

# **AUDIT AND GOVERNANCE COMMITTEE**

## **AGENDA**



**28<sup>th</sup> January 2025**

**at 5pm**

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

**MEMBERS: AUDIT AND GOVERNANCE COMMITTEE**

Councillors Boddy, Darby, Hall, Holbrook, Jorgeson, Moore (C), Morley, Roy, Thompson and Vacancy.

Standards Co-opted Independent Members: - Mr Martin Slimings.

Standards Co-opted Parish Council Representatives: Parish Councillor Kane Forrester (Wynyard) and Parish Councillor Patricia Andrews (Headland)

Local Police Representative

**1. APOLOGIES FOR ABSENCE**

**2. TO RECEIVE ANY DECLARATIONS OF INTEREST BY MEMBERS**

**3. MINUTES**

3.1 To confirm the minutes of the meeting held on 15<sup>th</sup> October 2024.

3.2 To confirm the minutes of the meeting held on 5<sup>th</sup> November 2024.

**4. AUDIT ITEMS**

4.1 Internal Audit Plan Update 2024-25 - *Head of Audit and Governance*

4.2 Treasury Management Strategy 2025/26 and Third Quarter Review 2024/25 -  
*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.

## 5. STANDARDS ITEMS

- 5.1 Standards/Conduct Annual Report Strengthening the Standards and Conduct Framework for Local Authorities in England – Consultation – *Director of Legal, Governance and Human Resources*

## 6. STATUTORY SCRUTINY ITEMS

### Crime and Disorder Issues

#### 6.1 Retail Crime Investigation –

- i) Progress update – Presentation – *Democratic Services and Statutory Scrutiny Manager*
- ii) Consultation update – *Scrutiny and Legal Support Officer*

### Health Scrutiny Issues

None

## 7. OTHER ITEMS FOR DECISION

- 7.1 Regulation of Investigation Powers Act 2000 (RIPA) – Quarter 3 Update – *Director of Legal, Governance and Human Resources*

## 8. MINUTES FROM RECENT MEETINGS FOR RECIEPT BY THE COMMITTEE

- 8.1 Health and Wellbeing Board – 9<sup>th</sup> September 2024
- 8.2 Finance and Policy Committee relating to Public Health issues – None
- 8.3 Tees Valley Health Scrutiny Joint Committee – 19<sup>th</sup> September 2024
- 8.4 Tees Valley Health Scrutiny Joint Committee - 7<sup>th</sup> November 2024
- 8.5 Safer Hartlepool Partnership – None
- 8.6 Tees Valley Area Integrated Care Partnership – 9<sup>th</sup> August 2024
- 8.7 Regional Health Scrutiny – None
- 8.8 Durham, Darlington and Teesside, Hambleton, Richmondshire and Whitby STP Joint Health Scrutiny Committee - None

## 9. ANY OTHER BUSINESS WHICH THE CHAIR CONSIDERS URGENT

For information: - forthcoming meeting dates: -

Tuesday 25 February, 2025 at 5.00 pm

Tuesday 1 April, 2025 at 5.00 pm



# **AUDIT AND GOVERNANCE COMMITTEE**

## **MINUTES AND DECISION RECORD**

### **15 OCTOBER 2024**

The meeting commenced at 5.05 pm in the Civic Centre, Hartlepool.

**Present:**

Councillors: Moss Boddy, Rob Darby, Ged Hall, Michael Jorgeson, Aaron Roy.

Standards Co-opted Members: Martin Slimings – Independent Member

Also Present: Chief Inspector Pete Littlewood, Cleveland Police  
Superintendent Martin Hopps, Cleveland Police

Officers: Sylvia Pinkney, Assistant Director, Regulatory Services  
Craig Blundred, Director of Public Health  
Joan Stevens, Statutory Scrutiny Manager  
Gemma Jones, Scrutiny and Legal Support Officer

## **40. Appointment of Chair**

In the absence of the Chair and Vice Chair, nominations were sought, and Cllr Darby was appointed as Chair for the duration of this meeting.

## **41. Apologies for Absence**

Apologies for absence were received from:

- Councillors Holbrook, Moore, Morley and Thompson
- Parish Councillors Forrester (Wynyard) and Andrews (Headland)

## **42. Declarations of Interest**

Cllr Hall declared an interest in the item relating to retail crime.

Cllr Darby declared an interest in the item relating to retail crime.

## **43. Retail Crime Investigation – Initial Evidence** (*Statutory Scrutiny Manager*)

The Statutory Scrutiny Manager advised the purpose of the report was to introduce baseline evidence as part of the initial stages of the Committee's Retail Crime investigation. Representatives from Cleveland Police were in attendance to provide Members with information relating to Retail Crime in Hartlepool. It was proposed that further avenues for gathering information and evidence would include:

- The inclusion of a retail crime question in Ward Surveys carried out by Cleveland Police to gain public perspective on the issue.
- A survey to be circulated to business owners in relation to the impact of retail crime on business and staff.
- Cleveland Police will assist in a 'deep dive' of investigating why offenders commit retail crime and explore the issues that drive retail crime.

The Chief Inspector for Cleveland Police gave an overview of data and statistics relating to retail crime in Hartlepool and the wider Tees Valley area. Members were informed of the following information –

- 8,164 reports of theft were recorded in the Tees Valley in the 12 months prior to the end of September 2024, this is an increase of 7% from the previous year.
- Of the thefts recorded, 2,117 reports of retail theft had taken place in Hartlepool, an increase of 16% from the previous year.
- In Hartlepool, 1,251 reports of theft were recorded in the last 6 months, an increase of 16% from the previous year.
- In Hartlepool, 257 of those were reported in the last month, an increase of 28.7% from previous year.
- Compared to the national picture this has increased by 13.68%, the national rate is 7.72%.
- In relation to positive outcomes, 37% of recorded crimes of shop theft were solved by Cleveland Police. The national rate is 16.4%, significantly lower than the Cleveland Police rate.
- The detection rate in the last 12 months was 29.6%.
- Cleveland has the highest retail crime rate per 1,000 population in comparison to the rest of the country.

The Chief Inspector explained that retail crime meetings take place bi-monthly with all 4 districts and each district reports into this. Local retail crime forums also take place, they adhere to and work towards the national Retail Crime Action Plan. This is a public document and can be viewed online. The Cleveland Police Force action plan runs parallel to the national document and meets every single element with some exception. It was explained that the use of facial recognition software to identify potential suspects was now being piloted and utilisation of this was now up 500%.

In the questions that followed Members ascertained the following information:

- Most incidents of retail crime are carried out by an individual operating by themselves.
- The Chief Inspector advised the main driver for retail crime in Hartlepool is substance misuse.

- Significant work is carried out in relation to out of court disposals but there was also room for improvement. They were not used in relation to prolific offenders due to their significant offending history.
- The vast amount of crimes are committed by a small number of persistent offenders.
- Electronic tags are not used as a deterrent for shoplifting by Cleveland Police.
- Some areas are more vulnerable to retail crime than others. A multi-faceted approach is taken to tackling crime and some stores in certain locations are prioritised.
- Advice is offered to stores in relation to the storing and location of high-risk items, examples of which were provided.
- Crime rates can increase depending on the time of year.
- Crime rates can also increase when targeted measures are put in place such as more police patrols and a higher visibility of police presence.
- Concerns about staff safety should be raised with employers as they have a duty of care to keep their staff safe.
- Some staff members are afraid to provide witness statements for fear of recriminations. However, Cleveland Police have no history of retail thieves taking retribution against staff for low level offences. Witness intimidation is a very serious crime and there is a zero tolerance approach to any person trying to interfere with a criminal investigation.
- There are some notable examples of shoplifters escalating to more serious crimes but this rare.
- An effective way of tackling retail crime is to make the crime difficult to commit, examples were given in relation to this.
- Cleveland Police are aware of the significant challenges facing business owners and the expense of additional security measures.
- Reference was made to the National Business Crime Solutions initiative, and that this was an effective way of bringing information to the attention of Cleveland Police.
- The majority of offenders are aged between mid 20's to early 40's.
- Increases in crime rates in a particular month can sometimes be attributed to the time of year or weather.
- For those that are offending to fund substance misuse, significant disruption activity takes place in Hartlepool to tackle the issue of drugs.
- There are plans to address the shortage of PCSO's, new cohorts are currently being trained with a view of starting in January 2025.

The Statutory Scrutiny Manager presented to the Committee the timetable for the evidence gathering part of the investigation. It was explained that a survey would be sent to business owners and retailers to seek their views on the impact of retail crime on their business. Business owners will also have the opportunity to be part of a working group to be held in December 2024.

Members asked for information in terms of the role of the drug and alcohol service following information from the Chief Inspector regarding substance misuse. Background information was provided in relation to the use of mandatory drug testing of offenders on arrest. Those that test positive are ordered to attend a minimum of 2 drug treatment meetings. It was advised that this was a gateway to

ensuring the offender can access treatment and other support to tackle their drug-related offending. However, the funding for this was due to end. It was proposed that this Committee could lobby for this funding to be continued. It was also highlighted that substance misuse was not the only driver behind retail crime and all other drivers would be explored.

Thanks were given to the Police Representatives for the information provided to Members.

#### **Recommended**

- i) The information provided in relation to retail crime be noted.
- ii) The proposed consultation and engagement plan be accepted.

#### **44. Draft Joint Local Health and Wellbeing Strategy (2025-2030) – Director of Public Health**

The Director of Public Health presented to this Committee the Draft Joint Local Health and Wellbeing Strategy for 2025-2030 for Member comments. It was noted that an annual action plan will also be produced focusing on key areas. The overall structure of the strategy was outlined including the 3 priorities of:

- **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

In the discussion that followed Members commented on the similarities of the plan to Maslow's hierarchy of needs and it was explained that this was an important element when considering health. It was also highlighted how crucial adequate housing was to good health.

A Member noted that the strategy did not contain specific examples of areas of focus. The Director of Public Health advised that further documents were available in relation to the strategy and that specific areas of focus would be detailed on the annual action plan. This action plan would also help to identify the main priorities, but a significant amount of work had been undertaken prior to inform the development of the strategy including the Council's 'big conversation' survey.

Following the Covid19 pandemic, priorities had shifted. This was the reason for a move away from a long-term action plan to an annual action plan. This would allow for flexibility and to be able to respond to significant changes where needed. This would be alongside some ongoing longer-term projects. Progress of the action plan would continue to be monitored. It was explained that changes would be demonstrated but some will take longer to embed. This would be achieved via the focused work programme and jointly working with partners.

#### **Recommended**

- iii) That the contents of the report be noted.
- iv) That comments in relation to housing be noted.

**45. Regulation of Investigatory Powers Act 2000 (RIPA) Annual Report (including Quarters 1 and 2 Update) – *Director of Legal, Governance and Human Resources***

The Scrutiny and Legal Support Officer presented the annual report on the activities relating to surveillance by the Council and policies under the Regulation of Investigatory Powers Act 2000. It was reported that in the period 2023/24 and in quarters 1 and 2 to the date of this meeting there had been no RIPA authorisations sought.

Members were advised that some amendments had been made to the RIPA Policy as part of the previous review. A copy of the Council's amended RIPA Policy was appended to the report for Members' approval which reflected the change in the RIPA co-ordinator.

**Recommended**

- i) That the report be noted and the amended RIPA policy be approved.

**46. Appointment of Independent Persons Recruitment – *Director of Legal, Governance and Human Resources***

The purpose of the report was to seek the Committee's approval to make arrangements for the recruitment and selection of up to three Independent Persons, the appointments must then be approved by a majority of Elected Members at Full Council. Details of the recruitment and selection process were appended to the report.

**Recommended**

- i) The recruitment process be approved for the selection of three Independent Persons.

**47. Crustacean Deaths Group**

There was no update.

**48. Minutes from recent meetings for receipt by the Committee**

The following minutes were presented to the Committee for information, with a view to identifying any issues Members may wish to discuss in greater detail:

- Health and Wellbeing Board – None
- Finance and Policy Committee relating to Public Health Issues – None

- Tees Valley Health Scrutiny Joint Committee – Noted.
- Safer Hartlepool Partnership – None
- Tees Valley Area Integrated Care Partnership – None
- Regional Health Scrutiny – None
- Durham, Darlington and Teesside, Hambleton, Richmondshire and Whitby STP and Joint Health Scrutiny Committee – None.

**Recommended**

- i) That the minutes be noted.

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

None

The meeting concluded at 6.25pm.



# **AUDIT AND GOVERNANCE COMMITTEE**

## **MINUTES AND DECISION RECORD**

### **5 NOVEMBER 2024**

The meeting commenced at 5pm in the Civic Centre, Hartlepool.

**Present:**

Councillor: Shane Moore (In the Chair)

Councillors: Moss Boddy, Ged Hall, Philip Holbrook, Michael Jorgeson, Aaron Roy, Carole Thompson.

Standards Co-opted Members: Martin Slimings - Independent Member  
Parish Councillor Kane Forrester (Wynyard)

Also Present: Councillor Rachel Creevy  
Councillor Karen Oliver  
Matt Storey, Police and Crime Commissioner for Cleveland

Officers: Denise McGuckin, Managing Director  
Sylvia Pinkney, Assistant Director, Regulatory Services  
James Magog, Director of Finance, IT and Digital  
Noel Adamson, Head of Audit and Governance  
Joan Stevens, Statutory Scrutiny Manager  
Gemma Jones, Scrutiny and Legal Support Officer

## **50. Apologies for Absence**

Apologies for absence were received from:

- Councillors Melanie Morley & Rob Darby
- Parish Councillor Andrews (Headland)

## **51. Declarations of Interest**

None.

## **52. Minutes**

Minutes from the meeting held on the 24<sup>th</sup> September 2024 were confirmed.

### 53. Crustacean Deaths Group

Councillor Creevy provided Members of the Committee with a verbal update in relation to the crustacean deaths working group and outlined the intention for a letter to be drafted to the Government regarding the findings of the working group. The working group is due to end in the coming months due to limited resources. The shift of focus would now be towards lobbying the government to take this forward. An overview was also given to Members with regards to the experiences of a local fisherman and his observation of current low stock levels of crustaceans.

A query was raised as to whether there had been any reports from the RSPB regarding a lack of wading birds. Councillor Creevy confirmed that they had not received any information from the RSPB but that this was something that could be discussed at the next working group meeting.

Concerns were also outlined in terms of reported chemical levels found in seal pups and star fish. The number of star fish was also found to have increased dramatically which could be attributed to low levels of crabs. It was also discussed that there was some confusion over who is responsible for such matters as multiple organisations were involved. Concerns were also shared in relation the input from government agencies, examples of which were given.

#### **Recommended**

- i) That the verbal update be noted.

### 54. Treasury Management Strategy Update 2024-25 – *Director of Finance IT and Digital Services*

The Director of Finance IT and Digital Services presented to the Committee the second treasury management strategy of the municipal year. Section 4 of the report was referred to in terms of the economic environment and the outlook for interest rates. It was reported that the cost of borrowing had increased but not significantly and that this may lead to lower cuts than what the bank had previously forecast. The Council remain under borrowed with the use of reserves to fund the capital programme. Further updates would be provided in terms of borrowing rates in January/February 2025.

The Chair enquired about the financial position of the Local Authority following the Autumn Budget and if the Council was in a better or worse position than what was forecast. The response from the Director was that it was likely better off but with a caveat to this in that those allocations had yet to be confirmed. Reference was made to increased funding of 600million for social care, divided across the authorities and further separate funding to target deprivation. The expectation was that, as Hartlepool is a deprived area, extra money may flow through to the town. There were also additional costs coming through the budget for example, the national minimum wage increases and higher contract interest rates. Details of the final figure would be announced in December 2024.

In the discussion that followed a Member queried if the council was exempt from an increase in national insurance but 3<sup>rd</sup> parties working with the Council were not. It was explained that the council are not exempt but will be compensated by the Government.

Questions were raised in relation why there had been no new borrowing this year. It was outlined that borrowing rates were high, over 5%. The decision was taken not to borrow but to use reserves, this decision had come with risks but there was a rationale behind this. Many other Local Authorities had taken this approach, and the situation was being carefully managed. The decision of when to borrow was on the radar and in recent years the long-term borrowing rates had been very low, however they now stand at 5%. It was discussed that 4% was a more realistic target.

A Member asked why the Council had not borrowed the maximum available. The Director for Finance, IT and Digital explained that generally the Council is under borrowed. Due to interest rates being high last year, the full amount was not borrowed. The aim was to be under borrowed as there is cash flow and reserves available and therefore this provides revenue savings. The Council want the rates to ideally fall below 5% before borrowing further.

A query was raised in terms of the Council being able to service the debt. It was explained that there were no issues with this, and the Council had agreed future borrowing for the capital programme. The current view is that the Council is not at a significant risk of having revenue pressures from borrowing but that this may need to be reviewed if interest rates were to stay at 5%. The risk of future borrowing being at a higher rate than budgeted remains, but the role of Officers was to carefully manage this and minimise the risk as much as possible.

Members also wished to gain further information on council reserves and asked if there was a limit as to what the reserves could be. It was advised that there was no limit to reserves. Hartlepool Borough Council reserves are low for a unitary authority but not the lowest and all the reserves are committed. An explanation was provided as to how the reserves were held, and reciprocal agreements that were in place between local authorities with regards to short term borrowing was discussed.

### **Recommended**

- ii) That the contents of the report be noted.

## **55. Internal Audit Plan 2024-25 Update – Head of Audit and Governance**

The purpose of the report was to inform Members of the progress made to date completing the internal audit plan of 2024/25.

Attention was drawn to table 2 of the report which outlined the assurance placed on the audits completed. Members noted that Gladstone Leisure Management system was reported as 'limited assurance' and it was advised that actions had been agreed to manage the issues raised. It was suggested that the relevant Assistant Directors be invited to a future meeting to update Members on the

continuing progress. The Head of Audit and Governance advised they were satisfied with progress made to date on each item.

**Recommended**

- i) That the report be noted.
- ii) That Assistant Directors be invited to a future meeting to provide an update on those items with 'limited assurance'.

**56. Risk Management Framework Update** - *Assistant Director – Development and Growth*

The purpose of the report, presented by the Managing Director, was to update Members regarding the recent work of the Councils Risk Management Framework and to seek confirmation that it provides adequate assurance. It was highlighted that there has been a detailed review of the framework and the recent audit had assisted in informing this review. There are no fundamental changes proposed to the framework but included are a number of improvements to make it more robust. These were detailed in section 4.1 of the report. To support officers in considering risk and preparing risk assessments, a toolkit has been produced that sits alongside the framework. New mandatory training has also been introduced for all Managers.

The Chair enquired if there was confidence in the steps that had been taken following the review. The Managing Director confirmed that with the new improvements this would provide the reassurance needed. This was echoed by the Head of Audit and Governance who confirmed that the mandatory element of training was particularly key and that this would raise the profile of risk management. The Audit team also provides support to review the risks with Assistant Directors and advise how they are recorded.

A Member asked if risk management was part of the external auditors role. It was explained that it was not but external auditors understood the wider governance arrangements. External auditors also feed into the annual auditors report.

**Recommended**

- i) The report be noted and the updates be confirmed as providing adequate reassurance.

**57. Retail Crime Investigation** – *Statutory Scrutiny Manager*

The Statutory Scrutiny Manager explained that this was the second evidence gathering session regarding the Committees investigation into retail crime. It was highlighted that the Committee was keen to hear the views of partners and stakeholders and input/views had been sought from:

- The Member of Parliament for Hartlepool (who is also Chair of the Safer Hartlepool Partnership);
- The Police and Crime Commissioner for Cleveland; and

- The Chair of the Council's Neighbourhood Services Committee.

The Police and Crime Commissioner for Cleveland (PCC) presented to the Committee their views and provided information relating to recent work carried out in relation to retail crime. The presentation covered –

- An overview of the scrutiny meetings attended by the PCC and Cleveland Police
- Retail Crime Summit
- Meeting with Middleton Grange
- Next steps in relation to the prevention and detection of retail crime
- Operation Pegasus

In the discussion that followed information was provided about the increased use of facial recognition software to identify offenders. It was also explained that Cleveland Police are performing better than the national average in terms of positive outcomes in relation to retail crime. Discussions were also had regarding the miscommunication that police do not respond to reports of theft. It was emphasised that this is not the case and the police will respond to reports of retail crime.

The effectiveness of custodial sentences was also discussed and comments were expressed by the PCC that this was not always the most successful way of dealing with offenders. Out of court settlements and help for substance misuse were more efficient in terms of reducing offending rates. Consideration needed to be given to the drivers behind shoplifting and that drug treatment and support was much more effective at reducing reoffending.

Other avenues considered as effective tools in managing retail crime were the management of Anti-Social Behaviour (ASB) and issuing dispersal orders and community protection notices. The use of airwave radios and awarding more powers to Community Wardens to issue fixed penalty notices (FPN) for ASB was also outlined. This allows the police to deal with more serious matters.

Members raised other questions in relation to retail crime. It was ascertained that

–

- Some locations/businesses were more susceptible to crime but these locations would not be shared in a public forum.
- There are concerns that not enough out of court resolutions are being issued and it was confirmed by the PCC that the police do issue them but that numbers needed to increase. However, this is resource intensive and needs to be managed.
- Funding was made available to the Local Authority, via the Safer Streets Fund, to allow for more enforcement officers to be employed. These officers are now working in the community in specific areas.
- Officers have powers to issue FPN. This does not involve parking enforcement.

The Chair of Neighbourhood Services Committee expressed views on the issue of retail crime. Funding available through the UKSPF had allowed for initiatives such as the use of radio technology but that this funding was due to come to an

end in March 2025. Understanding the drivers behind why people commit retail crime was essential to tackling the issue. Other factors that were discussed were scrutiny over shops that apply for alcohol licensing, involving public health over alcohol use and lobbying the government to allow for alcohol sales to be looked at in more depth.

Further questioning of the PCC presentation resumed, and the following information was outlined -

- The PCC confirmed that restrictions and zones could be placed on the concentration of licenses via the local plan. This could be a public health issue looked at through planned consultation.
- Out of court disposals are managed via probation along with the police. To increase the use would require significant resources.
- Concerns were raised regarding the understaffed probation service. The PCC advised the issue of agencies being understaffed could be taken up with the Home Secretary.
- The Police provide advice to shops regarding retail theft and advise retailers to keep high risk items away from shop entrances and to keep alcohol in locked cabinets. It was acknowledged that businesses must take responsibility for prevention measures.
- All crimes must be reported to allow police to build up an intelligence picture of where incidences are taking place. This means that police can identify the areas that need to be patrolled.
- Comments regarding having the Crown Prosecution Service based in Police Headquarters were noted by the PCC.
- A question was raised regarding the use of facial recognition software and data protection and the PCC advised he would come back with more information about this after the meeting.

