>   |                        |   |                  |  |
| 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

### Appendix B

## 4.2

| Department  | Division  | Section            | Owner/Officer     |
|---|---|--------------------|-------------------|
| Finance, IT and Digital   | Customer Services and IT                            | Benefits           | James Magog       |
| <b>Service, policy, practice being reviewed/changed or planned</b>  | <b>Local Council Tax Support Scheme 2025/26</b>     |                    |                   |
| <b>Why are you making the change?</b>   | No change is proposed save for inflationary uplifts |                    |                   |
| <b>How might this impact (positively/negatively) on people who share protected characteristics?</b>   |   |                    |                   |
|   |   | <i>Please tick</i> |                   |
|   |   | <b>POSITIVELY</b>  | <b>NEGATIVELY</b> |
| <b>Age</b>  |   |                    |                   |
| 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 2025/26. A neutral relative impact is therefore envisaged. |   |                    |                   |
| <b>Disability</b>   |   |                    |                   |
| The proposed scheme continues with the core principle that every working age household should pay something towards Council Tax. The scheme does not provide protection of detriment to any specific working age group. A neutral relative impact is therefore envisaged.   |   |                    |                   |
| <b>Gender Re-assignment</b>   |   |                    |                   |
| The proposed scheme continues with the core principle that every working age household should pay something towards Council Tax. The scheme does not provide protection of detriment to any specific working age group. A neutral relative impact is therefore envisaged.   |   |                    |                   |
| <b>Race</b>   |   |                    |                   |
| The proposed scheme continues with the core principle that every working age household should pay something towards Council Tax. The scheme does not provide protection of detriment to any specific working age group. A neutral relative impact is therefore envisaged.   |   |                    |                   |
| <b>Religion</b>   |   |                    |                   |
| The proposed scheme continues with the core principle that every working age household should pay something towards Council Tax. The scheme does not provide protection of detriment to any specific working age group. A neutral relative impact is therefore envisaged.   |   |                    |                   |
| <b>Gender</b>   |   |                    |                   |
| The proposed scheme continues with the core principle that every working age household should pay something towards Council Tax. The scheme does not provide protection of detriment to any specific working age group. A neutral relative impact is therefore envisaged.   |   |                    |                   |
| <b>Sexual Orientation</b>   |   |                    |                   |

|   |          |   |          |
|---|----------|---|----------|
| The proposed scheme continues with the core principle that every working age household should pay something towards Council Tax. The scheme does not provide protection of detriment to any specific working age group. A neutral relative impact is therefore envisaged. |          |   |          |
| <b>Marriage &amp; Civil Partnership</b>   |          |   |          |
| The proposed scheme continues with the core principle that every working age household should pay something towards Council Tax. The scheme does not provide protection of detriment to any specific working age group. A neutral relative impact is therefore envisaged. |          |   |          |
| <b>Pregnancy &amp; Maternity</b>  |          |   |          |
| The proposed scheme continues with the core principle that every working age household should pay something towards Council Tax. The scheme does not provide protection of detriment to any specific working age group. A neutral relative impact is therefore envisaged. |          |   |          |
| <b>Has there been consultation /is consultation planned with people who will be affected by this policy? How has this affected your decision making?</b>  |          | <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> |          |
| <b>As a result of your decision how can you mitigate negative/maximise positive outcomes and foster good relationships?</b>   |          | By applying the scheme fairly and consistently across all households within Hartlepool.   |          |
| <b>Describe how you will address and monitor the impact</b>   |          | <b>1. No Impact - No Major Change</b>   |          |
|   |          | No new specific impact expected.  |          |
|   |          | <b>2. Adjust/Change Policy</b>  |          |
|   |          | N/A   |          |
|   |          | <b>3. Adverse Impact but Continue as is</b>   |          |
|   |          | N/A   |          |
|   |          | <b>4. Stop/Remove Policy/Proposal</b>   |          |
|   |          | N/A   |          |
| Initial Assessment  | 05/11/24 | Reviewed  | 05/11/24 |
| Completed   | 05/11/24 | Published   | 25/11/24 |

# FINANCE AND POLICY COMMITTEE

25 NOVEMBER 2024



**Subject:** COUNCIL TAX BASE 2025/26

**Report of:** Director of Finance, IT and Digital

**Decision Type:** Budget and Policy Framework

## 1. COUNCIL PLAN PRIORITY

|   |
|---|
| <b>Hartlepool will be a place:</b>  |
| - where people are enabled to live healthy, independent and prosperous lives                    |
| - where those who are vulnerable will be safe and protected from harm                           |
| - of resilient and resourceful communities with opportunities for all                           |
| - that is sustainable, clean, safe and green  |
| - that has an inclusive and growing economy   |
| - with a Council that is ambitious, fit for purpose and reflects the diversity of its community |

## 2. PURPOSE OF REPORT

- 2.1 The report seeks member approval, as required by statutory regulations, of a calculated Council Tax Base for 2025/26 which will be used for Council Tax billing purposes.

## 3. BACKGROUND

- 3.1 The Council is required by law to calculate its Council Tax Base for the forthcoming year, and inform the major precepting authorities, Police and Crime Commissioner for Cleveland and Cleveland Fire Authority, and local precepting authorities (Parish Councils), before 31 January 2025. The Council Tax Base is expressed as the number of Band D equivalent properties.

- 3.2 The amount of Council Tax levied on each Band D property located in the Borough of Hartlepool is calculated by dividing the total amount of the precepts determined by this Council, the Police and Crime Commissioner for Cleveland and Cleveland Fire Authority on the Collection Fund in 2025/26, by the Council Tax Base. The amount of Council Tax payable for other bands is determined by applying a fixed proportion of the Band D amount. A separate report on the statutory calculation of the amount of Council Tax payable for each band for 2025/26 will be submitted to Council as part of the budget process.

#### 4. CALCULATION OF TAX BASE

- 4.1 The calculation of the Council Tax Base is a complex calculation and includes converting the number of properties in the eight Council Tax Bands into a Band D equivalent. To complete the Tax Base it is necessary to:
- (a) Calculate Item A - "the relevant amount" for the year for each valuation band in the valuation list. For each band this represents the estimated full year equivalent of each chargeable dwelling in that band, taking into account entitlement to, exemptions, disability reductions, discounts, premiums and the forecast Local Council Tax Support.
- The relevant amount for each band are expressed in terms of Band D equivalents and are set out at **Appendix 1**.
- (b) Calculate the collection rate for the Council (Item B).
  - (c) The relevant amounts for each band (Item A) are then multiplied by the collection rate (Item B) to calculate the Tax Base.
- 4.2. The calculation for the Parish Councils follows the same calculation as that of the billing authority except that for item A, the calculation only relates to the area covered by that Parish.

#### 5. PROPOSED TAX BASE

- 5.1 The proposed Tax Base for the Council area for 2025/26 is **26,455**. This is an increase of 675 (**2.62%**) from the current base. The forecasts includes a best estimate of the anticipated number of households eligible for LCTS.
- 5.2 The Band D make-up of the base position is summarised in the table below, together with a comparison against previous year.

| 2024/25 |   | 2025/26 |
|---------|---|---------|
| 35,455  | Chargeable Dwellings (after disregards / disability adjust) | 35,997  |
| -3,289  | Less Discounts and Premiums                                 | -3,119  |
| -6,261  | Less Local Council Tax Support Estimate                     | -6,370  |

|               |                             |               |
|---------------|-----------------------------|---------------|
| 268           | Add forecast Base growth    | 350           |
| 26,173        | Item A                      | 26,858        |
| 98.5%         | Item B – Collectability (%) | 98.5%         |
| <b>25,780</b> | <b>Council Tax Base</b>     | <b>26,455</b> |

- 5.3 The increase in chargeable dwellings represents a positive rate of housing growth within Hartlepool during the past year.
- 5.4 The reduction in discounts and premiums reflects both the anti-fraud work, specifically targeting Single Person Discount error and fraud, but also the introduction of additional premiums from April 2024 for Long-Term Empty (unfurnished) dwellings.
- 5.5 Councils are required to determine and operate their own local schemes for providing support with Council Tax. Under these arrangements, there is a requirement to adjust the Council Tax Base to reflect the impact of the Local Council Tax Support (LCTS) scheme. Elsewhere on this agenda the LCTS scheme for 2025/26 is submitted for approval prior to referral to full council. The calculated Council Tax Base assumes that this scheme is approved and that there is no additional uptake in those eligible for LCTS.
- 5.6 The growth assumption for 2025/26 takes into account three elements:
- Housing growth. An increase of 250 is assumed. This is positive, but slower growth than the current year due to the mix and maturity of key housing developments;
  - Additional Premiums. The Levelling Up and Regeneration Act also allows a second home premium of 100% after 1 year to be charged on homes that are unoccupied but furnished from 1 April 2025. These “dwellings occupied periodically” are often classed in the media as holiday homes and are a particular concern for areas of the country with a high visitor footfall e.g. Cornwall, where the local population are often priced out of the market. Council previously approved the introduction of these premiums from 1 April 2025; and
  - Fraud Prevention. Following the success in reducing Single Person Discount fraud it is anticipated that momentum can be maintained and that action to address potential LCTS fraud and error will commence during the year.
- 5.7 The proposed Council Tax Base has been reflected within the MTFS reported elsewhere on today’s agenda.

## 6. RISK IMPLICATIONS

- 6.1. The Tax Base for 2025/26 and in the subsequent years is subject to the following main risks, all of which have been potentially increased given the prevailing economic conditions;

- The proposed council tax base includes a best estimate of average LCTS claimants. There is a potential risk that claimants may increase due to the economic uncertainty or government policy, for example promotion of pension credit. This is mitigated by consideration of economic forecasts for future years and allowance of a small headroom in the calculation;
- Less growth in housebuilding. This is mitigated by understanding both developments in progress and planned developments in order to factor in the latest position in timing and value of house builds planned. Progress is monitored closely in year and over the Medium Term Financial Strategy period; and
- Reduced collection rate. The pandemic saw a significant dip in the in- year collection rate. On-going recovery and strong collection of arrears mitigates the risk that the collection rate should be reduced to lower than 98.5%, though this is kept under close review. Regular management reporting is in place to ensure that collection rate is maintained.
- Reduced Collection Rate – Attachment of Benefits. The Autumn Budget proposed reducing the amount of debt that can be recovered via Universal Credit from 25% to 15%. This could impact on the level of collection via attachment of benefits. This will be kept under review for 2025/26 and may impact future years collection rates should it have a material impact.

## **7. FINANCIAL CONSIDERATIONS**

- 7.1. The Council must budget to avoid a deficit on its statutory Collection Fund. In determining the 2025/26 Council Tax Base a number of underlying assumptions have been made. As part of the Council's Financial Governance Framework, throughout 2025/26 programmed monitoring reviews of Collection Fund Council Tax performance will be undertaken and reported to Finance and Policy Committee.
- 7.2 Growth in the 2025/26 tax base had already been anticipated in the Medium Term Financial Strategy (MTFS). The actual tax base to be set is 237 higher than forecast and this will provide increased Council Tax income of £0.470m, which will help reduce the 2025/26 budget deficit. This additional recurring income is reflected in the updated MTFS report on the agenda.

## **8. LEGAL CONSIDERATIONS**

- 8.1. To comply with statutory responsibilities as set out in the Local Government Finance Act 1992 the Council must determine the Council Tax Base for the forthcoming financial year by 31<sup>st</sup> January. This report ensures this responsibility is discharged.

## 9. OTHER CONSIDERATIONS

|   |                    |
|---|--------------------|
| Subsidy Control   | No relevant issues |
| Child / 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 |
| Consultation  | No relevant issues |

## 10. RECOMMENDATIONS

10.1 It is recommended that Members refer for approval for full Council, that:

- a) Approve a Hartlepool BC Council Tax Base for 2025/26 of 26,455 as detailed in Appendix 1.
- b) Approve a Council Tax Base for 2025/26 for Parishes who may levy a precept upon the Council's Collection Fund as follows:

|               |         |
|---------------|---------|
| Brierton      | 15.9    |
| Claxton       | 13.7    |
| Dalton Piercy | 134.1   |
| Elwick        | 237.6   |
| Greatham      | 274.1   |
| Hart          | 489.2   |
| Headland      | 810.7   |
| Newton Bewley | 33.9    |
| Wynyard       | 1,129.0 |

## 11. REASON FOR RECOMMENDATIONS

11.1 To enable the Council to discharge its statutory responsibilities.

## 12. BACKGROUND PAPERS

12.1 Council Tax Base 2024/25 – Report to Finance and Policy Committee 27 November 2024.

## 13. CONTACT OFFICER

James Magog  
 Director of Finance, IT and Digital  
 Email: [James.magog@hartlepool.gov.uk](mailto:James.magog@hartlepool.gov.uk)  
 Telephone: 01429 523093

Sign Off:-

|                                      |               |
|--------------------------------------|---------------|
| Managing Director                    | Date: 5/11/24 |
| Director of Finance, IT and Digital  | Date: 5/11/24 |
| Director of Legal, Governance and HR | Date: 5/11/24 |



Council Tax Base - Hartlepool Borough Council

Appendix 1

|   | Band (A)     | Band A           | Band B          | Band C          | Band D          | Band E          | Band F          | Band G          | Band H        | Total            | Band D Equivalents |
|---|--------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|---------------|------------------|--------------------|
| Chargeable Dwellings                              | 133.00       | 23,303.00        | 7,606.00        | 6,637.00        | 3,518.00        | 1,981.00        | 909.00          | 683.00          | 91.00         | 44,861.00        | 35,997             |
| Total Discount                                    | (15.25)      | (2,872.25)       | (809.75)        | (508.00)        | (212.00)        | (95.00)         | (38.50)         | (25.50)         | (3.50)        | (4,579.75)       | (3,438)            |
| Premium Factor                                    | 1.00         | 372.00           | 32.00           | 12.00           | 13.00           | 7.00            | 1.00            | 5.00            | 2.00          | 445.00           | 319                |
| Council Tax Support Estimate                      | (39.22)      | (7,346.00)       | (1,166.99)      | (406.83)        | (108.05)        | (40.42)         | (13.13)         | (3.58)          | 0.00          | (9,124.22)       | (6,370)            |
| <b>Net Forecast Chargeable Dwellings</b>          | <b>79.53</b> | <b>13,456.75</b> | <b>5,661.26</b> | <b>5,734.17</b> | <b>3,210.95</b> | <b>1,852.58</b> | <b>858.37</b>   | <b>658.92</b>   | <b>89.50</b>  | <b>31,602.03</b> | <b>26,508</b>      |
| Prescribed Proportions for each band              | 5/9          | 6/9              | 7/9             | 8/9             | 9/9             | 11/9            | 13/9            | 15/9            | 18/9          |                  | 9/9                |
| <b>Band D Equivalent Properties</b>               | <b>44.18</b> | <b>8,971.17</b>  | <b>4,403.20</b> | <b>5,097.04</b> | <b>3,210.95</b> | <b>2,264.26</b> | <b>1,239.87</b> | <b>1,098.20</b> | <b>179.00</b> | <b>26,507.87</b> | <b>26,508</b>      |
|   |              |                  |                 |                 |                 |                 |                 |                 |               |                  |                    |
| Band D Forecast Growth (Housing)                  |              |                  |                 |                 |                 |                 |                 |                 |               | 250.00           | 250                |
| Band D Forecast Growth (Premiums)                 |              |                  |                 |                 |                 |                 |                 |                 |               | 50.00            | 50                 |
| Band D Forecast Growth (Fraud Prevention)         |              |                  |                 |                 |                 |                 |                 |                 |               | 50.00            | 50                 |
|   |              |                  |                 |                 |                 |                 |                 |                 |               |                  |                    |
| <b>Total Forecast Band D Equivalents - Item A</b> |              |                  |                 |                 |                 |                 |                 |                 |               | <b>26,857.87</b> | <b>26,858</b>      |
|   |              |                  |                 |                 |                 |                 |                 |                 |               |                  |                    |
| Estimated Collection Rate - Item B                |              |                  |                 |                 |                 |                 |                 |                 |               | 98.5%            | 98.5%              |
|   |              |                  |                 |                 |                 |                 |                 |                 |               |                  |                    |
| <b>Tax Base 2025/26</b>                           |              |                  |                 |                 |                 |                 |                 |                 |               | <b>26,455.00</b> | <b>26,455</b>      |

# FINANCE AND POLICY COMMITTEE

25 November 2024



**Subject:** MEDIUM TERM FINANCIAL STRATEGY (MTFS)  
2025/26 TO 2027/28

**Report of:** Director of Finance, IT and Digital

**Decision Type:** Budget and Policy Framework

## 1. COUNCIL PLAN PRIORITY

|   |
|---|
| <b>Hartlepool will be a place:</b>  |
| - where people are enabled to live healthy, independent and prosperous lives                    |
| - where those who are vulnerable will be safe and protected from harm                           |
| - of resilient and resourceful communities with opportunities for all                           |
| - that is sustainable, clean, safe and green  |
| - that has an inclusive and growing economy   |
| - with a Council that is ambitious, fit for purpose and reflects the diversity of its community |

## 2. PURPOSE OF REPORT

- 2.1 The purpose of this report is to provide an update on the Council's financial position, the government's autumn budget and to approve the budget savings proposals to be referred to individual Policy Committees.

## 3. BACKGROUND

- 3.1 A comprehensive MTFS update report was presented to the Finance and Policy Committee at its meeting in June 2024. The MTFS does not stand still and continuously evolves based on latest information, intelligence and changing circumstances, including the current years forecast budget outturn position.

- 3.2 The updated MTFS position presented in this report continues to cover the three year position, 2025/26 to 2027/28, although it is important to recognise that the Council needs to be sustainable beyond this 3 year period. Decisions taken should reflect the position beyond the medium term and in to the longer term.
- 3.3 The new Government's first budget delivered by the Chancellor on the 30th October 2024 provided for planned increases in expenditure in public services, largely funded through increased taxation. Local government is to receive a £1.3 billion increase in government grant funding in 2025/26, although the distribution of this is still to be confirmed. The provisional financial settlement will be issued by Government in late December and will detail government grant allocations to individual Council's.
- 3.4 Whilst the increase in grant funding is welcome, the budget has also increased costs for the council. The increase to the National Living Wage was higher than previously assumed and, more significantly, the employer National Insurance (NI) contribution rate was raised and the thresholds reduced. The government has confirmed it will separately compensate councils for the direct cost of the NI increase, though not any indirect costs e.g. third party increased costs to the council. Work is on-going to quantify the impact on the council of the NI increase and this will be included in the final MTFS position presented later in the financial year.
- 3.5 The medium term funding position presented in the autumn budget continues to indicate restricted funding increases for non-protected departments, which includes the Ministry for Housing, Communities and Local Government (MHCLG), who provide grant funding to councils. The absence of real terms increases in the medium term, exacerbates the need for the Fair Funding Review to be delivered, which will reset the funding system to distribute the funding available more fairly and reflective of need. The Chancellor confirmed the Government's commitment to a full review of funding distribution and also delivery of multi-year funding settlements from 2026/27.
- 3.5 Notwithstanding the potential positivity from announcements in the autumn budget the council's financial position has a significant structural year on year budget shortfall, alongside growing cost pressures, prominently in children's social care. The latest forecast position on; cost pressures, anticipated funding and the resultant budget planning gap to be addressed, are presented in this report.

#### **4. BUDGET PRESSURES**

- 4.1 As noted, the forecast position in the medium term is constantly evolving. Following the comprehensive update provided to members in June, the forecasts in the below table have been updated where necessary, and commentary on the areas of change provided in the subsequent paragraphs.

|                                 | 2025/26<br>£m | 2026/27<br>£m | 2027/28<br>£m | Total<br>£m   |
|---------------------------------|---------------|---------------|---------------|---------------|
| <b>Spending Pressures</b>       |               |               |               |               |
| Pay and Price Inflation         | 3.461         | 4.057         | 3.071         | 10.589        |
| Childrens Social Care           | 6.000         | 1.620         | 1.652         | 9.272         |
| Waste Disposal                  | 1.500         | 0.530         | 0.041         | 2.071         |
| Capital Financing               | 0.250         | 0.250         | 0.250         | 0.750         |
| <b>Total Spending Pressures</b> | <b>11.211</b> | <b>6.457</b>  | <b>5.014</b>  | <b>22.682</b> |

### Pay and Price - Pay Award Inflation

- 4.2 The national pay offer for 2024/25 was agreed during October. Following ballots, the trade unions accepted the original pay offer, which equates to £1,290 per employee regardless of grade, up to spinal point 43. This increase equates to a 5.77% increase at spinal point 2 and 2.50% at point 43. Spinal points above 43 will receive a 2.50% increase. As noted within the Strategic Financial Management Report elsewhere on today's agenda, the agreed pay award is below the value provided for when setting the 2024/25 budget, resulting in a saving of approximately £1.000m in 2024/25. This £1.000m, on-going, saving has been factored in to updated MTFS position for 2025/26.
- 4.3 Given the reducing levels of inflation in the economy, the MTFS currently has a pay award assumption for 2025/26 of 3% and then 2% in subsequent years, in line with the government's target inflation level. The significant increase to the National Living Wage may create upward pressure on any pay award in 2025/26 and as such pay assumptions in relation to these financial years, will be kept under close review.

### Pay and Price - General Price Inflation

- 4.4 The Consumer Price Index (CPI) measure of inflation fell to 1.7% in September 24 from 2.2% in August 24. However a rebound in inflation is expected, driven by the rise in Ofgem's utility price cap on 1st October. As a result CPI inflation is forecast to move above the 2.0% target in the coming months to around 2.5%.
- 4.5 Inflation forecasts and general economic stability continues to be heavily caveated around the potentially volatile impacts of geopolitical factors, namely escalating developments in the Middle East, Ukraine/Russia conflict and the recent United States election.
- 4.6 Given the general lower inflationary environment, coupled with procurement efficiencies generated, no general inflation has been allowed for 2025/26, with provision reverting to 2% over the remaining MTFS period. Bespoke inflation is included for specific contracts where differing inflation indices are used and provision for identified minor pressures has also been included.

### **Pay and Price – Adult Social Care Contracts**

- 4.7 The net budget for packages of care is approximately £30m and annual increases to care home fees and home care rates are determined using an established formula. The annual inflation uplift is based on a range of factors and recent increases have been driven predominantly by increases in the National Living Wage (NLW) and the level of non-pay inflation.
- 4.8 The Government's Autumn Budget confirmed the National Living Wage for age 21 and over will increase from £11.44 an hour (April 2024) to £12.21 per hour from April 2025, a rise of 6.7%. The increase to £12.21 is above previous planning assumptions, therefore the budget requirement forecast has been increased accordingly. The impact of the non-pay inflation elements will be confirmed through CPI indices measures published in the coming months and therefore remain based on forecasts. At this stage, no provision has been made for any increase in National Insurance contributions incurred by care providers.

### **Pay and Price - Income**

- 4.9 Historically, for budget planning purposes it has been assumed that all discretionary fees and charges will increase in line with inflation each year. Given the council's financial position and the recent inflationary impact on the council's expenditure budgets, it is proposed to uplift discretionary fees and charges for 2025/26 by a minimum of 5%. Areas with existing income budget shortfalls will still action an increase in charges in April 2025 where appropriate, but prudently the overall income budget target will not be increased, allowing the price increase to address the existing gap.

### **Energy Inflation**

- 4.10 Recent years have seen unprecedented market volatility, driven by Covid-19, the Russia-Ukraine war, extreme weather patterns and geopolitical tensions, as well as the UK and Europe's ambitions to move to better security of supply and alternative generation types. This has created a monumental shift in what typical market activity looks like. This movement from traditional market norms has created a market that is very reactive and has the potential to move far more substantially in very short windows of time.
- 4.11 In response to this turbulence, the Council progressed a twofold strategy of increasing the revenue budget for anticipated long term prices, coupled with use of an energy reserve for the shorter term spike. This approach has served the Council well since 2022/23.
- 4.12 The Council purchases its energy via the regional North East Purchasing Organisation (NEPO), which has an agreed Risk and Purchasing Strategy in place to forward buy energy as deemed prudent. At present,

approximately half of the energy requirement for 2025/26 has been purchased.

- 4.13 Although energy pricing is forecast to fall in 2025/26, from a budgeting perspective this is likely only to minimise or remove the requirement to supplement the budget with use of the Energy Reserve. To that end, at this stage it is prudent to maintain the base budget and apply normal inflation increases, with the position monitored closely given the potential for further market volatilities.

### **Children's Social Care**

- 4.14 The budget pressures in this area continue to be of significant concern for our Council, and many across the region and country. Many areas of expenditure relating to children in our care are experiencing significant and on-going inflationary pressures, these include; external placements, independent foster agency (IFA) placements and allowance payments.
- 4.15 In addition to the inflationary pressures, the proportion of children needing to be placed in the most costly, external placement homes, has continued to increase during 2024. There are currently 42 children in external placement care. The complexity of children's needs is driving this increase, at a time where finite capacity in the specific market is leading to ever increasing prices being demanded for accommodation. The average weekly cost of a placement has increased by over 40% over the last three years. The average cost of a new external placement since July 2024 has been c£6,000 per week, with highest costs external placements being in excess of £10,000 per week.
- 4.16 The Council continues, where possible, to try and mitigate pressures through; promotion of in-house fostering including as part of a large scale regional recruitment initiative, opening new Local Authority run homes within Hartlepool and also working in partnership with local providers to secure local, lower cost placements. In addition, increased staffing resource, funded by invest to save reserves, is being provided during 2024/25, through the creation of an additional team to provide further support to families who are at risk of having children enter the care system. This team commenced its valuable 'edge of care' intervention activity during the summer and has been fully staffed since October 2024.
- 4.17 Despite this approach and additional resources of £4.5m being added to the budget for 2024/25, the budget is experiencing significant pressure in the current financial year, with a 2024/25 forecast overspend, approaching £6m. Given this significant and unprecedented spend pressure it is deemed necessary to increase the budget planning requirement from £1.5m, phased over the three year period included within the MTFS, to £9.3m (£6.0m 2024/25, £1.6m 2025/26 and £1.7m 2026/27). The profile reflects the need to address the current shortfall position followed by lower inflationary driven increases, as initiatives to tackle, curb and ultimately aim to reverse this growing pressure continue.

- 4.18 The financial impact on the council's financial stability and resilience due to this increased MTFS pressure is of extreme concern and one which requires a multifaceted approach to address. This includes the need for government intervention in the provider market, additional funding from government to acknowledge the correlation of care needs linked to deprivation, introduction of a major early intervention support programme to assist parenting and societal issues impacting on families, alongside, the measures being delivered locally within the resource we have, as noted in 4.16 above.
- 4.19 The Government's Autumn Budget did acknowledge the national crisis in this area, with £600m of the £1.3bn for 2024/25 to be directed to Social Care. In addition, the Autumn Budget red book, detailed the following plan; "Building on existing reform pathfinders, and the new investment in kinship and fostering announced in Phase 1 of the Spending Review, the government will set out plans for fundamental reform of the children's social care system in Phase 2. This will include promoting early intervention to help children to stay with their families where possible and fixing the broken care market".

### **Waste Disposal**

- 4.20 Hartlepool has entered into a partnership with six other Local Authorities in the region to procure a new Energy from Waste facility. The procurement process is on-going, with an anticipated go-live date during 2029. The Council has benefitted from very competitive gate fees with the current incumbent, however, these fees are forecast to step up significantly for the 2025/26 year as part of the contract extension arrangement.
- 4.21 The financial due diligence work continues in relation to the above. The forecast budget impact of £2m remains within the MTFS period, and the latest understanding of the phasing is incorporated.

### **Capital Financing**

- 4.22 A recurring annual saving of £2m has previously been taken over a 12 year period (2017/18 to 2028/29) following a change to the Council's Minimum Revenue Provision (MRP) policy. This saving unwinds to £1m, with a reduction in 2029/30 of £0.6m and a further £0.4m in 2030/31. To avoid these cliff edge impacts on the MTFS, a capital financing pressure of £0.150m per annum was previously introduced in the MTFS. This annual pressure was increased to £0.250m to reflect the approved borrowing requirement for the Highlight leisure facility.
- 4.23 A recent review of the MRP policy has identified an inconsistency in approach across borrowing areas. The proposed alignment of this approach across all areas (as included in **Appendix B**) will provide a

reduced MRP cost in the short term, slowly increased over the life of the asset, resulting in greater alignment with budgets as their naturally inflate.

- 4.24 In the lead up to the autumn budget the rate at which the government borrows, crept up in anticipation of some of the measures being trailed. This GILT rate has a direct impact on PWLB borrowing rates. The rate has further increased since and has likely been impacted by other geopolitical events including the American election. The council is carefully considering its Treasury Management position to determine the likely timelines for rate reductions and how this will impact on borrowing costs. An additional budget pressure may arise in this area.

## **5. GOVERNMENT FUNDING**

- 5.1 The Local Government Finance Settlement for 2025/26 will be another one-year settlement for councils, continuing the trend of recent years. The settlement document which is released by MHCLG confirms the grant allocations to individual councils along with other information relevant for budget setting. Current indications are that the provisional settlement will be published during the week commencing 16<sup>th</sup> December, and potentially as late as 19<sup>th</sup> December.
- 5.2 Positively the Autumn Budget did confirm a full review of funding distribution and also delivery of multi-year funding settlements from 2026/27; The Budget red book noted; “The government recognises the pressures that local authorities are facing and will have a framework in place to support those in most difficulty. The government is also committed to pursuing a comprehensive set of reforms to return the sector to a sustainable position. This will include reform of the approach to allocating funding through the Local Government Finance Settlement, starting with a targeted approach to allocating additional funding in 2025-26, ahead of a broader redistribution of funding through a multi-year settlement from 2026-27.”
- 5.3 This long awaited fair funding review, which should encapsulate a reset of the business rates retention system, will ensure a fairer distribution of resources across the country and be reflective of need. Whilst there is no certainty, the Council has a reasonable expectation of additional funding through this review, not least due to our relative position on Business Rates. However, given the overall financial stress in the sector, fair funding is difficult to implement without a further substantial injection of government funding into the sector. A multi-year settlement will provide a firmer basis on which to effectively plan in to the medium term.

### **Revenue Support Grant (RSG)**

- 5.4 Over recent years this grant has increased in line with the proceeding September's CPI. Following the publishing of the September CPI rate of 1.7%, the MTFS forecast for this grant has been reduced accordingly from

the previously assumed 2% increase. There remains a risk that the national quantum of funding available results in a lower or no increase.

### **Social Care Funding**

- 5.5 It is assumed that all ring fenced Social Care grants which have been introduced and increased over recent years to support care pressures, will continue in to the medium term.
- 5.6 The Autumn Budget announced an additional £600m of grant funding in to social care for 2025/2026. The allocation methodology for this additional funding is currently not known, and is difficult to predict given prior years allocations have used differing approaches i.e. some elements being varied to favour those council's with lower council tax basis, like Hartlepool.
- 5.7 The improved Better Care Fund grant has no assumed increase applied in the MTFS budget model at this stage. As noted at paragraph 5.19 an additional £86m was announced for Disabled Facilities Grants and once our allocation is known, this will be factored into the budget.

### **Public Health Funding**

- 5.8 The Council received its 2024/25 allocation for the ring-fenced Public Health grant on the 9<sup>th</sup> February 2024. The allocation was in line with the estimate of £9.794m and was allocated to Public Health priorities. The MTFS inflationary assumption has been reduced to 1.7% from 2% which was previously assumed for 2025/26. There is concern within the sector that no inflation will be applied to this grant.

### **New Homes Bonus (NHB)**

- 5.9 This grant was extended for a further year as part of the 2024/25 Settlement, but its future remains uncertain. Due to housing growth and bringing empty properties back in to use in Hartlepool, an increased grant for 2024/25 was confirmed. The allocation increased from £0.447m in 2023/24 to £1.224m in 2024/25. Due to the sporadic nature and uncertainty of this grant generally, the grant assumed from 2025/26 has reverted to £0.447m within the MTFS. The position will be kept under review, although based on recent years uncertainty, a full understanding of the position is unlikely to be known until the provision local government finance settlement is published, as such it remains a risk.

### **Services Grant**

- 5.10 This was a new grant introduced by government in 2022/23, with £822m nationally and the distribution formula included an element for deprivation which was favourable for Hartlepool. For 2023/24 the grant was reduced to £464m. For 2024/25 the grant has been significantly reduced further to £77m, to fund increases elsewhere in the overall settlement.

- 5.11 For the Council the grant reduced from £1.964m in 2022/23 to £1.107m in 2023/24, and further reduced to £0.199m for 2024/25. The MTFS currently assumes that the grant will remain at the 2024/25 level, although this remains a high risk, especially given prior year reductions to fund increases in other grants.

### **Business Rates Top Up Grant**

- 5.12 The Business Rates multiplier and Top Up grants have historically increased in line with September CPI inflation. Following the publishing of the September CPI rate of 1.7%, the MTFS forecasts have been adjusted accordingly.

### **Extended Producer Responsibility (EPR)**

- 5.13 The government has reaffirmed commitment to move towards a zero-waste economy and implementing the Collection and Packaging Reforms Programme. The implementation of the Extended Producer Responsibility (EPR) scheme, will effectively charge the producers of packaging and use the collected revenues to provide additional grant funding to council's as the body who incur the costs of its collection and disposal. Local authorities will receive an estimated £1.1bn in additional income from the EPR scheme, starting in January 2025. The Treasury will guarantee authorities' funding streams in 2025/26, with local authorities taking the risk on any changes in income from 2026/27 onwards.
- 5.14 It is not clear yet how this income will be allocated (especially in two-tier areas), or the extent to which it will have to be used to fund additional costs. It is understood that DEFRA will be writing to authorities informing them how much grant they can expect to receive. There is currently no information on how funding will be distributed across the country, or between tiers (i.e. between waste collection and disposal functions). The MTFS will be updated when further information is received from DEFRA, as such no assumed grant is included at this stage.

### **Other Autumn Budget Funding Announcements**

- 5.15 The government's Autumn Budget provided announcements on a number of ring-fenced grant areas which are outside of the headline £1.7bn increase in core grant for 2025/26. The grant areas and headline national allocations are noted below. Actual allocations to councils will be announced by the respective Government departments in the coming months.
- 5.16 Housing and Household Support Fund (HSF) - the Household Support Fund (HSF) will continue in 2025/26 (£1bn UK-wide), following lobbying from charities and local government. Discretionary Housing Payments will also be extended into 2025/26.

- 5.17 Homelessness Funding - the government is providing £233m of additional spending in 2025/26 to support homelessness, taking total spending to £1bn. This will be directed towards help to prevent increases in the number of families in temporary accommodation and help to prevent rough sleeping.
- 5.18 Special educational needs and disabilities (SEND) funding - an additional £1bn for the special educational needs and disabilities (SEND) system will be provided in 2025/26. This funding will come via the Dedicated Schools Grant (DSG) and help mitigate escalating spend pressures within the High Needs funding block.
- 5.19 Disabled Facilities Grant (DFG) - an addition £86m to the Disabled Facilities Grant to support around 7,800 more adaptations to homes nationally, for those with social care needs, to reduce hospitalisations and prolong independence.

## **6. LOCAL FUNDING**

### **Business Rates**

- 6.1 Under the current Business Rates funding regime, the Council retains locally 49% of Business Rate income. Inherent in the system is an annual uplift usually based on September CPI, therefore this has been factored into the position at 1.7%. In addition, an assumed increase in business rates of £0.500m is now factored in to the MTFS, this is evidenced by growth in business rates collectable in recent years. All other assumptions impacting Business Rates have remained unchanged i.e. provision for appeals, uncollectable debt and discretionary reliefs will remain broadly consistent.
- 6.2 The Autumn Budget confirmed that the standard multiplier will be indexed at 1.67% and that the small rate multiplier will be frozen for 2025/26. From 2026/27, new powers to set differing rates for particular sectors will likely allow permanently lower charges for those businesses in the Retail Hospitality and Leisure (RHL) sector. For 2025/26 the RHL sector will receive relief of 40%, which is a reduction from the 75% relief being provided in the current financial year.
- 6.3 There does remain the on-going risk that the Council will enter a safety net position should we experience significant appeals or reductions to our business rates base. In simple terms this comes about if the collectable business rates falls below 92.5% of the baseline. Funding will be provided by government to support the Council in such a scenario, albeit there will be an increased cost of circa £1.1m a year until any reset is enacted. A reserve is held to help mitigate this position for one year should it occur.
- 6.4 Generally, the impact of additional cost pressures on businesses and uncertain consumer demand may impact on the collectability of business

rates. The position will be kept under review and adjustments made to forecasts should the need arise.

### **Council Tax**

- 6.5 The Council has a track record of Council Tax base growth in recent years. Whilst new build continues to be positive, the position continues to be impacted by exemptions and discounts, including the Single Person Discount (SPD). Hartlepool is not unique in facing these pressures. Investment in fraud detection is providing reductions in the claiming of SPD, which positively impacts the base position.
- 6.6 Whilst housing growth continues to look positive, there remains a risk that the wider economic environment i.e. interest rates, may have a detrimental impact on growth as well as collectability of Council Tax should household incomes continue to be under strain. Growth in the base of 675 is now allowed for in the budget model for 2025/26. This reflects the increases anticipated following “holiday home” premiums to be introduced in 2025/26 as well as our efforts to reduce SPD fraud. Base increases prudently revert to 200 per year from 2026/27 onwards, but will be kept under review.
- 6.7 The high level national spending power projections included in the Autumn Budget and the Office for Budget Responsibility’s (OBR) report, infer a council tax increase in line with the previous 5% Council Tax and ASC referendum limit. The actual referendum limit for 2025/26 will be confirmed by government in either the Local Government Finance Settlement Policy document or the Provisional Settlement itself in December. Given the commentary in this area is indicating a likely 5% limit, the MTFS has been adjusted in line with an increase at this level. Council Tax decisions will be finalised later in the budget process.

## **7. RESERVES**

- 7.1 The Council holds reserves for a variety of purposes, including those allocated for known commitments and risks, including capital schemes, the MTFS budget position, our insurance fund and business rates appeals risks. The reserve position has been volatile in recent years given the significant inflationary and demand pressures experienced. The only unallocated reserve is our general fund reserve, which serves as a reserve of last resort.
- 7.2 To support the smoothing of the MTFS position whilst savings and transformation activity is able to be delivered, a full review of existing reserves has been carried out. This review is to re-prioritise reserves, where possible, in support of the Business Support Fund and also provide the resources necessary to support delivery of Transformation activity. As shown at **Appendix A** £3.897m of revenue reserves have been redirected to the Budget Support Fund and Transformation reserve. This movement

is deemed essential to support medium term financial planning of the budget.

- 7.3 The use of one-off reserves to balance the on-going revenue budget position is not a financially sustainable basis to set our budget. However, the volatility of local government finances over recent years has necessitated we do so, but in a planned and carefully managed way. The Budget Support Fund is available to smooth the budget deficits where possible, as well as to meet one-off costs associated with generating on-going efficiencies.
- 7.4 For the 2024/25 budget setting, £3.166m of the Budget Support Fund was used to support the overall budget position. The one-off nature of reserves means that the budget position is detrimentally hit in subsequent years as their use unwinds. In addition, based on the latest outturn forecast overspend for 2024/25, a further £1.670m of the Budget Support Fund will need to be utilised.

## **8. STRATEGY FOR BALANCING THE BUDGET POSITION**

- 8.1 Based on the position outlined in sections 3 to 7 above, the consolidated budget position to be addressed over the 3 year MTFS period is shown in the table below. The gap to be addressed for 2025/26 is currently forecast to be £13.144m, with a three year gap to 2027/28 of £21.522m. This position has worsened since the last MTFS update report to Committee in June, largely due to the cost pressure escalation in Children's Social Care. This position does not factor in the impact of any increased revenue arising from Council Tax decisions.
- 8.2 The position presented continues to have uncertainty and risk in both the short and medium term given general economic uncertainties and the fact that clarity on funding for 2025/26, which won't be known until December, and beyond that time frame for reform of the local government finance system.

|   | 2025/26<br>£m | 2026/27<br>£m | 2027/28<br>£m | Total<br>£m   |
|---|---------------|---------------|---------------|---------------|
| <b>Spending Pressures</b>   |               |               |               |               |
| Pay and Price Inflation   | 3.461         | 4.057         | 3.071         | 10.589        |
| Childrens Social Care   | 6.000         | 1.620         | 1.652         | 9.272         |
| Waste Disposal  | 1.500         | 0.530         | 0.041         | 2.071         |
| Capital Financing   | 0.250         | 0.250         | 0.250         | 0.750         |
| <b>Total Spending Pressures</b>   | <b>11.211</b> | <b>6.457</b>  | <b>5.014</b>  | <b>22.682</b> |
| Government Grant Changes  | 0.228         | (0.656)       | (0.669)       | (1.096)       |
| <b>Gap Before Local Funding</b>   | <b>11.439</b> | <b>5.802</b>  | <b>4.345</b>  | <b>21.586</b> |
| Business Rates  | (0.895)       | (0.483)       | (0.493)       | (1.871)       |
| Council Tax - Base Increase   | (1.339)       | (0.397)       | (0.397)       | (2.133)       |
| Collection Fund (Surplus)/Deficit   | 0.124         | 0.000         | 0.000         | 0.124         |
| <b>Gap Before Current Use of Reserves</b>   | <b>9.328</b>  | <b>4.922</b>  | <b>3.456</b>  | <b>17.706</b> |
| Temporary Use of Budget Support Fund (reversal)                                   | 3.166         | 0.000         | 0.000         | 3.166         |
| Temporary Use of Investment Income (reversal)                                     | 0.650         | 0.000         | 0.000         | 0.650         |
| <b>Bottom Line Gap to be Addressed (before Council Tax increases and Savings)</b> | <b>13.144</b> | <b>4.922</b>  | <b>3.456</b>  | <b>21.522</b> |
| <b>Cumulative Gap (before Council Tax increases and Savings)</b>                  | <b>13.144</b> | <b>18.066</b> | <b>21.522</b> |               |

- 8.3 Given the assumption of an unchanged Council Tax referendum limit of 5%, for the purposes of this update the maximum allowable Council Tax increase is applied i.e. for 2025/26 a 2.99% core council tax rise and 2% ASC precept rise, leading to a total rise of 4.99%. The table below shows the budget gap after assumed council tax increase over the MTFS period.

|  | 2025/26<br>£m | 2026/27<br>£m | 2027/28<br>£m | Total<br>£m   |
|--|---------------|---------------|---------------|---------------|
| <b>Gap to be Addressed (before Council Tax increases)</b>            | <b>13.144</b> | <b>4.922</b>  | <b>3.456</b>  | <b>21.522</b> |
| Council Tax and Adult Social Care Precept increase                   | (2.625)       | (2.797)       | (2.978)       | (8.400)       |
| <b>Bottom Line Gap to be Addressed (after Council Tax increases)</b> | <b>10.519</b> | <b>2.125</b>  | <b>0.478</b>  | <b>13.122</b> |
| <b>Cumulative Gap</b>  | <b>10.519</b> | <b>12.644</b> | <b>13.122</b> |               |

- 8.4 After an assumed Council Tax charge increase of a total of 5% per year, there remains a funding gap of £10.519m in 2025/26 and £13.122m over the medium term. Subject to government funding changes, the options to meet this gap are; the approving and delivering of immediate savings plans, transformational changes and temporary use of reserves, although the latter, as noted previously, is a short-term measure pending further savings being delivered.