Consideration was also given to the letter of support from Jonathan Brash, MP (and Chair of Safer Hartlepool Partnership) which was circulated at the meeting. The letter outlined legislation such as the Crime and Policing Bill and also detailed future work of the Safer Hartlepool Partnership in tackling this issue. The MP also expressed complete support in the work undertaken by the Audit and Governance Committee.

The Statutory Scrutiny Manager advised that retail crime will be the focus of an informal working group of the Safer Hartlepool Partnership and the Committee will investigate ways of collaborative working. Assurance was given that identifying the drivers behind retail crime would form part of the investigation. The use of out of court resolutions and locations of areas susceptible to retail crime would also be explored as well as examining activities used to design out retail crime. This would be the focus of future meetings.

The Chair of Neighbourhood Services expressed that crime should not be tolerated and always reported. Building community publicity campaigns around zero tolerance of this issue and working with young people to steer in the right direction was also key to prevention.

The Chair also suggested including key stakeholders in the investigation such as the Hartlepool Development Corporation, retailers in Middleton Grange and tenants in shopping parades.

A Member asked for the best way to report crime. The PCC advised the use of the COPA app, 101 and Crime Stoppers (to guarantee anonymity for those in fear of reprisals) were all effective ways to report crime.

The Police and Crime and Commissioner and the Chair of Neighbourhood Services Committee were thanked for taking the time to contribute to attend the meeting.

## **58. Minutes from recent meetings for receipt by the Committee**

The following minutes were presented to the Committee for information, with a view to identifying any issues Members may wish to discuss in greater detail:

- Health and Wellbeing Board – None
- Finance and Policy Committee relating to Public Health Issues – None
- Tees Valley Health Scrutiny Joint Committee – Noted.
- Safer Hartlepool Partnership – None
- Tees Valley Area Integrated Care Partnership – None
- Regional Health Scrutiny – None
- Durham, Darlington and Teesside, Hambleton, Richmondshire and Whitby STP and Joint Health Scrutiny Committee – None.

### **Recommended**

- i) There were no minutes to note.

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

None

The meeting concluded at 6.45pm.

CHAIR

# AUDIT AND GOVERNANCE COMMITTEE

28<sup>th</sup> January 2025



**Report of:** Head of Audit and Governance

**Subject:** INTERNAL AUDIT PLAN UPDATE 2024/25

## 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        |
| - 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 inform Members of the progress made to date completing the internal audit plan for 2024/25

## 3. BACKGROUND

- 3.1 In order to ensure that the Audit and Governance Committee meets its remit, it is important that it is kept up to date with the ongoing progress of the Internal Audit section in completing its plan. Regular updates allow the Committee to form an opinion on the controls in operation within the Council. This in turn allows the Committee to fully review the Annual Governance Statement, which will be presented at this meeting of the Committee, and after review, will form part of the statement of accounts of the Council.



## 4. PROPOSALS

- 4.1 That members consider the issues within the report in relation to their role in respect of the Councils governance arrangements. In terms of reporting internally at HBC, Internal Audit produces a draft report which includes a list of risks currently faced by the client in the area audited. It is the responsibility of the client to complete an action plan that details the actions proposed to mitigate those risks identified. Once the action plan has been provided to Internal Audit, it is the responsibility of the client to provide Internal Audit with evidence that any action has been implemented by an agreed date. The level of outstanding risk in each area audited is then reported to the Audit and Governance Committee.
- 4.2 The benefits of this reporting arrangement are that ownership of both the internal audit report and any resulting actions lie with the client. This reflects the fact that it is the responsibility of management to ensure adequate procedures are in place to manage risk within their areas of operation, making managers more risk aware in the performance of their duties. Greater assurance is gained that actions necessary to mitigate risk are implemented and less time is spent by both Internal Audit and management in ensuring audit reports are agreed. A greater breadth of assurance is given to management with the same Internal Audit resource and the approach to risk assessment mirrors the corporate approach to risk classification as recorded corporately. Internal Audit can also demonstrate the benefit of the work it carries out in terms of the reduction of the risk faced by the Council.
- 4.3 Table 1 of the report summarises the assurance placed on those audits completed with more detail regarding each audit and the risks identified and action plans agreed provided in **Appendix A**.

Table 1

| <b>Audit</b>                             | <b>Assurance Level</b> |
|--|------------------------|
| Controcc IT Application                  | Satisfactory           |
| CareFirst IT Application                 | Satisfactory           |
| Shared Prosperity Fund Grant             | Satisfactory           |
| Supporting Families Grant                | Satisfactory           |
| Local Council Tax Support Scheme         | Satisfactory           |
| Housing Benefits                         | Satisfactory           |
| NEC DM (Enterprise) IT Application       | Satisfactory           |
| Integra IT Application                   | Satisfactory           |
| NEC Revenues and Benefits IT Application | Satisfactory           |

- 4.4 For Members information, Table 2 below defines what the levels of assurance Internal Audit places on the audits they complete and what they mean in practice:

Table 2

| <b>Assurance Level</b> | <b>Meaning</b>  |
|------------------------|---|
| Satisfactory Assurance | Controls are operating satisfactorily, and risk is adequately mitigated.      |
| Limited Assurance      | Several key controls are not operating as intended and need immediate action. |
| No Assurance           | A complete breakdown in control has occurred needing immediate action.        |

4.5 Table 3 below details the audits that were ongoing at the time of compiling the report.

Table 3

| <b>Audit</b>                       | <b>Objectives</b>  |
|------------------------------------|--|
| Housing Aid and Homelessness.      | Ensure landlord services are provided in line with statutory requirement sand best practice. |
| National Fraud Initiative (NFI)    | Manage NFI process.  |
| Budgetary Control                  | Ensure adequate procedures are in place to meet statutory duties.                            |
| ResourceLink/MyView IT application | Ensure IT application controls in place  |
| Employee Protection Register       | Ensure adequate procedures are in place to meet statutory duties.                            |
| Creditors                          | Ensure adequate procedures are in place to meet statutory duties.                            |
| ICS Liquidlogic IT application     | Ensure IT application controls in place  |

## 5. OTHER CONSIDERATIONS/IMPLICATIONS

|                                 |  |
|---------------------------------|--|
| <b>RISK IMPLICATIONS</b>        | There is a risk that Members of the Audit and Governance Committee do not receive the information needed to enable a full and comprehensive review of governance arrangements at the Council, leading to the Committee being unable to fulfil its remit. |
| <b>FINANCIAL CONSIDERATIONS</b> | No relevant issues.  |
| <b>SUBSIDY CONTROL</b>          | No relevant issues.  |
| <b>LEGAL CONSIDERATIONS</b>     | No relevant issues.  |

|  |                           |
|--|---------------------------|
| <b>CHILD AND FAMILY POVERTY CONSIDERATIONS</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. |

## 6. RECOMMENDATIONS

- 6.1 It is recommended that Members note the contents of the report.

## 7. REASON FOR RECOMMENDATIONS

- 7.1 To ensure that the Audit and Governance Committee meets its remit, it is important that it is kept up to date with the ongoing progress of the Internal Audit section in completing its plan.

## 8. BACKGROUND PAPERS

- 8.1 Internal Audit Reports.

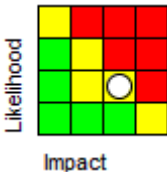
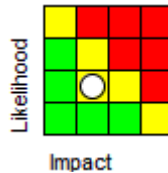
## 9. CONTACT OFFICER

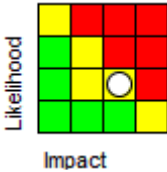
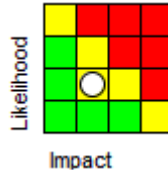
- 9.1 Noel Adamson  
Head of Audit and Governance  
Civic Centre  
Victoria Road  
Hartlepool  
TS24 8AY

Tel: 01429 523173

Email: [noel.adamson@hartlepool.gov.uk](mailto:noel.adamson@hartlepool.gov.uk)

## Appendix A

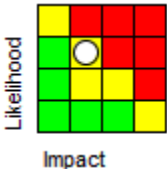
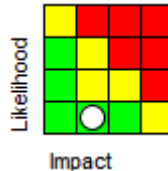
| Audit   | Objective                               |   |  | Assurance Level   |
|---|---|---|--|---|
| Controcc IT Application   | Ensure IT application controls in place |   |  | Satisfactory  |
| Risk Identified   |   | Risk Level prior to action implemented  | Action Agreed  | Risk Level after action implemented   |
| The Corporate Retention Policy is not complied with leading to data being retained which no longer should be, data could be available to users which is incorrect or which breaches compliance with GDPR/Data Protection legislation, all of which could result in reputational damage and fines/sanctions if there is a data breach. |   |  | The relevant IT companies are being contacted to see how these changes can be made without the potential loss/error occurring. |  |

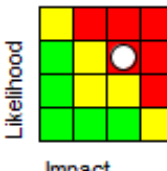

| Audit   | Objective                               |   |  | Assurance Level   |
|---|---|---|--|---|
| CareFirst IT Application  | Ensure IT application controls in place |   |  | Satisfactory  |
| Risk Identified   |   | Risk Level prior to action implemented  | Action Agreed  | Risk Level after action implemented   |
| The Corporate Retention Policy is not complied with leading to data being retained which no longer should be, data could be available to users which is incorrect or which breaches compliance with GDPR/Data Protection legislation, all of which could result in reputational damage and fines/sanctions if there is a data breach. |   |  | The relevant IT companies are being contacted to see how these changes can be made without the potential loss/error occurring. |  |

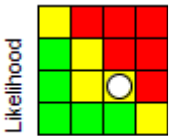
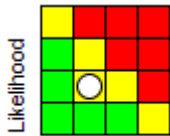
| <b>Audit</b>                        | <b>Objective</b>                                    |                      |  | <b>Assurance Level</b>                     |
|-------------------------------------|---|----------------------|--|--|
| <b>Shared Prosperity Fund Grant</b> | Grant is managed in line with terms and conditions. |                      |  | <b>Satisfactory</b>                        |
| <b>Risk Identified</b>              | <b>Risk Level prior to action implemented</b>       | <b>Action Agreed</b> |  | <b>Risk Level after action implemented</b> |
| No unmitigated risk identified.     |   |                      |  |  |

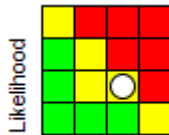
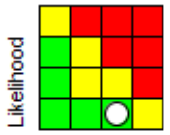
| <b>Audit</b>                     | <b>Objective</b>                                    |                      |  | <b>Assurance Level</b>                     |
|----------------------------------|---|----------------------|--|--|
| <b>Supporting Families Grant</b> | Grant is managed in line with terms and conditions. |                      |  | <b>Satisfactory</b>                        |
| <b>Risk Identified</b>           | <b>Risk Level prior to action implemented</b>       | <b>Action Agreed</b> |  | <b>Risk Level after action implemented</b> |
| No unmitigated risk identified.  |   |                      |  |  |

| <b>Audit</b>                            | <b>Objective</b>  |                      |  | <b>Assurance Level</b>                     |
|---|---|----------------------|--|--|
| <b>Local Council Tax Support Scheme</b> | Adequate processes are in place to ensure compliance with legislative requirements. |                      |  | <b>Satisfactory</b>                        |
| <b>Risk Identified</b>                  | <b>Risk Level prior to action implemented</b>                                       | <b>Action Agreed</b> |  | <b>Risk Level after action implemented</b> |
| No unmitigated risk identified.         |   |                      |  |  |

| Audit   | Objective   |   |   | Assurance Level   |
|---|---|---|---|---|
| <b>Housing Benefit</b>  | Adequate processes are in place to ensure compliance with legislative requirements. |   |   | <b>Satisfactory</b>   |
| Risk Identified   |   | Risk Level prior to action implemented  | Action Agreed   | Risk Level after action implemented   |
| Performance management arrangements are not in place or effective leading to issues with service delivery not being identified and appropriate actions taken resulting in the service not being delivered in an efficient, effective and economic manner. |   |  | This is still ongoing; we have started to discuss change with the individuals and are still looking at a Best Practice for future checking. |  |

| Audit   | Objective                               |  |   | Assurance Level  |
|---|---|--|---|--|
| <b>NEC DM (Enterprise) IT Application</b>   | Ensure IT application controls in place |  |   | <b>Satisfactory</b>  |
| Risk Identified   |   | Risk Level prior to action implemented   | Action Agreed   | Risk Level after action implemented  |
| The Corporate Retention Policy is not complied with leading to data being retained which no longer should be, data could be available to users which is incorrect or which breaches compliance with GDPR/Data Protection legislation, all of which could result in reputational damage and fines/sanctions if there is a data breach. |   |  | Initiate Retention and Disposal module for R&B service when functionality is successfully activated in new release. |  |

| Audit   | Objective                               |   |   | Assurance Level   |
|---|---|---|---|---|
| <b>Integra IT Application</b>   | Ensure IT application controls in place |   |   | <b>Satisfactory</b>   |
| Risk Identified   |   | Risk Level prior to action implemented  | Action Agreed   | Risk Level after action implemented   |
| The Corporate Retention Policy is not complied with leading to data being retained which no longer should be, data could be available to users which is incorrect or which breaches compliance with GDPR/Data Protection legislation, all of which could result in reputational damage and fines/sanctions if there is a data breach. |   | <br>Likelihood<br>Impact | Data retention procedures to be updated and arrangements for the archiving and / or anonymising of information to be applied. | <br>Likelihood<br>Impact |

| Audit   | Objective                               |   |   | Assurance Level   |
|---|---|---|---|---|
| <b>NEC Revenues and Benefits IT Application</b>   | Ensure IT application controls in place |   |   | <b>Satisfactory</b>   |
| Risk Identified   |   | Risk Level prior to action implemented  | Action Agreed   | Risk Level after action implemented   |
| The Corporate Retention Policy is not complied with leading to data being retained which no longer should be, data could be available to users which is incorrect or which breaches compliance with GDPR/Data Protection legislation, all of which could result in reputational damage and fines/sanctions if there is a data breach. |   | <br>Likelihood<br>Impact | Training to be arranged by CICT for training for anonymisation of old data on system. Once training has taken place old data will be anonymised | <br>Likelihood<br>Impact |

# AUDIT AND GOVERNANCE COMMITTEE

28 January 2025



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

**Subject:** TREASURY MANAGEMENT STRATEGY 2025/26  
AND THIRD QUARTER REVIEW 2024/25

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## 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 purposes of the report is to:

- i. Provide the third quarter update of the 2024/25 Treasury Management activity; and
- ii. Enable the Audit and Governance Committee to scrutinise the recommended 2025/26 Treasury Management Strategy before it is referred to Council for approval.



### 3. BACKGROUND

#### 3.1 The Treasury Management Strategy covers:

- the borrowing strategy relating to the Council's core borrowing requirement in relation to its historic capital expenditure (including Prudential Borrowing);
- the borrowing strategy for the use of Prudential Borrowing for capital investment approved as part of the Medium Term Financial Strategy; and
- the annual investment strategy relating to the Council's cash flow.

#### 3.2 The Treasury Management Strategy needs to ensure that the loan repayment costs of historic capital expenditure do not exceed the available General Fund revenue budget. Similarly, for specific business cases the Treasury Management Strategy needs to ensure loan repayment costs, including interest, do not exceed the costs factored into business case appraisals. As detailed later in the report these issues are being managed successfully.

#### 3.3 The Local Government Act 2003 requires the Council to 'have regard to' the CIPFA (Chartered Institute of Public Finance and Accountancy) Prudential Code and to set prudential indicators for the next three years to ensure capital investment plans are affordable, prudent and sustainable.

#### 3.4 The Act requires the Council to set out a Treasury Management Strategy for borrowing and to prepare an Annual Investment Strategy, which sets out the policies for managing investments and for giving priority to the security and liquidity of those investments. The Secretary of State issued Guidance on Local Government Investments which came into force on 1<sup>st</sup> April 2004, and has subsequently been updated, most recently in 2021.

#### 3.5 The Council is required to nominate a body to be responsible for ensuring effective scrutiny of the Treasury Management Strategy and policies, before making recommendations to full Council. This responsibility has been allocated to the Audit and Governance Committee.

#### 3.6 This report covers the following areas:

- Economic environment and outlook for interest rates;
- Treasury Management Strategy 2024/25 3<sup>rd</sup> Quarter review;
- Treasury Management Strategy 2025/26; and
- Minimum Revenue Provision and Interest Cost and Other Regulatory Information 2025/26.

### 4. ECONOMIC ENVIRONMENT AND OUTLOOK FOR INTEREST RATES

#### 4.1 UK – The Bank of England's (BoE) Monetary Policy Committee (MPC) opted to hold the Bank Rate at 4.75% in its December 2024 meeting. At the

November meeting it implemented a 0.25% interest reduction, lowering rates from 5.0% to 4.75%. The BoE Monetary policy stated interest rates will need to continue to remain restrictive for sufficiently long until the risks to inflation returning sustainably to the 2% target in the medium term have dissipated further. The BoE will closely monitor the risks of inflation persistence and will decide the appropriate degree of monetary policy restrictiveness at each meeting.

- 4.2 CPI inflation rose to 2.6% in November, up from 2.3% reported in October. Core inflation (which strips out volatile categories like energy, food, alcohol and tobacco), also rose from 3.5% to 3.6%. Services inflation remained higher at 5%, partly driven by a large decrease in airfares. November's CPI figure was slightly lower than the 2.7% analysts were forecasting.

- 4.3 The Office for Budget Responsibility's revised GDP growth forecast up to 2028 is set out in the following table:

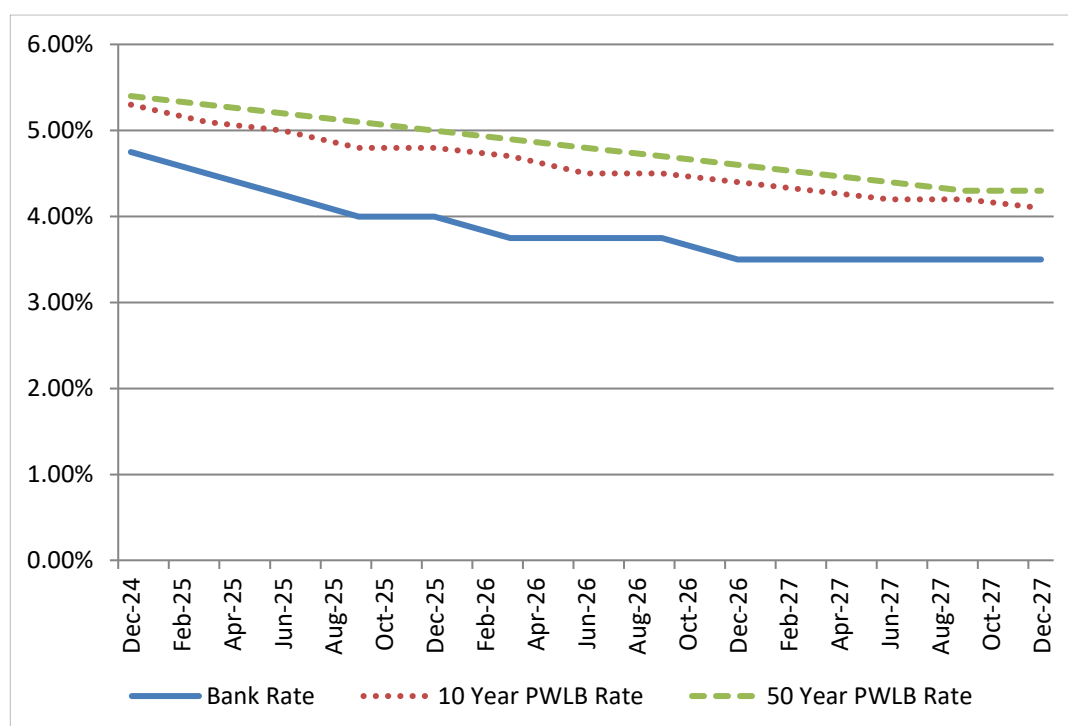
| Year | March 2023<br>Growth Forecast | November 2024<br>Growth Forecast |
|------|-------------------------------|----------------------------------|
| 2024 | 1.8%                          | 1.1%                             |
| 2025 | 2.5%                          | 2.0%                             |
| 2026 | 2.1%                          | 1.8%                             |
| 2027 | 1.9%                          | 1.5%                             |
| 2028 | n/a                           | 1.5%                             |

- 4.4 **European Union (EU)** – Annual inflation rates in the Eurozone rose to 2.4% in December, compared with November's rate of 2.2%. This marks the third rise in as many months and damping hopes of a big rate cut by the European Central Bank. The annual core inflation rate in the Eurozone, excluding volatile items such as energy, food, alcohol and tobacco, remained steady at 2.7%. The unemployment rate in the Eurozone was unchanged in November from the prior month at 6.3% in October, holding at its lowest on record, and in line with Market expectations.
- 4.5 **USA** – The Federal Reserve made their third and final rate cut of 2024 in December by 0.5% to 4.25%. They also forecast two fewer rate reductions in 2025 than they had previously expected, as inflation lingers and the economy holds up.
- 4.6 **Other Economies** – The People's Bank of China (PBoC) held the one-year medium term lending facility at 2.0% in December 2024. Previously, the central bank introduced its most comprehensive economic stimulus measures since 2015 to revive the economy and restore market confidence and ongoing economic headwinds, including weak domestic demands and deflation risks.

### Interest Rate Forecasts

- 4.7 Link Group (the Council's Treasury Management advisors) continue to update their interest rate forecasts to reflect statements made by the Governor of the Bank of England and changes in the economy.
- 4.8 Following the 30<sup>th</sup> October budget, the outcome of the US Presidential election on 6<sup>th</sup> November, and the 25bps Bank Rate cut undertaken by the MPC on 7<sup>th</sup> November, Link Group have significantly revised the central forecasts for the first time since May 2024. The Bank Rate forecast is now 50bps-75bps higher than was previously the case and PWLB forecasts have been materially lifted to reflect concerns over the future path of inflation and the increased level of government borrowing over the term of the current Parliament.
- 4.9 Link Group's view is that monetary policy is sufficiently tight at present to cater for some moderate loosening, the extent of which, however, will continue to be data dependent. Link Group forecast the next reduction in Bank Rate to be made in February and for a pattern to evolve whereby rate cuts are made quarterly and in keeping with the release of the Bank's Quarterly Monetary Reports (February, May, August and November).
- 4.10 Economic and interest rate forecasting remains difficult with so many influences impacting on the economy. UK gilt yields (i.e. Government borrowing) and PWLB rates forecasts made by Link may be liable to further amendment depending on how the political, economic and international developments transpire over the next year.

#### 4.11 Interest Rate Forecasts up to December 2027



## 5. TREASURY MANAGEMENT 2024/25 3<sup>rd</sup> QUARTER REVIEW

- 5.1 The Treasury Management Strategy for 2024/25 was approved by Council on 22<sup>nd</sup> February 2024. The Council's borrowing and investment position as at 31<sup>st</sup> December 2024 is summarised as follows:

|                                | £m          | Average Rate |
|--------------------------------|-------------|--------------|
| PWLB Loans                     | 26.4        | 3.42%        |
| Market Loan (Annuity)          | 16.2        | 2.31%        |
| Market Loans (Maturities)      | 25.0        | 3.92%        |
| Non-Market Loans (Maturities)  | 0.5         | 0.00%        |
| Market Loans (LOBOs)           | 15.0        | 3.71%        |
| <b>Gross Debt</b>              | <b>83.1</b> | <b>3.39%</b> |
| Investments                    | 51.1        | 4.70%        |
| <b>Net Debt as at 31-12-24</b> | <b>32.0</b> |              |

- 5.2 Net Debt has increased since 30<sup>th</sup> September 2024 (£30.1m as at second quarter review), due to day to day revenue activity and capital programme delivery.
- 5.3 No new borrowing during 2024/25 has been entered into as at 31<sup>st</sup> December 2024.
- 5.4 As the Capital programme progresses, coupled with anticipated significant use of reserves both to support capital expenditure and the in-year position, the approach to borrowing may need to adapt. Whilst the aim will be to take out shorter term borrowing should rates remain high, we may need to mitigate risk by taking out some longer term borrowing at a higher rate than we would have originally anticipated. This will be kept under close review. The aim will continue to be to minimise the borrowing cost to the revenue budget.
- 5.5 As at 31<sup>st</sup> December 2024, the funds managed by the Council's in house team amounted to £51.055m. All investments complied with the Annual Investment Strategy and are shown below. The average return of 4.7% has provided an important revenue stream to support the council's revenue position again this financial year.

| Borrower                     | Duration | Value of Loan (£m) | Rate (%)     | Start Date | Maturity Date |
|------------------------------|----------|--------------------|--------------|------------|---------------|
| <b>Call Accounts*</b>        |          |                    |              |            |               |
| NatWest Bank                 | On Call  | 0.035              | 1.150        |            | Call          |
|                              |          | <b>0.035</b>       | <b>1.150</b> |            |               |
| <b>Money Market Funds</b>    |          |                    |              |            |               |
| Blackrock                    | On Call  | 0.836              | 4.730        |            | Call          |
|                              |          | <b>0.836</b>       | <b>4.730</b> |            |               |
| <b>Fixed term Deposits</b>   |          |                    |              |            |               |
| Natwest Markets Plc          | 1 year   | 10.000             | 5.120        | 05/07/24   | 04/07/25      |
| SMBC Bank International Plc  | 1 year   | 5.000              | 4.470        | 18/09/24   | 18/09/25      |
| Natwest Markets Plc          | 1 year   | 5.000              | 4.560        | 20/09/24   | 19/09/25      |
| Lloyds Bank Corporate Market | 1 year   | 15.000             | 4.550        | 04/10/24   | 03/10/25      |

|                        |          |               |              |          |          |
|------------------------|----------|---------------|--------------|----------|----------|
| Debt Management Office | <2 month | 0.759         | 4.700        | 29/11/24 | 29/01/25 |
| Debt Management Office | <1 month | 5.045         | 4.700        | 04/12/24 | 28/01/25 |
| Debt Management Office | <1 month | 2.000         | 4.700        | 09/12/24 | 03/01/25 |
| Debt Management Office | <2 month | 2.000         | 4.700        | 09/12/24 | 17/01/25 |
| Debt Management Office | <2 month | 1.879         | 4.695        | 09/12/24 | 21/01/25 |
| Debt Management Office | <1 month | 0.384         | 4.700        | 16/12/24 | 02/01/25 |
| Debt Management Office | <1 month | 0.250         | 4.700        | 17/12/24 | 07/01/25 |
| Debt Management Office | <2 month | 2.208         | 4.700        | 18/12/24 | 20/01/25 |
| Debt Management Office | <1 month | 0.659         | 4.700        | 19/12/24 | 07/01/25 |
|                        |          | <b>50.184</b> | <b>4.700</b> |          |          |
| <b>Total Deposits</b>  |          | <b>51.055</b> | <b>4.701</b> |          |          |

- 5.6 There are no changes to the counter party investment limits as agreed as part of the Investment Strategy.

## 6. TREASURY MANAGEMENT STRATEGY 2025/26

- 6.1 Prudential Indicators and other regulatory information in relation to the 2025/26 Treasury Management Strategy are set out in **Appendix A**.
- 6.2 The key elements of the Treasury Management Strategy which Members need to consider are the Borrowing and Investment Strategies, detailed in sections 7 and 8 below.

## 7. BORROWING STRATEGY 2025/26

- 7.1 Borrowing strategies are needed for the core borrowing requirement and the borrowing requirement related to specific business cases, as outlined in the following paragraphs.

### Core Borrowing Requirement

- 7.2 The continuing objective of the Council's Treasury Management Strategy is to fund the core annual borrowing requirement at the lowest possible long term interest rate.
- 7.3 Historically owing to the low Base Rate the Treasury Management Strategy has been to delay borrowing by temporarily utilising cash balances available for investment. The existing Treasury Management Strategy has always recognised that this approach was not sustainable in the longer term as the one-off resources which have been used to temporarily avoid long term borrowing would be used up.
- 7.4 Total borrowing remains below the Capital Financing Requirement (CFR) and the strategy continues an element of delaying borrowing by temporarily utilising cash balances available for investments. Whilst this is currently sustainable it will become necessary to take out further borrowing and the position will be kept under constant review. A decision to borrow up to the CFR may be taken by the Director of Finance, IT and Digital if it is in the best

interests of the Council to do so. It is recommended that the Director of Finance, IT and Digital is authorised to implement Treasury Management arrangements which minimise the short and long term cost to the Council.

- 7.5 Given the financial pressures of the Councils wider budget, flexibility on the financing options for the Capital Programme may be considered from time to time as required. Should this result in any increase to the approved borrowing level, Council approval will be sought as necessary.

#### **Borrowing Requirement Business Cases (including the Housing Revenue Account)**

- 7.6 The financial viability of each business case is assessed on an individual basis reflecting the specific risk factors. This includes the repayment period for loans and fixed interest rates for the duration of the loan. This assessment is designed to ensure the business case can be delivered without a General Fund budget pressure.
- 7.7 Historically the strategy was to fully fund the borrowing for business cases. However, given the current interest rate forecasts and in order to consider borrowing requirement holistically for the Council the strategy is now aligned to that of the core borrowing requirement.

#### **Borrowing in Advance of Need**

- 7.8 The Council has some flexibility to borrow funds for use in future years for the approved capital programme. The Director of Finance, IT and Digital may do this under delegated power, for instance, where the forecast increase in interest rates over the coming years is not expected to reduce as highlighted earlier in the report. In these circumstances borrowing early at fixed interest rates may be undertaken where this will secure lower fixed interest rates; or to fund future debt maturities (i.e. if the remaining LOBOs were called). Any borrowing taken out will be reported to Council in the next Treasury Management report.

### **8. INVESTMENT STRATEGY 2025/26**

- 8.1 The Department of Levelling Up, Housing and Communities (DLUHC), now Ministry of Housing, Communities and Local Government (MHCLG), issued investment guidance in 2010, updated in 2021 and this forms the structure of the Council's policy. The key intention of the Guidance is to maintain the current requirement for authorities to invest prudently and that priority is given to security and liquidity before interest return. This Council has adopted the CIPFA publication Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes and applies its principles to all investment activity. In accordance with the Code, the Director of Finance, IT and Digital has produced Treasury Management Practices covering investment counterparty policy which requires approval each year.

8.2 The primary objectives of the Council's investment strategy in order of importance are:

- safeguarding the re-payment of the principal and interest of its investments on time;
- ensuring adequate liquidity; and
- investment return.

### **Counterparty Selection Criteria**

8.3 The Council's criteria for providing a pool of high quality investment counterparties uses the credit rating information produced by the three major ratings agencies (Fitch, Moody's and Standard & Poor's) and is supplied by our treasury consultants, Link. All active counterparties are checked against criteria outlined below to ensure that they comply with the criteria. Any counterparty failing to meet the criteria would be omitted from the counterparty list. Any rating changes, rating watches (notification of a likely change), rating outlooks (notification of a possible longer term change) are provided to officers almost immediately after they occur and this information is considered on a daily basis before investments are made. For instance, a negative rating watch applying to a counterparty at the minimum criteria will be suspended from use, with all others being reviewed in light of market conditions.

8.4 The lowest common denominator method of selecting counterparties and applying limits is used. This means that the application of the Council's minimum criteria will apply to the lowest available rating for any institution. For instance, if an institution is rated by two agencies, one meets the Council's criteria, the other does not, the institution will fall outside the lending criteria

8.5 The Director of Finance, IT and Digital will continue to adopt a vigilant approach resulting in what is effectively a 'named' list. This consists of a select number of counterparties that are considered to be the lowest risk.

8.6 The use of Local Authority counterparties will be considered and due diligence carried out on an individual basis. The media often describes issuing a section 114 notice as 'bankruptcy', but in fact, a section 114 notice means the Authority cannot make new spending commitments. Local authorities are regarded as very low credit risk investment counterparties and as such are included on our counter party list.

| Category | Fitch  | Moody's | Standard & Poor's | Proposed Counterparty Limit | Proposed Time Limit     |
|----------|--|---------|-------------------|-----------------------------|-------------------------|
| A        | F1+/AA-  | P-1/Aa3 | A-1+/AA-          | £20m                        | 1 Year                  |
| B        | F1/A-  | P-1/A3  | A-1/A-            | £15m                        | 1 Year                  |
| C        | Debt Management Office/Treasury Bills/Gilts  |         |                   | £40m                        | 1 Year                  |
| D        | Part Nationalised Banks  |         |                   | £15m                        | 1 Year                  |
| E        | Other Local Authorities<br>Individual Limits per Authority:<br><br>- £8m County, Metropolitan or Unitary Councils<br><br>- £3m District Councils, Police or Fire Authorities |         |                   | £40m                        | 1 Year                  |
| F        | Three Money Market Funds (AAA) with maximum investment of £10m per fund  |         |                   | £20m                        | Liquid (instant access) |

### Specified and Non-Specified Investments

- 8.7 MHCLG regulations classify investments as either Specified or Non-Specified. A Non-Specified Investment is any investment not meeting the Specified definition.
- 8.8 The investment criteria outlined above is different to that used to define Specified and Non-Specified investments. This is because it is intended to create a pool of high quality counterparties for the Council to use rather than defining what its investments are.
- 8.9 Specified Investments are sterling investments of not more than one-year maturity, or those which could be for a longer period but where the Council has the right to be repaid within twelve months if it wishes. These are low risk assets where the possibility of loss of principal or investment income is small. These would include investments with:
- The UK Government (such as the Debt Management Office, UK Treasury Bills or a Gilt with less than one year to maturity);
  - Other Councils;
  - Pooled investment vehicles (such as Money Market Funds) that have been awarded a high credit rating (AAA) by a credit rating agency; and
  - A body that has been awarded a high credit rating by a credit rating agency (such as a bank or building society). This covers bodies with a minimum rating of A- (or the equivalent) as rated by Standard and Poor's, Moody's or Fitch rating agencies. Within these bodies, and in accordance with the Code, the Council has set additional criteria to set the time and amount of monies which will be invested in these bodies.



8.10 Non-specified Investments are any other type of investment (i.e. not defined as Specified above). The identification and rationale supporting the selection of these other investments and the maximum limits to be applied are set out below. Non specified investments would include any investments with:

- Building societies not meeting the basic security requirements under the specified investments. The operation of some building societies does not require a credit rating, although in every other respect the security of the society would match similarly sized societies with ratings; and
- Any bank or building society that has a minimum long term credit rating of A- for deposits with a maturity of greater than one year (including forward deals in excess of one year from inception to repayment).

## **9. MINIMUM REVENUE PROVISION AND INTEREST COSTS AND OTHER REGULATORY INFORMATION 2025/26**

9.1 There are two elements to the Council's annual loan repayment costs – the statutory Minimum Revenue Provision and interest costs. The Council is required to pay off an element of the CFR each year through a revenue charge called the Minimum Revenue Provision (MRP).

9.2 MHCLG Regulations require the Council to approve an MRP Statement in advance of each year. This will determine the annual loan repayment charge to the revenue account.

9.3 To provide a consistent approach across all schemes funded by borrowing it is proposed to update the approach to the MRP from 2025/26. This change will move all future charges from 2025/26 (including for outstanding MRP on previously completed schemes) to an annuity-based approach. No backdated adjustments will be carried out.

9.4 Whilst the revised MRP charges for those schemes currently charged on a straight-line basis (i.e. equal annual charges) will be lower in the early years and higher in the later years, the year of final charge will remain unchanged. This move to an annuity repayment profile provides a fairer real terms cost over time to the budget and Council Tax payers.

9.5 The proposed discount rate to be applied for the MRP revision is the treasury green book rate of 3.5%. The use of a rate at this low discounting level is deemed prudent as it provides a flatter profile of MRP charges over time.

9.6 Taking account of the amendment noted above, the budget strategy is based on the following MRP statement and Council is recommended to formally approve this statement:

- For capital expenditure incurred before 1<sup>st</sup> April 2008 the Council's MRP policy is to calculate MRP based on a 50 year annuity repayment.

- i. Where MRP has been overcharged in previous years, the recovery of the overcharge will be implemented by reducing the MRP in relation to this capital expenditure by reducing future MRP charges that would otherwise have been made. It should be noted that this will ensure the debt will be paid off by 2056/57 whereas the previous 4% reducing balance MRP charge would have left debt of £9.4m at this date;
  - ii. The total MRP after applying the adjustment will not be less than zero in relation to this capital expenditure; and
  - iii. The cumulative amount adjusted for will never exceed the amount of the overpayment.
- From 1<sup>st</sup> April 2025, the outstanding balance in relation to capital expenditure incurred **after** 1<sup>st</sup> April 2008, the Council will make MRP repayments using the annuity method with the interest rate used to profile MRP being set at 3.5%, or where prudential borrowing by specific annuity loan, MRP will be calculated according to the actual annuity loan repayments. The estimated useful life of an asset will be assessed in consultation with appropriate officers. The MRP charge will commence in the financial year following the one in which the capital scheme the borrowing relates to is complete and the asset has come into service.
- MHCLG revised its MRP guidance in 2017, which would impact on any future changes to the Council's MRP policy, however the guidance is not retrospective. The approved MRP policy implemented prior to the MHCLG changes is therefore compliant with these revisions and will be carried forward in future years, until such time as an alternative approach is considered to be appropriate.

### **CIPFA Treasury Management Code of Practice**

- 9.7 The Council is adopting the updated CIPFA Treasury Management Code of Practice published 20<sup>th</sup> December 2021.
- 9.8 The revised Treasury Management Code required the implementation of the following:
  - Adopt a liability benchmark treasury indicator to support the financing risk management of the capital financing requirement, with material differences between the liability benchmark and actual loans explained, this is detailed in the following paragraphs;
  - A knowledge and skills register for officers and Members involved in the treasury function;
  - Reporting to Members on a quarterly basis; and
  - Have consideration for Environmental, Social and Governance (ESG) issues.
- 9.9 The current loans are above the liability benchmark and the excess will be invested.

**Treasury Management Advisors**

- 9.10 The Council uses Link Asset Services – Treasury as its external treasury management advisors.
- 9.11 The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers.
- 9.12 It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

**Markets in Financial Instruments Directive (MIFID II)**

- 9.13 On 3<sup>rd</sup> January 2018 an updated version of the European Union's Markets in Financial Instruments Directive (known as MIFID II) came into effect. It is designed to offer greater protection for investors and inject more transparency into financial markets. Under MIFID II all local authorities will be classified as "retail" counterparties and will have to consider whether to opt up to "professional" status and for which type of investments.
- 9.14 Local authorities that choose not to opt up or do not meet the minimum criteria for opting up (i.e. minimum investment balances of £10m) may face a reduction in the financial products available to them, a reduction in the number of brokers and asset managers that they will be able to engage with and may face increased fees.
- 9.15 Local authorities that choose to opt up must be able to satisfy some quantitative tests, and each Financial Institution will independently determine whether the Authority meet the qualitative test of being appropriately knowledgeable, expert and experienced. Financial Institutions also need to satisfy themselves that the Authority can make its own investment decisions and understands the risks involved.
- 9.16 The Council chose to opt up, in order to maintain the Council's ability to operate effectively under the new regime.

## 10. OTHER CONSIDERATIONS

|  |  |
|--|--|
| <b>Risk Implications</b>   | There is a risk in relation to the level of interest rates the Council is able to secure for long term borrowing and the proposals detailed in this report are designed to manage these risks.<br>There are also risk implications in relation to the investment of surplus cash and these are addressed in the strategy recommended in section 8. |
| <b>Financial Considerations</b>                                      | As set out in report.  |
| <b>Legal Considerations</b>  | The report details how the Council will comply with the relevant legal and regulatory requirements in relation to Treasury Management activities.  |
| <b>Child and Family Poverty</b>                                      | None   |
| <b>Equality and Diversity Considerations</b>                         | None   |
| <b>Staff Considerations</b>  | None   |
| <b>Asset Management Considerations</b>                               | None   |
| <b>Environment, Sustainability and Climate Change Considerations</b> | None   |
| <b>Consultation</b>  | Not applicable   |

## 11. RECOMMENDATIONS

- 11.1 That Members note the 2024/25 Treasury Management 3<sup>rd</sup> Quarter Position detailed in Section 5.
- 11.2 That Members recommend to Council for approval, the Treasury Management Strategy 2025/26, including;
- i) The borrowing strategy for 2025/26;
  - ii) The investment strategy for 2025/26;
  - iii) The prudential indicators as outlines in **Appendix A**; and
  - iv) The minimum revenue provision statement.

## **12. REASON FOR RECOMMENDATIONS**

- 12.1 To allow Members to fulfil their responsibility for scrutinising the Treasury Management Strategy

## **13. BACKGROUND PAPERS**

Treasury Management Strategy Update 2024/25, report to Audit and Governance Committee 24<sup>th</sup> September 2024.

Treasury Management Strategy Quarter 2 Update 2024/25, report to Audit and Governance Committee 5<sup>th</sup> November 2024.

## **14. CONTACT OFFICER**

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**TREASURY MANAGEMENT STRATEGY 2025/26 REGULATORY INFORMATION AND PRUDENTIAL INDICATORS**

**1. INTRODUCTION**

- 1.1 The regulatory information and prudential indicators for the 2025/26 Treasury Management Strategy are set out below.

**2. PRUDENTIAL INDICATORS**

- 2.1 The Local Government Act 2003 requires the Council to adopt the CIPFA Prudential Code and set prudential indicators. Each indicator either summarises the expected capital activity or introduces limits upon that activity.
- 2.2 The first prudential indicator is confirmation that the Council has adopted the CIPFA Treasury Management Code of Practice, which the Treasury Management Strategy report confirms.
- 2.3 Details of the proposed prudential limits are set out in the following sections.

**3. CAPITAL EXPENDITURE AND FINANCING REQUIREMENT**

- 3.1 The Council's Borrowing Strategy is driven by the Capital Financing Requirement (CFR) and the Council's view of interest rates. The CFR is the amount the Council needs to borrow to fund capital expenditure incurred in previous financial years and forecast capital expenditure in the next three years which is funded from borrowing.
- 3.2 Government borrowing approvals are authority to fund capital expenditure from loans. Prior to the introduction of the prudential borrowing system in the Local Government Act 2003 Councils could only borrow for capital expenditure authorised by a Government borrowing approval.
- 3.3 Following the introduction of the prudential borrowing systems Councils can determine their own borrowing levels, subject to revenue affordability. The Council has managed this flexibility carefully owing to the ongoing revenue commitment of taking on new additional borrowing. The Council has only approved specific self-funding business cases, for example affordable housing schemes and a limited amount of General Fund capital expenditure where the resulting loan repayment and interest costs have been funded as a revenue budget pressure.
- 3.4 Councils ultimately need to fund the CFR by borrowing money from the Public Works Loan Board (PWLb), banks or other financial institutions. The CFR is

then repaid over a number of years reflecting the long term benefits of capital expenditure. In simple terms the CFR represents the Council's outstanding mortgage, although the legislation and accounting requirements are significantly more complex.