## Savings Proposals

- 8.5 Where possible, a strategic and transformational approach to financial planning has been adopted, but the seriousness of the financial position presented may necessitate the significant reduction or full cessation of some front line services delivered by the Council.
- 8.6 The Council's Transformation Plan approved by the Committee in June outlined the approach and principles to achieve the Target Operating Model for the council.
- 8.7 Transformation activity is progressing in the following key areas;
- **Demand Management;**
    - Adult Social Care – Sustainability
    - Childrens Social Care – Sufficiency
    - Waste and Recycling
  - **Service Reviews;**
    - Leisure, Culture and Performance Review
    - Schools Catering and Cleaning Review
  - **Land and Property Review**
  - **Fees and Charges Review**
  - **Digitalisation and Back Office;**
    - Customer Contact
    - Income and Cash Management
    - Revenues collection and maximisation
    - ICT Transformation
    - Digital Blue Print
- 8.8 Further work is progressing on these schemes to determine possible additional savings that may be realised over the coming years and an update will be provided as part of the next iteration of the MTFS.
- 8.9 Given the timescales and resource requirements to deliver some elements of transformation, savings are likely to take a period of time to be achieved. In addition, the quantum of savings likely to be generated will not satisfy the current budget gap. To support the delivery of an affordable budget for 2025/26 detailed savings proposals have been developed by senior officers, in consultation with lead members for approval now.
- 8.10 Savings proposals of £2.954m for 2025/26 and £3.109m in total of the MTFS period have been developed as summarised by Directorate in the table below. **Appendix B** provides the detailed proposals along with information on equality and poverty impact.

|  | 2025/26<br>£m  | 2026/27<br>£m  | 2027/28<br>£m | Total<br>£m    |
|--|----------------|----------------|---------------|----------------|
| Adults and Community Services              | (0.630)        | (0.155)        | (0.050)       | (0.835)        |
| Childrens and Joint Commissioning          | (0.198)        | 0.000          | 0.000         | (0.198)        |
| Development, Neighbourhoods and Regulatory | (0.675)        | (0.050)        | 0.000         | (0.725)        |
| Finance, IT and Digital                    | (0.357)        | 0.000          | 0.000         | (0.357)        |
| Legal, Governance and Human Resources      | (0.094)        | 0.000          | 0.000         | (0.094)        |
| Corporate                                  | (1.000)        | 0.050          | 0.050         | (0.900)        |
| <b>TOTAL SAVINGS</b>                       | <b>(2.954)</b> | <b>(0.155)</b> | <b>0.000</b>  | <b>(3.109)</b> |

- 8.11 In developing savings proposals, Directors and lead members have sought to minimise the impact on staff numbers across the authority. At this stage it is envisaged that any reductions in staffing will predominantly be removal of vacant posts, natural turnover and voluntary redundancy.

### Use of Reserves

- 8.12 As previously set out, the use of one-off reserves to balance the on-going revenue budget position is not a sustainable approach to setting the budget. Whilst it shunts some of the budget gap back a year, it presents a danger that the Council simply utilises one-off money on delaying decisions. In addition, this approach reduces the scope for the Council to invest and innovate in order to generate recurring savings. However, the budget position generally, significant pressures in children's social care and future uncertainty on government funding may continue to necessitate use of some reserves where possible, over the period.
- 8.13 The aim of setting the Council's budget is that it should be sustainable over the medium term period, with recurring spend funded by recurring income. Decisions on use of reserves should be made consistent with that aim. As such it is essential that any use of reserves should be done on a well-managed and diminishing basis.
- 8.14 The Council holds a Budget Support Fund (BSF) to help to smooth the budget position over the MTFS period. The current position of the BSF is set out in the table below. The position reflects the reserve review process as outlined in section 7.2. The position also reflects the use of £3.166m to balance the 2024/25 budget position as agreed as part of the annual budget setting process and the current year forecast overspend for 2024/25.
- 8.15 At this stage a maximum of £5.5m of the Budget Support Fund is available to support smoothing balancing the budget over the MTFS period. This would leave a balance of less than £1m to support any in year overspends. Use of this level of balances would only be possible in conjunction with a developed and supported transformation programme to accelerate savings and minimise the risk of overspend.

|  | £m            |
|--|---------------|
| <b>Balance as at 31 March 2024</b>                   | <b>7.947</b>  |
| Add  |               |
| Reserves review transfers                            | 3.147         |
| <b>Adjusted Balance</b>                              | <b>11.094</b> |
| Less   |               |
| Planned Use of reserve to support 2024/25 budget     | (3.166)       |
| Use of reserve to support 2024/25 forecast overspend | (1.670)       |
| Use of reserve to support 2025/26 – 2027/28 budget   | (5.500)       |
| <b>Forecast uncommitted balance over the period</b>  | <b>0.758</b>  |

### Overall Position

- 8.16 After taking account of the savings proposals and the potential use of reserves a budget gap still remains as detailed below.

|   | 2025/26<br>£m | 2026/27<br>£m | 2027/28<br>£m | Total<br>£m   |
|---|---------------|---------------|---------------|---------------|
| <b>Gap to be Addressed</b>                | <b>10.519</b> | <b>2.125</b>  | <b>0.478</b>  | <b>13.122</b> |
| Proposed Savings                          | (2.954)       | (0.155)       | 0.000         | (3.109)       |
| Potential Maximum Use of Reserves 2025/26 | (3.500)       | 3.500         | 0.000         | 0.000         |
| Potential Maximum Use of Reserves 2026/27 | 0.000         | (2.000)       | 2.000         | 0.000         |
| <b>Bottom Line Gap to be Addressed</b>    | <b>4.065</b>  | <b>3.470</b>  | <b>2.478</b>  | <b>10.013</b> |
| <b>Cumulative Gap</b>                     | <b>4.065</b>  | <b>7.535</b>  | <b>10.013</b> |               |

- 8.17 Given the level of Reserves available and already committed, the remaining budget gap for 2025/26 will need to be addressed, with firm plans for balancing future years.
- 8.18 There remains significant uncertainty with regard the outcome of the final local government finance settlement. There are a number of pressures arising from the autumn budget particularly with regard to the National Insurance increase. Equally there is the potential of significant additional funding being made available to Hartlepool on the back of targeted deprivation funding and the Extended Producer Responsibility Scheme.
- 8.19 External experts on Council funding have identified scenarios that fully eradicate the current budget gap for 2025/26, should the existing savings put forward be approved. However, the assumptions contained within these scenarios are heavily caveated. Ultimately given the significant level of uncertainty we will not know the position until the settlement in mid to late December.
- 8.20 At this stage the council is continuing to develop savings proposals and progressing transformation plans, cognisant of;
- a) the risk that additional funding will be insufficient;
  - b) the risk around emerging and future cost pressures;
  - c) the risk that future funding settlements could be restrictive; and

- d) the need to fully address the on-going deficit to ensure we are fully sustainable going forward.

- 8.21 The position will be updated in the next iteration of the MTFS once the settlement has been confirmed and decisions will be progressed accordingly. This could require policy committee meetings being arranged at short notice to consider proposals.

## **Conclusion**

- 8.22 The updated position set out in this report represents the latest understanding of cost pressures and funding assumptions impacting the Council. The emerging position will continue to be monitored over the coming months and will be impacted by a number of areas, notably; in-year budget forecasts, inflation movements, the Provisional Local Government Finance Settlement at the end of December. A further update and detailed budget recommendations will be presented to the Committee in January 2025.

## **9. LEGAL CONSIDERATIONS**

- 9.1 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 starts 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 Finance, IT and Digital) 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.

## **10. EQUALITY AND DIVERSITY**

- 10.1 The savings proposals put forward will impact on the delivery of frontline services or service users to varying degrees. There are some proposals which simply by the nature of the service area that they cover will impact on those with protected characteristics e.g. children's social care relating to children who are in the Council's care. However, owing to the financial challenges facing the Council we have no choice but to change, redesign and potentially close services to reduce costs. Where we need to change, redesign and close services we are working to minimise the impact on those with protected characteristics and will focus on securing services for those who are the most vulnerable within those protected characteristics.

- 10.2 Members are aware from previous MTFS reports that in making financial decisions the Council is required to demonstrate that those decisions are made in a fair, transparent and accountable way, considering the needs and the rights of different members of the community. This is achieved through assessing the impact that changes to policies, procedures and practices could have on different equality groups.
- 10.3 An initial analysis has been undertaken to determine the potential negative impact of the proposals put forward and these are detailed in the table in **Appendix B**. From this you will see that:
- 26 of the proposals identify no negative impact on equality;
  - 5 identify a negative impact on an age-related characteristic (2 on older people and 3 on children / young adults);
  - 3 identify a negative impact on disability;
  - 10 identify a negative impact on poverty and disadvantage\*; and
  - 2 identify a negative impact on care leavers\*.

\*Poverty and disadvantage and care leavers have been identified as local priorities in the Council's Equality, Diversity and Inclusion Policy.

## 11. CHILD AND FAMILY POVERTY

- 11.1 The initial analysis that has been undertaken to determine the potential impact of the proposals put forward as detailed in the table in **Appendix B** also considers the impact on those living in poverty and disadvantage. From this you will see that 10 of the proposals identify the potential for a negative impact on those in poverty and disadvantage.
- 11.2 Following further consideration it is considered that many of these potential negative impacts are minor, have mitigations in place or would affect a small proportion of individuals. As such there is no consolidated impact that would need further consideration.

## 12. OTHER CONSIDERATIONS

|                                       |  |
|---------------------------------------|--|
| Risk Implications                     | These are outlined in <b>Appendix C</b> .  |
| Financial Considerations              | As set out in the main body of the report.   |
| Subsidy Control                       | No subsidy control issues are expected to arise from the proposals within this report. |
| Child / Family Poverty Considerations | As set out in the main body of the report  |
| Equality and Diversity Considerations | As set out in the main body of the report  |
| Staff Considerations                  | As set out in the main body of the report  |

|   |   |
|---|---|
| Asset Management Considerations                               | Asset Management implications of the proposed savings are included, where appropriate, within the Savings detailed in <b>Appendix B</b> .                                   |
| Environment, Sustainability and Climate Change Considerations | Environmental, Sustainability and Climate Change considerations of the proposed savings are included, where appropriate, within the Savings detailed in <b>Appendix B</b> . |
| Consultation  | Consultation with local business representatives and Trades Unions will be carried out during January.  |

### 13. RECOMMENDATIONS

#### 13.1 It is recommended that Members:

- i) Note the report;
- ii) Note the assessment of the forecast budget gap and proposed approach to address this gap in Section 8;
- iii) Agree the proposals that relate to Finance and Policy committee contained within **Appendix B**;
- iv) Refer the savings proposals to individual policy committees and instructs them to identify replacement savings if these proposals are not supported;
- v) Note the risks and scenarios outlined in the report which may impact upon the financial position presented as part of future MTFS updates; and
- vi) Agree that the previously agreed budget timetable may need to be flexed dependent on the position post settlement, but that final approval of the budget must be made by council on the 20 February 2024 to ensure annual council tax billing commences promptly.

### 14. REASON FOR RECOMMENDATIONS

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

### 15. BACKGROUND PAPERS

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

- Finance and Policy Committee - Medium Term Financial Strategy (MTFS) 2024/25 to 2026/27 – 22<sup>nd</sup> January 2024;
- Council - Medium Term Financial Strategy (MTFS) 2024/25 Statutory Budget and Council Tax determination – 22<sup>nd</sup> February 2024.
- Finance and Policy Committee – Medium Term Financial Strategy (MTFS) 2025/26 to 2027/28 - 25<sup>th</sup> June 2024.

## 16. CONTACT OFFICER

James Magog  
Director of Finance, IT and Digital  
Email: [james.magog@hartlepool.gov.uk](mailto:james.magog@hartlepool.gov.uk)  
Telephone: 01429 523093

Paul Dixon  
Assistant Director, Corporate and Financial Services  
Email: [paul.dixon@hartlepool.gov.uk](mailto:paul.dixon@hartlepool.gov.uk)  
Telephone: 01429 523188

Sign Off:-

|                                      |                |
|--------------------------------------|----------------|
| Managing Director                    | Date: 13/11/24 |
| Director of Finance, IT and Digital  | Date: 13/11/24 |
| Director of Legal, Governance and HR | Date: 13/11/24 |

## RESERVES FORECASTS (EXCLUDING SCHOOL BALANCES, HRA AND UNUSABLE RESERVES)

## APPENDIX A

|                                       | Balance as at 31st March 2024 | Transfer between Reserves | Balance as at 31st March 2024 (Revised) | Forecast Use of Reserves |                 |                |                | Forecast Balance as at 31st March 2028 |
|---------------------------------------|-------------------------------|---------------------------|---|--------------------------|-----------------|----------------|----------------|--|
|                                       |                               |                           |   | 2024/25                  | 2025/26         | 2026/27        | 2027/28        |  |
|                                       | £'000                         | £'000                     | £'000                                   | £'000                    | £'000           | £'000          | £'000          | £'000                                  |
| Revenue Reserve                       | 5,501                         | (1)                       | 5,500                                   | 0                        | 0               | 0              | 0              | 5,500                                  |
| Budget Support Fund (BSF) 24/25-26/27 | 7,947                         | 3,147                     | 11,094                                  | (4,836)                  | (3,500)         | (2,000)        | 0              | 758                                    |
| BSF - Transformation Costs            | 2,000                         | 0                         | 2,000                                   | 0                        | (1,000)         | (500)          | (500)          | 0                                      |
| BSF - Invest to Save                  | 1,000                         | 750                       | 1,750                                   | (700)                    | (700)           | (350)          | 0              | 0                                      |
| Revenue Grants Unapplied              | 6,300                         | (560)                     | 5,740                                   | (2,330)                  | (1,405)         | (924)          | (931)          | 150                                    |
| Business Rates Risk Reserve           | 3,250                         | (2,250)                   | 1,000                                   | 0                        | 0               | 0              | 0              | 1,000                                  |
| Insurance Fund                        | 2,965                         | 0                         | 2,965                                   | (50)                     | (50)            | (50)           | (50)           | 2,765                                  |
| Children in our Care Reserve          | 1,230                         | 0                         | 1,230                                   | (475)                    | (500)           | (255)          | 0              | 0                                      |
| BSF - Treasury Management Income      | 1,150                         | 0                         | 1,150                                   | (650)                    | (500)           | 0              | 0              | 0                                      |
| Asset Management Reserve              | 1,000                         | 0                         | 1,000                                   | (500)                    | (500)           | 0              | 0              | 0                                      |
| Earmarked Revenue Reserves under £1m  | 7,411                         | (1,086)                   | 6,325                                   | (2,928)                  | (1,413)         | (731)          | (441)          | 812                                    |
| <b>Revenue Reserves Total</b>         | <b>39,754</b>                 | <b>0</b>                  | <b>39,754</b>                           | <b>(12,469)</b>          | <b>(9,568)</b>  | <b>(4,810)</b> | <b>(1,922)</b> | <b>10,985</b>                          |
|                                       |                               |                           |   |                          |                 |                |                |  |
| Earmarked Capital Reserves            | 9,606                         | 0                         | 9,606                                   | (4,262)                  | (2,772)         | (2,572)        | 0              | 0                                      |
| Capital Grants Unapplied              | 16,311                        | 0                         | 16,311                                  | (13,798)                 | (2,513)         | 0              | 0              | 0                                      |
|                                       |                               |                           |   |                          |                 |                |                |  |
| <b>TOTAL</b>                          | <b>65,671</b>                 | <b>0</b>                  | <b>65,671</b>                           | <b>(30,529)</b>          | <b>(14,853)</b> | <b>(7,382)</b> | <b>(1,922)</b> | <b>10,985</b>                          |

| Budget Book<br>Service Area                | Committee                                   | Proposal   | Detail  | Indicative Saving |               |               | Capacity /<br>Investment Needed | Initial Risks / Impact<br>Consideration  | Negative<br>equality or<br>poverty<br>impact<br>identified | Impact Assessment Notes  |
|--|---|--|---|-------------------|---------------|---------------|---------------------------------|--|--|--|
|  |   |  |   | 25/26<br>£000     | 26/27<br>£000 | 27/28<br>£000 |                                 |  |  |  |
| ASC - Working<br>Age Adults Day<br>Service | Adult and<br>Community<br>Based<br>Services | Reduction in transport<br>and service budgets            | Transport budget has had £50k underspend since covid and there is a further service budget underspend of £25k, both of which can be removed with no impact to services or staffing.   | 75                | 0             | 0             | No                              | None   | N/A  | There is no anticipated impact as there is no proposed change to the delivery of the existing service. Underspends on transport and a further service budget are to be removed with no impact to services or staffing.   |
| ASC -<br>Commissioning:<br>Adults          | Adult and<br>Community<br>Based<br>Services | Contract saving  | Introducing a dispersed supported housing model for adults with mental health needs resulted in a £50k saving in 2023/24. This can be removed from the budget with no impact to services or staffing.   | 50                | 0             | 0             | No                              | None   | N/A  | There is no anticipated impact as there is no proposed change to the delivery of the existing service. Underspend on the contract budget is to be removed with no impact to services or staffing.  |
| P&CBS -<br>Allotments                      | Adult and<br>Community<br>Based<br>Services | Increase allotment fees                                  | Introduce rent increase for 2026/27 to reduce the subsidy required for the service and to move towards a self sustainable model over a number of years.   | 0                 | 25            | 0             | No                              | None   | A and J  | The proposal to increase allotment fees may have an impact on age (a proportion of allotment holders are older) and those living in poverty and disadvantage making it less affordable for them to access the service. The proposed fee increase is line with the recommendations of an independent review and will support the gradual reduction of Council subsidy for the allotment service. Allotment tenants already have the option of paying in ten instalments and have also been given the option of moving to a smaller plot or splitting their plot where this can be accommodated. |
| P&CBS - NMRN<br>Subsidy                    | Adult and<br>Community<br>Based<br>Services | Reduce subsidy provided<br>to NMRN                       | Agreement to reduce subsidy by £50k for 2025/26 with an expectation of further reduction in subsequent years.   | 50                | 50            | 50            | No                              | None - already agreed.   | N/A  | There is no specific impact anticipated.   |
| P&CBS - Events<br>& Theatres               | Adult and<br>Community<br>Based<br>Services | Review funding<br>associated with delivery<br>of events. | Review the viability of the Council continuing to deliver events such as the Christmas Light Switch On as well as contributing to other independently delivered local events such as Wintertide and the Folk Festival. Consideration of available options to retain the Firework display at no cost to the council. | 75                | 0             | 0             | No                              | If this budget is deleted or reduced, the Council's ability to deliver any events will be reduced / removed. | J  | The proposal means that free to access events may not happen and this may negatively impact on those living in poverty and disadvantage who are unable to afford alternative, paid-for events delivered by the Council or private providers. However, the Council offers concessionary rates for performances, leisure memberships etc.  |

|                                      |                                    |  |   |     |     |    |    |  |     |  |
|--------------------------------------|------------------------------------|--|---|-----|-----|----|----|--|-----|--|
| P&CBS - Active & Creative Hartlepool | Adult and Community Based Services | Review of operations within Active & Creative Hartlepool services. | Review of operating model and staffing structure to achieve savings. This may include reviewing opening hours, changes to the services offered and reductions in staff numbers. | 40  | 40  | 0  | No | Risk to maintaining successful Leisure and Culture offer across current sites will need to be managed. | N/A | Savings in 2025/26 relate primarily to back office efficiencies and vacant posts. Proposed savings for 2026/27 will be subject to further impact analysis. |
| P&CBS - Community Hubs               | Adult and Community Based Services | Review of Community Hub operating model.                           | Review of operating model and staffing structure to achieve savings. This may include reviewing opening hours, changes to the services offered and reductions in staff numbers. | 40  | 40  | 0  | No | Risk to maintaining successful Community Hub offer across current sites will need to be managed.       | N/A | Savings in 2025/26 relate primarily to back office efficiencies and vacant posts. Proposed savings for 2026/27 will be subject to further impact analysis. |
|                                      |                                    |  |   | 330 | 155 | 50 |    |  |     |  |

**Service Transformation - Any savings identified are a target to deliver and indicative only at this stage.**

|   |                                    |  |   |     |     |     |  |   |     |  |
|---|------------------------------------|--|---|-----|-----|-----|--|---|-----|--|
| ASC - Packages of Care  | Adult and Community Based Services | Modernisation of financial assessment and debt recovery processes to maximise resources and streamline operations. | Introduce online financial assessments and promote welfare benefit maximisation to increase income, alongside an updated approach to debt recovery.   | 300 | 0   | 0   | Investment in online financial assessment (already identified through Market Sustainability and Improvement Fund grant). May require additional capacity in the User Property & Finance Team to achieve the savings. | Inherent risk associated with income generation due to cost of living.  | N/A | There is no anticipated impact as there is no proposed change to the delivery of the existing service. The proposed change relates to back-office processing activities.<br><br>There is a potential positive impact identified for poverty and disadvantage due to the promotion of welfare benefit maximisation. This should increase the amount of previously unclaimed benefits being accessed by service users. |
| P&CBS - Museums & Galleries, Sports & Leisure, Events & Theatre | Adult and Community Based Services | Leisure, Culture and Performance Venues Review   | A piece of work has been commissioned to review the current operating model of leisure and cultural services and appraise alternative options including transfer to another operator, an arms length model or trust or potential for asset transfer. This work will be concluded by March 2025 and potential savings and timescales can then be determined. Current savings identified for 2026/27 are indicative only at this stage. | 0   | Tbc | Tbc | No   | There is a need to consider collectively as considering assets in isolation risks potential to explore a wider solution for culture and leisure services and makes the option of a leisure trust or similar less attractive / feasible. Dependent on the model adopted there could be a risk of clawback linked to previous investments / grants. There could be a risk to level of services provided dependent on the options considered and selected. | TBC | An independent review of service delivery options has been commissioned. Any savings and an impact assessment will be complete as part of the options appraisal. The outcome of the review will be presented to Members in 2025 to inform budget planning for 2026/27.   |
|   |                                    |  |   | 300 | 0   | 0   |  |   |     |  |
|   |                                    |  |   | 630 | 155 | 50  |  |   |     |  |

| Budget Book<br>Service Area  | Committee             | Proposal  | Detail  | Indicative Saving |               |               | Capacity /<br>Investment Needed  | Initial Risks / Impact<br>Consideration  | Negative<br>equality or<br>poverty<br>impact<br>identified | Impact Assessment Notes   |
|--|-----------------------|---|---|-------------------|---------------|---------------|--|--|--|---|
|  |                       |   |   | 25/26<br>£000     | 26/27<br>£000 | 27/28<br>£000 |  |  |  |   |
| Children's<br>Services<br>(safeguarding<br>children)                   | Childrens<br>Services | Review of early<br>help/children in<br>need/vulnerable pupils   | Changes to Working Together<br>2023 creates the opportunity to<br>review how we deliver support for<br>children in need and early help.<br>This also links closely with the<br>changes to the role of the LA in<br>supporting vulnerable pupils and<br>family hubs agenda (funding and<br>new burdens from April 2025 not<br>yet known). Opportunity to<br>undertake a full service review<br>looking at lead professional<br>model and realigning workforce. | 100               | 0             | 0             | Can probably be<br>achieved within<br>current capacity of<br>leadership team | Will require a full review of current<br>service configuration to ensure there<br>are no unintended consequences to<br>changes. Will require teams and<br>practitioners to work differently in the<br>future and risk that we are creating<br>more handoff points in the system as<br>children's needs fluctuate across<br>thresholds of need. | N/A  | There is no anticipated impact as<br>there is no proposed change to the<br>delivery of the existing frontline<br>service.   |
| Education<br>(excluding DSG)   | Childrens<br>Services | Review of work of<br>Management Information<br>Team   | Review mandatory work of MIT<br>for statutory returns and volume<br>and cost of non statutory schools<br>work to ensure income meets<br>cost of delivery and if not to<br>cease to provide.   | 40                | 0             | 0             | Can probably be<br>achieved within<br>current capacity of<br>leadership team | Cuts to services to schools  | N/A  | There is no anticipated impact.   |
| Children's<br>Services<br>(direct payments<br>and short<br>break care) | Childrens<br>Services | Review and reduction in<br>provision of direct<br>payments to families in<br>lieu of services and<br>review of SBC service<br>statement and non<br>statutory commissioning<br>with limited impact | Current model for DP requires<br>review and overhaul to be based<br>around need. Parallel to this, we<br>have developed an in house<br>support team for children and<br>young people with disabilities and<br>increased take up of this service<br>can see corresponding decrease<br>in DP. Undertake a systems<br>review of the SB statement and<br>commissioned services to align<br>with enhanced support offer and<br>reduction in DP                     | 40                | 0             | 0             | Can probably be<br>achieved within<br>current capacity of<br>leadership team | If all non statutory services were to<br>cease, this would lead to an<br>increase in children and families<br>presenting for assistance and<br>support and potentially more<br>children coming into our care.  | A & B  | Although there will be some change<br>to the way that the service is<br>received by eligible individuals these<br>changes will be subject to the<br>following mitigations:<br>· A wraparound support team is in<br>place to provide direct support to<br>families rather than making<br>payments to families so that they<br>can pay for their own support.<br>· Moving towards direct payments<br>being needs-led rather than funding-<br>led to increase efficiency by being<br>able to block buy activities. |
| Children's<br>Services (play<br>and care)                              | Childrens<br>Services | Closure of OSCARs out<br>of school and holiday<br>provision   | Significant changes in the<br>education and child care<br>landscape has impacted upon<br>the OSCARs service leading to a<br>reduction in the numbers of<br>children who access the<br>provision. As a consequence, the<br>service runs a deficit budget.<br>Work has been undertaken to<br>make the service financially<br>viable and exploring alternative<br>delivery models, however, no<br>viable options have been<br>identified.                        | 18                | 0             | 0             | Can be achieved<br>within current<br>capacity of<br>leadership team          | For the children who access<br>OSCARs there will be a need to<br>work with families to make alterative<br>arrangements for them. This will be<br>supported through the child care<br>team who undertake a sufficiency<br>analysis of the child care market and<br>can match demand with vacant<br>places.                                      | N/A  | Although the removal of the service<br>will impact on those children who are<br>currently accessing the service<br>mitigation action is planned to<br>support families to access<br>alternative childcare provision.  |
|  |                       |   |   | 198               | 0             | 0             |  |  |  |   |

|   |                    |   |   |                |   |   |   |  |     |  |
|---|--------------------|---|---|----------------|---|---|---|--|-----|--|
| Children's Services<br>(children in our care) | Childrens Services | Increase sufficiency of placements for children in our care | Recruitment campaign to increase the in house foster carer capacity and open one further two 1-2 bed children's home. Block purchase capacity in development of children's home with local VCSC | Cost avoidance | 0 | 0 | Capital investment in purchasing property and refurbishment costs. Additional financial cost of staffing and running children's home. | High cost investment but in current independent sector market significantly more cost effective and better quality placements. | N/A | There will be a positive impact on children in our care as they will be able to remain in Hartlepool rather than being placed in out of town placements. |
|---|--------------------|---|---|----------------|---|---|---|--|-----|--|

|   |   |   |
|---|---|---|
| 0 | 0 | 0 |
|---|---|---|

|     |   |   |
|-----|---|---|
| 198 | 0 | 0 |
|-----|---|---|

| Budget Book<br>Service Area     | Committee              | Proposal   | Detail   | Indicative Saving |               |               | Capacity /<br>Investment Needed  | Initial Risks / Impact<br>Consideration  | Negative<br>equality or<br>poverty<br>impact<br>identified | Impact Assessment Notes   |
|---------------------------------|------------------------|--|--|-------------------|---------------|---------------|--|--|--|---|
|                                 |                        |  |  | 25/26<br>£000     | 26/27<br>£000 | 27/28<br>£000 |  |  |  |   |
| Cross Cutting                   | Finance and Policy     | Contract Hire, Travel and Mileage Review   | This piece of work will focus on the use of personal mileage claims to encourage improved journey planning to create savings and also the hire of contract vehicles for work purposes to ensure that those costs can be reduced by identifying high and unnecessary spends.  | 50                | 0             | 0             | Yes as to improve the efficiency we will need to introduce a new operating system for contract hire vehicles | A significant amount of work has been undertaken on this project, while a further piece of work has commenced which will require some transformational funding to complete this project by establishing a new operating system to effectively manage our contract hire vehicles and reduce future costs.   | N/A  | There is no anticipated impact.   |
| Construction Team               | Neighbourhood Services | The installation of a pilot Solar Project at Tofts Depot                           | This project will look at installing Solar PV Panels at Tofts Depot to determine the extent and success of implementing similar schemes elsewhere. The project will also reduce the energy usage and create savings which will pay for the work to be undertaken through prudential borrowing.                                     | 5                 | 5             | 0             | Yes (Prudential Borrowing)   | As this is a pilot project the estimated savings are based on a feasibility analysis and actual savings will only be confirmed once the Solar PV units are installed and operating over a 12 month period, although the likely saving will be split over two financial years   | N/A  | There is no anticipated impact.   |
| Highways and Transportation     | Neighbourhood Services | Review of Winter Maintenance programme   | This will look at our existing winter gritting routes and will implement changes to our existing policy based on guidance that defines the primary and secondary gritting routes.  | 25                | 0             | 0             | No   | Work has commenced on this project to scope out the potential savings and implications of any changes to our current winter maintenance plan.  | N/A  | There is no anticipated impact.   |
| Community Safety and Engagement | Neighbourhood Services | A review of the Community Safety and Support Services structure will be undertaken | This will involve a restructure of the Community Safety and Support Services Teams to generate a saving.   | 40                | 0             | 0             | No   | As a result of a number of changes and vacancies within this team, this has enabled work to progress on a potential restructure which will hopefully identify savings.   | N/A  | Realignment of service which will see the removal of some posts that have been vacant for a number of years and other being reorganised to make the team better aligned with service needs. |
| Waste Services                  | Neighbourhood Services | Recycling and Waste Tonnage Review   | The new Environment Bill will make changes to how Councils collect and dispose of their waste. This piece of work will look at potential savings and income generations opportunities as a result of these changes including how we can improve our waste collection operations to see if savings can be made or income generated. | 50                | 0             | 0             | Yes - support from the communications team to promote a communications campaign.                             | We will be looking to implement a food waste trial from October 2025 with an estimated cost of £63k and there is no confirmation from Government that this will be covered, or will the revenue costs only commence in March 2026 when the full roll out starts. Therefore we have an appeal ongoing with food waste capital allocation as the shortfall between our allocation and actual costs if £145k, although no transitional or revenue allocation yet so this remains an unknown potential pressure. | N/A  | There is no anticipated impact.   |

|  |                        |   |  |     |    |   |  |   |            |  |
|--|------------------------|---|--|-----|----|---|--|---|------------|--|
| Sustainable Transport                      | Neighbourhood Services | Concessionary fees budget realignment                         | This will reduce the amount we allocate to concessionary fares to bus operators as demand has reduced over the previous years.   | 300 | 0  | 0 | No   | This saving can be achieved, although if bus patronage figures increase, then there is a risk that we incur additional costs.   | N/A        | There is no anticipated impact as there is no proposed change to the delivery of the existing service. Underspends on the service budget are to be removed with no impact to services or staffing.   |
| Highways and Transportation                | Neighbourhood Services | Introduction of Signboards / banners licensing                | The proposal will require signboards and banners on the highway to be licenced and approved by the Council prior to installation. This was approved at Neighbourhoods and will allow a charge to be made for the display of banners going forward. | 10  | 10 | 0 | No   |   | N/A        | There is no anticipated impact.  |
| Facilities Management                      | Finance and Policy     | Installation of Digital advertising signposts on Council land | This will look at the feasibility of two potential sites to erect large scale digital advertising boards to generate income by working with potential partners.  | 10  | 10 | 0 | yes - this could potentially require borrowing or alternative council funding dependent on the model chosen. | Two potential sites have been identified which are dependent on planning permission being obtained  | N/A        | There is no anticipated impact.  |
| Car Parking                                | Neighbourhood Services | Car Park Promotions   | This would remove all remaining car parking promotions that exist, such as free on Saturdays in December, free on Sundays (except Seaton Carew) and free after 3pm   | 40  | 0  | 0 | No   | The car parking budget creates a financial pressure to the Council as the income target set is unsustainable, therefore this proposal may not create a saving, but will further help to reduce the budget pressure car parking currently places on the wider Council budget. To be confirmed at 2nd review. | J          | There is limited potential impact anticipated on those living in poverty and disadvantage. However, the promotions are very specific and time limited e.g. after 3pm in certain town centre car parks, on Saturdays in the run up to Christmas and on Sunday's in the town centre. Limited free short stay parking will remain available in the area.  |
| Passenger Transport                        | Neighbourhood Services | Home to School Transport Review                               | This will look at the services offered by the Passenger Transport team to see if additional income can be generated or savings made through changes to our existing practices  | 10  | 20 | 0 | Digital Support likely to streamline processes   |   | J          | There is no anticipated impact in 2025/26 as there is no proposed change to the delivery of the existing service. Proposals for 2026/27 include digitising the service and this may have an impact on those on those living in poverty and disadvantage who do not have smart phones and are therefore unable to access the online form or the digital bus pass. It is intended that individuals will still be able to have paper bus passes but these may be subject to a charge. |
| Facilities Management / Corporate Property | Finance and Policy     | Public Toilet Review  | Review of public toilet facilities provision at both the Headland and Seaton Carew to consider options including a transfer of operation to a third party or potential charging options.   | 25  | 0  | 0 | No   | There are currently two sets of toilets at each location. Should this review result in any closure, there is a risk that once they are empty, they could become vandalised.   | A, B and J | Minimal impact as alternative public toilet facilities will remain available locally within reasonable walking distance.   |

|                 |                        |  |   |     |    |   |    |   |     |                                 |
|-----------------|------------------------|--|---|-----|----|---|----|---|-----|---------------------------------|
| Street Lighting | Neighbourhood Services | Christmas lights and trees provision review across the Borough | The Council currently installs 3 Christmas trees which are located in the Town Centre, Seaton and the Headland. This proposal will result in only having one tree in the Town Centre. Options to improve the efficiency of our Christmas decoration offer will be considered. | 10  | 5  | 0 | No | There is a risk of public discontent from those locations who will no longer have a tree. | N/A | There is no anticipated impact. |
|                 |                        |  |   | 575 | 50 | 0 |    |   |     |                                 |

**Service Transformation - Any savings identified are a target to deliver and indicative only at this stage.**

|                            |                                 |                                      |   |     |     |     |  |   |     |  |
|----------------------------|---------------------------------|--------------------------------------|---|-----|-----|-----|--|---|-----|--|
| Facilities Management      | Finance and Policy              | Schools Catering and Cleaning Review | The Council currently offer catering and cleaning contracts to schools, which is partly subsidised, and this proposal will look to remove the subsidy and balance the budget across a three year financial period. A review of academy school provision will form an early part of this review. | 100 | TBC | TBC |  | A number of schools are subsidised. Schools are likely to see an increase in cost of meals to make the service sustainable. | N/A | There is no anticipated impact as there is no proposed change to the delivery of the existing service to the public. |
| Strategic Asset Management | Economic Growth and Development | Land and Property Review             | The Council have a number of potential sites that it could look to market to generate capital receipts and potentially reduce maintenance expenditure. Capital receipts would then be available to either reinvest into transformation projects or fund future capital projects.                | TBC | TBC | TBC | Investment may be needed to bring plots to the market. | Potential capital receipts could be impacted by mitigation works as well as wider market demand.                            | N/A | There is no anticipated impact.  |
|                            |                                 |                                      |   | 100 | 0   | 0   |  |   |     |  |
|                            |                                 |                                      |   | 675 | 50  | 0   |  |   |     |  |

| Budget Book Area      | Committee          | Proposal                             | Detail   | Indicative Saving |            |            | Capacity / Investment Needed | Initial Risks / Impact Consideration  | Negative equality or poverty impact identified | Impact Assessment Notes   |
|-----------------------|--------------------|--------------------------------------|--|-------------------|------------|------------|------------------------------|---|--|---|
|                       |                    |                                      |  | 25/26 £000        | 26/27 £000 | 27/28 £000 |                              |   |  |   |
| Internal Audit        | Finance and Policy | Internal Audit Restructure           | Following the retirement of a principal auditor, the post will not be replaced and the audit plan has been amended accordingly.  | 52                | 0          | 0          | None                         | Not public facing impact. The audit plan has been streamlined to adapt to the reduced staffing, whilst ensuring that the audit requirements are met.  | N/A  | There is no anticipated impact.   |
| Corporate and Finance | Finance and Policy | Accountancy / Shared Services Review | Review of the accountancy and shared services structure, including; removal of apprenticeship vacancy (£20k), 0.5fte funding from early years for new payments process - overall saving to council (£15k), consolidation of accounts payable and accounts receivable team management (£20k) and increased charge to Vivup - staff benefits, for increased reconciliation work (£5k). | 60                | 0          | 0          | None                         | Potential risk around income collection given AP and AR team merger. This will be managed and will include reviewing council wide debt management to optimise recovery.   | A, J and K                                     | Removal of 1 apprenticeship post will potentially have a minor impact on opportunities for young people, those in poverty and disadvantage and care leavers to gain employment with the Council and access the associated training / skill development in place for apprenticeship posts.   |
| Revenues and Benefits | Finance and Policy | Revenues and Benefits On-line        | Following the roll out of the new online council tax portal. MyAccount, in 2024/25 and also the shift to a banded LCTS there should be a reduction in postage and printing costs.  | 25                | 0          | 0          | No                           | The printing and postage budget was reduced in 2024/25 on the basis of take-up. However, take up has been low so far - circa 2,500 out of circa 45,000 households. The aim will be to ramp this up over the year, prior to annual billing, and will likely need to include an incentive campaign to increase take up. | N/A  | The move to digitalise Council Tax billing was agreed in last year's budget and it was identified that this could potentially impact negatively on certain age demographics and those in poverty who have limited digital access. However, the Council is still providing mitigation against this impact as the existing service continues to be delivered in parallel with the online approach. Therefore no overall impact has been identified. |
| Revenues and Benefits | Finance and Policy | Revenues and Benefits - apprentice   | Currently both the revenues team and benefits team have an apprentice post. Given the increasing migration from HB to UC, the likelihood of appointing a dedicated apprentice within benefits is diminishing. As such it is proposed to offer this vacant post up and have a shared apprentice resource between the two.   | 20                | 0          | 0          | No                           |   | A, J and K                                     | Removal of 1 apprenticeship post will potentially have a minor impact on opportunities for young people, those in poverty and disadvantage and care leavers to gain employment with the Council and accessing the associated training / skill development in place for apprenticeship posts.  |

|                       |                    |                     |  |     |   |   |  |   |   |  |
|-----------------------|--------------------|---------------------|--|-----|---|---|--|---|---|--|
| Revenues and Benefits | Finance and Policy | Revenues Court fees | The Council applies costs to council tax and NNDR debt when we reach summons and liability stage. Council tax costs are £85 (£75 Summons and £10 Liability Order) and were last reviewed 2019. For NNDR costs are £110 (£85 at Summons stage and £25 Liability Order) and have not been reviewed since before 2010.<br>The calculation will be updated to current costs incurred:<br>- For Council tax the overall costs will rise to £125; and<br>- For NNDR, costs will increase to £250 (£100 at Summons stage and £150 for Liability order). | 100 | 0 | 0 |  | Options to amend the application of fees has been considered in order to encourage payment of Council Tax at an earlier stage:<br><br>For Council Tax costs at summons stage will be reduced to £50 and the Liability Order (LO) increased to £75. This is to promote earlier action. Whilst summons costs will not be removed, LO costs will be removed where where payment is made in full or a DD is established and maintained, or where an attachment of benefits (AOB) is entered or an agreement in excess of an AOB, so as not to penalise further those on benefits. | J | Increasing fees for council tax and NNDR debts will potentially impact on those in poverty and disadvantage. The proposal has increased mitigation measures including the reduction in costs at Summons stage and removal of LO costs in specific circumstances. |
|                       |                    |                     |  | 257 | 0 | 0 |  |   |   |  |