- 3.5 The estimated Capital Finance & Borrowing Requirement is shown in the following table:

| Capital Financing & Borrowing Requirement     | 2024/25 Revised £'000 | 2025/26 Estimate £'000 | 2026/27 Estimate £'000 | 2027/28 Estimate £'000 |
|---|-----------------------|------------------------|------------------------|------------------------|
| <b>CFR at 1st April</b>                       | <b>112,670</b>        | <b>115,306</b>         | <b>135,246</b>         | <b>133,397</b>         |
| Capital Expenditure Financed by New Borrowing | 5,331                 | 22,564                 | 680                    | 16,243                 |
| Less Repayment of CFR                         | (2,695)               | (2,623)                | (2,530)                | (2,328)                |
| <b>CFR at 31st March</b>                      | <b>115,306</b>        | <b>135,246</b>         | <b>133,397</b>         | <b>147,312</b>         |
| Less assets held under Finance Lease          | (0)                   | (0)                    | (0)                    | (0)                    |
| <b>Borrowing Requirement</b>                  | <b>115,306</b>        | <b>135,246</b>         | <b>133,397</b>         | <b>147,312</b>         |
| Corporate Borrowing Requirement               | 77,480                | 95,715                 | 94,608                 | 93,545                 |
| Business Case Borrowing Requirement           | 24,812                | 25,749                 | 25,006                 | 39,984                 |
| Housing Revenue Account Borrowing Requirement | 13,013                | 13,783                 | 13,783                 | 13,783                 |
| <b>Borrowing Requirement</b>                  | <b>115,306</b>        | <b>135,246</b>         | <b>133,397</b>         | <b>147,312</b>         |

- 3.6 As part of the Medium Term Financial Strategy the Council is required to approve the 2025/26 capital programme summarised as follows:

| Capital Expenditure  | 2024/25 Revised £'000 | 2025/26 Estimate £'000 | 2026/27 Estimate £'000 | 2027/28 Estimate £'000 |
|--|-----------------------|------------------------|------------------------|------------------------|
| New Approved Capital Expenditure                               | 51,625                | 74,424                 | 9,712                  | 22,891                 |
| <b>Capital Expenditure for the Year</b>                        | <b>51,625</b>         | <b>74,424</b>          | <b>9,712</b>           | <b>22,891</b>          |
| <b>Financed by:</b>  |                       |                        |                        |                        |
| Capital grants and contributions                               | 41,387                | 47,951                 | 8,791                  | 6,648                  |
| Other Capital Funding  | 4,907                 | 3,909                  | 241                    | 0                      |
| Capital Expenditure to be funded from New Prudential Borrowing | 5,331                 | 22,564                 | 680                    | 16,243                 |
| <b>Total Funding</b>   | <b>51,625</b>         | <b>74,424</b>          | <b>9,712</b>           | <b>22,891</b>          |
| Non-HRA Capital Expenditure                                    | 50,376                | 72,648                 | 9,712                  | 22,891                 |
| HRA Capital Expenditure  | 1,249                 | 1,776                  | 0                      | 0                      |
| <b>Total Capital Expenditure</b>                               | <b>51,625</b>         | <b>74,424</b>          | <b>9,712</b>           | <b>22,891</b>          |

## 4. AFFORDABILITY PRUDENTIAL INDICATORS

- 4.1 The affordability of the approved Capital Investment Programme was assessed when the capital programme was approved and revenue costs are built into the Medium Term Financial Strategy or individual business cases. The 'Affordability Prudential Indicators' are detailed below and are intended to give an indication of the affordability of the planned capital expenditure

financed by borrowing in terms of the impact on Council Tax and the Net Revenue Stream.

### Incremental Impact of Capital Expenditure on Housing Rent Levels

- 4.2 This indicator shows the revenue impact on any newly proposed changes to HRA capital expenditure. At present there will be no impact on housing rent levels as these have been set taking into account the existing HRA capital programme.

|                            | Forward Projection | Forward Projection | Forward Projection | Forward Projection |
|----------------------------|--------------------|--------------------|--------------------|--------------------|
|                            | 2024/25<br>£'000   | 2025/26<br>£'000   | 2026/27<br>£'000   | 2027/28<br>£'000   |
| Weekly Housing Rent Levels | £0.00              | £0.00              | £0.00              | £0.00              |

### Ratio of Financing Costs to Net Revenue Stream

- 4.3 This shows the cost of capital borrowing as a percentage of the net budget. The increased ratio reflects the additional revenue budget for capital costs.

|  | 2024/25<br>Estimate | 2025/26<br>Estimate | 2026/27<br>Estimate | 2027/28<br>Estimate |
|--|---------------------|---------------------|---------------------|---------------------|
| Non-HRA financing cost to General Fund<br>Net Revenue Stream | 6.24%               | 6.52%               | 7.14%               | 7.31%               |

### Ratio of Finance Costs to HRA Net Revenue Stream

- 4.4 This shows the net cost of capital borrowing as a percentage of the net HRA budget arising from the phased implementation of the business case.

|   | 2024/25<br>Estimate | 2025/26<br>Estimate | 2026/27<br>Estimate | 2027/28<br>Estimate |
|---|---------------------|---------------------|---------------------|---------------------|
| HRA financing cost to HRA Net Revenue<br>Stream | 21.06%              | 23.40%              | 22.87%              | 22.34%              |

- 4.5 This reflects the profile of funding used to finance the HRA, including delaying the use of borrowing.



**5. BORROWING PRUDENTIAL INDICATORS****Debt Projections 2024/25 – 2027/28**

- 5.1 The following table sets out the Council's projected Capital Financing Requirement (CFR) and level of debt:

| <b>Debt and Investment Projections</b> | <b>2024/25<br/>Revised<br/>£'000</b> | <b>2025/26<br/>Estimated<br/>£'000</b> | <b>2026/27<br/>Estimated<br/>£'000</b> | <b>2027/28<br/>Estimated<br/>£'000</b> |
|--|--------------------------------------|--|--|--|
| Long Term Borrowing 1 April            | 83,673                               | 83,673                                 | 108,468                                | 113,501                                |
| Expected change in Long Term Debt      | 0                                    | 24,795                                 | 5,033                                  | 15,837                                 |
| <b>Debt at 31 March</b>                | <b>83,673</b>                        | <b>108,468</b>                         | <b>113,501</b>                         | <b>129,338</b>                         |
| <b>Borrowing Requirement</b>           | <b>115,306</b>                       | <b>135,246</b>                         | <b>133,397</b>                         | <b>147,312</b>                         |
| <b>Under Borrowing</b>                 | <b>(31,633)</b>                      | <b>(26,778)</b>                        | <b>(19,896)</b>                        | <b>(17,974)</b>                        |
| Non-HRA Debt                           | 70,660                               | 94,685                                 | 99,718                                 | 115,555                                |
| HRA Debt                               | 13,013                               | 13,783                                 | 13,783                                 | 13,783                                 |
| <b>Total Debt</b>                      | <b>83,673</b>                        | <b>108,468</b>                         | <b>113,501</b>                         | <b>129,338</b>                         |

- 5.2 The table reflects the borrowing that is currently forecast to be needed in future years.

**Limits to Borrowing Activity**

- 5.3 Within the prudential indicators there are a number of key indicators to ensure the Council operates its activities within well defined limits.
- 5.4 The Council needs to ensure that total borrowing does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2025/2026 and the following two financial years. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue purposes. The following table demonstrates that borrowing will not exceed the CFR.

| <b>External Debt</b>         | <b>2024/25<br/>Revised<br/>£'000</b> | <b>2025/26<br/>Estimated<br/>£'000</b> | <b>2026/27<br/>Estimated<br/>£'000</b> | <b>2027/28<br/>Estimated<br/>£'000</b> |
|------------------------------|--------------------------------------|--|--|--|
| Gross Borrowing              | 83,673                               | 108,468                                | 113,501                                | 129,338                                |
| Other Long Term Liabilities  | 0                                    | 0                                      | 0                                      | 0                                      |
| <b>Total Gross Borrowing</b> | <b>83,673</b>                        | <b>108,468</b>                         | <b>113,501</b>                         | <b>129,338</b>                         |
| <b>Borrowing Requirement</b> | <b>115,306</b>                       | <b>135,246</b>                         | <b>133,397</b>                         | <b>147,312</b>                         |

- 5.5 The following table shows two key limits for the monitoring of debt. The Operational Limit is the likely limit the Council will require and is aligned closely with the actual CFR on the assumption that cash flow is broadly neutral. The Authorised Limit for External Debt is a further key prudential indicator to control the overall level of borrowing. This represents a limit

beyond which external debt is prohibited, and this limit needs to be set or revised by the Council. In practice it needs to take account of the range of cash flows that might occur for the Council in addition to the CFR. This also includes the flexibility to enable advance refinancing of existing loans.

| <b>Borrowing Limits</b> | <b>2024/25<br/>Revised<br/>£'000</b> | <b>2025/26<br/>Estimated<br/>£'000</b> | <b>2026/27<br/>Estimated<br/>£'000</b> | <b>2027/28<br/>Estimated<br/>£'000</b> |
|-------------------------|--------------------------------------|--|--|--|
| Operational Limit       | 125,000                              | 146,000                                | 145,000                                | 158,000                                |
| Authorised limit        | 135,000                              | 156,000                                | 155,000                                | 168,000                                |

## 6. INVESTMENT PRUDENTIAL INDICATORS AND OTHER LIMITS ON TREASURY ACTIVITY

### Investment Projections 2024/25 – 2027/28

- 6.1 The following table sets out the estimates for the expected level of resource for investment or use to defer long term borrowing.

| <b>2023/24<br/>Outturn<br/>£'000</b> | <b>Year End Resources</b>                 | <b>2024/25<br/>Revised<br/>£'000</b> | <b>2025/26<br/>Estimate<br/>£'000</b> | <b>2026/27<br/>Estimate<br/>£'000</b> | <b>2027/28<br/>Estimate<br/>£'000</b> |
|--------------------------------------|---|--------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| 65,673                               | Balances and Reserves                     | 35,142                               | 22,289                                | 15,407                                | 13,485                                |
| 984                                  | Collection Fund Adjustment Account        | 0                                    | 0                                     | 0                                     | 0                                     |
| 2,589                                | Provisions                                | 2,589                                | 2,589                                 | 2,589                                 | 2,589                                 |
| <b>69,246</b>                        | <b>Total Core Funds</b>                   | <b>37,731</b>                        | <b>24,878</b>                         | <b>17,996</b>                         | <b>16,074</b>                         |
| 5,602                                | Working Capital                           | 8,900                                | 8,900                                 | 8,900                                 | 8,900                                 |
| <b>74,848</b>                        | <b>Resources Available for Investment</b> | <b>46,631</b>                        | <b>33,778</b>                         | <b>26,896</b>                         | <b>24,974</b>                         |
| (28,997)                             | (Under)/over borrowing                    | (31,633)                             | (26,778)                              | (19,896)                              | (17,974)                              |
| <b>45,851</b>                        | <b>Expected Investments</b>               | <b>14,998</b>                        | <b>7,000</b>                          | <b>7,000</b>                          | <b>7,000</b>                          |

### Sensitivity to Interest Rate Movements

- 6.2 Sensitivity to Interest Rate Movements is a prudential indicator that the Authority is required to disclose. The following table highlights the estimated impact of a 1% increase/decrease in all interest rates to the estimated treasury management costs/income for next year. These forecasts are based on a prudent view of a +/- 1% change in interest rates for the borrowing requirement that has not yet been fixed (i.e. under borrowing). Equally for investments they are based on a prudent view of the total amount invested. That element of the debt and investment portfolios which are of a longer term, fixed interest rate nature will not be affected by short interest rate changes.

| <b>Impact on Revenue Budgets</b>       | <b>2025/26<br/>Estimated<br/>1%<br/>£'000</b> | <b>2025/26<br/>Estimated<br/>-1%<br/>£'000</b> |
|--|---|--|
| Interest on Borrowing                  | 268   | (268)  |
| Investment income                      | (70)  | 70   |
| <b>Net General Fund Borrowing Cost</b> | <b>198</b>                                    | <b>(198)</b>                                   |

6.3 There are four further treasury activity limits and the purpose of these are to contain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of an adverse movement in interest rates.

6.4 The limits are:

- i) Upper limits on variable interest rate exposure – This identifies a maximum limit for the percentage of the Council's borrowing and investments that are held with variable interest rates. The proposed limits are detailed in the following table.

| <b>Limits on Variable Interest Rates</b> | <b>2024/25<br/>Upper<br/>£'000</b> | <b>2025/26<br/>Upper<br/>£'000</b> | <b>2026/27<br/>Upper<br/>£'000</b> |
|--|------------------------------------|------------------------------------|------------------------------------|
| Borrowing                                | 75%                                | 75%                                | 75%                                |
| Investments                              | 100%                               | 100%                               | 100%                               |

- ii) Upper limits on fixed interest rate exposure – Similar to the previous indicator this covers a maximum limit for the percentage of the Council's borrowing and investments that are held with fixed interest rates.

| <b>Limits on Fixed Interest Rates</b> | <b>2024/25<br/>Upper<br/>£'000</b> | <b>2025/26<br/>Upper<br/>£'000</b> | <b>2026/27<br/>Upper<br/>£'000</b> |
|---------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| Borrowing                             | 100%                               | 100%                               | 100%                               |
| Investments                           | 100%                               | 100%                               | 100%                               |

- iii) Maturity structure of borrowing – Limits for the 'Maturity Structure of Borrowing' are intended to reduce exposure to large fixed rate sums falling due for refinancing. Previous experience has shown that it is possible to move from a position of predominantly fixed rate borrowing to variable rate borrowing and then back to fixed rate borrowing over a period of two years. In the Director of Finance, IT and Digital's professional opinion this proactive management of investments and borrowing continues to provide the most cost effective strategy for the Council, whilst not exposing the Council to unnecessary risk. The Council

should ensure maximum flexibility to minimise costs to the revenue budget in the medium term. These limits are detailed in the following table:

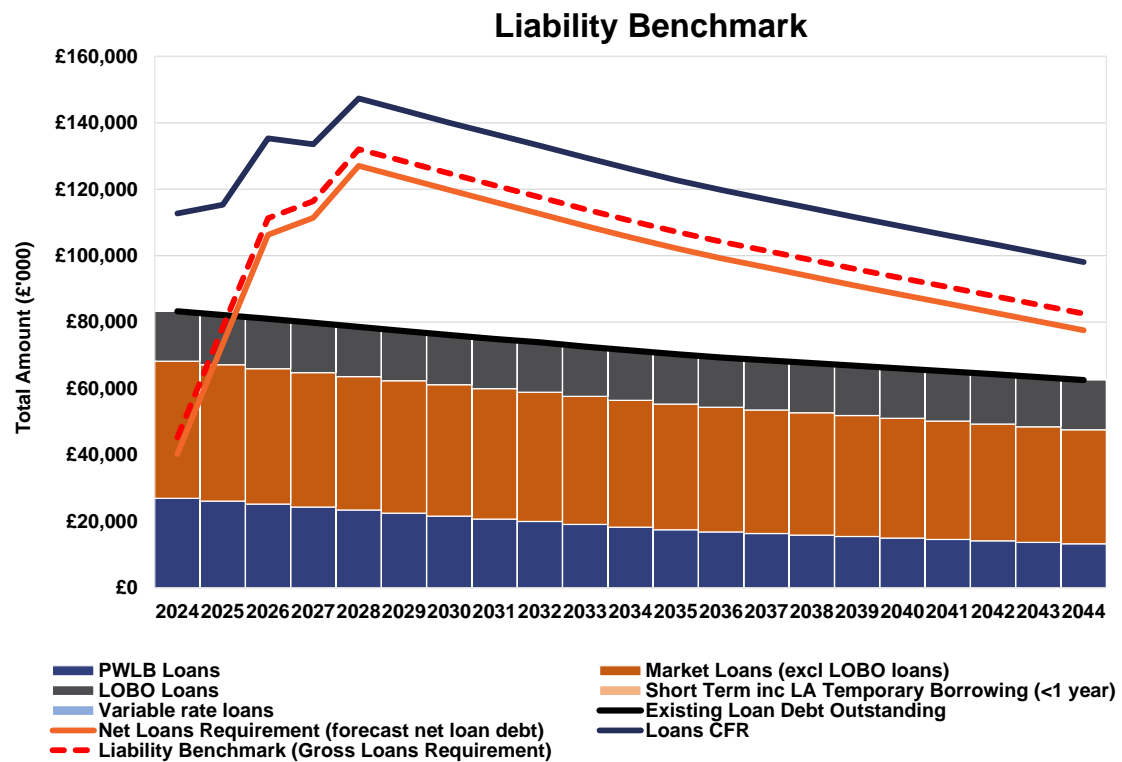
| <b>Maturity Structure of fixed interest rate borrowing 2023/24</b> |   |   |   |   |
|--|---|---|---|---|
|  | <b>2024/25<br/>£000<br/>Lower Limit</b> | <b>2024/25<br/>£000<br/>Upper Limit</b> | <b>2025/26<br/>£000<br/>Lower Limit</b> | <b>2025/26<br/>£000<br/>Upper Limit</b> |
| Under 12 months  | 0                                       | 90%                                     | 0                                       | 90%                                     |
| 12 months to 2 years   | 0                                       | 100%                                    | 0                                       | 100%                                    |
| 2 years to 5 years   | 0                                       | 100%                                    | 0                                       | 100%                                    |
| 5 years to 10 years  | 0                                       | 100%                                    | 0                                       | 100%                                    |
| 10 years to 20 years   | 0                                       | 100%                                    | 0                                       | 100%                                    |
| 20 years to 30 years   | 0                                       | 100%                                    | 0                                       | 100%                                    |
| 30 years to 40 years   | 0                                       | 100%                                    | 0                                       | 100%                                    |
| 40 years to 50 years   | 0                                       | 100%                                    | 0                                       | 100%                                    |
| 50 years to 60 years   | 0                                       | 100%                                    | 0                                       | 100%                                    |
| 60 years to 70 years   | 0                                       | 100%                                    | 0                                       | 100%                                    |

- iv) Maximum principal sums invested – Total principal funds invested for greater than 364 days – These limits are set with regard to the Council's liquidity requirements and reflect the current recommended advice that investments are limited to short term investments i.e. up to one year.

| <b>Limit for Maximum Principal Sums Invested &gt; 364 days</b> |                        |                         |                         |
|--|------------------------|-------------------------|-------------------------|
|  | <b>1 year<br/>£000</b> | <b>2 years<br/>£000</b> | <b>3 years<br/>£000</b> |
| Maximum  | 20,000                 | 0                       | 0                       |

### Liability Benchmark

- 6.5 The liability benchmark treasury indicator is to support the financing risk management of the capital financing requirement, with material differences between the liability benchmark and actual loans. The liability benchmark is a long-term forecast of the Authority's gross loan debt based on its current capital programme and other forecast cash flow movements.
- 6.6 The chart therefore tells an authority how much it needs to borrow, when and to match maturities with its planned borrowing needs.



# AUDIT AND GOVERNANCE COMMITTEE

28<sup>th</sup> January 2025



**Report of:** Director of Legal, Governance and Human Resources

**Subject:** STRENGTHENING THE STANDARDS AND  
CONDUCT FRAMEWORK FOR LOCAL  
AUTHORITIES IN ENGLAND - CONSULTATION

## 1. COUNCIL PLAN PRIORITY

Hartlepool will be a place:

- with a Council that is ambitious, fit for purpose and reflects the diversity of its community.

## 2. PURPOSE OF REPORT

- 2.1 To formulate a response to the ‘Strengthening the Standards and Conduct Framework for Local Authorities in England’ consultation.

## 3. BACKGROUND

- 3.1 The Localism Act 2011<sup>1</sup> established the current standards and conduct framework for local authorities, requiring every local authority to:

- Adopt a code of conduct that is consistent with the 7 ‘Nolan’ principles of standards in public life<sup>2</sup> (selflessness, integrity, objectivity, accountability, openness, honesty and leadership); and
- Have in place a local code of conduct and arrangements for the investigation of allegations of breaches of the code.
- In December 2020, the Local Government Association (LGA) developed and published a Model Councillor Code of Conduct in association with key partners and following extensive consultation with the sector. This was in response to the recommendation of the Committee of Standards in Public Life Local Government Ethical Standards 2019.<sup>3</sup> The code was part of the work on supporting all tiers of local government to continue to aspire to

<sup>1</sup> Localism Act - <https://www.legislation.gov.uk/ukpga/2011/20/part/1/chapter/7/enacted>

<sup>2</sup> <https://www.gov.uk/government/publications/the-7-principles-of-public-life>

<sup>3</sup> <https://www.gov.uk/government/publications/local-government-ethical-standards-report>

high standards of leadership and performance, and our civility in public life programme.

- Hartlepool Borough Council adopted the model code of conduct in 2021 and a copy of the Code and investigation arrangements are outlined Part 5 of the Constitution<sup>4</sup>:

- 3.2 Under current arrangements<sup>5</sup>, sanctions for member code of conduct breaches are limited to measures such as recommending to a Group Leader that a member be removed from a committee, a requirement to issue an apology or undergo code of conduct training, or censure/public criticism. They do not include suspension or the withholding of allowances.
- 3.3 In response to concerns that the current standards regime is in certain key aspects ineffectual, inconsistently applied, and lacking in adequate powers to sanction, the government has launched a consultation on wide-ranging reforms to the local government standards system. The ten-week consultation was launched on the 18<sup>th</sup> December 2024, closes on the 26<sup>th</sup> February 2025. Members are asked to formulate a response to the consultation for submission to the Ministry of Housing, Communities and Local Government (MHCLG).

#### 4. THE CONSULTATION

- 4.1 The consultation seeks views on introducing measures to strengthen the standards and conduct regime in England and ensure consistency of approach amongst councils investigating serious breaches of their member codes of conduct, including the introduction of the power of suspension.
- 4.2 The consultation looks specific at legislative change including:
- i) The introduction of a mandatory minimum code of conduct for local authorities in England.
  - ii) A requirement that all principal authorities convene formal standards committees to make decisions on code of conduct breaches, and publish the outcomes of all formal investigations;
  - iii) The introduction of the power for all local authorities (including combined authorities) to suspend councillors or mayors found in serious breach of their code of conduct and, as appropriate, interim suspension for the most serious and complex cases that may involve police investigations; and
  - iv) A new category of disqualification for gross misconduct and those subject to a sanction of suspension more than once in a 5-year period a role for a national body to deal with appeals.