**Service Transformation - Any savings identified are a target to deliver and indicative only at this stage.**

|                                       |   |                                       |  |     |     |     |   |   |         |  |
|---------------------------------------|---|---------------------------------------|--|-----|-----|-----|---|---|---------|--|
| Corporate and Finance / Cross Cutting | Finance and Policy / Adult and Community Based Services | Council Wide Cash "reduction" project | A council wide "cash reduction" and Treasury Management maximisation project, promote online payments and alternative payment methods such as Direct Debits. Specific actions will include:<br>- review of a dedicated cash counter at the civic centre (but still allowing smaller sums to be paid at customer services desks);<br>- reduction or elimination of physical petty cash across the council;<br>- consideration of pre-loaded cash cards for vulnerable clients; and<br>- make permanent some of the TM savings from improved daily managed cash flows. | 100 | 0   | 0   | Potential   | Risks will be considered as the project progresses. | B and J | The review of the dedicated cash counter at the Civic may impact on individuals with disabilities and those in poverty and disadvantage who we know access this service. However, the following mitigation actions are planned:<br>- individuals who currently access cash from the Civic will be moved across to pre-payment cards which mean that they will no longer need to attend the civic;<br>- individuals who pay cash in the Civic for things such as council tax bills will be able to use paypoint locations closer to where they live to make their payments saving them time and the cost of getting to the Civic;<br>- customers will be encouraged to pay online or by direct debit however some cash payments will still be able to be taken over the customer service counters in the Civic for those who are unable to do so. |
| ICT and Customer Services             | Finance and Policy                                      | ICT and Digital innovations           | Following the introduction of a new contract, the council is modernising its IT services and increasing its digital offer. The website refresh will allow for greater channel shift, as will AI. In conjunction software across the council is likely to be consolidated and processes improved.   | tbc | tbc | tbc | Yes, transformation or specific reserve funding required. | Risks will be considered as the project progresses. | N/A     | There is no anticipated impact.  |
|                                       |   |                                       |  | 100 | 0   | 0   |   |   |         |  |
|                                       |   |                                       |  | 357 | 0   | 0   |   |   |         |  |

Directorate:

Legal, Governance and Human Resources

Appendix B

| Budget Book<br>Service Area | Committee             | Proposal   | Detail   | Indicative Saving |               |               | Capacity /<br>Investment Needed | Initial Risks / Impact<br>Consideration  | Negative<br>equality or<br>poverty<br>impact<br>identified | Impact Assessment Notes         |
|-----------------------------|-----------------------|--|--|-------------------|---------------|---------------|---------------------------------|--|--|---------------------------------|
|                             |                       |  |  | 25/26<br>£000     | 26/27<br>£000 | 27/28<br>£000 |                                 |  |  |                                 |
| Legal                       | Finance and<br>Policy | Service Review - Merge<br>Democratic services with<br>Scrutiny | Statutory Scrutiny Manager to<br>manage Scrutiny and Democratic<br>services. | 59                | 0             | 0             | No                              | Potential capacity issue however<br>can be mitigated with developments<br>in digital options for meeting minutes<br>etc/use of Artificial Intelligence | N/A  | There is no anticipated impact. |
| MD<br>Support/PA's          | Finance and<br>Policy | Delete Vacant PA Post  | Deletion of a vacant post on the<br>establishment.                           | 35                | 0             | 0             | no                              |  | N/A  | There is no anticipated impact. |
|                             |                       |  |  | 94                | 0             | 0             |                                 |  |  |                                 |

| Budget Book<br>Service Area | Committee             | Proposal                  | Detail  | Indicative Saving |               |               | Capacity /<br>Investment Needed  | Initial Risks / Impact<br>Consideration   | Negative<br>equality or<br>poverty<br>impact<br>identified | Impact Assessment Notes  |
|-----------------------------|-----------------------|---------------------------|---|-------------------|---------------|---------------|--|---|--|--|
|                             |                       |                           |   | 25/26<br>£000     | 26/27<br>£000 | 27/28<br>£000 |  |   |  |  |
| Corporate                   | Finance and<br>Policy | Pensions Contribution     | The council has a low pension contribution rate given the positive relative performance of Teesside Pension fund. The full triennial valuation that covers the years 23/24, 24/25 and 25/26 included a step increase to this rate. The step in 25/26 will be 1%. The council will seek for this increase to be re-assessed given the current valuation of the fund.   | 600               | 0             | 0             | Yes - external specialists have been engaged to work on the councils behalf. | The risks is that an inter-triennial valuation is not possible or that the fund does not agree to this reduced rate.                      | N/A  | There is no anticipated impact.  |
| Corporate                   | Finance and<br>Policy | Minimum Revenue Provision | The minimum revenue provision (MRP) is the amount required to be charged to the revenue account on an annual basis linked to capital expenditure funded by borrowing.<br>The Council's approach to MRP has been reviewed in light of a refresh of the regulations and the last major policy review being 2016/17.<br>This review has provided an opportunity to move to a revised MRP approach which will release an annual savings and better reflect the time value of money. | 300               | -50           | -50           |  | The proposed amended of the MRP policy and its resultant impact will be discussed with the Council's external auditors prior to enacting. | N/A  | There is no anticipated impact.  |
| Cross Cutting               | Finance and<br>Policy | Fees and Charges          | Inflation - the current budget model allows for a 2% increase in fees and charges in line with inflation. It is proposed to set a 5% council wide requirement to be managed by services.  | 100               | 0             | 0             |  | Income budgets remain under pressure post covid and changing societal habits, e.g. wfh / on-line shopping.                                | J  | Increase in fees and charges will potentially negatively impact on those in poverty and disadvantage. However, some services will continue to provide mitigations for this with reductions for individuals in receipt of certain benefits. |
|                             |                       |                           |   | 1,000             | -50           | -50           |  |   |  |  |

**Key - Equality & Poverty Negative Impact Identified Column**

A - Age

B - Disability

C - Gender Reassignment

D - Marriage and Civil Partnership

E - Pregnancy and Maternity

F - Race

G - Religion and Belief

H - Sex

I - Sexual Orientation

J - Poverty and Disadvantage

K - Care Leavers

L - Armed Forces Community

## Appendix C

**MTFS 2025/26 to 2027/28 Initial Risk Assessment**

Key risks or issues that may impact on assumptions made with this report and updated MTFS.

| Issue and Risk  | Potential Impact |          |          |
|---|------------------|----------|----------|
|   | 2025/26          | 2026/27  | 2027/28  |
| <b>Pay Awards</b> - Provision included in the MTFS based on reducing inflation and historic norms. No contingency is built in for a higher award. Each 1% of pay award in excess of the MTFS provision costs c£620k.  | Negative         | Negative | Negative |
| <b>Level of Reserves</b> - the MTFS is currently based on the likelihood of using £3.5m of one-off reserves in 2025/26 and £2m in 2026/27. This in effect utilises the vast majority of the Budget Support Fund. Revenue reserves overall are forecast to drop from £39m to £11m over the coming four years. This would just leave the emergency unallocated general fund, the insurance fund and a small number of earmarked reserves. There would be no reserves available for future years MTFS, nor more critically reserves should an in year overspend occur. Should overspend occur we would likely to need Exceptional Financial Support or very strict cost control measures.      | Negative         | Negative | Negative |
| <b>Childrens Pressures</b> - the current in year pressure for Childrens Services is circa £6m. It is assumed at this stage that the Childrens Social care sufficiency transformation plans will stabilise and contain pressures to the allowance within the MTFS of £6m in 2025/26, £1.6m 2026/27 and £1.6m 2027/28. At present there is no guarantee that this will be achieved.   | Negative         | Negative | Negative |
| <b>Government Funding</b> - Notwithstanding the budget announcements there is currently a lack of clarity with regard funding allocations for 2025/26 and beyond. The budget confirmed additional funding for 2025/26, further clarity will be received on the position for the council when the draft settlement is announced late December. Whilst the government have indicated that they wish to provide fair funding to councils, they are grappling with a significant national deficit, placing in question the ability to provide additional resources to the sector. The redistribution of existing resources through a fair funding should favour deprived areas like Hartlepool. | Positive         | Positive | Neutral  |
| <b>Inflationary Pressures</b> - the risk around inflationary pressures has been partially mitigated given the reduction in CPI over recent months. However, there are still risks around the likes of   | Negative         | Negative | Negative |

|  |          |          |          |
|--|----------|----------|----------|
| energy prices, given the geopolitical environment, and government policy.  |          |          |          |
| <b>One-off Grants</b> - the council relies on a number of one off specific grants to support initiatives and day to day spend on key service areas. A number of these grants are currently scheduled to end at March 2025, with no confirmation of continuation. Should this situation occur a number of preventative schemes will end, capacity across the council will be reduced and potential redundancy costs incurred.   | Negative | Negative | Negative |
| <b>Borrowing Costs</b> - interest rates and borrowing costs remain stubbornly high. Whilst this is having a short term positive impact on the budget position, over the medium to long term we will need to borrow to fund the capital programme and as such we will require a reduction in these rates so as to prevent a shortfall in our debt charge budget. This will need to be kept under close review and may require some additional or temporary funding to smooth this budget.   | Positive | Negative | Negative |
| <b>Council Tax Base</b> - the base position has seen a significant increase in 2025/26 due to a positive year of housebuilding, new premiums for empty, furnished properties and anti-fraud work. A more prudent estimate has been assumed for 2026/27 and 2027/28 but increased housebuilding could lead to an improved position.   | Neutral  | Positive | Positive |
| <b>Waste pressures</b> - there is current uncertainty regarding a number of waste initiatives, including food waste collection, producer responsibility and the suggestion of increased taxation on Energy for Waste facilities. This area will require close monitoring. At this stage, given the budget announcements there is likely to be a positive impact in 2025/26 but possible a negative impact will materialise over the term.  | Neutral  | Negative | Negative |
| <b>DSG High Needs Statutory Override</b> - the council held a negative overspend reserve of £1.589m at the end of 2023/24. A further overspend of £4.1m is forecast in the current year, with the overall deficit forecast to be circa £6.6m by the end of 2025/26. At this point the statutory override is scheduled to end. Should this be the case, the council would need to fund this deficit position. We would unlikely have the resources to do so and as such would be required to seek Exceptional Financial Support. Note, the Autumn budget confirmed a £1bn injection into SEND budgets and this would help reduce the in year deficits on this budget. | Negative | Negative | Negative |

# FINANCE AND POLICY COMMITTEE

25<sup>TH</sup> NOVEMBER 2024



**Subject:** HOUSING MANAGEMENT SERVICE COMPLAINTS  
POLICY: ANNUAL PERFORMANCE MONITORING  
REPORT

**Report of:** Executive Director of Development, Neighbourhoods  
and Regulatory Services

**Decision Type:** Non-Key Decision

## 1. COUNCIL PLAN PRIORITY

Hartlepool will be a place:

- where people are enabled to live healthy, independent and prosperous lives.
- where people will be safe and protected from harm.
- with a Council that is ambitious, fit for purpose and reflects the diversity of its community.

## 2. PURPOSE OF REPORT

- 2.1 To inform Finance and Policy Committee of the new standalone Housing Management Service Complaints Policy, which came into effect on 1<sup>st</sup> April 2024.
- 2.2 To present the first annual Complaint Performance and Service Improvement Report and self-assessment for 2023-24 and to seek a governing body response to this to demonstrate that Committee has scrutinised the organisation's compliance with the Housing Ombudsman's Complaint Handling Code.

### 3. BACKGROUND

- 3.1 The Housing Ombudsman's Complaint Handling Code sets out best practice for landlord's complaint handling procedures, to enable a positive complaints culture across the social housing sector, regardless of the size or type of landlord. The Code encourages landlord-tenant relationships so that residents can raise a complaint if things go wrong.
- 3.2 The Housing Ombudsman's new Complaint Handling Code became statutory on 1<sup>st</sup> April 2024, meaning that social landlords are obliged by law to follow its requirements.
- 3.3 This Code aims to support the earliest resolution of complaints while the matters are still within the landlord's own procedure. This can avoid issues escalating with further detriment to the resident, requiring more time and resource by the landlord to remedy.
- 3.4 The Code should empower those handling complaints within an organisation and encourage involvement in complaint resolution, develop staff ownership, decision-making and engagement, and ensure the appropriate resources and tools are provided to handle complaints.
- 3.5 The Code also acts as a guide to residents of what to expect if they make a complaint and improve access and awareness of the procedure when they need it.
- 3.6 Part of the new statutory nature of the Code means that landlords are required to submit an annual submission of their performance against the Code to ensure they are compliant.
- 3.7 The Code also requires landlords to have a Member Responsible for Complaints (MRC) on their governing body to provide assurance to the governing body on the effectiveness of its complaints system, including challenging the data and information provided to Committee. The Housing Ombudsman is looking for the MRC within each organisation to promote a culture of openness and transparency in relation to complaints made by residents. To provide assurance that systems are in place to capture learning from complaints, that the governing body is engaged with this and to ensure senior level ownership of learning and accountability stemming from complaints. The Chair of Finance and Policy Committee assumes the role of the MRC for the Council to drive a positive complaint handling culture in the organisation.
- 3.8 The Housing Ombudsman also has a legal duty to ensure landlords complaint procedures and responses are compliant with the Code.
- 3.9 Where a landlord does not meet the requirements in any of the areas and does not move into compliance within a reasonable timescale, the Ombudsman may issue a Complaint Handling Failure Order (CHFO).

#### 4. HOUSING MANAGEMENT SERVICE COMPLAINTS POLICY

- 4.1 Landlords must have a single policy in place for dealing with complaints covered by the Code.
- 4.2 A standalone Housing Management Service Complaints Policy has therefore been developed in line with the statutory requirements of the Code; this policy was approved by delegated decision and came into effect on 1<sup>st</sup> April 2024. A copy of the policy is attached as **Appendix 1**. This policy has to be distinct from the Council's Corporate Complaints, Comments and Compliments Policy and from the 1<sup>st</sup> April 2024 all complaints relating to the Council's housing management services have been dealt with under this new policy.
- 4.3 The policy clearly defines what is considered a complaint as prescribed by the Code and states that complaints can be made through this policy by:
- A person or persons who are or have been in a landlord/tenant relationship with the Hartlepool Borough Council Housing Management Service; or
  - Someone who has applied for a property owned or managed by the Hartlepool Borough Council Housing Management Service (other than statutory allocations and applications for assistance from people who are homeless or threatened).
- 4.4 The policy also sets out the complaints handling process including the two stage process, if the issue cannot be resolved through a service request, how the Council will put things right and remedy and details the Housing Ombudsman's service.

#### 5. ANNUAL COMPLAINT PERFORMANCE AND SERVICE IMPROVEMENT REPORT AND SELF-ASSESSMENT

- 5.1 In order to comply with the Code, landlords must produce an annual Complaint Performance and Service Improvement report for scrutiny and challenge, which must include:
- The annual self-assessment against this Code to ensure their complaint handling policy remains in line with its requirements;
  - A qualitative and quantitative analysis of the landlord's complaint handling performance – this must also include a summary of the types of complaints the landlord has refused to accept;
  - Any findings of non-compliance with this Code by the Ombudsman;
  - The service improvements made as a result of the learning from complaints;
  - Any annual report about the landlord's performance from the Ombudsman; and
  - Any other relevant reports or publications produced by the Ombudsman in relation to the work of the landlord.

- 5.2 The annual Complaint Performance and Service Improvement Report must be reported to the landlord's governing body (or equivalent) and published on the section of the organisation's website relating to complaints. The governing body's response to the report must be published alongside this. The organisation's annual self-assessment should be included within this report. The purpose of the self-assessment is to set out how landlords demonstrate their complaint handling service complies with the provisions of the Code. In addition, the self-assessment supports landlords to inform residents about service provision.
- 5.3 Prior to 1<sup>st</sup> April 2024, complaints relating to the housing management service have been dealt with under the umbrella of the Council's Corporate Complaints, Comments and Compliments Policy and reported to Committee as part of the annual Corporate Complaints Monitoring reports. The annual Corporate Complaints Monitoring report considered by Finance and Policy Committee on 16<sup>th</sup> September 2024 included complaints data relating to housing management services for 2023/24. Now the standalone Housing Management Service Complaints Policy is in place, reporting to Committee will need to be separate to the Corporate Complaints Monitoring report for 2024/25 onwards.
- 5.4 In line with the requirements of the Code, the annual Complaint Performance and Service Improvement Report has been produced and included within this is the annual self-assessment. This report and self-assessment are set out in **Appendix 2**.
- 5.5 The report sets out the Council's ethos in terms of complaints handling, a summary of complaints in 2023/34, trends, risks and service improvement and learning. The self-assessment demonstrates whether the Council's policies and practices comply with the Code. When the self-assessment was undertaken, the Council met all of the Code requirements with the exception of the following:
- 5.6 Code Requirement:
- The annual Complaint Performance and Service Improvement Report must be reported to the landlord's governing body (or equivalent) and published on the on the section of its website relating to complaints. The governing body's response to the report must be published alongside this.
- 5.7 Commentary/Explanation:
- At the time the Complaint Performance and Service Improvement Report and self-assessment was completed and published, the governing body's response could not be published alongside this. The intention was for Committee to consider the 2023/24 complaints data relating to the housing management service within the Corporate Complaints Monitoring report at Committee on 16<sup>th</sup> September 2024 and for the report and self-assessment to be considered by Committee at the following meeting.

- 5.8 It was agreed by Housing Ombudsman that the Council will publish on the website the governing body's response after the report and self-assessment was considered by Finance and Policy Committee on 25<sup>th</sup> November 2024. The Council is required by the Housing Ombudsman to action this before 2<sup>nd</sup> December 2024.
- 5.9 Code Requirement:
- Accountability and transparency are also integral to a positive complaint handling culture. Landlords must report back on wider learning and improvements from complaints to stakeholders, such as residents' panels, staff and relevant committees.
- 5.10 Commentary/Explanation:
- Learning and service improvements are detailed in the Complaint Performance and Service Improvement Report attached as Appendix 2, which outlines the positive approach to complaint handling. The data collected about complaints will be continually analysed and used to inform and drive improvement in service provision.
- 5.11 Once the governing body's response has been published on the website the Council will have satisfied this Code requirement.

## **6. GOVERNING BODY'S RESPONSE**

- 6.1 In order to meet the requirements of the Code, Committee is asked to consider the 2023/24 Complaint Performance and Service Improvement Report, inclusive of the self-assessment. A formal response from Finance and Policy Committee for publication is required, which will be published as the Council's governing body's response.

## **7. FUTURE MONITORING OF PERFORMANCE**

- 7.1 Complaints relating to housing management services will continue to be reported to Committee on an annual basis, however this will be a separate report to the annual Corporate Complaints Monitoring report. In order to meet the annual timescales set by the Housing Ombudsman, the reports will be brought to Committee in future, in quarter 1 of each financial year.
- 7.2 As a minimum, future reports will include the annual Complaint Performance and Service Improvement Report and self-assessment for consideration and will request a governing body's response to these.

## **8. RECOMMENDATIONS**

- 8.1 It is recommended that members:
- I. Note the content of the Housing Management Service Complaints Policy and the implementation from 1<sup>st</sup> April 2024; and

- II. Review the annual Complaint Performance and Service Improvement Report and self-assessment for 2023-24 and provide a formal response in writing from Finance and Policy Committee for publication as the governing body.

## 9. REASONS FOR RECOMMENDATIONS

9.1 The reasons for this recommendation are to:

- I. Bring to the attention of Finance and Policy Committee the new standalone Housing Management Service Complaints Policy;
- II. Provide Committee with the opportunity to scrutinise and challenge the organisation's compliance with the Code; and
- III. Advise that the performance monitoring of complaints specifically relating to housing management services will now be reported separately to the annual Corporate Complaints Monitoring report; meeting the requirements of the Housing Ombudsman's new Complaint Handling Code.

## 10. BACKGROUND PAPERS

10.1 Housing Ombudsman new Complaint Handling Code  
[The Complaint Handling Code | Housing Ombudsman Service \(housing-ombudsman.org.uk\)](https://housing-ombudsman.org.uk)

## 11. CONTACT OFFICERS

Tony Hanson  
 Executive Director of Development, Neighbourhoods and Regulatory Services  
 Hartlepool Borough Council  
 Email: [tony.hanson@hartlepool.gov.uk](mailto:tony.hanson@hartlepool.gov.uk)  
 Tel: 01429 523301

Beverley Bearne  
 Assistant Director (Development and Growth)  
 Hartlepool Borough Council  
 Email: [beverley.bearne@hartlepool.gov.uk](mailto:beverley.bearne@hartlepool.gov.uk)  
 Tel: 01429 401911

Sign Off:-

|                                      |                       |
|--------------------------------------|-----------------------|
| Managing Director                    | Date: 28 October 2024 |
| Director of Finance, IT and Digital  | Date: 28 October 2024 |
| Director of Legal, Governance and HR | Date: 28 October 2024 |



# **Housing Management Service Complaints Policy**

**April 2024**

## Hartlepool Borough Council Housing Management Service Complaints Policy

- 1.1 Hartlepool Borough Council Housing Management Service, known as the Landlord throughout this policy, aims to provide high quality housing management services that meet the needs of local people. We want to make our service as efficient and effective as possible. To do this we need to know whether we are getting it right and how we can improve our service.
- 1.2 In response we promise to listen carefully to what people have to say and respond promptly to their comments and complaints. Any information that is provided will be treated confidentially. We aim to deal with any complaints impartially, objectively and professionally. Making a complaint will not affect the treatment or services that individuals or their family receive.
- 1.3 This policy has been developed in line with the statutory requirements of the [Housing Ombudsman Complaint Handling Code](#).
- 1.4 Hartlepool Borough Council Housing Management Service defines a **complaint** as...  
  
*...an expression of dissatisfaction, however made, about the standard of service, actions or lack of action by the Landlord, its own staff, or those acting on its behalf, affecting a resident or group of residents.*
- 1.5 The Landlord and the resident must recognise the difference between a service request and a complaint. A service request is a request from a resident that requires an action to be taken to put something right. A service request is not a complaint but will be recorded, monitored and reviewed regularly. A complaint must be raised when the resident expresses dissatisfaction with the response to their service request, even if the handling of the service request remains ongoing.
- 1.6 Complaints can be made through this policy by:
  - a person or persons who are or have been in a landlord/tenant relationship with the Hartlepool Borough Council Housing Management Service; or
  - someone who has applied for a property owned or managed by the Hartlepool Borough Council Housing Management Service (other than statutory allocations and applications for assistance from people who are homeless or threatened).

## 2. Exclusions

- 2.1 We, as the Landlord, will accept a complaint unless there is a valid reason not to do so. If we decide not to accept a complaint we will set

out the reasons why and provide evidence to support our decision. Each complaint will be considered on its own merits.

- 2.2 This policy sets out the circumstances in which a matter will not be considered a complaint and these circumstances will be fair and reasonable to all tenants. Exclusions include:
- The issue giving rise to the complaint occurred over twelve months ago.
  - Legal proceedings have started. This is defined as details of the claim such as a claim form and Particulars of Claim, have been filed at court.
  - Matters that have previously been considered under the complaints policy.
  - If the complaint refers to a service not provided by Hartlepool Borough Council Housing Management Service.
  - If it relates to a policy approved by Committee, unless it's about the failure to comply with this policy.
- 2.3 We will accept a complaint that has been referred within 12 months of the issue occurring or the resident being aware, unless it is excluded on other grounds. As a Landlord we will consider whether to apply discretion to accept complaints made outside this time limit where there is a good reason to do so.
- 2.4 If we decide not to accept a complaint we will provide an explanation to the resident setting out the reasons why the matter is not suitable for the complaints process along with the resident's right to take that decision to the Housing Ombudsman. If then the Housing Ombudsman does not agree that the exclusion has been fairly applied, the Housing Ombudsman may tell us, the Landlord, to take on the complaint.
- 2.5 We will not take a blanket approach to excluding complaints, we will consider the individual circumstances of each complaint.

### **3. Confidentiality and privacy**

- 3.1 Information will only be shared as outlined in accordance with the Data Protection Act 2018 and GDPR. We will keep a full record of the complaint, any review and the outcome at each stage, including all documents, relevant correspondence with the complainant or their representative and other parties, surveys and report.

### **4. Accessibility and awareness**

- 4.1 At the outset and at every stage of the complaints process we will provide clear guidance as to who will be responding to a customer's complaint, including how to escalate if the customer is dissatisfied with the response.

- 4.2 As the Landlord we will provide different channels through which a resident can make a complaint. We have considered our duties under the Equality Act 2010 and will anticipate the needs and reasonable adjustments required by residents who may need to access the complaints process.
- 4.3 Residents can raise their complaint in a number of ways:
- by completing a complaints form;
  - in writing a letter or by email;
  - over the telephone or in person to any member of staff to be redirected to the Housing Management Service.
- 4.4 Residents have the opportunity to have a representative to deal with their complaint on their behalf. This could be an advocate, a Councillor or Member of Parliament or a family member or friend. We will need to confirm, in writing, that this person has the authority and consent to represent you. This is because providing a response to the complaint may involve disclosing personal information relating to the resident and Hartlepool Borough Council need to ensure that the rights of the individual are protected.
- 4.5 At any point of the complaints process the resident is entitled to engage with the Housing Ombudsman about their complaint and the contact details are:

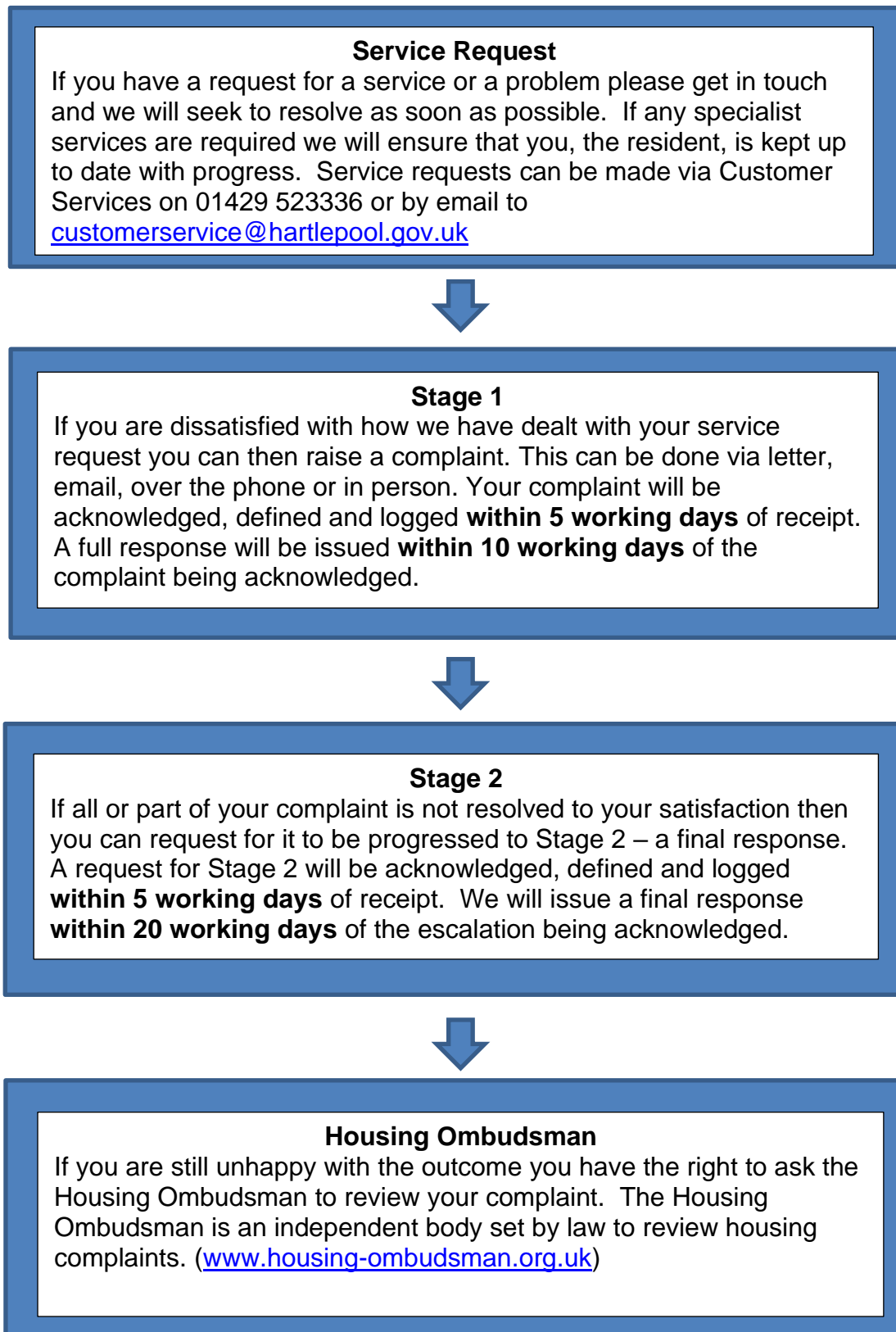
Housing Ombudsman Service  
PO Box 152  
Liverpool  
L33 7WQ

**Online form:** <https://www.housing-ombudsman.org.uk/residents/make-a-complaint/>

**Email:** [info@housing-ombudsman.org.uk](mailto:info@housing-ombudsman.org.uk)

**Phone:** 0300 111 3000

## Complaints Handling Process – Summary



## Complaints Handling Process - Detailed

### 5. Stage 1

- 5.1 If an issue cannot be resolved through a service request the complaint should be escalated to a Stage 1 complaint. Complaints can be received in a variety of forms – by letter, email, over the phone, online form and in person. Where complaints are taken over the phone or in person then the person taking the complaint will record the name and contact details of the complainant, their preferred method of contact and the detail of their complaint. We will look at resolving the complaint promptly with an explanation, apology or resolution provided where appropriate.
- 5.2 Stage 1 complaints will be acknowledged, defined and logged **within 5 working days** of the complaint being received. We will confirm the subject of the complaint to ensure we are investigating the right issue(s). A full response will be issued **within 10 workings days** of the complaint being acknowledged.
- 5.3 If an extension on this timescale is required due to the complexity of the complaint then you, the resident, will be informed of the expected timescale for response. Any extension will be no more than 10 extra working days without good reason and that reason will be clearly explained. When you, the resident, are informed of an extension you will also be provided with the contact details of the Housing Ombudsman.
- 5.4 If additional complaints are raised during the investigation, these will be incorporated into the Stage 1 response if they are related and the response has not yet been issued. Where the Stage 1 response has been issued, the new issues are unrelated to the issues already being investigated or it would unreasonably delay the response, the new issues will be logged as a new complaint in accordance with the Housing Ombudsman Complaints Handling Code.
- 5.5 The response to Stage 1 will address all the points raised in the complaint and provide clear reasons for any decisions, referencing the relevant policy, law and good practice where appropriate. The response will confirm the following in writing to you, the resident, at the completion of Stage 1 in clear, plain language:
  - a) The complaint stage;
  - b) The complaint definition;
  - c) The decision of the complaint;
  - d) The reasons for any decision made;
  - e) The details of any remedy offered to put things right;
  - f) Details of any outstanding actions; and
  - g) Details of how to escalate the matter to stage 2 if you are not satisfied with the response.

## 6. Stage 2

- 6.1 If all or part of your complaint is not resolved to your satisfaction at Stage 1 you can request that it your complaint be progressed to Stage 2. The Stage 2 response will be our final response. Your request for Stage 2 will be acknowledged, defined and logged **within 5 working days** of receipt of your request.
- 6.2 You are not required to explain your reasons for requesting Stage 2 consideration but we, the Landlord, will make reasonable efforts to understand why you remain unhappy. The investigating officer for Stage 2 will not be the same person who considered your Stage 1 complaint.
- 6.3 We will aim to issue a final response to Stage 2 **within 20 working days** of the escalation request being acknowledged. If an extension is required due to the complexity of the complaint you will be informed of the expected timescale for a response. Any extension will be no more than 20 working days without good reason and the reason(s) for the extension will be clearly explained. If we inform you of an extension we will also provide you with the contact details of the Housing Ombudsman.
- 6.4 The response will be provided when the answer to the complaint is known and not when the outstanding actions are completed. Outstanding actions will still be tracked and actioned promptly with appropriate updates provided to you, the resident. We will address all points raised in the defined complaint providing clear reasons for any decisions, referencing the relevant policy, law and good practice where appropriate.
- 6.5 We will confirm in writing the following at the completion of Stage 2:
- a) The complaint stage;
  - b) The complaint definition;
  - c) The decision of the complaint;
  - d) The reasons for any decision made;
  - e) The details of any remedy offered to put things right;
  - f) Details of any outstanding actions; and
  - g) Details of how to escalate the matter to the Housing Ombudsman if you are not satisfied with the response.

## 7. Putting things right

- 7.1 If something has gone wrong we will acknowledge it and set out any actions we have already taken, or intend to take, to put things right. These can include:
- Apologising;
  - Acknowledging where things have gone wrong;

- Providing an explanation, assistance or reasons;
- Taking action if there has been a delay;
- Reconsidering or changing a decision;
- Amending a record or adding a correction or addendum;
- Providing a financial remedy; and
- Changing policies, procedures or practices.

7.2 We will take into account the guidance issued by the Housing Ombudsman when deciding on any appropriate remedy. The remedy will reflect the impact on the resident as a result of any fault identified. The remedy will clearly set out what will happen and by when with agreement with the resident.

## **8. Housing Ombudsman Service**

8.1 The Housing Ombudsman can independently review a customer complaint if it has been through the full Hartlepool Borough Council Housing Management Service Complaints Procedure (Stages 1 and 2). The Housing Ombudsman is an independent body set up by law to review housing complaints. Throughout the process all complainants will be told of their right to contact the Housing Ombudsman Service if they are still not satisfied and will be provided with contact details. ([www.housing-ombudsman.org.uk](http://www.housing-ombudsman.org.uk))

## **9. Other Information**

### **Collective complaints**

- 9.1 Where appropriate complaints made by a number of individuals on the same subject will be dealt with as one investigation. It may be appropriate for each complainant to receive a response directly unless a representative has been nominated on behalf of the individuals.

### **Withdrawing a complaint**

- 9.2 You may withdraw your complaint at any time by contacting the Housing Management Service and letting them know. Consideration will be given as to whether the concerns raised still need to be fully investigated, for instance if there were safeguarding concerns relating to you or other individuals.

### **Anonymous Complaints**

- 9.3 All anonymous complaints i.e. where an individual does not provide their name or contact details will be reviewed and investigated where appropriate, however it will not be possible to provide a response. If an anonymous complaint does not provide enough information to enable the Council to investigate or take further action, then the Council will not be able to investigate.

### **Social Media**

- 9.4 In line with Council procedure, the Housing Management Service will not respond formally to complaints which have been uploaded to any social media platform. Please use the contact details outlined above.

### **Persistent and Unreasonable Complaints and Complainants**

- 9.5 In general, dealing with a complaint is a straightforward process but in a minority of cases people pursue their complaints in a way that can impede the investigation of their complaint or can have significant resource implications for the authority. A separate Corporate [Managing Unreasonable Customer Behaviour](#) policy is in place for the Council to deal with the very small number of complainants whose frequency of contact with the Council, unreasonable or persistent complaints, or unacceptable behaviour makes it necessary for special measures to be taken.

- 9.6 Before implementing any of the provisions set out in this policy, officers must consider whether Hartlepool Borough Council Housing Management Service's procedures have been followed correctly, whether full and reasonable responses have already been given and whether the complainant is now inappropriately persistent or behaving unreasonably.

### **Privacy information and Data Protection**

- 9.7 All personal information collected is for the purpose of responding to customer feedback and complaints and will only be shared with relevant service areas of the Council or third parties where the law enables the Council to do so (e.g. MP's or councillors). For more information about how the Council processes your personal data please visit:  
[https://www.hartlepool.gov.uk/info/20032/access\\_to\\_information/500/access\\_to\\_information](https://www.hartlepool.gov.uk/info/20032/access_to_information/500/access_to_information)

### **Confidentiality**

- 9.8 The Housing Management Service will consider the importance of confidentiality when handling customer feedback and complaints. However to enable a complaint investigation to be undertaken, personal information will be shared with the investigating officer and on occasions other officers where necessary. Personal information will not be shared with anyone unnecessarily and will be handled in line with data protection legislation.

### **Self-assessment, reporting and compliance**

- 9.9 We will produce an annual self-assessment against the Housing Ombudsman Code, which will contain an analysis of the complaints received and the outcomes. It will also highlight any service improvements made as a result of learning from the complaints as well as any findings of non-compliance with the Code by the Housing Ombudsman. The annual self-assessment will be published on our website alongside our governing body's response.

### **Scrutiny and oversight: continuous learning and improvement**

- 9.10 As a Landlord we will look beyond the circumstances of an individual complaint and consider where service improvements can be made for all residents as a result of finding fault. Any wider learning and improvements will be reported to stakeholders where required.

- 9.11 The Assistant Director for Development and Growth is accountable for complaint handling with regards to the Housing Management Service and the Chair of Finance and Policy Committee has lead responsibility for complaints to support a positive complaints handling culture in the Housing Management Service. This elected member will be known as Member Responsible for Complaints – MRC. The MRC and the Finance and Policy Committee will review as a minimum:
- updates on the volume, categories and outcome of complaints, alongside complaint performance;
  - issues and trends arising from complaint handling;
  - updates on Housing Ombudsman investigation and compliance; and
  - the annual complaints performance and service improvement report.

### **Review of Policy**

- 9.12 This policy will be reviewed annually as part of the annual self-assessment against the Housing Ombudsman Complaint Handling Code as required by the Housing Ombudsman.



## **Hartlepool Borough Council's Annual Complaint Performance and Service Improvement Report**

# Forward

---

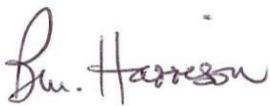
I'd like to personally welcome you to our first annual Complaint Performance and Service Improvement Report. As Chair of Finance and Policy Committee it is my responsibility to lead a positive complaints handling culture for our housing management service here at the Council.

It is an exciting time as we move forward to implement the Housing Ombudsman's new statutory Complaint Handling Code. Since taking back the management of the Council's housing stock in April 2015, any housing management complaints have been dealt with under the Council's Corporate Complaints Policy however, since April 2024 the Council has adopted a standalone Complaints Policy specifically for residents accessing our housing management services.

We take our role as a landlord incredibly seriously and we want to ensure we are accountable to our residents and any other stakeholders. Having this new policy means the complaints process is more open and transparent and the policy is readily available on the Council's website for you to access.

This report sets out the volume of complaints we have received specifically in relation to our housing management services. You'll see in the report that throughout 2023/24 we received one complaint. Alongside reporting the volume of complaints, the report also focusses on the plans we have in place for the future and our ambition to develop a more positive culture towards complaint management for the residents in our 358 homes.

I welcome the publication of this report and I am very much looking forward to embedding our new approach to handling complaints. I would also like to take the opportunity to reassure you that if you have any concerns at all about your home or the services we provide, we want to hear from you.



**Brenda Harrison**

Chair of Finance and Policy Committee and  
Member Responsible for Complaints (MRC)

## Introduction

---

The Council has a new Housing Management Service Complaints Policy developed in response to the Housing Ombudsman's new Complaints Handling Code; this new policy was approved by delegated decision prior to the policy being live from 1st April 2024.

This report along with future annual reports and self-assessments, will set out how we are performing as a service in terms of complaint handling including the volumes, categories and outcomes of complaints, any learning and future service improvements.

# Summary of complaints

| Year    | Number of complaints | Number of stage 1 complaints | Number of stage 2 complaints | Number upheld or partially upheld | Percentage upheld or partially upheld | Refusals | Complaint referrals to the Housing Ombudsman |
|---------|----------------------|------------------------------|------------------------------|-----------------------------------|---------------------------------------|----------|--|
| 2023/24 | 1                    | 1                            | 0                            | 0                                 | 0%                                    | 0        | 0  |

| Year    | Stage 1 response within 10 working days | Percentage stage 1 response within 10 working days | Stage 2 response within 20 working days | Percentage stage 2 response within 20 working days |
|---------|---|--|---|--|
| 2023/24 | 1                                       | 100%   | N/A                                     | N/A  |

# Reason for complaints

- How the Council’s Housing Management Team dealt with a neighbour dispute.

# Trends and risks

Given the small number of complaints received in 2023/24, we are unable to identify any specific trends or new risks that would inform changes to our service delivery, but we will keep this under review in future years.

# Service improvement and learning

Our commitment to you is to ensure we deliver the best possible service – fundamental to this is your feedback. We hope with the introduction of the new Housing Management Service Complaints Policy that you will see your feedback is encouraged at any opportunity.

During the summer we launched a new housing repairs feedback survey, which means each time you have a repair completed in your home, you will have the opportunity to tell us how we did. This will provide essential information on how our repairs service can be adapted and improved.

In October 2024, we will also be consulting you and seeking your views on all aspects of the housing management service through our tenant satisfaction survey. This survey is vital to informing and improving our service provision to our customers.

From April 2024, we have started to log all service requests, which is something we haven’t done previously, this will allow us to start to identify trends and inform learning before any escalation to a complaint. This will complement the learning from the complaints process.

# Reporting performance

The 2023/24 data on housing management complaints is due to be reported to the Finance and Policy Committee on 16th September 2024 as part of the Corporate Complaints Monitoring Report. Now we have a standalone policy to handle complaints about the housing management service specifically, all future reports and self-assessments will be reported to Finance and Policy Committee separately – the first report is due to be taken on 25th November 2024.

Under the new Housing Ombudsman Complaint Handling Code we have completed the self-assessment, which is to assess our compliance with the Code. The self-assessment accompanies this report as Appendix 1. In future years, this annual report and our self-assessment will be published in early summer for our residents.

| Year    | Findings of non-compliance with the Code by the Housing Ombudsman |
|---------|---|
| 2023/24 | 0   |

## Future improvements

- Making complaints performance information more readily able and accessible to you. We'll be asking in our Tenant Satisfaction Survey how you would like us to do this.
- Working to embed this new culture into our service to you.



## Appendix A: Self-assessment form

This self-assessment form should be completed by the complaints officer and it must be reviewed and approved by the landlord's governing body at least annually.

Once approved, landlords must publish the self-assessment as part of the annual complaints performance and service improvement report on their website. The governing body's response to the report must be published alongside this.

Landlords are required to complete the self-assessment in full and support all statements with evidence, with additional commentary as necessary.