<sup>4</sup> [file:///C:/Users/CEADJW/Downloads/MASTER All Parts of Constitution 2024 25%20\(1\).pdf](file:///C:/Users/CEADJW/Downloads/MASTER%20All%20Parts%20of%20Constitution%202024%2520(1).pdf)

<sup>5</sup>

[https://www.hartlepool.gov.uk/downloads/download/244/complaining\\_about\\_a\\_councillor\\_or\\_parish\\_councillor](https://www.hartlepool.gov.uk/downloads/download/244/complaining_about_a_councillor_or_parish_councillor)

- 4.3 In addition, the consultation also seeks views on how to empower victims affected by councillor misconduct to come forward and what additional support would be appropriate to consider.
- 4.4 The Committee is requested to formulate a view in relation to each of the below consultation questions and to assist further information in relation to each question is provided in **Appendix A**.

|  |
|--|
| <b>Mandatory minimum prescribed code of conduct</b>  |
| Do you think the government should prescribe a mandatory minimum code of conduct for local authorities in England?   |
| Do you agree there should be scope for local authorities to add to a mandatory minimum code of conduct to reflect specific local challenges?   |
| Do you think the government should set out a code of conduct requirement for members to cooperate with investigations into code breaches?  |
| <b>Standards Committee</b>   |
| Should all principal authorities be required to form a standards committee?  |
| Should all alleged code of conduct breaches which are referred for investigation be heard by the relevant principal authority's standards committee?   |
| Do you agree that the Independent Person and co-opted members should be given voting rights?   |
| Should standards committees be chaired by the Independent Person?  |
| <b>Publishing investigation outcomes</b>   |
| Should local authorities be required to publish annually a list of allegations of code of conduct breaches, and any investigation outcomes?  |
| Should investigations into the conduct of members who stand down before a decision continue to their conclusion, and the findings be published?  |
| <b>Introducing the power of suspension with related safeguards</b>   |
| Do you think local authorities should be given the power to suspend elected members for serious code of conduct breaches?  |
| Do you think that it is appropriate for a standards committee to have the power to suspend members, or should this be the role of an independent body?   |
| Where it is deemed that suspension is an appropriate response to a code of conduct breach, should local authorities be required to nominate an alternative point of contact for constituents during their absence? |
| <b>The length of suspension</b>  |
| If the government reintroduced the power of suspension, do you think there should be a maximum length of suspension?   |
| If yes, how frequently do you consider councils would be likely to make use of the maximum length of suspension?   |



|   |
|---|
|   |
| <b>Withholding allowances and premises and facilities bans</b>  |
| Should local authorities have the power to withhold allowances from suspended councillors in cases where they deem it appropriate?  |
| Do you think it should be put beyond doubt that local authorities have the power to ban suspended councillors from council premises and to withdraw the use of council facilities in cases where they deem it appropriate?  |
| Do you agree that the power to withhold members' allowances and to implement premises and facilities bans should also be standalone sanctions in their own right?   |
| <b>Interim suspension</b>   |
| Do you think the power to suspend councillors on an interim basis pending the outcome of an investigation would be an appropriate measure?  |
| Do you agree that local authorities should have the power to impose premises and facilities bans on councillors who are suspended on an interim basis?  |
| Do you think councils should be able to impose an interim suspension for any period of time they deem fit?  |
| Do you agree that an interim suspension should initially be for up to a maximum of 3 months, and then subject to review?  |
| If following a 3-month review of an interim suspension, a standards committee decided to extend, do you think there should be safeguards to ensure a period of interim extension is not allowed to run on unchecked?  |
| If you answered yes to above question, what safeguards do you think might be needed to ensure that unlimited suspension is not misused?   |
| <b>Disqualification for multiple breaches and gross misconduct</b>  |
| Do you think councillors should be disqualified if subject to suspension more than once?  |
| Is there a case for immediate disqualification for gross misconduct, for example in instances of theft or physical violence impacting the safety of other members and/or officers, provided there has been an investigation of the incident and the member has had a chance to respond before a decision is made? |
| <b>Appeals</b>  |
| Should members have the right to appeal a decision to suspend them?   |
| Should suspended members have to make their appeal within a set timeframe?  |
| Do you consider that a complainant should have a right of appeal when a decision is taken not to investigate their complaint?   |
| Do you consider that a complainant should have a right of appeal when an allegation of misconduct is not upheld?  |

|   |
|---|
| <b>Potential for a national appeals body</b>  |
| Do you think there is a need for an external national body to hear appeals?   |
| <p>If you think there is a need for an external national appeals body, do you think it should:</p> <ul style="list-style-type: none"> <li>• Be limited to hearing elected member appeals</li> <li>• Be limited to hearing claimant appeals</li> <li>• Both of the above should be in scope</li> </ul> |

## 5. OTHER CONSIDERATIONS

|   |     |
|---|-----|
| RISK IMPLICATIONS   | N/A |
| FINANCIAL CONSIDERATIONS                                      | N/A |
| LEGAL CONSIDERATIONS  | N/A |
| CHILD AND FAMILY POVERTY CONSIDERATIONS                       | N/A |
| EQUALITY AND DIVERSITY CONSIDERATIONS                         | N/A |
| STAFF CONSIDERATIONS  | N/A |
| ASSET MANAGEMENT CONSIDERATIONS                               | N/A |
| ENVIRONMENT, SUSTAINABILITY AND CLIMATE CHANGE CONSIDERATIONS | N/A |

## 6. RECOMMENDATIONS

- 6.1 That the Committee formulate response to the consultation for submission to the Ministry of Housing, Communities and Local Government (MHCLG).

## 7. REASONS FOR RECOMMENDATIONS

- 7.1 As the Committee responsible for Member Standards to inform the development of measures to strengthen the standards and conduct regime in England.

## 8. BACKGROUND PAPERS

- <https://www.gov.uk/government/consultations/strengthening-the-standards-and-conduct-framework-for-local-authorities-in-england>
- Hartlepool Borough Council Constitution
- Hartlepool Borough Code of Conduct

## 9. CONTACT OFFICERS

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## Consultation Questions

### Strengthening the Standards and Conduct framework

#### **a) Mandatory minimum prescribed code of conduct**

The government proposes to legislate for the introduction of a mandatory minimum code of conduct which would seek to ensure a higher minimum standard of consistency in setting out the behaviours expected of elected members. The government will likely set out the mandatory code in regulations to allow flexibility to review and amend in future, this will also provide the opportunity for further consultation on the detail.

Codes of conduct play an important role in prescribing and maintaining high standards of public service, integrity, transparency, and accountability. At their best, they establish clear guidelines for behaviour and expectations that members always act ethically in the public's best interest. Currently, there is significant variation between adopted codes, ranging from those who choose to adopt the LGA's full model code to those who simply conform with the minimum requirement of restating the Nolan principles.

A prescribed model code which covers important issues such as discrimination, bullying, and harassment, social media use, public conduct when claiming to represent the council, and use of authority resources could help to uphold consistently high standards of public service in councils across the country and convey the privileged position of public office. It could also provide clarity for the public on the consistent baseline of ethical behaviour they have a right to expect.

We would be interested in understanding whether councils consider there should be flexibility to add to the prescribed code to reflect individual authorities' circumstances. They would not be able to amend the mandatory provisions.

#### **b) Standards Committees**

Currently, there is no requirement for local authorities to constitute a formal standards committee. The only legal requirement is for local authorities to have in place 'arrangements' to investigate and make decisions on allegations of misconduct.

The government believes that all principal authorities should be required to convene a standards committee. Formal standards committees would support consistency in the handling of misconduct allegations, applying the same standards and procedures to all cases and providing a formal route to swiftly identify and address vexatious complainants. Furthermore, having a formal standards committee in place could support the development of expertise in handling allegations of misconduct, leading to more informed decision-making. Removing the scope for less formal and more ad hoc arrangements would also enhance transparency and demonstrate to the public that standards and conduct issues will always be dealt with in a structured and consistent way.

This section of the consultation seeks views on two specific proposals to enhance the fairness and objectivity of the standards committee process. Firstly, it considers

whether standards committee membership would be required to include at least one Independent Person, as well as (where applicable) at least one co-opted member from a parish or town council. Secondly, it seeks views on whether standards committees should be chaired by the Independent Person.

### **c) Publishing investigation outcomes**

To enhance transparency, local authorities should, subject to data protection obligations, be required to publish a summary of code of conduct allegations, and any investigations and decisions. This will be accompanied with strong mechanisms to protect victims' identity to ensure complainants are not dissuaded from coming forward for fear of being identified,

There may be a range of views on this, as publishing the outcome of an investigation that proves there is no case to answer could still be considered damaging to the reputation of the individuals concerned, or it could be considered as helpful in exposing instances of petty and vexatious complaints.

### **d) Requiring the completion of investigations if a member stands down**

In circumstances where a member stands down during a live code of conduct investigation, councils should be required to conclude that investigation and publish the findings. The government is proposing this measure to ensure that, whilst the member in question will no longer be in office and therefore subject to any council sanction, for the purposes of accountability and transparency there will still be full record of any code of conduct breaches during their term of office.

### **Introducing the power of suspension with related safeguards**

The government believes that local authorities should have the power to suspend councillors for serious code of conduct breaches for a maximum of 6 months, with the option to withhold allowances and institute premises and facilities bans where deemed appropriate. This section of the consultation explores these proposed provisions in greater detail.

While the law disqualifies certain people from being, or standing for election as, a councillor (e.g. on the grounds of bankruptcy, or receipt of a custodial sentence of 3 months or more, or it subject to the notification requirements of the Sexual Offences Act 2003 - meaning on the sex offenders register) councillors cannot currently be suspended or disqualified for breaching their code of conduct.

Feedback from the local government sector in the years since the removal of the power to suspend councillors has indicated that the current lack of meaningful sanctions means local authorities have no effective way of dealing with more serious examples of member misconduct.

The most severe sanctions currently used, such as formally censuring members, removing them from committees or representative roles, and requiring them to undergo training, may prove ineffective in the cases of more serious and disruptive misconduct. This may particularly be the case when it comes to tackling repeat offenders.

The government recognises that it is only a small minority of members who behave badly, but the misconduct of this small minority can have a disproportionately negative impact on the smooth running of councils. We also appreciate the frustration members of the public and councillors can feel both in the inability to deal decisively with cases of misconduct, and the fact that offending members can

#### **a) The length of suspension**

The Committee on Standards in Public Life recommended in their 2019 Local Government Ethical Standards<sup>[footnote 31](#)</sup> (CSPL) report that the maximum length of suspension, without allowances, should be 6 months and the government agrees with this approach. The intent of this proposal would be that non-attendance at council meetings during a period of suspension would be disregarded for the purposes of section 85 of the Local Government Act 1972, which states that a councillor ceases to be a member of the local authority if they fail to attend council meetings for 6 consecutive months.

The government believes that suspension for the full 6 months should be reserved for only the most serious breaches of the code of conduct and considers that there should be no minimum length of suspension to facilitate the proportionate application of this strengthened sanction.

#### **b) Withholding allowances and premises and facilities bans**

Giving councils the discretion to withhold allowances from members who have been suspended for serious code of conduct breaches in cases where they feel it is appropriate to do so could act as a further deterrent against unethical behaviour. Holding councillors financially accountable during suspensions also reflects a commitment to ethical governance, the highest standards of public service, and value for money for local residents.

Granting local authorities, the power in legislation to ban suspended councillors from local authority premises and from using council equipment and facilities could be beneficial in cases of behavioural or financial misconduct, ensuring that suspended councillors do not misuse resources or continue egregious behaviour. Additionally, it would demonstrate that allegations of serious misconduct are handled appropriately, preserving trust in public service and responsible stewardship of public assets.

These measures may not always be appropriate and should not be tied to the sanction of suspension by default. The government also recognises that there may be instances in which one or both of these sanctions is appropriate, but suspension is not. It is therefore proposed that both the power to withhold allowances and premises and facilities bans represent standalone sanctions in their own right.

#### **c) Interim suspension**

Some investigations into serious code of conduct breaches may be complex and take time to conclude, and there may be circumstances when the misconduct that has led to the allegation is subsequently referred to the police to investigate. In such cases, the government proposes that there should be an additional power to impose interim suspensions whilst and until a serious or complex case under investigation is resolved.

A member subject to an interim suspension would not be permitted to participate in any council business or meetings, with an option to include a premises and facilities ban.

We consider that members should continue to receive allowances whilst on interim suspension and until an investigation proves beyond doubt that a serious code of conduct breach has occurred, or a criminal investigation concludes. The decision to impose an interim suspension would not represent a pre-judgement of the validity of an allegation.

We suggest that:

- Interim suspensions should initially be for up to a maximum of 3 months. After the expiry of an initial interim suspension period, the relevant council's standards committee should review the case to decide whether it is in the public interest to extend.
- As appropriate, the period of time spent on interim suspension may be deducted from the period of suspension a standards committee imposes.

#### **d) Disqualification for multiple breaches and gross misconduct**

When councillors repeatedly breach codes of conduct, it undermines the integrity of the council and erodes public confidence. To curb the risk of repeat offending and continued misconduct once councillors return from a suspension, the government considers that it may be beneficial to introduce disqualification for a period of 5 years for those members for whom the sanction of suspension is invoked on more than one occasion within a 5-year period.

This measure underlines the government's view that the sanction of suspension should only be used in the most serious code of conduct breaches, because in effect a decision to suspend more than once in a 5-year period would be a decision to disqualify an elected member. However, we consider this measure would enable councils to signal in the strongest terms that repeated instances of misconduct will not be tolerated and would act as a strong deterrent against the worst kind of behaviours becoming embedded.

Currently a person is disqualified if they have been convicted of any offence and have received a sentence of imprisonment (suspended or not) for a period of 3 months or more (without the option of a fine) in the 5-year period before the relevant election. Disqualification also covers sexual offences, even if they do not result in a custodial or suspended sentence.

#### **e) Appeals**

The government proposes that:

- A right of appeal be introduced for any member subject to a decision to suspend them.
- Members should only be able to appeal any given decision to suspend them once.
- An appeal should be invoked within 5 working days of the notification of suspension; and

- Following receipt of a request for appeal, arrangements should be made to conduct the appeal hearing within 28 working days.

The government believes that were the sanction of suspension to be introduced (and potentially disqualification if a decision to suspend occurs a second time within a 5-year period) it would be essential for such a punitive measure to be underpinned by a fair appeals process.

A right of appeal would allow members to challenge decisions that they believe are unjust or disproportionate and provides a safeguard to ensure that the sanction of suspension is applied fairly and consistently.

#### **f) Potential for a national appeals body**

There is a need to consider whether appeals panels should be in-house within local authorities, or whether it is right that this responsibility sits with an independent national body. Whereas an in-house appeals process would potentially enable quicker resolutions by virtue of a smaller caseload, empowering a national body to oversee appeals from suspended members and complainants could reinforce transparency and impartiality and help to ensure consistency of decision-making throughout England, setting precedents for the types of cases that are heard.



# AUDIT AND GOVERNANCE COMMITTEE

28<sup>th</sup> January 2025



**Report of:** Democratic Services and Statutory Scrutiny Manager

**Subject:** RETAIL CRIME INVESTIGATION – PROGRESS  
UPDATE (PRESENTATION)

## 1. COUNCIL PLAN PRIORITY

Hartlepool will be a place:

- 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 update the Committee on progress in the completion of its retail crime investigation.

## 3. BACKGROUND

- 3.1 The Audit and Governance Committee at its meeting on the 24<sup>th</sup> of September 2024 concluded the process for identification of its 2024/25 work programme and agreed:

- That an investigation of 'Retail Crime in Hartlepool' would be undertaken, providing a significant opportunity for partnership working with Cleveland Police (including support for ongoing prevention and detection activities). The aim of the investigation being to 'look at ways of designing out and reducing incidents of retail crime'.
- The terms of reference and timetable for the investigation were formally agreed by the committee (as detailed in **Appendix A**).

## 4. PROGRESS AGAINST EACH OF THE AGREED TERMS OF REFERENCE

- 4.1 The Committee, at its meeting on the 15<sup>th</sup> of October 2024, formally began the evidence gathering process and over a number of meetings has received



evidence from a wide range of sources. A presentation is to be given at today's meeting to summarise progress in obtaining evidence against each of the agreed terms of reference (as detailed below) and views sought on the way forward in relation to any areas of outstanding evidence.

Terms of Reference: -

- (a) To gain an understanding of the issue and its impact on residents, employees and businesses.
- (b) To explore the factors that drive retail crime (national and local data inc. police information in relation to high level offenders).
- (c) To examine existing approaches used to tackle the issue and investigate their effectiveness (preventative and reactive). E.g.
  - i) Potential ways of designing out and reducing incidents of retail crime.
  - ii) How are we encouraging retailers to maximise the use of new technologies for the prevention and detection of retail crime, including the facilitation of digital CCTV evidence?
  - iii) How are we encouraging Community Safety Partnerships to direct investment to design out crime to areas they perceive to be a problem, including reducing opportunities to sell stolen goods?
  - iv) How are we actively encouraging the use of appropriate funding to invest in local retailers?
  - v) Are there sufficient interventions / support pathways for those who commit retail theft offences?
  - vi) Are there sufficient food banks, advertised, accessible and with ongoing funding for those use retail theft as a means during the cost-of-living crisis?
  - vii) What are the out of court resolution pathways available to residents of Hartlepool?
- (d) To seek views on the issue, the impact and what could / should be done from:
  - Residents (survey – as part of Police Ward surveys)
  - Stakeholders and businesses

## 5. RECOMMENDATIONS

### 5.1 That the Committee:-

- (i) Notes the content of the update presentation in relation to progress towards completion of its retail crime investigation and areas of outstanding evidence.

- (ii) Agrees a way forward in relation to completion of the investigation and production of its final report for approval by the Committee at its meeting on the 4<sup>th</sup> March 2025.

## **6. REASONS FOR RECOMMENDATIONS**

- 6.1 To progress completion of the investigation and production of the Committees finalised Retail Crime Investigation report in accordance with the agreed timetable.

## **7. BACKGROUND PAPERS**

Agendas, reports and presentation (Audit and Governance Committee – 15 October 2024, 5 November 2024, 10 December 2024)

## **8. CONTACT OFFICERS**

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01429 284142

## Appendix A

The **Terms of Reference** for the investigation would be:

- (a) To gain an understanding of the issue and its impact on residents, employees and businesses.
- (b) To explore the factors that drive retail crime (national and local data inc. police information in relation to high level offenders).
- (c) To examine existing approaches used to tackle the issue and investigate their effectiveness (preventative and reactive). E.g.
  - i) Potential ways of designing out and reducing incidents of retail crime.
  - ii) How are we encouraging retailers to maximise the use of new technologies for the prevention and detection of retail crime, including the facilitation of digital CCTV evidence?
  - iii) How are we encouraging Community Safety Partnerships to direct investment to design out crime to areas they perceive to be a problem, including reducing opportunities to sell stolen goods?
  - iv) How are we actively encouraging the use of appropriate funding to invest in local retailers?
  - v) Are there sufficient interventions / support pathways for those who commit retail theft offences?
  - vi) Are there sufficient food banks, advertised, accessible and with ongoing funding for those use retail theft as a means during the cost-of-living crisis?
  - vii) What are the out of court resolution pathways available to residents of Hartlepool?
- (d) To seek views on the issue, the impact and what could / should be done from:
  - Residents (survey – as part of Police Ward surveys),
  - Stakeholders and businesses (HBC survey and face to face Working Group)
- (e) To gain an understanding of the impact of current and future budget pressures on the way in which services are provided.
- (f) To identify potential ways of designing out and reducing incidents of retail crime.

The **timetable** for the investigation:

### 15th October 2024

- To gain an understanding of the issue from a police perspective.

- Agree a process to seek the views of residents, stakeholders and businesses on the issue and what could / should be done to tackle it (survey / face to face session / potential working group)

**5th November 2024**

- Views / input from the Member of Parliament for Hartlepool (also Chair of the Safer Hartlepool Partnership), Cleveland Police, Police and Crime Commissioner and Chair of Neighbourhood services Committee.
- Exploration of the factors that drive retail crime.

**(date tbc) December** - Working Group with businesses / stakeholders to discuss the issue, their experiences (experiences of staff) and what could / should be done to respond to it.

**10th December 2024**

- To examine existing approaches used to tackle the issue and investigate their effectiveness (preventative and reactive). E.g.
  - i) What are the potential ways of designing out and reducing incidents of retail crime?
  - ii) How are we encouraging retailers to maximise the use of new technologies for the prevention and detection of retail crime, including the facilitation of digital CCTV evidence?
  - iii) How are we encouraging Community Safety Partnerships to direct investment to design out crime to areas they perceive to be a problem, including reducing opportunities to sell stolen goods?
  - iv) What funding is there to invest in local retailers and other interventions and how are we actively encouraging its use?
  - v) Are there sufficient interventions / support pathways for those who commit retail theft offences?
  - vi) Are there sufficient food banks, advertised, accessible and with ongoing funding for those use retail theft as a means during the cost-of-living crisis?
  - vii) What are the out of court resolution pathways available to residents of Hartlepool?

**28th January 2024**

- Consider best practice in other areas.
- Further exploration of the factors that drive retail crime (offender lived experience evidence).
- Feedback from surveys / views of residents, stakeholders and businesses on the issue and what could / should be done to tackle it.
- How effective are interventions / resolution activities put in place for businesses and offenders.

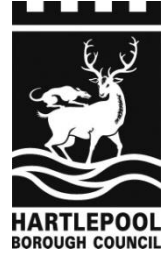
- To gain an understanding of the impact of current and future budget pressures on the way in which services are provided.

**(Date TBC) February** – Working Group to discuss formulation of recommendations.

**4th March 2024** – Approval of Final report by the Audit and Governance Committee

# AUDIT AND GOVERNANCE COMMITTEE

28 January 2025



**Report of:** Scrutiny and Legal Support Officer

**Subject:** RETAIL CRIME CONSULTATION WITH BUSINESS OWNERS/RETAILERS - UPDATE

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## 1. PURPOSE OF REPORT

- 1.1 To outline the results from the survey for business owners and retailers regarding their experiences of retail crime and how this issue impacts their staff and business.

## 2. BACKGROUND

- 2.1 At its meeting on the 15<sup>th</sup> October 2024, the Committee agreed to:
- Seek the views of business owners and retailers in the town on their experiences of retail crime and how this issue impacts their staff and business.
- 2.2 A public survey was launched via the Council's 'Your Say' engagement platform to run from the 6<sup>th</sup> November 2024 to the 17<sup>th</sup> January 2025 and was promoted extensively via:-
- i) Council's social media platforms;
  - ii) Your Say newsletter;
  - iii) Members of Audit and Governance (including a request to share with any relevant individuals or bodies).
  - iv) Community Cohesion Officer who was asked to promote this with individual retailers in their patch.
  - v) Middleton Grange Shopping Centre Management who were asked to share with all businesses within the centre.
  - vi) The Council's Economic Growth Team who circulated the details to the business forum and via their newsletter.
  - vii) Surveys were also hand delivered to 22 retailers in the town including large retailers.

## 3. ISSUES FOR CONSIDERATION

- 3.1 The committee will at today's meeting receive an update on the progress of the consultation and its initial findings. Despite extensive promotion, the number of survey responses has been low, with 11 being completed. It has been recognised that the statistical significance of the data needs to be taken into consideration. It has also been identified that the busiest time of

year for retailers is the Christmas period and that this may have contributed to the low level of responses.

#### 4. CONSULTATION OVERVIEW

##### 4.1 Survey Demographic

A series of questions were asked to determine the demographics of each business, this included –

- the postcode of where the business was located
- the type of products sold
- the size of the workforce

##### The impact of retail crime on a business

Participants were asked ‘how much of a problem is theft for your business?’. 10 participants expressed that it was a problem for their business with over half describing it as a significant issue. Participants were asked about the impact of retail crime. Loss of earnings, staff mental health and the expense of security measures were the most selected answers. The majority of businesses indicated that their store had security measures in place including CCTV, security tags and door alarms. However, despite the measures in place most stores indicated they had issues with shop theft. Some stores also employed additional security measures such as the use of radios within the store to alert other businesses to potential thefts.

##### The impact of retail crime on staff

The survey further explored how staff were impact by retail crime. 7 business owners/retailers indicated that their staff had been afraid to come to work. When asked why staff were afraid, the evidence indicated that in all responses staff had experienced a fear of violence with most experiencing verbal abuse or threatening behaviour. 3 business owners indicated their staff had experienced actual violence. One commented that staff had also experienced anxiety around thefts occurring.

##### Police and the reporting of theft

Questions were included in the survey regarding the reporting of thefts. Some participants indicated they did not report all crimes, advising that this was due to concerns that the issue would not be taken seriously by the police. Other comments included the amount of time taken to complete paperwork regarding the reporting of thefts and that not enough was being done to prevent theft.

##### What can be done to tackle the issue?

Participants were asked what they felt could be done to tackle the issue, comments included –

- More CCTV in the town
- Higher police presence in the evenings and certain areas of the town
- Prosecuting the individuals responsible for theft
- Harsher punishments and stronger sentences for offenders

- Police to attend the store every time a shoplifter is apprehended
- Excluding offenders from certain areas in the town
- More interaction between the police and security officers
- A forum with other retailers to share ideas
- Involving the local MP in the issue
- Adoption of an offender to rehab scheme
- Tackling drug issues

## **5. RECOMMENDATIONS**

### **5.1 That Members:**

- i) Note the results of the consultation and seek clarification on any issues, where required; and
- ii) Consider the need to extend the survey to allow for further participation.

## **6. REASONS FOR RECOMMENDATIONS**

### **6.1 To facilitate progress of the Retail Crime Investigation.**

## **7. BACKGROUND PAPERS**

### **7.1 Report and minutes of the A&G meeting held on the 15<sup>th</sup> October 2024.**

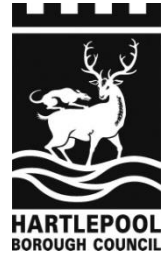
## **8. CONTACT OFFICER**

### **8.1** Gemma Jones Scrutiny and Legal Support Officer Legal Services Hartlepool Borough Council Tel: 01429 284171 Email: Gemma.Jones@hartlepool.gov.uk



# AUDIT AND GOVERNANCE COMMITTEE

28<sup>th</sup> January 2025



**Report of:** Director of Legal, Governance and Human Resources

**Subject:** REGULATION OF INVESTIGATORY POWERS ACT  
2000 (RIPA) ANNUAL REPORT (INCLUDING  
QUARTERS 1,2 AND 3 UPDATE)

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## 1. PURPOSE OF REPORT

- 1.1 To give an annual report to Elected Members on activities relating to surveillance by the Council and policies under the Regulation of Investigatory Powers Act 2000.

## 2. BACKGROUND

- 2.1 Hartlepool Borough Council has powers under the Regulation of Investigatory Powers Act 2000 (RIPA) to conduct authorised covert surveillance.
- 2.2 This report is submitted to members as a result of the requirement to report to Members under paragraph 4.47 of the Home Office Code of Practice for Covert Surveillance and Property Interference Revised (August 2018) which states that:

*Elected members of a local authority should review the authority's use of the 1997 Act and the 2000 Act and set the policy at least once a year. They should also consider internal reports on use of the 1997 Act and the 2000 Act on a regular basis to ensure that it is being used consistently with the local authority's policy and that the policy remains fit for purpose.*

## 3. BACKGROUND OF RIPA

- 3.1 All directed surveillances (covert, but not intrusive), use of covert human intelligence sources (CHIS) and acquisition of Communication's data require authorisation by a senior Council officer and the exercise of the powers is subject to review. The controls are in place in accordance with the Human Rights Act, particularly the right to respect for family and private life.

- 3.2 The Investigatory Powers Commissioner's Office (IPCO) now oversees the Council's exercise of surveillance powers under RIPA. This was formerly undertaken by the Office of Surveillance Commissioners (OSC).
- 3.3 A confidential database of authorised surveillances is maintained, charting relevant details, reviews and cancellations.
- 3.4 Substantial changes were made to the powers of Local Authorities to conduct directed surveillance and the use of human intelligence sources under the Protection of Freedoms Act 2012.
- 3.5 As from 1 November 2012 Local Authorities may only use their powers under the Regulation of Investigatory Powers Act 2000 to prevent or detect criminal offences punishable by a minimum term of 6 months in prison (or if related to underage sale of alcohol and tobacco. The amendment to the 2000 Act came into force on 1 November 2012.
- 3.6 Examples of where authorisations could be sought are serious criminal damage, dangerous waste dumping and serious or serial benefit fraud. The surveillance must also be necessary and proportionate. The 2012 changes mean that authorisations cannot be granted for directed surveillance for e.g. littering, dog control, fly posting.
- 3.7 As from 1 November 2012 any RIPA surveillance which the Council wishes to authorise must be approved by an authorising officer at the council and also be approved by a Magistrate; where a Local Authority wishes to seek to carry out a directed surveillance or make use of a human intelligence source the Council must apply to a single Justice of the Peace.
- 3.8 The Home Office have issued guidance to Local Authorities and to Magistrates on the approval process.

#### 4. **RIPA AUTHORISATIONS**

- 4.1 In the period 2023/2024:-

|                       |   |
|-----------------------|---|
| Communications Data   | 0 |
| CHIS                  | 0 |
| Directed Surveillance | 0 |
| Non-RIPA              | 0 |
| External              | 0 |

- 4.2 In the quarters to the date of this meeting:

##### Quarter 1

|                     |     |
|---------------------|-----|
| Communications Data | Nil |
|---------------------|-----|

|                       |     |
|-----------------------|-----|
| CHIS                  | Nil |
| Directed Surveillance | Nil |
| Non –RIPA             | Nil |
| External              | Nil |

## Quarter 2

|                       |     |
|-----------------------|-----|
| Communications Data   | Nil |
| CHIS                  | Nil |
| Directed Surveillance | Nil |
| Non –RIPA             | Nil |
| External              | Nil |

## Quarter 3

|                       |     |
|-----------------------|-----|
| Communications Data   | Nil |
| CHIS                  | Nil |
| Directed Surveillance | Nil |
| Non –RIPA             | Nil |
| External              | Nil |

**5. SURVEILLANCE POLICY**

- 5.1 The Council's RIPA Policy is available on the Council's intranet and is appended to this report. A number of amendments were made to the Policy when last reviewed. Therefore, the only update has been to reflect changes in job titles of senior Officers.

**6. ACTIVITY IN THE CURRENT YEAR**

- 6.1 The Authority's procedures continue to be reviewed in the light of any changes in the law and guidance received including recent correspondence from the Investigatory Powers Commissioner's Office.
- 6.3 Arrangements are being made for Officer RIPA Training and Awareness which will take place in February 2025. This will be attended by a number of Officers from a range of Departments across the Authority.
- 6.4 Awareness of RIPA to continue to be raised across the Council. An e mail has been sent to all staff reminding them of the Council's Policy in relation to the use of social media for the gathering of evidence to assist in its enforcement activities is set out in the RIPA policy.
- 6.5 Information continues to be made available on the RIPA pages of the Council's intranet and internet.

## 7. INSPECTIONS

- 7.1 The Authority received a request from IPCO regarding a ‘desktop’ examination (previous inspection had been in 2021).
- 7.2 Elected Members are advised that the outcome of the inspection was that the Investigatory Powers Commissioner was assured of ongoing compliance with RIPA 2000 and that the Investigatory Powers Act 2016 will be maintained. As such, further inspection was not required this year.
- 7.3 The Inspector highlighted, however, that in relation to the one authorisation granted in the past three years, there had been a number of points:
- The dates that the applicant and the Authorising Officer had indicated as having completed their inputs were incorrect; being cited as January 2021 when they were in fact January 2022. This was acknowledged as typing error.
  - The application for judicial approval and subsequent approval should have been on the national template forms by the applicant and magistrate respectively. These forms are included as Annex B in the *‘Home Office Guidance for Magistrates’ Courts in England and Wales for a local authority application seeking an order approving the grant or renewal of a RIPA authorisation or notice’*. This issue has been highlighted to appropriate Officers who have been requested to remind Magistrates of the national template forms.
  - The actual surveillance activity achieved its objectives but there was a failure to cancel the authorisation. Authorisations should always be cancelled, rather than just being allowed to ‘whither on the vine’. Officers have been reminded of cancellation requirements. Procedure Note has also been updated accordingly.
- 7.4.0 The Inspector noted a Non-RIPA authorisation which had been granted in November 2022. This had been an overarching authorisation that authorised staff to use social media for any subsequent case or investigation relating to child safeguarding. Whilst recognised as laudable to seek some form of approval for this generic information gathering tool, the Inspector had mentioned that it is more appropriate for such activity, that does not reach the criteria for authorisation as directed surveillance, to perhaps be authorised a generic authorisation but that should be supplemented by an auditable record of what activity is carried out on a case by case basis and many local authorities have such processes in place. This audit trail does not need to be too onerous but sufficient to show what took place and the reason why. The Director of Legal, Governance and Human Resources undertook to query with other local authorities in the region to see if such a process was being used. In the meantime, the Executive Director, Children’s and Joint Commissioning Services was consulted and advised that she would expect that case by case activity would be recorded in a child’s record where this was used.
- 7.5 The Inspector was informed of the responses included above (in red text) and responded that ‘the response is both prompt and appropriate’.

## **8. SURVEILLANCE POLICY**

- 8.1 The Council's RIPA Policy is available on the Council's intranet and is appended to this report. A finding from the 'desktop' inspection was that the Policy and Procedure document required some slight amendment at paragraph 6.9.1 where it was stated that if a Juvenile is authorised as CHIS this lasts for one month rather than the correct period of four months.
- 8.2 Following the retirement of the Legal and Democratic Services Team Manager in June 2024, the Policy was updated to reflect the new RIPA co-ordinator, Leanne Purdy

## **9 RECOMMENDATIONS**

- 9.1 To review the Authority's use of the Regulation of Investigatory Powers Act 2000 and approve the updated RIPA policy.

## **10. REASONS FOR RECOMMENDATIONS**

- 10.1 To enable the Council to operate the RIPA system effectively and as required by law and guidance.
- 10.2 Members of the Audit and Governance Committee are responsible for approving the RIPA Policy on an annual basis as referred to in Section 3 of the Policy.

## **11. CONTACT OFFICER**

- 11.1 Hayley Martin  
Director of Legal, Governance and Human Resources and Senior Responsible Officer for RIPA  
[Hayley.martin@hartlepool.gov.uk](mailto:Hayley.martin@hartlepool.gov.uk)  
01429 523003

## **12. BACKGROUND PAPERS**

Home Office Code of Practice  
[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/742041/201800802\\_CSPI\\_code.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/742041/201800802_CSPI_code.pdf)

# HEALTH AND WELLBEING BOARD

## MINUTES AND DECISION RECORD

9 September 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 -  
Katie McLeod (substitute for 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:-**

Representative of Hartlepool Voluntary and Community Sector – Christine Fewster

Representative of Tees, Esk and Wear Valley NHS Trust (TEWV) – Jamie Todd

Representative of GP Federation - Fiona Adamson

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

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

Stacey Hunter, Group Chief Executive Officer - North Tees and Hartlepool NHS  
Foundation Trust and South Tees Hospitals NHS Foundation Trust

James Bromiley Associate Director of Group Development, North Tees and  
Hartlepool NHS Foundation Trust and South Tees Hospitals NHS Foundation  
Trust

Councillor Little, Hartlepool Borough Council

Julian Penton - Co-Lead Officer, Hartlepower Community Trust

Lynsey Wright - Tees, Esk and Wear Valley NHS Trust (TEWV)

Ruth Dalton - Group Director of Communications, North Tees and Hartlepool  
NHS Foundation Trust and South Tees Hospitals NHS Foundation Trust

Claire Robinson - Public Health Principal, Hartlepool Borough Council

Vineeta O'Key – Public Health Registrar, Hartlepool Borough Council

### **Officers:-**

Joan Stevens - Statutory Scrutiny Manager

Gemma Jones – Scrutiny and Legal Support Officer

## 11. Apologies for Absence

Apologies for absence were received from Levi Buckley, Christopher Akers-Belcher, Denise McGuckin, Brent Kilmurray, Supt Martin Hopps, Karen Hawkins, Sonya Black, Carl Jorgeson.

## 12. Declarations of interest by Members

Councillor Boddy declared a personal interest as a Governor of Tees Esk and Wear Valley NHS Foundation Trust.

## 13. Minutes of meetings

- (i) The minutes of the meeting held on 8<sup>th</sup> July 2024 were confirmed.

## 14. South Tees Hospital NHS Foundation Trust and North Tees and Hartlepool NHS Foundation Trust Group Model - *(Group Chief Executive Officer and Associate Director of Group Development, North Tees and Hartlepool NHS Foundation Trust and South Tees Hospitals NHS Foundation Trust)*

A presentation was delivered to the Board to provide an update on the University Hospital Tees (UHT) group model with a focus on:

- UHT Group Governance
- Group Executive and Non- Executive Structure
- Clinical Boards
- Working at scale and with communities
- Looking forward

The Group Chief Executive and the Associate Director of Group Development outlined that the purpose of the group model was to transform outcomes and experiences for patients, staff and the wider population. To allow for joint decision making where possible and to simplify decision making.

A Member referred to reports which included information and data relating to items such as hospital discharges and readmissions which the Representative agreed to continue to provide.

A Member expressed concerns that they were unaware of the appointment for the Group Chief Executive and the implications of the Group Model arrangements on the services in Hartlepool, examples of which were provided. Assurances were provided that the Group Model proposals had been shared with all partners.

A discussion followed with regards to what services would continue to be delivered from the Hartlepool Hospital site and what new services would be brought to the site. Members were advised that the Clinical Boards were reviewing clinical services and all decisions taken would focus on

patient safety. Part of this work included what could be delivered locally and what would be better delivered within specialist sites where the technology and skills were available. It was acknowledged that patient safety was the priority, whilst balancing financial pressures and staff resources was key, examples of which were provided.

Representatives assured Members that there was a commitment to continue delivering services from the Hartlepool Hospital site and any developments would be shared with the Committee. The Statutory Scrutiny Manager agreed to circulate the list of current services currently being delivered from the Hartlepool site.

The Chair acknowledged that it was good to hear that more services are to be brought back to the Hartlepool Site. Members commented on the difficulty of recruitment in specialist areas.

It was explained that it was important to keep pace with innovations and new technology to attract and retain the specialist staff required across the Tees Valley. It was also explained that there is a focus on support in the community and that Hartlepool were ahead of the curve in terms of the community services offered. A representative from the North East and North Cumbria Integrated Care Board referred to the ongoing work in terms of engagement with primary care services.

The Board agreed that the collaboration work was great to hear and that working on the best outcomes for people was crucial.

#### **Decision -**

- (i) The Board noted the contents of the presentation.
- (ii) The Statutory Scrutiny Manager agreed to circulate the list of current services being delivered from the Hartlepool site.

### **15. Local Area Inclusion Plan for Children and Young People with SEND (Special Educational Needs and Disabilities) - *(Executive Director of Children's and Joint Commissioning Services)***

The Board was presented with the Local Area Inclusion Plan including the work being carried out by the wider partnership to support children and young people with SEND. Reference was made to the areas that were currently being tested as detailed on the report. Work was ongoing on the different approaches to investigate how the SEND system could be reformed and advised that some publications were already being piloted and tested. Results would be fed back to the Department for Education, and it is anticipated that the changes will be rolled out more widely.

Thanks was given to the Officers in the development of the plan by the Representative from the Hartlepool Voluntary and Community Sector for ensuring that the family views of those involved were at the heart of the development.



The Executive Director of Children's and Joint Commissioning Services discussed that Autism Spectrum Disorder (ASD) and Social, Emotional, and Mental Health (SEMH) were rising areas and that the common goal was working towards reducing the waiting list for assessments in these areas.

Appreciation was expressed by the Chair for the work in this area.

### **Decision**

- (i) The contents of the report was noted.
- (ii) Consideration was given to how organisations can contribute to
- (iii) meeting the needs of the children and young people with SEND.

## **16. 'Community Transformation' of Adult Mental Health Services - (Co-Lead Officer, Hartlepower Community Trust)**

The Board was given an update with regards to the progress towards changing how support is provided to adults in Hartlepool with mental health issues. The North East and North Cumbria Integrated Care Board has provided additional investment for place based partnerships to deliver community transformation. Community Transformation aims to:-

- Involve people with experience of mental ill-health and using mental health services.
- End the fragmentation of services.
- End "silo working".

This is a move away from the medical model in understanding mental health and instead focuses on the social issues associated with emotional distress. This includes addressing issues such as toxic and stressful environments, problems with accommodation and financial hardship. The second driver is addressing missing skills such as enabling people to build healthy social networks and access employment, taking a more holistic approach to supporting people.

Progress was also outlined in terms of the involvement of people with lived experience. There is now a Hartlepool Lived Experience Forum, who meet 6-weekly, attended by people with current/recent past experience of emotional distress. Members from the forum are also part of the Community Transformation Steering Group.

The Board was also updated on the progress of ending fragmentation of services and the joint working arrangements in place. A resource has been developed involving 40 different organisations pertaining to helping those that are experiencing emotional distress. A series of workshops have also been held providing an opportunity to bring services together.

In terms of joint working arrangements, a weekly "huddle" now takes place at the Council's Central Hub where representatives from the main mental health services and some voluntary organisations meet to share information and ideas.

The Chair welcome the collaborative approach and expressed thanks for the great work being done in this area. A Member asked about the number of people accessing the service and it was advised that this was difficult to answer.

A Member expressed how proud those involved should be regarding the Art Exhibition as part of National Recovery Month and the hope it was providing to families.

Executive Director of Adult and Community Based Services, Hartlepool Borough Council commented that they were pleased to hear that Hartlepool had been identified for this work to take place and this initiative fits well with the work already being undertaken in the Town, explaining that the 'Huddle' was a key part of this.

A question was raised about those that need to be cared for in hospital and the future of Sandwell Park Hospital. A representative from TEWV advised that Sandwell Park had not been a feature of the current health and care infrastructure for a long time. A large part of the current strategy was to continue to deliver as much care as possible whilst people remained in their own homes. However, it was acknowledged that not all ill health can be managed within the community and that hospital intervention is available for those that need it.

The TEWV representative advised that no decision had been made about the future of Sandwell Park Hospital, but assurance was given that the Health and Well Being Board would be consulted.

A suggestion was made by the Chair that Sandwell Park Hospital be a future agenda item.

In response to further concerns raised about those that need hospital treatment for health issues that could not be managed in the community, it was advised that nothing had changed for those with a serious illness that needed hospital intervention. They would continue to be supported back into the community to aid and support discharge; the community transformation only strengthens this.

Members raised concerns that the current hospital provision was out of town and that some family/relatives may experience financial hardship relating to the cost of traveling to hospital visits.

A Member asked what provision was in place to support young people to distinguish between mental health issues and general emotional behaviour. TEWV commented that mental health practitioners are now working out of just under 50% of Hartlepool schools, although they are bidding for funding to have this in all Hartlepool Schools. This work supports teachers and students to differentiate between the different levels of emotional resilience. There are IAPT services in place to support people with talking therapies and that lots of things can be addressed without being medicalised.

A member of Healthwatch commented that this only highlights the significance and importance of the community and voluntary sector and underline the major input that this sector has in the area. They would like to see everyone have the support they need in their own community but there will always be some people that need the care and support in hospital and that some sites are 30 miles away from Hartlepool. Whilst Community transformation gives people access to local care and support, concerns were raised that it was difficult or impossible to visit relatives on a regular basis when they were being cared for outside the town (i.e. in Roseberry Park, West Park or Lancaster House). The Board recognised the need to explore as a matter of urgency the issue of accessibility for the family and friends of the patients, including the future of Sandwell Park.

A representative from the Hartlepool Voluntary and Community Sector noted that wider family support needed to be a consideration especially for unpaid carers. They commented it was important to support those that carer for their family/friends and to look after their mental health.

### **Decision**

- (i) Noted the progress and looked forward to continuing to receive further updates on the progress of Community Transformation.
- (ii) Receive a further report on the future of the Sandwell Park Hospital.

## **17. Healthwatch Hartlepool – Annual Report** *(Chief Executive of Healthwatch Hartlepool)*

A Representative from Healthwatch Hartlepool presented to Board members their published annual report for 2024-25 providing an overview of the work for the year. The report provided Members with an overview of the projects they have been involved with including hospital discharge and the transition of adults with learning disabilities leaving home or supported settings. Healthwatch Hartlepool also make regular representations to service providers and contribute to national decision making whilst influencing future work programmes.

In the discussion following Healthwatch outlined how they ensure recommendations are considered and implemented. Healthwatch Hartlepool work closely with organisations to make sure they are following the recommendations and via a good working relationship with Local Authority and commissioning officers. They also visit regularly and are persistent about the work they do. They are committed to pursuing the progress of recommendations made to each service. Through different approaches taken means they are starting to see how seriously lived experience is being taken.

Executive Director of Adult and Community Based Services, Hartlepool Borough Council noted that the work of Healthwatch regularly feeds into their approach and highlighted the close working relationship with the CQC.

**Decision**

- (i) The contents of the report were noted.

**18. Drug and Alcohol Strategy Update** *(Director of Public Health)*

The Board received an update on the progress against the Drug and Alcohol strategy Action Plan for Hartlepool covering 4 priorities: -

Priority 1: Prevention and Early Intervention

Priority 2: Reducing alcohol and drug related harms.

Priority 3: Supporting Wider Health Needs

Priority 3: Reducing Drug and Alcohol Related Crime and Disorder

The aim of the document is to summarise activity and priorities, to support joint working and planning of future activities.