We recognise that there may be a small number of circumstances where landlords are unable to meet the requirements, for example, if they do not have a website. In these circumstances, we expect landlords to deliver the intentions of the Code in an alternative way, for example by publishing information in a public area so that it is easily accessible.

## Section 1: Definition of a complaint

| Code provision | Code requirement   | Comply: Yes / No | Evidence  | Commentary / explanation  |
|----------------|--|------------------|---|---|
| 1.2            | A complaint must be defined as:<br><i>‘an expression of dissatisfaction, however made, about the standard of service, actions or lack of action by the landlord, its own staff, or those acting on its behalf, affecting a resident or group of residents.’</i>  | Yes              | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 1.4   |
| 1.3            | A resident does not have to use the word ‘complaint’ for it to be treated as such. Whenever a resident expresses dissatisfaction landlords must give them the choice to make complaint. A complaint that is submitted via a third party or representative must be handled in line with the landlord’s complaints policy.                             | Yes              | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 1.5<br><br>An expression of dissatisfaction by a resident will be considered a complaint in line with the Council’s adopted definition of a complaint set out in paragraph 1.4                                      |
| 1.4            | Landlords must recognise the difference between a service request and a complaint. This must be set out in their complaints policy. A service request is a request from a resident to the landlord requiring action to be taken to put something right. Service requests are not complaints, but must be recorded, monitored and reviewed regularly. | Yes              | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 1.5<br><br>The Council has robust processes in place to consider service requests and complaints. Service requests and complaints are defined in the policy and both are recorded, monitored and reviewed regularly |

|     |  |        |   |   |
|-----|--|--------|---|---|
| 1.5 | A complaint must be raised when the resident expresses dissatisfaction with the response to their service request, even if the handling of the service request remains ongoing. Landlords must not stop their efforts to address the service request if the resident complains.  | Yes    | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 1.5   |
| 1.6 | An expression of dissatisfaction with services made through a survey is not defined as a complaint, though wherever possible, the person completing the survey should be made aware of how they can pursue a complaint if they wish to. Where landlords ask for wider feedback about their services, they also must provide details of how residents can complain. | Yes/No |   | Details of how to complain are included in the housing repairs satisfaction survey sent out to each resident after a repair has been completed. Details of how to complain will be included in other future satisfaction surveys – including the next tenant perception survey planned for October 2024 |

## Section 2: Exclusions

| Code provision | Code requirement   | Comply: Yes / No | Evidence  | Commentary / explanation |
|----------------|--|------------------|---|--------------------------|
| 2.1            | Landlords must accept a complaint unless there is a valid reason not to do so. If landlords decide not to accept a complaint they must be able to evidence their reasoning. Each complaint must be considered on its own merits  | Yes              | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 2.1        |
| 2.2            | <p>A complaints policy must set out the circumstances in which a matter will not be considered as a complaint or escalated, and these circumstances must be fair and reasonable to residents. Acceptable exclusions include:</p> <ul style="list-style-type: none"> <li>• The issue giving rise to the complaint occurred over twelve months ago.</li> <li>• Legal proceedings have started. This is defined as details of the claim, such as the Claim Form and Particulars of Claim, having been filed at court.</li> <li>• Matters that have previously been considered under the complaints policy.</li> </ul> | Yes              | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 2.2        |

|     |  |     |   |                   |
|-----|--|-----|---|-------------------|
| 2.3 | Landlords must accept complaints referred to them within 12 months of the issue occurring or the resident becoming aware of the issue, unless they are excluded on other grounds. Landlords must consider whether to apply discretion to accept complaints made outside this time limit where there are good reasons to do so.   | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 2.3 |
| 2.4 | If a landlord decides not to accept a complaint, an explanation must be provided to the resident setting out the reasons why the matter is not suitable for the complaints process and the right to take that decision to the Ombudsman. If the Ombudsman does not agree that the exclusion has been fairly applied, the Ombudsman may tell the landlord to take on the complaint. | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 2.4 |
| 2.5 | Landlords must not take a blanket approach to excluding complaints; they must consider the individual circumstances of each complaint.   | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 2.5 |

### Section 3: Accessibility and Awareness

| Code provision | Code requirement  | Comply: Yes / No | Evidence  | Commentary / explanation   |
|----------------|---|------------------|---|--|
| 3.1            | Landlords must make it easy for residents to complain by providing different channels through which they can make a complaint. Landlords must consider their duties under the Equality Act 2010 and anticipate the needs and reasonable adjustments of residents who may need to access the complaints process. | Yes              | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 4.2  |
| 3.2            | Residents must be able to raise their complaints in any way and with any member of staff. All staff must be aware of the complaints process and be able to pass details of the complaint to the appropriate person within the landlord.   | Yes              | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 4.3<br>Training provided to officers on new Housing Management Complaints Policy April 2024  |
| 3.3            | High volumes of complaints must not be seen as a negative, as they can be indicative of a well-publicised and accessible complaints process. Low complaint volumes are potentially a sign that residents are unable to complain.  | Yes              | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 1.1.<br><br>The Council uses complaints to improve service delivery<br><br>Until April 2024 complaints from residents were processed through Hartlepool Borough Council's Corporate Complaints Policy. The standalone Housing Management |

|     |  |     |   |  |
|-----|--|-----|---|--|
|     |  |     |   | Complaints Policy in place since April 2024 makes the complaints process more accessible for residents |
| 3.4 | Landlords must make their complaint policy available in a clear and accessible format for all residents. This will detail the two stage process, what will happen at each stage, and the timeframes for responding. The policy must also be published on the landlord's website. | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See Complaint Handling Process Summary - page 5  |
| 3.5 | The policy must explain how the landlord will publicise details of the complaints policy, including information about the Ombudsman and this Code.   | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraphs 8.1 and 9.9   |
| 3.6 | Landlords must give residents the opportunity to have a representative deal with their complaint on their behalf, and to be represented or accompanied at any meeting with the landlord.   | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 4.4  |
| 3.7 | Landlords must provide residents with information on their right to access the Ombudsman service and how the individual can engage with the Ombudsman about their complaint.   | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 4.5<br>This is also included in response and extension letters                           |

## Section 4: Complaint Handling Staff

| Code provision | Code requirement   | Comply: Yes / No | Evidence  | Commentary / explanation   |
|----------------|--|------------------|---|--|
| 4.1            | Landlords must have a person or team assigned to take responsibility for complaint handling, including liaison with the Ombudsman and ensuring complaints are reported to the governing body (or equivalent). This Code will refer to that person or team as the 'complaints officer'. This role may be in addition to other duties. | Yes              | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | <p>Given the size of the LAs housing stock, complaints handling is dealt with by Principal Officers within Housing Management supported by the Service Support and Development Team</p> <p>Overall responsibility for complaints handling sits with the Assistant Director of Development and Growth – see paragraph 9.11</p>          |
| 4.2            | The complaints officer must have access to staff at all levels to facilitate the prompt resolution of complaints. They must also have the authority and autonomy to act to resolve disputes promptly and fairly.   | Yes              |   | The Assistant Director of Development and Growth has access to staff at all levels to facilitate the prompt resolution of complaints and has the authority and autonomy to act to resolve disputes promptly and fairly   |
| 4.3            | Landlords are expected to prioritise complaint handling and a culture of learning from complaints. All relevant staff must be suitably trained in the importance of complaint handling. It is important that complaints are seen as a core service and must be resourced to handle complaints effectively                            | Yes              |   | <p>Hartlepool Borough Council has a complaints guide and toolkit for officers to provide training and guidance to those dealing with complaints in the authority.</p> <p>Investigating Officer training is also held periodically, which the differences between the Corporate Complaints Policy and Housing Management Complaints</p> |

|  |  |  |  |                        |
|--|--|--|--|------------------------|
|  |  |  |  | Policy are highlighted |
|--|--|--|--|------------------------|

## Section 5: The Complaint Handling Process

| Code provision | Code requirement  | Comply: Yes / No | Evidence  | Commentary / explanation   |
|----------------|---|------------------|---|--|
| 5.1            | Landlords must have a single policy in place for dealing with complaints covered by this Code. Residents must not be treated differently if they complain.  | Yes              | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | The Housing Management Complaints Policy was approved by delegated decision in March 2024 for use from 1st April 2024<br><br>See paragraph 1.2 |
| 5.2            | The early and local resolution of issues between landlords and residents is key to effective complaint handling. It is not appropriate to have extra named stages (such as 'stage 0' or 'informal complaint') as this causes unnecessary confusion. | Yes              | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See Complaint Handling Process Summary - page 5  |
| 5.3            | A process with more than two stages is not acceptable under any circumstances as this will make the complaint process unduly long and delay access to the Ombudsman.  | Yes              | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See Complaint Handling Process Summary - page 5  |
| 5.4            | Where a landlord's complaint response is handled by a third party (e.g. a contractor or independent adjudicator) at any stage, it must form part of the two stage complaints process set out in this Code. Residents must not be expected           | N/A              | N/A   | N/A  |

|     |  |     |   |   |
|-----|--|-----|---|---|
|     | to go through two complaints processes.  |     |   |   |
| 5.5 | Landlords are responsible for ensuring that any third parties handle complaints in line with the Code.   | N/A | N/A   | N/A   |
| 5.6 | When a complaint is logged at Stage 1 or escalated to Stage 2, landlords must set out their understanding of the complaint and the outcomes the resident is seeking. The Code will refer to this as “the complaint definition”. If any aspect of the complaint is unclear, the resident must be asked for clarification.   | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 5.2   |
| 5.7 | When a complaint is acknowledged at either stage, landlords must be clear which aspects of the complaint they are, and are not, responsible for and clarify any areas where this is not clear.   | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 5.2   |
| 5.8 | At each stage of the complaints process, complaint handlers must: <ul style="list-style-type: none"> <li>a. deal with complaints on their merits, act independently, and have an open mind;</li> <li>b. give the resident a fair chance to set out their position;</li> <li>c. take measures to address any actual or perceived conflict of interest; and</li> <li>d. consider all relevant information</li> </ul> | Yes |   | Covered in the Council’s complaints guide and toolkit for officers dealing with complaints in the authority to ensure all complaint handlers are appropriately trained to handle complaints in the correct manner |

|      |  |     |   |  |
|------|--|-----|---|--|
|      | and evidence carefully.  |     |   |  |
| 5.9  | Where a response to a complaint will fall outside the timescales set out in this Code, the landlord must agree with the resident suitable intervals for keeping them informed about their complaint.   | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraphs 5.3 and 6.3   |
| 5.10 | Landlords must make reasonable adjustments for residents where appropriate under the Equality Act 2010. Landlords must keep a record of any reasonable adjustments agreed, as well as a record of any disabilities a resident has disclosed. Any agreed reasonable adjustments must be kept under active review. | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 4.2  |
| 5.11 | Landlords must not refuse to escalate a complaint through all stages of the complaints procedure unless it has valid reasons to do so. Landlords must clearly set out these reasons, and they must comply with the provisions set out in section 2 of this Code.   | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 5.5 and 6.5  |
| 5.12 | A full record must be kept of the complaint, and the outcomes at each stage. This must include the original complaint and the date received, all correspondence with the resident, correspondence with other parties, and any relevant supporting documentation  | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 3.1<br><br>This information is held in the Department's Complaints Management Database. Some information is also held on the tenancy records |

|      |   |     |   |   |
|------|---|-----|---|---|
|      | such as reports or surveys.   |     |   |   |
| 5.13 | Landlords must have processes in place to ensure a complaint can be remedied at any stage of its complaints process. Landlords must ensure appropriate remedies can be provided at any stage of the complaints process without the need for escalation.                 | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a>   | See paragraph 7.1 to 7.2  |
| 5.14 | Landlords must have policies and procedures in place for managing unacceptable behaviour from residents and/or their representatives. Landlords must be able to evidence reasons for putting any restrictions in place and must keep restrictions under regular review. | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a><br><a href="#">Managing Unreasonable Customer Behaviour</a> | See paragraph 9.5, which includes a link to the Council's Managing Unreasonable Customer Behaviour Policy |
| 5.15 | Any restrictions placed on contact due to unacceptable behaviour must be proportionate and demonstrate regard for the provisions of the Equality Act 2010.  | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a>   | See paragraph 9.5   |

## Section 6: Complaints Stages

### Stage 1

| Code provision | Code requirement  | Comply: Yes / No | Evidence  | Commentary / explanation |
|----------------|---|------------------|---|--------------------------|
| 6.1            | Landlords must have processes in place to consider which complaints can be responded to as early as possible, and which require further investigation. Landlords must consider factors such as the complexity of the complaint and whether the resident is vulnerable or at risk. Most stage 1 complaints can be resolved promptly, and an explanation, apology or resolution provided to the resident. | Yes              | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 5.1        |
| 6.2            | Complaints must be acknowledged, defined and logged at stage 1 of the complaints procedure <b><u>within five working days of the complaint being received.</u></b>  | Yes              | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 5.2        |
| 6.3            | Landlords must issue a full response to stage 1 complaints <b><u>within 10 working days</u></b> of the complaint being acknowledged.  | Yes              | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 5.2        |
| 6.4            | Landlords must decide whether an extension to this timescale is needed  | Yes              | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 5.3        |

|     |   |     |   |   |
|-----|---|-----|---|---|
|     | when considering the complexity of the complaint and then inform the resident of the expected timescale for response. Any extension must be no more than 10 working days without good reason, and the reason(s) must be clearly explained to the resident.  |     | <a href="#">Council</a>   |   |
| 6.5 | When an organisation informs a resident about an extension to these timescales, they must be provided with the contact details of the Ombudsman.  | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 5.3<br><br>This is included in response and extension letters   |
| 6.6 | A complaint response must be provided to the resident when the answer to the complaint is known, not when the outstanding actions required to address the issue are completed. Outstanding actions must still be tracked and actioned promptly with appropriate updates provided to the resident. | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 5.5<br><br>Actions are tracked and actioned through the Department's Complaints Management Database   |
| 6.7 | Landlords must address all points raised in the complaint definition and provide clear reasons for any decisions, referencing the relevant policy, law and good practice where appropriate.   | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 5.5<br><br>The Council has template response letters that align with the complaints policy to assist complaints officers to ensure they address all points raised in the complaint definition |
| 6.8 | Where residents raise additional complaints during the investigation, these must be incorporated into the stage 1 response if they are related and  | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 5.4   |

|     |   |     |   |   |
|-----|---|-----|---|---|
|     | the stage 1 response has not been issued. Where the stage 1 response has been issued, the new issues are unrelated to the issues already being investigated or it would unreasonably delay the response, the new issues must be logged as a new complaint.  |     |   |   |
| 6.9 | Landlords must confirm the following in writing to the resident at the completion of stage 1 in clear, plain language: <ul style="list-style-type: none"> <li>a. the complaint stage;</li> <li>b. the complaint definition;</li> <li>c. the decision on the complaint;</li> <li>d. the reasons for any decisions made;</li> <li>e. the details of any remedy offered to put things right;</li> <li>f. details of any outstanding actions; and</li> <li>g. details of how to escalate the matter to stage 2 if the individual is not satisfied with the response.</li> </ul> | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | <p>See paragraph 5.5</p> <p>The Council has template response letters that align with the complaints policy to assist complaints officers to ensure they address all points detailed in paragraph 5.5 of the policy</p> |

## Stage 2

| Code provision | Code requirement  | Comply: Yes / No | Evidence  | Commentary / explanation |
|----------------|---|------------------|---|--------------------------|
| 6.10           | If all or part of the complaint is not resolved to the resident's satisfaction at stage 1, it must be progressed to stage 2 of the landlord's procedure. Stage 2 is | Yes              | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 6.1        |

|      |   |     |   |                   |
|------|---|-----|---|-------------------|
|      | the landlord's final response.  |     |   |                   |
| 6.11 | Requests for stage 2 must be acknowledged, defined and logged at stage 2 of the complaints procedure within five working days of the escalation request being received.   | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 6.1 |
| 6.12 | Residents must not be required to explain their reasons for requesting a stage 2 consideration. Landlords are expected to make reasonable efforts to understand why a resident remains unhappy as part of its stage 2 response.   | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 6.2 |
| 6.13 | The person considering the complaint at stage 2 must not be the same person that considered the complaint at stage 1.   | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 6.2 |
| 6.14 | Landlords must issue a final response to the stage 2 <b>within 20 working days</b> of the complaint being acknowledged.   | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 6.3 |
| 6.15 | Landlords must decide whether an extension to this timescale is needed when considering the complexity of the complaint and then inform the resident of the expected timescale for response. Any extension must be no more than 20 working days without good reason, and the reason(s) must be clearly explained to the resident. | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 6.3 |
| 6.16 | When an organisation informs a resident about an extension to these timescales, they must be provided with the contact details of the Ombudsman.  | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 6.3 |

|      |  |     |   |  |
|------|--|-----|---|--|
| 6.17 | A complaint response must be provided to the resident when the answer to the complaint is known, not when the outstanding actions required to address the issue are completed. Outstanding actions must still be tracked and actioned promptly with appropriate updates provided to the resident.  | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 6.4<br><br>Actions are tracked and actioned through the Department's Complaints Management Database  |
| 6.18 | Landlords must address all points raised in the complaint definition and provide clear reasons for any decisions, referencing the relevant policy, law and good practice where appropriate.  | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 6.4  |
| 6.19 | Landlords must confirm the following in writing to the resident at the completion of stage 2 in clear, plain language:<br>a. the complaint stage;<br>b. the complaint definition;<br>c. the decision on the complaint;<br>d. the reasons for any decisions made;<br>e. the details of any remedy offered to put things right;<br>f. details of any outstanding actions; and<br>g. details of how to escalate the matter to the Ombudsman Service if the individual remains dissatisfied. | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 6.5<br><br>The Council has template response letters that align with the complaints policy to assist complaints officers to ensure they address all points detailed in paragraph 6.5 of the policy |
| 6.20 | Stage 2 is the landlord's final response and must involve all suitable staff   | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 6.1  |

|  |  |  |                         |   |
|--|--|--|-------------------------|---|
|  | members needed to issue such a response. |  | <a href="#">Council</a> | The final response under stage 2 is signed off by the Assistant Director of Development and Growth; this is an internal procedure |
|--|--|--|-------------------------|---|

## Section 7: Putting things right

| Code provision | Code requirement   | Comply: Yes / No | Evidence  | Commentary / explanation |
|----------------|--|------------------|---|--------------------------|
| 7.1            | <p>Where something has gone wrong a landlord must acknowledge this and set out the actions it has already taken, or intends to take, to put things right. These can include:</p> <ul style="list-style-type: none"> <li>• Apologising;</li> <li>• Acknowledging where things have gone wrong;</li> <li>• Providing an explanation, assistance or reasons;</li> <li>• Taking action if there has been delay;</li> <li>• Reconsidering or changing a decision;</li> <li>• Amending a record or adding a correction or addendum;</li> <li>• Providing a financial remedy;</li> <li>• Changing policies, procedures or practices.</li> </ul> | Yes              | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 7.1        |
| 7.2            | Any remedy offered must reflect the impact on the resident as a result of any  | Yes              | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 7.2        |

|     |   |     |   |   |
|-----|---|-----|---|---|
|     | fault identified.   |     | <a href="#">Council</a>   |   |
| 7.3 | The remedy offer must clearly set out what will happen and by when, in agreement with the resident where appropriate. Any remedy proposed must be followed through to completion. | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 7.2<br><br>Actions are tracked and actioned through the Department's Complaints Management Database |
| 7.4 | Landlords must take account of the guidance issued by the Ombudsman when deciding on appropriate remedies.  | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 7.2   |

## Section 8: Self-assessment, reporting and compliance

| Code provision | Code requirement   | Comply: Yes / No | Evidence   | Commentary / explanation |
|----------------|--|------------------|--|--------------------------|
| 8.1            | <p>Landlords must produce an annual complaints performance and service improvement report for scrutiny and challenge, which must include:</p> <ul style="list-style-type: none"> <li>a. the annual self-assessment against this Code to ensure their complaint handling policy remains in line with its requirements.</li> <li>b. a qualitative and quantitative analysis of the landlord's complaint handling performance. This must also include a summary of the types of complaints the landlord has refused to accept;</li> <li>c. any findings of non-compliance with this Code by the Ombudsman;</li> <li>d. the service improvements made as a result of the learning from complaints;</li> <li>e. any annual report about the landlord's performance from the Ombudsman; and</li> <li>f. any other relevant reports or publications produced by the Ombudsman in relation to the work of the landlord.</li> </ul> | Yes              | <a href="#">Annual Complaints Performance and Service Improvement Report</a> |                          |

|     |   |     |  |  |
|-----|---|-----|--|--|
| 8.2 | The annual complaints performance and service improvement report must be reported to the landlord's governing body (or equivalent) and published on the on the section of its website relating to complaints. The governing body's response to the report must be published alongside this.                       | No  | <a href="#">Annual Complaints Performance and Service Improvement Report</a><br><br>Link to Finance and Policy Committee papers be added when available online | Complaints Performance and Service Improvement Report and self-assessment is published on Council's website<br><br>Governing Body's response to be published after report and self-assessment is taken to Finance and Policy Committee on 25th November 2024 for consideration |
| 8.3 | Landlords must also carry out a self-assessment following a significant restructure, merger and/or change in procedures.  | N/A | N/A  | N/A  |
| 8.4 | Landlords may be asked to review and update the self-assessment following an Ombudsman investigation.   | N/A | N/A  | N/A  |
| 8.5 | If a landlord is unable to comply with the Code due to exceptional circumstances, such as a cyber incident, they must inform the Ombudsman, provide information to residents who may be affected, and publish this on their website Landlords must provide a timescale for returning to compliance with the Code. | N/A | N/A  | N/A  |