In the discussion that followed initiatives such as Naloxone training and the work of the National Recovery Month were welcomed.

It was also discussed that Recovery data, whilst not featured in this plan, could be brought to the board at a later date.

In response to concerns about recurring hospital admissions for drug and alcohol related issues details of the support arrangements in place were outlined. The need for a

Representative of Hartlepool Voluntary and Community Sector outlined the future joint work that could be carried out to improve the support offered to young people.

**Decision**

- (i) The Board noted the report.
- (ii) That Recovery data be brought to a future meeting.

**19. Draft Joint Health and Wellbeing Strategy (LJHWS) Consultation Approval -** *(Director of Public Health)*

Director of Public Health explained that the structure of the Draft Joint Health and Wellbeing Strategy needed to go out for consultation. Areas of the Strategy were highlighted during the discussion and an annual action plan would be developed and brought back the Board in the future. The consultation would also be taken to the Audit and Governance Committee to allow for further debate.

In the discussion that followed Members shared some good news stories and initiatives in relation to health improvements.

**Decision**

- (i) The Board agreed that the Draft Joint Health and Wellbeing Strategy go out for consultation.

Meeting concluded at 12:05 pm

CHAIR

# **Tees Valley Joint Health Scrutiny Committee**

## **MINUTES AND DECISION RECORD**

19 September 2024

The meeting commenced at 10.05 am in the Civic Centre, Hartlepool.

### **Present:**

#### **Responsible Authority Members:**

Darlington Borough Council - Cllr Holroyd, Cllr Layton

Hartlepool Borough Council - Cllr Boddy, Cllr Roy

Middlesbrough Council - Cllr Morrish

Redcar and Cleveland Borough Council – Cllr Cawley, Cllr Crane (substitute for Cllr Curr), Cllr Kay

Stockton Borough Council - Cllr Hall, Cllr Besford

### **Also Present:**

Sarah Paxton - Head of communications, Tees, Esk and Wear Valleys NHS Foundation Trust (TEWV)

Jamie Todd - Director of Operations & Transformation, TEWV

Naomi Lonergan - Interim Managing Director, TEWV

John Savage - TEWV

Kim Lawson, Strategic Head of Commissioning (Tees Valley), North East and North Cumbria Integrated Care Board (NENC ICB)

Ann Bridges - Executive Director of Corporate Affairs and Involvement, TEWV

John Stamp - Associate Director of Partnerships and Strategy, TEWV

Julian Penton – VCSE partner, Hartlepower Community Trust

Michael Houghton - Director of Transformation, North Tees and Hartlepool NHS Foundation Trust (NT&HFT)

Jayne Pailor, NT&HFT

Andrea McLoughlin – Preventing Suicide (Tees) Public Health Practitioner, Middlesbrough Council

#### **Officers:**

Gemma Jones, (HBC)

Caroline Leng (R&CBC)

Chris Lunn (MC)

Joan Stevens, (HBC)

Gary Woods (SBC)

## **1. Appointment of Chair**

Nominations for a Chair for this Committee were sought, and Councillor Boddy was nominated and agreed.

**Councillor Moss Boddy in the Chair.**

## **2. Appointment of Vice Chair**

Nominations for a Vice Chair for this Committee were sought, and Councillor Cawley was nominated and agreed.

## **3. Apologies for Absence**

Cllr Curr, Cllr Cooper, Cllr Moore, Cllr Scott, Karen Hawkins and Hannah Miller.

## **4. Declarations of Interest**

Councillor Boddy declared that he was a Governor at TEWV.

## **5. Minutes of the meeting held on 15<sup>th</sup> March 2024**

Confirmed.

## **6. Minutes of the Tees Valley Area Integrated Care Partnership (ICP) meeting held 2<sup>nd</sup> February 2024**

Noted.

## **7. Tees Valley Joint Health Scrutiny Committee - Protocol and Terms of Reference**

Agreed.

## **8. Respite Care/Adult Learning Disability Service Update**

*(Director of Delivery, NENC ICB and Director of Operations and Transformation, TEWV)*

Prior to the item being presented the Chair acknowledged the understandable anxiety around changes to the current respite provision for families and service users, describing this provision as a 'lifeline'. Emphasis was also placed on the need for improvements in line with the CQC guidelines/recommendations and advised that the purpose of the changes were to ensure that this service could continue albeit in a different format to the one currently in place.

The Committee received an update in relation to the proposed changes to respite care in Teesside. This was led by the Interim Managing Director and the Director of Operations & Transformation for TEWV. A number of factors were highlighted to explain the need for changes to the service. They were to ensure –

- The service continued to provide the highest quality of care for people.
- That the service could support families who may require support in future
- That the buildings were providing the best environment to care.
- They complied with regulations set out by the Care Quality Commission (CQC).
- There is enough staff to provide safe and kind care.
- The service offers value for money so that support can be provided to more families.

The Committee was informed that TEWV will submit notice on the current respite provision on the 20th September 2024, giving notice of 12 months. Whilst the 12 months is contractual, TEWV has committed to providing respite service until an alternative provision is developed. The change will affect the properties at Bankfields Court in Middlesbrough and Aysgarth in Stockton. The Trust will continue to work with families and partners affected and provided reassurance that they will continue to deliver the same level of care until an alternative provision is put in place. TEWV and NENC ICB outlined a commitment to regularly working with families, staff and Committees with regards to these changes.

A Representative from the NENC ICB outlined the process for engagement, which they will lead, and gave an overview of the work that had already taken place. A series of engagement events were due to take place between October and December 2024 and two not for profit organisations had been commissioned to carry out this work. This will include looking at what bed based service is required. The events are aimed at trying to engage as many voices as possible, alongside regular communication with service users and families. There is also an opportunity to speak 1:1 with staff members.

It was explained that although notice had been served on the current service, an alternative service would be commissioned. The NENC ICB were committed towards delivering a service that was fit for purpose for people with profound and severely complex needs. Emphasis was placed on honesty and transparency throughout the whole process.

The difficulties and the impact of prolonged hospitals stays were outlined. It was also explained that there was a continuing commitment to supporting people in their own homes.

Members suggested that an update be brought back to the Committee regarding the engagement work with families and service users.

During questions from Members, it was noted that providing respite care is a legal requirement. Reassurance was given that this was not a cost saving exercise and current service users would continue to be given respite care in the new service. This would differ for individuals depending on their level of need and would be determined by a needs assessment involving families and carers.

Previously the CQC had outlined specific challenges with the current respite service including the building structure, restrictions of being able to provide



single sex accommodation, insufficient individual bathrooms and the limited hand washing facilities. It was also noted the complexity of need had changed since the building of the site.

A Member referenced previous reports regarding the underutilisation of Bankfields Court and was pleased to see that occupancy levels had increased. Reference was also made to the fact that the issue of respite care was brought to the Committee some years ago.

In the discussion that followed, Members outlined the importance of this service and welcomed families being involved in the consultation process. A question was raised regarding the issue of staff retention. It was confirmed that the Trust would continue to work closely with staff at Bankfields court and Aysgarth and that they would be involved in the engagement process. They acknowledged there was a pressure on learning disability staff across the country but that both sites were currently fully staffed. Staff were keen to be part of the transition and would continue to support the families involved.

Members emphasised that involving families in this process was essential and reassurance was given by Representatives that this was not a 'hard stop'. Although the notice period was 12 months, support would continue after this date as commissioning a new service would take time.

The Chair requested that the Committee be updated in the future with regards to what is working well and any queries and concerns. Members echoed that familiar faces were key and were pleased to see that the service would not end until an alternative service was put in place.

A query was raised with regards to the respite provision for those with SEND, particularly those aged between 18-25 and asked what was in place to protect those in this transition period. It was explained that this piece of engagement work was around the respite provision at Bankfields court and Aysgarth in particular. A wider piece of work around respite in general was needed to look at this issue as a whole across the Tees Valley. It was acknowledged there is a lack of resources during this transition period for young people and that any change in provision would take time.

Concerns were raised about the impact on carers and their mental health and reference was made to the most recent CQC report. It was agreed that the CQC report would be circulated to Members.

In response to concerns regarding the current state of respite provision it was explained that due to ongoing challenges and the introduction of new standards there was a need to re-evaluate this service and that keeping families at the heart of this was key. This process was to enable continuous improvement across all areas. The Trust expressed the view that working with families and the voluntary sector was key to getting this right.

The Chair commented that there was a need to move things forward with the consultation and expressed his thanks to the Representatives for the update.

### **Decision**

- (i) The content of the presentation was noted as well as the position and rationale for change.
- (i) The CQC report from October 2023 be circulated to Members.
- (ii) Respite service engagement findings, solutions and outcomes be brought back to the Committee at a later date.

## **9. TEWV Community Mental Health Transformation Update** *(Representatives from TEWV and Hartlepower Community Trust)*

A presentation was provided to the Committee to outline the Community Transformation Model. Background was provided with regards to the launch of the community mental health framework in 2019, aimed at redesigning services and creating a mental health service aligned with Primary Care Networks, Local Authorities and the Voluntary Care Sector.

The Community Transformation model is designed to remove barriers to people accessing support. Based on the 'I thrive' framework and supported by Care Navigators the model focuses on:

- Getting advice and keeping well through local community support and accessing online support.
- Getting help via GP practices / community hubs and improving physical health.
- Accessing treatment and Intervention Services.

Those accessing help and support can move between services and the guiding principles include 'no wrong door to get help'. This Model has been rolled out across the 5 Tees Valley Local Authorities and reference was made to the different improvement workstreams as detailed in the presentation.

It was highlighted to Members the commitment in ensuring the model responds to what people want and that patient voice was central to designing services. This process had been supported by Healthwatch.

Part of this work included developing roles in Primary Care. It was noted that the Primary Care Network model has been successfully delivered and that only 2% of those accessing the service were stepped up into secondary care services.

A Representative from Hartlepower Community Trust advised they were pleased to be working alongside TEWV to develop new ways of supporting adults experiencing emotional distress. This is a move away from the medical model in understanding mental health and instead focuses on the social issues associated with emotional distress. Investment funding had meant that more people can now get their social, emotional and medical

needs met in the community. This model places an emphasis on partnership working and building collaborative working relationships. The 'weekly huddle' was an example of services coming together.

In the discussion that followed reference was made to the 111 service being utilised for accessing help and support with mental health and a query was raised regarding the number of people accessing the service. It was advised that accessing the 111 service for mental health support had now been rolled out nationally and that further communications would be circulated about this. It was advised the demand for this service was high and that an update with regards to this service could be brought back to a future Committee meeting.

A query was raised in relation to the care navigators and their background. Members were advised that care navigators were recruited from a range of backgrounds and experience, some with lived experience. A peer support service was also identified for development.

Members asked about the data in relation to only 2% of people being stepped up to secondary care services. It was advised that all other service users had their needs met through other routes such as accessing talking therapies. Members went on to ask about the data relating to footfall and improvement to patient flow. The TEWV Representative commented that previously it had taken a long time to wait for specific assessments and that this had now changed because of this service. People were now being filtered to the best service to meet their needs and this was not always mental health services. Access to help and support was now much quicker.

A Member asked why GP services were not included in the 'Getting advice and keeping well section' of the Model. It was agreed that GP services were an essential part of this process. Mental health services were now in GP practices and all reception staff had been trained on this system wide offer.

Members welcomed the Model and thanked Representatives for their presentation.

### **Decision**

- (i) The content of the presentation was noted.
- (ii) An update would be provided to the Committee at later date with regards the pilot for use of the 111 service to access mental health support.

## **10. Community Diagnostics Centre – Update** (*Director of Transformation – NT&HFT*)

An update was provided to the Committee in relation to the progress of the Community Diagnostic Centre (CDC) Hub being built on the Stockton site, and the Spoke sites at Hartlepool Hospital, Friarage Hospital and Redcar Primary Care Hospital. The aims and the objectives of the CDC Hub and Spoke Sites were detailed within the presentation.

In the discussion that followed the issue of staffing and IT systems were explored. It was noted that staff have taken part in visits to the site in Stockton and being involved in the development of this site. The aim was to also attract people who want a career in diagnostics. Members queried the key risks associated with the work force and it was highlighted that some service areas were difficult to recruit to. Measures being taken to manage this included the use of apprenticeships to 'grow our own' workforce and that further recruitment and training was underway. A key development of the CDC Hub was working towards the use of one IT system. It was anticipated that within the coming months the IT system will be a 'cross over system' between sites. The CDC Hub at the Stockton site was waiting on an electricity supply and then the installation of equipment could begin. A possible site visit by Committee Members was discussed.

Improvements to cancer pathways were also discussed and examples were given with regards to this. There was limited capacity to have outpatient services working from the Stockton site however, moving some services out of the acute hospitals would free up space.

Questions arose from the presentation including the provision of children's services. It was advised that children services would remain unchanged and that not every service would be transferred to the CDC Hub site.

A question was raised with regards to the use of Artificial Intelligence (AI) and Members were advised that this was largely used as a reporting tool and not a diagnostic tool however, some AI packages were being trialled across the region.

Further queries were raised regarding IT packages. Information was provided in terms of the end goal to have 1 integrated IT system and that steps to complete this would take place over the coming months.

The issue of renewable energy was also highlighted, and it was advised that this site would be taking green energy into account.

A question was raised about whether there were plans for a CDC Hub in Darlington. Representatives advised that this site was unable to be replicated everywhere but that patient flow across the Tees Valley had been explored as well as travel issues. Colleagues in Country Durham had enhanced their diagnostic service and also invested in the Bishop Auckland site.

Members thanks Representatives for their update and welcomed the changes to the diagnostics process for the Tees Valley.

### **Decision**

- i) The presentation was noted.
- ii) That a CDC Hub site visit be considered by the Committee.

## **11. Work Programme for 2024/2025**

The Work programme for 2024/25 was discussed and further items were identified for inclusion including –

- Hospital Discharge services and unhealthy home environments.
- Feedback from the use of 111 service for support with mental health.
- Respite engagement findings, solutions and outcomes.
- An update from CAMHS with regards to waiting times for assessment and diagnosis including ADHD and Autism.
- Vaping in young people.
- Social Prescribing.
- New Home builds and the stretch on health services.

### **Decision**

- (i) Further items identified to be considered for the work programme for 2024/25 and discussed at the next Committee.
- (ii) Information be circulated with regards to Stockton Borough Council's Scrutiny Review of Hospital Discharge.

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

None.

The meeting concluded at 12.50pm.

CHAIR

# **Tees Valley Joint Health Scrutiny Committee**

## **MINUTES AND DECISION RECORD**

7 November 2024

The meeting commenced at 10am in the Civic Centre, Hartlepool.

### **Present:**

#### **Responsible Authority Members:**

Darlington Borough Council - Cllr Holroyd  
Hartlepool Borough Council - Cllr Boddy, Cllr Roy  
Middlesbrough Council - Cllr Cooper  
Redcar and Cleveland Borough Council – Cllr Cawley, Cllr Crane, Cllr Kay  
Stockton Borough Council - Cllr Hall, Cllr Besford

### **Also Present:**

Rowena Dean, Chief Operating Officer, North Tees & Hartlepool Foundation NHS Trust (NTHFT)  
Karen Hawkins, Director of Delivery [Tees Valley], North East and North Cumbria Integrated Care Board (NENC ICB)  
Alistair Monk – Medicines Optimisation Pharmacist, NHS North of England Commissioning Support Unit  
Angela Dixon – Head of Medicines (Tees Valley), (NENC ICB)  
Andrea McLoughlin – Preventing Suicide (Tees) Public Health Practitioner, Middlesbrough Council  
Jo Cook – Programme Manager Preventing Suicide, Durham Tees Valley and Forensics, Tees Esk and Wear Valleys NHS Trust (TEWV).  
Sarah Paxton - Head of communications, TEWV  
Catherine Parker – Public Health Lead, TEWV

#### **Officers:**

Claire Jones (MC)  
Gemma Jones, (HBC)  
Caroline Leng (R&CBC)  
Chris Lunn (MC)  
Joan Stevens (HBC)  
Gary Woods (SBC)

### **13. Apologies for Absence**

Cllr Layton, Cllr Moorish, Cllr Moore, Cllr Scott and Hannah Miller.

### **14. Declarations of Interest**

Cllr Boddy declared an interest as a Governor of TEWV during the discussions relating to item 19.

**15. Minutes of the meeting held on 19<sup>th</sup> September 2024**

Confirmed.

**16. North East and North Cumbria Integrated Care Board:  
Winter Plan Update - *Director of Delivery [Tees Valley], NENC ICB and  
Chief Operating Officer, NTHFT***

The Committee received its annual winter planning update. Provided by the (NENC ICB) Director of Delivery [Tees Valley], key aspects included:

- System approach to winter planning
- Assurance process
- System Priorities
- Local Priorities
- Public Messaging

As with previous years, the NENC ICB has developed its Integrated Care System (ICS) level winter plan. Supported by local plans, this outlined the steps taken to deliver on respective actions, retain resilience and manage anticipated winter pressures. The presentation contained a summary of the NHS England letter and focused on key priority areas of providing safe care over winter, supporting people to stay well and maintaining patient safety and experience. It also outlined the asks of NHS England, the Integrated Care Board (ICB) and the Foundation Trusts.

It was explained that there was a need to ensure that a robust winter plan is in place. The plan should include surge plans, and co-ordinate actions across all system partners. It should also ensure long patient delays and patient safety issues are reported. The plan builds upon the work of the local A&E delivery board at a local level and winter plans are tested throughout the winter period. These documents are live and can change if any gaps in service are identified. The North East and North Cumbria Urgent and Emergency Care Network priorities were also outlined as well as the key actions.

Further information was also provided in relation to the commissioning of specialist sites in each locality to manage acute respiratory illnesses throughout the winter period. This will free up capacity in urgent treatment centres to deal with those that need that level of support. There is also a digital pool of staff to cover winter periods.

In terms of local priorities, the Tees Valley Local A&E delivery board assured areas were outlined including the co-located urgent treatment centres now in place at 3 Foundation Trusts. Members were informed of the capacity of the Same Day Emergency Care wards, Health at Home and Virtual wards.

Information was also provided to Members with regards to the publicity campaigns being launched over the winter period to inform the public of where to get help and support with their health. These included 'Here to Help', a region wide umbrella campaign providing the platform for joined-up campaigns. Other campaigns included Winter Vaccines, 'Head to your local pharmacy', advice on keeping well/self-care and accessing Primary Care services. It was advised that local trusts would amplify wider system messages.

In the questions that followed Members ascertained the following information –

- The recent change in government had not impacted the winter plan.
- It was not known if the recent changes to the winter fuel allowance would have a detrimental impact on the NHS.
- In terms of vaccine hesitancy, work is carried out with partner agencies to understand the reasons behind this. Work would continue in certain areas to promote and educate around vaccines.
- Pharmacists are health professionals, qualified and skilled to take some demand from GP services. They are well placed to see and treat common conditions.
- The remodeling of the Urgent Treatment Centre at James Cook University Hospital continues. Once complete adults and children will be streamed for treatment.
- The process for ordering prescriptions was outlined.
- A Member expressed disappointment that there was a lack of focus on prevention work around fuel poverty and the impact this may have on a person's health. It was explained that partnership work is ongoing to support those who need it.
- The importance of referring people to Citizens Advice Bureau for support with fuel poverty was highlighted.
- Members emphasised the importance of patients being discharged from hospital to homes that were warm and safe to return to.
- Infection prevention and control is managed on a daily basis.
- Due to a broken MRI scanner at North Tees Hospital, a mobile unit was put in place. The scanner has now been repaired. The opening of the new Community Diagnostics Centre would give more capacity to manage issues like this going forward.
- Building work will continue on the new robotic and maternity theatres with a view of them being ready in February/March 2025.
- Contingency plans were in place to manage the temporary closure of wards or loss of beds.
- Medical engineers look at the life span of equipment and prioritise the items that need replacing on a regular basis.



Members thanked Representatives for their attendance and presentation.

### **Decision**

- (i) The content of the presentation was noted.

## **17. Opioid Prescribing and Dependency Across the Tees Valley**

*- Medicines Optimisation Pharmacist – NHS North Of England  
Commissioning Support Unit and Head of Medicines (Tees Valley),  
Medicines Optimisation Team (NENC ICB)*

Members were presented with information relating to opioid prescribing in the Tees Valley. It was explained that information relating to opioid dependency would be an item scheduled for a later date.

The Medicines Optimisation Pharmacist outlined data relating to opioid prescribing volume, opioid dosages and prescribing trends across the Tees Valley. In 2021/22, due to a focus on education sessions in GP practices and teams working with specialist services, the trend had started to decrease however, this had now plateaued.

Representatives outlined how they are supporting prescribers to reduce opioid prescribing. This included developing close links with Foundation Trust pain specialists and an opioid reduction clinic based within James Cook University Hospital. Replicating this at North Tees had also been considered. Other aspects included the use of specialist pharmacists and targeted support visits to higher prescribing practices.

Publicity Campaigns were also in circulation such as 'Painkillers don't exist' which combines awareness raising with educational resources to support people with alternative pain management. Referrals to Social Prescribers were also discussed, as was looking at different ways of managing pain such as being more active, exercise and art therapy.

Members expressed concern about the data relating to prescribing rates across the Tees Valley. A Member commented that patients attending their GP Practice may see different GP's each time, who may not know the patient. Whilst consideration must be given to the reduction of opioid use, Members were mindful of those that need this for short term use such as those waiting for surgery and that the balance must be right. The Representative explained that key to this was appropriate prescribing. There was a place for opioid prescribing but this should not be the crux of a patient's care, alternative methods need to be explored with other health professionals such as Physiotherapists. It was highlighted that the role of Social Prescribing should not be overlooked as well as community Pharmacists.

A member queried comparison rates across the country and asked why prescribing rates were high in the Tees Valley. It was suggested that the demographic of the area could play a part in this, examples of which were given. There were also health inequalities in the area compared to other

parts of the country. There was also a role for some collaboration work with substance misuse services.

When discussing the impact of potential fuel poverty in relation to health, the importance of getting the right help and support was outlined as well as accessing support from services such as Social Prescribers.

Members thanked Representatives for their attendance and presentation.

### **Decision**

- (i) The content of the presentation was noted.
- (ii) That opioid dependency be a future item brought to this Committee.