## Section 9: Scrutiny & oversight: continuous learning and improvement

| Code provision | Code requirement   | Comply: Yes / No | Evidence  | Commentary / explanation   |
|----------------|--|------------------|---|--|
| 9.1            | Landlords must look beyond the circumstances of the individual complaint and consider whether service improvements can be made as a result of any learning from the complaint.   | Yes              | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 9.10 to 9.11   |
| 9.2            | A positive complaint handling culture is integral to the effectiveness with which landlords resolve disputes. Landlords must use complaints as a source of intelligence to identify issues and introduce positive changes in service delivery.         | Yes              | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 9.10 to 9.11   |
| 9.3            | Accountability and transparency are also integral to a positive complaint handling culture. Landlords must report back on wider learning and improvements from complaints to stakeholders, such as residents' panels, staff and relevant committees.   | No               | Link to Finance and Policy Committee papers be added when available online                        | Learning and service improvements will be included in the first report due to go to Finance and Policy Committee on 25th November 2024 |
| 9.4            | Landlords must appoint a suitably senior lead person as accountable for their complaint handling. This person must assess any themes or trends to identify potential systemic issues, serious risks, or policies and procedures that require revision. | Yes              | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 9.11   |

|     |   |     |   |   |
|-----|---|-----|---|---|
| 9.5 | In addition to this a member of the governing body (or equivalent) must be appointed to have lead responsibility for complaints to support a positive complaint handling culture. This person is referred to as the Member Responsible for Complaints ('the MRC').  | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> | See paragraph 9.11  |
| 9.6 | The MRC will be responsible for ensuring the governing body receives regular information on complaints that provides insight on the landlord's complaint handling performance. This person must have access to suitable information and staff to perform this role and report on their findings.  | Yes | <a href="#">Agendas, reports and minutes   Hartlepool Borough Council</a>                         | See item 7.2 – complaints relating to housing management services have been included in Corporate Complaints Monitoring reports to Committee<br><br>Now the standalone Housing Management Complaints Policy is in place from April 2024 reporting will be separate to the Corporate Complaints Monitoring reporting after 2023/24 |
| 9.7 | As a minimum, the MRC and the governing body (or equivalent) must receive:<br>a. regular updates on the volume, categories and outcomes of complaints, alongside complaint handling performance;<br>b. regular reviews of issues and trends arising from complaint handling;<br>c. regular updates on the outcomes of the Ombudsman's investigations and progress made in complying with orders | Yes |   | Annual updates with the MRC given size of stock and number of complaints received   |

|     |  |     |   |  |
|-----|--|-----|---|--|
|     | related to severe maladministration findings; and<br>d. annual complaints performance and service improvement report.  |     |   |  |
| 9.8 | Landlords must have a standard objective in relation to complaint handling for all relevant employees or third parties that reflects the need to:<br>a. have a collaborative and co-operative approach towards resolving complaints, working with colleagues across teams and departments;<br>b. take collective responsibility for any shortfalls identified through complaints, rather than blaming others; and<br>c. act within the professional standards for engaging with complaints as set by any relevant professional body. | Yes | <a href="#">Complaints about Council owned social rented housing   Hartlepool Borough Council</a> |  |

# FINANCE AND POLICY COMMITTEE

25<sup>TH</sup> NOVEMBER 2024



**Subject:** JOINT HEALTH AND WELLBEING STRATEGY

**Report of:** Director of Public Health

**Decision Type:** Non-Key/For information

## 1. COUNCIL PLAN PRIORITY

|  |
|--|
| <b>Hartlepool will be a place:</b>   |
| - where people are enabled to live healthy, independent and prosperous lives.                    |
| - where those who are vulnerable will be safe and protected from harm.                           |
| - of resilient and resourceful communities with opportunities for all.                           |
| - that is sustainable, clean, safe and green.  |
| - that has an inclusive and growing economy.   |
| - with a Council that is ambitious, fit for purpose and reflects the diversity of its community. |

## 2. PURPOSE OF REPORT

- 2.1 To consult with committee members on the final draft of the Joint Health and Wellbeing Strategy for Hartlepool (**Appendix 1**).

## 3. BACKGROUND

- 3.1 Health and wellbeing boards (HWBs) have been a key mechanism for driving joined up working at a local level since they were established in 2013.

- 3.2 The decision was made by the Health and Wellbeing Board on the 5 September 2022 for Public Health to lead the refresh of the Hartlepool Health and Wellbeing Strategy (JHWS) 2018-2025.

#### 4. PROPOSALS/OPTIONS FOR CONSIDERATION

- 4.1 Committee members are asked to agree the content of the Hartlepool Joint Local Health and Wellbeing Strategy.

The results of these consultations have now been incorporated in to the final draft of the JHWS and we are now in a position to develop a JLHWS, that will inform the development of a detailed action plan and outcome framework which will be the responsibility of the HWBB to oversee and monitor. The strategy setting out the below priorities, for the next five years:

- **Starting Well** – All Children and young people living in Hartlepool have the best start in life.
- **Live well** - People live and work in connected, prosperous and sustainable Communities.
- **Age well** - People live healthier and more independent lives, for longer

- 4.2 These are the overall strategic goals. The implementation will take the form of an annual action plan which will be monitored and reviewed through the Health and Wellbeing Board.

#### 5. OTHER CONSIDERATIONS/IMPLICATIONS

|  |  |
|--|--|
| <b>RISK IMPLICATIONS</b>                     | In order to meet statutory requirements we are required to publish the Joint Local Health and Wellbeing Strategy |
| <b>FINANCIAL CONSIDERATIONS</b>              | None identified  |
| <b>SUBSIDY CONTROL</b>                       | None identified  |
| <b>LEGAL CONSIDERATIONS</b>                  | None identified  |
| <b>CHILD AND FAMILY POVERTY</b>              | Attached   |
| <b>EQUALITY AND DIVERSITY CONSIDERATIONS</b> | Attached   |

|  |  |
|--|--|
| <b>STAFF CONSIDERATIONS</b>  | None Identified  |
| <b>ASSET MANAGEMENT CONSIDERATIONS</b>                               | None Identified  |
| <b>ENVIRONMENT, SUSTAINABILITY AND CLIMATE CHANGE CONSIDERATIONS</b> | None Identified  |
| <b>CONSULTATION</b>  | <p>Public consultation has been undertaken through an [online survey and neighbourhood and user forums*] through the Big Conversation consultation</p> <p>Comments have been invited from the following statutory consultees</p> <p>Health and Wellbeing Board members</p> <p>This is now being presented to the following committees for consultation:<br/> Audit and Governance<br/> Finance and Policy<br/> ICB Place Committee</p> |

## 6. RECOMMENDATIONS

- 6.1 That the committee agree the structure and content of the strategy.

## 7. REASONS FOR RECOMMENDATIONS

- 7.1 The strategy has been produced in consultation with key partners and the public. It reflects the health needs within the town and links to existing strategies in the local authority and partners.

## 8. BACKGROUND PAPERS

- 8.1 Health and Wellbeing Strategy on a Page

**9. CONTACT OFFICERS**

Craig Blundred  
Director of Public Health  
[Craig.Blundred@hartlepool.gov.uk](mailto:Craig.Blundred@hartlepool.gov.uk)

Claire Robinson  
Public Health Principal  
[Claire.Robinson@hartlepool.gov.uk](mailto:Claire.Robinson@hartlepool.gov.uk)

Sign Off:-

|                                      |                  |
|--------------------------------------|------------------|
| Managing Director                    | Date: 24/10/2024 |
| Director of Finance, IT and Digital  | Date: 24/10/2024 |
| Director of Legal, Governance and HR | Date: 24/10/2024 |

# Joint Local Health and Wellbeing Strategy



**HARTLEPOOL**  
**BOROUGH COUNCIL**

# Joint Health and Wellbeing Strategy on a page



Our Vision: We will address health inequalities by working together to ensure everyone in Hartlepool has the opportunity to thrive and achieve their potential



Principles

Tackling inequalities

Empowering local communities

Shared responsibility

Integrated approaches

Building health



The Board will develop an action plan which measures identified priority areas against the principles and priority themes.

# Contents

Welcome from the Chair

What makes us healthy

Links to local/national plans

What we know – Health in Hartlepool

Our principles

- Tackling inequalities

- Empowering local communities – The voice of local communities is at the centre of our decision-making

- Shared responsibility

- Integrated approaches

- Building health

What people said

Our priorities

Cross Cutting

Measure of success – Delivering the strategy and monitoring Impact

References

# Welcome from the Chair



Our new Joint Health and Wellbeing Strategy presents a real opportunity to make a difference to the health and wellbeing of everyone in Hartlepool together with partners and communities.

The Strategy has been produced in collaboration with Health and Wellbeing Board partners and feedback from the 'Big Conversation' consultation. Much has happened since the last Strategy was implemented in 2018; the impact of the Covid-19 pandemic combined with rising living costs and significant pressures in the health and care systems and the public sector are continuing to impact on people's lives.

We have set out high level ambitions for the next five years. This Strategy sets out our commitments and vision for improving health and wellbeing for the people of Hartlepool. Members of the Joint Health and Wellbeing Board will play a key role in delivering the Strategy locally. We will make sure that action plans have been tailored to meet local needs and build on the strengths of our communities.

**Councillor Brenda Harrison**

Leader of Hartlepool Borough Council

# What makes us healthy

Most people associate the word 'health' with hospitals and doctors. When considering 'good health' they tend to think simply of an absence of illness but this strategy looks at health in its broadest sense: a person's level of good physical and mental health, and the extent to which individuals in a society are enabled to live healthy and flourishing lives.




## Links to local/national plans



The Joint Health and Wellbeing Strategy for Hartlepool links to wider strategies aimed at addressing the health and wellbeing needs including:

 **Hartlepool Borough Council Plan W**

---

 **NHS Long Term Plan v1.2 August 2019 ([england.nhs.uk](https://www.england.nhs.uk/longterm/))**

---

 **North East and North Cumbria Joint Forward Plan 2023-2028**

---

 **North East and North Cumbria Health & Care Partnership 'Better Health and Wellbeing for All'**

---

# What we know - Health in Hartlepool

## Starting Well - Why is this important?

The early years of life from conception to entering adulthood are critical for wellbeing.

During pregnancy there are opportunities to ensure and promote healthy behaviours. Good support in the early years is vital in helping parents access support for their child's needs, but also for employment opportunities and housing which help to reduce child and family poverty. Schools are also vitally important in improving the health behaviours of children and young people and ensuring high levels of achievement and ambition to help chances throughout life.

## In Hartlepool we know:

### Starting Well

The National Child Measurement Programme (NCMP) 2022-23

Overweight Reception

**25.90%**



Obese Reception

**12.70%**



Overweight Y6

**42.10%**



Obese Y6

**27.50%**



## Low income households

Children in relative low income families

**26.80%**



Children in absolute low income families

**21.70%**



Department for Work and Pensions HM Revenue and Customs

## School readiness

Percentage of children achieving a good level of development at the end of Reception

**64.50%**



Percentage of children achieving the expected level in the phonics screening check in Year 1

**79.20%**



Department for Education (DfE), EYFS Profile

## SATOD/Breastfeeding

Breastfeeding prevalence at 6-8 weeks

**26%**



## Living Well – Why is this important?

Unemployment, wages and employment are all factors which influence people's health. Similarly, our local communities, and the regeneration that takes place, provide opportunities to improve health and wellbeing and build resilient, sustainability communities and tackle the wider determinants of health. We must work together to provide support to people.

### In Hartlepool we know:

## Starting Well

### Fuel Poverty

Households in fuel poverty

**14.30%**



Department for Business, Energy and Industrial Strategy

### Unemployed

Percentage of the working age population claiming out of work benefit

**14.30%**



NOMIS, Official Census and Labour Market Statistics

### Physically active adults

Percentage of physically active adults

**59.50%**



Percentage of physically inactive adults

**28.60%**



Active Lives Adult Survey, Sport England

### Depression

Depression prevalence 18+

**14.80%**



QOF

### Smoking

Current smokers 15+

**18.80%**



Current smokers 18+

**17%**



## Ageing Well – Why is this important?

Older age can and should be an opportunity for an active, independent and thriving time of life however the likelihood of having one or more long-term conditions does increase with age. In particular the older population has particular health needs, which may include falls and dementia. The local health system including primary, hospital and community care is essential to health.

### In Hartlepool we know:

## Age Well

### Healthy life expectancy

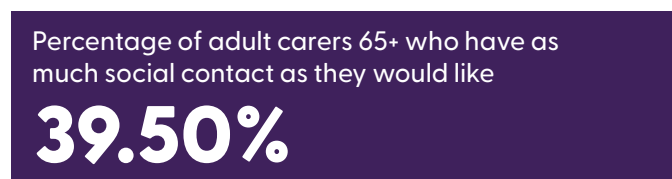


### Dementia



NHS

### Isolation



ASCOF

### Reablement support



# Our Principles

## Tackling inequalities

Health inequalities are unfair and avoidable differences in health across the population, and between different groups within society. These include how long people are likely to live, the health conditions they may experience and the care that is available to them.

The conditions in which we are born, grow, live, work and age can impact our health and wellbeing. These are sometimes referred to as wider determinants of health.

---

## Empowering local communities – The voice of local communities is at the centre of our decision-making

Communities, both place-based and where people share a common identity, have a vital contribution to make to health and wellbeing. Community life, social connections and having a voice in local decisions are all factors that underpin good health, however inequalities persist and too many people experience the effects of social exclusion or lack social support.

---

## Shared responsibility

The Joint Health and Wellbeing Board will ensure a shared responsibility with partners to collectively deliver a range of functions and services that protect, promote and improve the public's health. With a growing number of challenges facing the health and care system, it is more important than ever in order to improve health outcomes and reduce health inequalities.

---

## Integrated approaches

The Joint Health and Wellbeing Board will work with partners as integrated care is essential to improving outcomes for people who use health and social care services – with a focus on prevention, better outcomes and reducing health inequalities.

---

## Building health

Where we live can shape our health, including how long we can expect to live, but inequalities between local areas restrict people's opportunities to live a healthy life. By improving things like access to good-quality jobs, homes and making healthy food more accessible we can make a difference to our communities.

# What people said

We held a Big Conversation to find out people's thoughts and ideas about the type of place they wanted Hartlepool to be in the future. In the context of health and wellbeing, this is what they told us:

The Big Conversation ran for 12 weeks from 22nd November 2023 until 14th February 2024 and we had over 1,600 engagements with residents, our employees and partners from the public, private, voluntary, community and social enterprise (VCSE) sectors. This was through online and in person events.

Summary of responses included:



## What do you think is going well in Hartlepool?

Having easy access to the outdoors, nature and green spaces is a big benefit of living in Hartlepool, although some felt we don't make enough of these. People also liked that there is a strong VCSE sector in Hartlepool with a support group or charity to help with every need. They also felt that there is a really strong, friendly community who support each other in adversity. Though some felt community cohesion was declining.

## What would make Hartlepool a better place to live?

People were very concerned about the impact of drugs both from a health perspective and also in terms of associated crime and anti-social behaviour, which many people said made them feel unsafe and reduced their enjoyment of outdoor spaces. A stronger stance on drugs in Hartlepool would be welcomed. Additionally, people felt that they could make more use of our outdoor spaces for exercise and wellbeing if they were safer, cleaner, better maintained and had more facilities. Difficulties in accessing local healthcare, particularly GPs, dentists and hospital services, was also an area of major concern.





### How can we work together to make a difference?

People wanted agencies to work together more closely, share information more and to see action being taken. They also felt that agencies should involve residents and young people more in decision-making. In terms of actions; people wanted to see more availability of better quality housing, particularly in the social and private rental sectors. They also wanted actions to reduce inequalities (particularly in relation to poverty, warm homes, healthy diets and healthy lifestyles). Disabled respondents said they wanted Hartlepool to be more disabled-friendly, especially in terms of accessible/adapted housing, transport and access to services.

### What would help to improve your health and wellbeing?

The two key areas that people highlighted were that they wanted a greater range of leisure activities (including more affordable activities and more availability in the evenings and at weekends – note “leisure” does not just mean sport and many different activities were mentioned). They said that this would improve their health and fitness as well as allow them to make and maintain social connections and stay independent. The second area was they wanted better and easier access to health services, particularly increased availability of GP appointments and NHS dentists. Easier access to mental health services was also mentioned.



# Our priorities

## Starting Well – All Children and young people living in Hartlepool have the best start in life.

### **We Will:**

- Work together to improve the mental health outcomes of the children and young people of Hartlepool
- Ensure every child has the 'Best Start' in life
- All children, whatever age, are supported in order to prepare them to start school and are ready to learn
- Work together to tackle childhood poverty
- Ensure Hartlepool is a safe place for children and families to grow and thrive
- Ensure that all services are person centred and family focused
- A focus on prevention and shifting to a social determinants of health approach
- Increase the uptake of childhood vaccinations

## Live well – People live healthier and more independent lives, for longer

### **We Will:**

- Reduce the numbers of people taking up and continuing to smoke
- Reduce the numbers of people using substances and work to reduce the number of substance-related deaths
- Promote access to good nutrition and access to physical activity opportunities including green spaces in order to reduce levels of obesity
- Work with partners to address levels of anti-social behaviour and violent crimes
- Grow the numbers of businesses engaged in addressing workplace health
- Promote mental and physical health, and prevent ill health
- Work together so more families will be living in decent homes with good opportunities for work
- Develop a coordinated approach to community resilience
- Work to address the health impacts of poverty

## Age well – People live healthier and more independent lives, for longer

### **We Will:**

- Support people with a long-term health condition to manage their condition
- Fewer older people will feel socially isolated, and more will be actively participating in community life
- Provide early prevention and detection, and coordinated care in older age
- Reduce the numbers of people who experience falls, and those who do will be enabled to feel confident and remain independent
- Support people to remain independent and able to make decisions about the health and social care services they receive
- Increase the opportunities for older people to participate in physical activity
- Include and support people in their end-of-life care choices

# Cross Cutting

## **Resilient, sustainability communities**

Healthy and sustainable places and communities – we will ensure that our communities and places have the right building blocks for health in place to build stronger, more resilient communities to ensure we support those conditions necessary for people to be healthy adopting a culture of health which encompasses a broader vision of what it means to be healthy, extending beyond health care to include work, family, and community life.

## **Life Course Approach**

The life course approach is an approach to understand people's life's over time and across generations and helps us to understand and explain health and disease patterns and the impact of early life and life transitions on health outcomes from birth to death and is critical in improving health and health equity.

## **Wider determinants of health approach**

The wider determinants of health are a diverse range of social, economic and environmental factors which influence people's mental and physical health. Variation in these factors is an important driver of the health inequalities.

# Measure of Success – Delivering the Strategy and Monitoring Impact

The Joint Health and Wellbeing Strategy will inform an action plan which will involve partners and stakeholders.

This will be monitored by the Joint Health and Wellbeing Board which meets quarterly. The board will also produce an annual report demonstrating progress against priority areas.

A local outcomes frame work will be used to monitor impact and change.

# References

<sup>i</sup> <https://www.england.nhs.uk/about/equality/equality-hub/national-healthcare-inequalities-improvement-programme/core20plus5/>

<https://www.england.nhs.uk/about/equality/equality-hub/national-healthcare-inequalities-improvement-programme/core20plus5/core20plus5-cyp/>

---

<sup>ii</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/768979/A\\_guide\\_to\\_community-centred\\_approaches\\_for\\_health\\_and\\_wellbeing\\_full\\_report\\_.pdf#:~:text=There%20is%20extensive%20evidence%20that%20connected%20and%20empowered,a%20positive%20impact%20on%20people%E2%80%99s%20health%20and%20wellbeing.](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/768979/A_guide_to_community-centred_approaches_for_health_and_wellbeing_full_report_.pdf#:~:text=There%20is%20extensive%20evidence%20that%20connected%20and%20empowered,a%20positive%20impact%20on%20people%E2%80%99s%20health%20and%20wellbeing.)

---

<sup>iii</sup> [https://assets.publishing.service.gov.uk/media/5d0759f1e5274a0b82d62f2f/Quality\\_in\\_public\\_health\\_shared\\_responsibility\\_2019.pdf](https://assets.publishing.service.gov.uk/media/5d0759f1e5274a0b82d62f2f/Quality_in_public_health_shared_responsibility_2019.pdf)

---

<sup>iv</sup> <https://www.health.org.uk/infographic-what-makes-us-healthy>

---

<sup>v</sup> <https://www.gov.uk/government/publications/health-profile-for-england-2018/chapter-6-wider-determinants-of-health>