## **18. Tees Suicide Prevention Strategic Plan - Preventing Suicide (Tees) - Public Health Practitioner, Middlesbrough Council and Programme Manager Preventing Suicide, Durham Tees Valley and Forensics, TEWV**

The purpose of the item was to provide Members with an overview of the Tees Suicide Prevention Strategic Plan. Prior to the start of the presentation, it was explained by the Public Health Practitioner that Darlington did not form part of this strategy as they were aligned to Durham. The strategy related to the 4 local authorities of Hartlepool, Middlesbrough, Redcar and Cleveland and Stockton.

The presentation provided data relating to deaths by suicide by years, broken down by LA. Representatives explained that real time surveillance data was used to help prevent future suicides and that this data informs support, suicide prevention activity and national real time data. This includes joint working with the Police and Public Health to look at ways of reducing deaths by suicide. It was highlighted that data from 2018 to 2023 had not changed dramatically but there had been a change in the demographic. Members noted an increase in female suicide, although suicide amongst males remains high. There was also an increase in people aged under 30 and over 65 dying by suicide compared to previous data.

The Tees Suicide Prevention Strategic Plan sets out key areas for action with the aim of achieving the vision of reducing the rates of suicide. The strategy has been developed with and endorsed by key local partners, organisations, services, and communities who contribute to suicide prevention and supporting vulnerable groups. The 8 key areas for action were discussed, as detailed in the presentation.

In the discussion that followed Members expressed concern about the impact of social media and young people. Representatives explained that the Samaritans work with young people regarding this issue, including involving colleges and schools in educating young people and ensuring those affected can be signposted to sources of support.

Media awareness campaigns were also discussed including those with a male focus. The importance of partnership working was also highlighted

and that agencies such as the Department for Work and Pensions, GP practices and Social Prescribers were aware of risk factors and vulnerable groups.

Members enquired about how much data is gathered about a person's circumstances in each case of suicide. It was explained this information is gathered and sent to the Integrated Care Board who undertake a full health audit. Issues such as Domestic Abuse are also investigated.

Representatives outlined how they work alongside colleagues from TEWV in terms of gathering information when a loss of life is the result of suicide.

Accessing mental health support through 111 was also discussed. Whilst this is in the early stages it was explained that patients can ring 111 and be directed to sources of support and help.

The Chair commented that this was a very complex issue, Representatives echoed this and advised that early intervention and prevention work was key. Members welcomed the new strategy and the holistic approach taken.

Representatives were thanked for their presentations.

#### **Decision**

- (i) The content of the presentation was noted.

### **19. Health Inequalities in the Tees Valley - Consultant in Public Health - Tees Esk and Wear Valleys NHS Foundation Trust**

The purpose of the report was to provide Members with information relating to health inequalities across the Tees Valley. The presentation, delivered by the Consultant in Public Health (TEWV), outlined that some of the most deprived neighbourhoods in England were in the Tees Valley. Context was provided in terms of the impact of health inequalities such as -

- poorest social, physical and mental health outcomes
- poverty and financial exclusion
- drug and alcohol related harm

Some people also face multiple challenges and are not able to afford transport to access health services.

The approach TEWV has taken to address the health inequalities was outlined in the presentation as well as how this would be implemented. A number of initiatives were also being piloted including health inequality workshops and widening the availability of naloxone (a medicine that rapidly reverses opioid use). The Trust is also using lived experience to drive the work on inequality via visual learning aids, examples of which were detailed in the presentation. Areas of learning and development were also highlighted as well as challenges and levers.

Following the presentation, a query was raised in relation to what support is offered to those that do not attend appointments. It was explained that the policy on non-attenders had been refreshed. Those that do not attend

warrant individual responses to understand why that person did not attend their appointment, including social and economic barriers. This also forms part of the work of the Community Mental Health Transformation programme, to focus on care and support in the community. Work continues with Directors of Public Health around a 1-year plan to be taken to Health and Well Being Boards.

A Member queried if some appointments could be made more available in the community if patients were unable to travel to hospital. Members were advised that investigations into why people could not attend appointments is ongoing. As well as understanding the demographics of the patients and the accessibility of the appointments.

A question was asked in terms of staffing levels at TEWV as there seemed to be a number of mental health professional vacancies. The Head of Communications for TEWV commented that the Trust always works to safe staffing but that permanent roles had been advertised as the Trust moves away from using agency staff. The Chair commented that a number of roles have been recruited to with a view of this continuing to rise.

The discussion concluded with a Member commenting on the importance of having the data to be able to evidence that the new models were working. It was also emphasised that quality of service was paramount and the importance of continued scrutiny to ensure better provision of service was reiterated.

The Consultant in Public Health was thanked for their presentation.

### **Decision**

- (i) The content of the presentation was noted.

## **20. Work Programme for 2024/2025**

The work programme for 2024/25 was discussed following updates from the previous meeting.

A Member suggested that the health impact of incinerators be added to the work programme as a future item. The Chair advised that the work programme for the remainder of this municipal year was particularly large, but this could be added to the list of future items to be considered.

- (i) The amended work programme for 2024/25 was agreed.
- (ii) The impact of incinerators on health be added as an item to be considered for the work programme for 2025/26.
- (iii) Opioid dependency be added to the work programme as a future item for 2025/26.

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

None.

The meeting concluded at 13.15pm.

CHAIR

# North East North Cumbria Health & Care Partnership



## CONFIRMED MINUTES

### Tees Valley Area Integrated Care Partnership (ICP) Meeting

Meeting held on: 9<sup>th</sup> August 2024, 12pm – 2pm

Held at: Boardroom, NENC ICB, Trinity Mews, NOHV, Middlesbrough, TS3 6AL

| Item No:    | Meeting Notes   | Action |
|-------------|---|--------|
| TVICP/24/01 | <p><b>Welcome and Introductions</b></p> <p>Councillor Cook, as Chair, welcomed colleagues to the Tees Valley Area Integrated Care Partnership (ICP) Meeting.</p> <p><b><u>Present:</u></b></p> <ul style="list-style-type: none"> <li>• Councillor Bob Cook (Chair) – Health and Well-being Board Chair &amp; Leader of Stockton Borough Council</li> <li>• David Gallagher – Chief Contracting and Procurement Officer</li> <li>• Martin Short - Director of Delivery, NENC ICB</li> <li>• Karen Hawkins – Director of Delivery, NENC ICB</li> <li>• Mark Adams, Joint Director Public Health Middlesbrough, Redcar &amp; Cleveland</li> <li>• Christopher Akers-Belcher, Regional Co-ordinator, NENC Healthwatch Network</li> <li>• Craig Blundred – Director of Public Health, Hartlepool Borough Council</li> <li>• Geraldine Brown, Head of Policy Development and Public Affairs, Stockton Council</li> <li>• Dominic Gardner, Care Group Director of AMH/MHSOP, Tees Esk and Wear Valleys NHS FT</li> <li>• Stacey Hunter – Group Chief Executive Officer (Joint North and South Tees), North Tees &amp; Hartlepool NHS Foundation Trust &amp; South Tees Hospital Foundation Trust</li> <li>• Brent Kilmurray – Chief Executive of Tees, Esk and Wear Valleys NHS FT</li> <li>• Majella McCarthy, Director of Children's Services, Stockton Council</li> <li>• Richard Morris, Associate Director of Operations, County Durham &amp; Darlington NHS FT</li> <li>• Carolyn Nice – Director of Adult Services, Stockton Council</li> <li>• Julian Penton - Voluntary Sector Lead/3rd Sector, Hartlepower (Hartlepool)</li> <li>• John Sampson – Managing Director and Chief Executive – Redcar and Cleveland Council</li> </ul> |        |

|             |   |  |
|-------------|---|--|
|             | <ul style="list-style-type: none"> <li>Ken Ross – Public Health Principal, Darlington Borough Council</li> <li>Patrick Scott, Managing Director for Durah, Tees Valley and Forensics, Tees, Esk and Wear Valleys NHS FT</li> <li>Professor Natasha Vall, Dean – School of Social Sciences, Humanities &amp; Law, Teesside University</li> </ul> <p><b><u>In Attendance:</u></b></p> <ul style="list-style-type: none"> <li>Rachael Long – Governance Lead, NENC ICB</li> <li>Jane Smailes (Note Taker) – PA, NENC ICB</li> <li>Avril Rennard – Corporate Business Assistant, NENC ICB</li> </ul>  |  |
| TVICP/24/02 | <b>Apologies for Absence</b>  |  |
|             | <ul style="list-style-type: none"> <li>Dr Naveed Azam, PCN/CD Representative, Middlesbrough PCN</li> <li>Professor Derek Bell – Chair, North Tees &amp; Hartlepool NHS Foundation Trust / South Tees Hospitals NHS FT</li> <li>Sarah Bowman-Abouna – Director of Public Health, Stockton Council</li> <li>Sandra Britten – Chief Executive (Operational) Alice House Hospice</li> <li>Cllr Alec Brown, Joint HWWB Chair, Redcar &amp; Cleveland Council</li> <li>Mayor Chris Cooke – Joint HWBB Chair Live Well South Tees Board – Middlesbrough Council</li> <li>Deb Cornell, Director of Corporate Governance and Board Secretary, NENC ICB</li> <li>Mark Davis, Voluntary Sector Lead, Middlesbrough Voluntary Development Agency (MVDA)</li> <li>Dr Deepak Dwarakanath, Medical Director, North Tees &amp; Hartlepool NHS FT</li> <li>Dr Dharendra Garg – Stockton PCN Representative</li> <li>Dr Teik Goh - PCN/CD Representative, Redcar and Cleveland PCN</li> <li>Mike Greene – Chief Executive – Stockton Borough Council</li> <li>Lorraine Hughes, Director of Public Health, Darlington Council</li> <li>Sue Jacques – Chief Executive, County Durham and Darlington NHS FT</li> <li>Denise McGuckin – Managing Director of Hartlepool Borough Council</li> <li>Jill Harrison - Director of Adult &amp; Community Based Services, Hartlepool Borough Council</li> <li>David Jennings, Chair, Tees Esk and Wear Valleys NHS FT</li> <li>Dr Helen McLeish – PCN Clinical Director, Darlington PCN</li> <li>Dr Jackie McKenzie - PCN/CD Representative, Hartlepool PCN</li> <li>Kerry McQuade – Director of Strategy Planning and Transformation, North East Ambulance Service</li> <li>Rebecca Morgan (RM) – Project Development Manager / Healthwatch Sub-Regional Co-ordinator, Healthwatch</li> </ul> |  |

|             |  |  |
|-------------|--|--|
|             | <ul style="list-style-type: none"> <li>• Peter Neal – Voluntary Sector Lead, Redcar &amp; Cleveland Voluntary Development Agency (RCVDA)</li> <li>• Lisa Oldroyd – Chief Executive &amp; Monitoring Officer, Office of the Police and Crime Commissioner for Cleveland</li> <li>• Chris Piercy, Director of Nursing, NENC ICB</li> <li>• Helen Ray – Chief Executive, North East Ambulance Service</li> <li>• Sally Robinson, Director of Children's Services, Hartlepool Council</li> <li>• Richard Scothon, Chair, County Durham &amp; Darlington NHS FT</li> <li>• Jeanette Scott, Director of Nursing, NENC ICB</li> <li>• James Stroyan – Director of People (Children &amp; Adult), Darlington Council</li> <li>• Wade Tovey, Redcar &amp; Cleveland Voluntary Development Agency</li> <li>• Chris Zarraga – Director, Schools North East</li> </ul> |  |
| TVICP/24/03 | <b>Declarations of Interest</b>  |  |
|             | <p>Councillor Bob Cook (BC) reminded colleagues of the importance of the robust management of conflicts of interest and asked individuals to raise any potential conflicts of interest as the meeting progressed. No conflicts of interest were raised.</p>  |  |
| TVICP/24/04 | <b>Minutes from previous meeting held 2<sup>nd</sup> February 2024</b>   |  |
|             | <p>The minutes of the meeting, held 2<sup>nd</sup> February 2024, had previously been circulated to members for comment. There were no amendments requested and therefore the minutes were <b>AGREED</b> as an accurate record. Confirmed minutes have also been shared with Health and Wellbeing Boards for information.</p>  |  |
| TVICP/24/05 | <b>Matters Arising &amp; Action Log</b>  |  |
|             | <p><b>Action Log</b></p> <p>Actions were noted as complete</p> <p><b>Matters Arising</b></p> <p><u>Water Fluoridation</u></p> <p>David Gallagher (DG) advised the national consultation on water fluoridation for the North East had been extended due to the General Election in June. Generally there had been a good response from the North East and</p>   |  |



|             |  |  |
|-------------|--|--|
|             | <p>he thanked all those who had responded. DG explained that the outcome of the consultation was pending with any next steps and timescales.</p> <p>There were no other matters arising to note.</p>   |  |
| TVICP/24/06 | <b>Healthwatch Update</b>  |  |
|             | <p>The Healthwatch quarterly update (Jan – Mar 2024) had been circulated to members before the meeting.</p> <p>Christopher Akers-Belcher (CAB) highlighted the following key points from the report.</p> <p>Healthwatch held a listening event on 6<sup>th</sup> June 2024 to engage with patients, carers and local communities in respect of the Hospitals Trusts Group Model for North Tees &amp; Hartlepool, and South Tees Hospitals NHS Foundation Trusts. The event was well attended and a report from Healthwatch will be provided to the Hospital Group to aid in its development.</p> <p>The North of England Commissioning Support Unit (NECSU) commissioned a project which sought the views and needs of older adults with Learning Disabilities to help inform future planning to meet their needs as they age and are no longer able to be supported by family. The final report, Growing Older Tees Valley Report, has been sent to NECSU and copied to the NENC ICB. Healthwatch is awaiting feedback regarding the report's recommendations, particularly in relation to housing and communications.</p> <p>Healthwatch were invited by the ICB to review the ICB's Involvement Strategy - 'Communities and People Involvement and Engagement Framework 2022-23'.</p> <p>There have been over 3,500 responses to the region wide surveys regarding provision of NHS dentistry services. Healthwatch County Durham are leading on the data analysis and the report is expected to be available in quarter two.</p> <p>Noting the "access to primary care services" concerns in the report Stacey Hunter (SH) highlighted the collective action that GPs may be undertaking following the recent BMA ballot. This may have a greater impact on access to GP services, though it was too soon to tell what the impact may be locally. SH advised that the hospitals would be monitoring the situation to see if this had an impact on attendance at A&amp;E.</p> |  |

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|             | <p>Following a query regarding how patients were accessing primary care services CAB confirmed that Healthwatch had been promoting the use of NHS111 for example, however there was inconsistency across the Tees Valley with availability of services.</p> <p>Karen Hawkins (KH) highlighted the work around the Primary Care Access and Recovery Plan including total triage and understanding the routes of access for patients through online or e-booking.</p> <p>David Gallagher (DG) explained there were daily meetings taking place with Primary Care leads, within the ICB, to discuss the impact of the GP collective action. The ICB will share intelligence as and when it becomes available, noting that the collective action began on 1<sup>st</sup> August.</p> <p>Regarding NHS Dentistry services, DG noted that the work done by Healthwatch was helping to inform the work of the ICB, for example, by focussing on urgent treatment rather than routine access. The first urgent dental access centre in NENC has opened in Tees Valley, in Darlington, based in a community centre. This service is accessed through NHS111 or self-referral.</p> |  |
| TVICP/24/07 | <b>Tees, Esk and Wear Valleys NHS Foundation Trust (TEWV) Transformation- Our Journey to Change</b>  |  |
|             | <p>The presentation had been circulated to members prior to the meeting. Brent Kilmurray (BK), Patrick Scott (PS) and Dominic Gardner (DG) highlighted the following key areas;</p> <ul style="list-style-type: none"> <li>• What is transformation</li> <li>• A reflection on the TEWV journey so far</li> <li>• Transforming Community Services Adult Planned Care</li> <li>• Urgent Care Transformation</li> <li>• Mental Health Services for Older People</li> <li>• Adult Learning Disabilities Transformation</li> <li>• Children &amp; Young People Transformation – I-Thrive</li> <li>• Areas of Risk and Challenge.</li> </ul> <p>Martin Short (MS) noted that TEWV had been at the forefront of co-creation of services and that there had been an increasing fourfold demand. This necessitated transformation within the system and a Children and Young Peoples whole system approach to reduce demand into specialist services.</p>  |  |

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|  | <p>Further to a comment from Chris Cooke (CC) regarding some of the downgrading of CQC inspection ratings BK advised the one of main areas of focus for TEWV was around improvement in areas of safety and do service users feel safe in the service. TEWV had invested in the service environment with assisted technology and part of the mix to address key safety issues. In relation to staffing significant progress had been made in the last 6 months in filling key staffing roles and looking to convert agency staff to core roles within teams, with a concerted focus on quality and safety. BK noted, in relation to CQC Safe Standard, the TEWV ambition to have all columns be marked 'good'.</p> <p>Stacey Hunter (SH) explained the need to have a realistic discussion regarding staff vacancies. She noted that filling of vacancies was not always about funding and, depending on the role, it could take over 3½ years to have a registered practitioner available. Acknowledging the need for pipeline trainees BK highlighted the work being undertaken at Teesside University who are looking to have a single entry intake.</p> <p>There was a discussion regarding the sustainability and quality of services and that bilateral conversations would reduce the risk of any potential unintended consequence during service changes.</p> <p>There was a discussion regarding the timelines for improving Children's and Young People's services and applying learning from Adults' services for a standard service across the Tees Valley.</p> <p>DG highlighted key areas</p> <ul style="list-style-type: none"> <li>• The need for timelines to help patients gain access to services</li> <li>• Access to core community CAMHS, with TEWV agreeing to share figures for individual area</li> <li>• ADHD services not having the capacity to meet the demand.</li> </ul> <p>KH noted that the TEWV Transformation Journey to Change project had been a significant undertaking and she thanked colleagues for the work to date and their engagement with partners, including 14 Primary Care Network (PCN) organisations. She advised that the other parts of the country had now been in contact about this partnership way of working.</p> |  |
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| TVICP/24/08 | Teesside Health innovation Zone   |  |
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|             | <p>The presentation was circulated to members before the meeting.</p> <p>Geraldine Brown (GB) delivered the presentation noting this was a high level introduction to the project and may be brought back to the meeting at a future date. The vision of the project included</p> <ul style="list-style-type: none"> <li>• To breathe new life into Teesdale Business Park and ensure all 50 hectares are fully utilised.</li> <li>• To bring forward the holistic regeneration of the 60 hectares Tees Marshalling Yards site for both employment and housing and other ancillary uses.</li> <li>• To grow all aspects of the health, public-health and social care sector, and their supply chains, on Teesdale Business Park and the Marshalling Yards and make us a recognised UK cluster.</li> <li>• To link the new Care and Health Innovation Zone with Stockton Town Centre, to unlock the potential of the scheme and boost connectivity through transport and active travel links.</li> </ul> <p>The presentation also outlined the potential impact of the development and the high level view of how the vision could be delivered.</p> <p>There was a discussion regarding how this potential development would affect delivery of services, noting that there would be an opportunity to look at current estate configuration and identify what would be needed in the future. Some services would need to be delivered at scale but hub and spoke models would work for some services.</p> <p>SH noted that the Hospitals Trust Group for NTHFT and STHFT was working together to produce a joint strategy that could be used to inform the development of secondary care provision locally. In the meantime the rebuild of the North Tees hospital was in abeyance.</p> <p>The discussions also included the need to think about specialist housing provision across the Tees Valley that created natural communities and the current shortage in children's accommodation. It was noted that children were sometimes needing to be placed in other parts of the country away from family and their community.</p> <p>DG acknowledged that the potential development had challenges but there was also a significant opportunity to</p> |  |

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|             | look at what would be needed in the next 10 – 25 years' time.  |  |
| TVICP/24/09 | <b>Tees Valley Anchor Network</b>  |  |
|             | <p>The presentation was circulated to members before the meeting.</p> <p>Mark Adams (MA) delivered the presentation which included the following</p> <ul style="list-style-type: none"> <li>• Overview</li> <li>• Background</li> <li>• Purpose of a Tees Valley Anchor Network</li> <li>• Results of Mapping</li> <li>• Education / Employment</li> <li>• Procurement</li> <li>• Sustainability</li> <li>• Proposed areas of focus</li> <li>• Next Steps</li> </ul> <p>Julian Penton (JP) stated that the VCS organisations across the Tees Valley would be interested to contribute to the work of the Network, noting that there were between 4 and 5 thousand contacts across the VCS and they could offer a bridge to civil engagement.</p> <p>There was a discussion regarding food providers to local anchor organisations. JP explained that the Hartlepool food partnership had an interactive map which provided details of food providers within 100 miles and this would be available to the Network. MA highlighted the work of FROG (Future Regeneration of Grangetown) who were a trusted VCS organisation and their connection into the community.</p> <p>MA highlighted the different approaches used within the local Anchor organisations, especially in procurement.</p> <p>It was acknowledged that there was a need for local procurement for inward investment across the Tees Valley.</p> <p>It was acknowledged that any public communications regarding the Tees Valley Anchor Network needed to be mindful of the language used, recognising that parts of the area had an average reading age of 10 years old.</p> |  |
| TVICP/24/10 | <b>Right Care Right Person</b>   |  |
|             | This item was deferred to the next meeting.  |  |

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| TVICP/24/11 | <b>Suggested Items for Next Meeting</b>  |  |
|             | <p>Suggestions for discussion at future meetings included,</p> <ul style="list-style-type: none"> <li>• Primary Care Access including GP access</li> <li>• Right Care / Right Person – deferred from this meeting</li> <li>• Anchor Network</li> <li>• Further Development of the Hospital Group Model, as appropriate</li> <li>• Health Innovation Zone with Tees Valley Combined Authority input</li> <li>• Details on the provision of services for children with neurodiversity (CAB)</li> <li>• Oversight of the vision for Health and Social Care Estate across the 5 local authority areas and possible sharing of buildings / estate</li> </ul> <p>DG noted that future meetings could be a mix of business and workshops and he asked that members continue to bring items to the meeting for discussion and input.</p> |  |
| TVICP/24/12 | <b>Any Other Business</b>  |  |
|             | <p>The Chair noted there were no further items of business advised and thanked members for their attendance and contributions to the meeting.</p> <p><i>The meeting closed at 2pm</i></p>  |  |
|             | <p><u>Next Meeting</u><br/> Date: Friday, 8<sup>th</sup> November 2024<br/> Time: 12-2pm<br/> Venue: Dolphin Centre, Darlington</p>  |  |

**Cllr Bob Cook (Chair)**