



**North Tyneside Council**

# Cabinet

Date Not Specified

**Monday, 9 September 2019** 0.02 Chamber - Quadrant, The Silverlink North, Cobalt Business Park, North Tyneside, NE27 0BY **commencing at 6.00 pm.**

## Agenda Item

**Page(s)**

1. **Apologies for Absence**

To receive apologies for absence from the meeting.

2. **To Receive any Declarations of Interest and Notification of any Dispensations Granted**

You are invited to **declare** any registerable and/or non-registerable interests in matters appearing on the agenda, and the nature of that interest.

You are also invited to **disclose** any dispensation in relation to any registerable and/or non-registerable interests that have been granted to you in respect of any matters appearing on the agenda.

Please complete the Declarations of Interests card available at the meeting and return it to the Democratic Services Officer before leaving the meeting.

3. **Minutes**

To confirm the minutes of the meeting held on 29 July 2019 (previously circulated).

4. **Report of the Young Mayor**

To receive a verbal report on the latest activities of the Young Mayor and Young Cabinet.

Members of the public are welcome to attend this meeting and receive information about it.

North Tyneside Council wants to make it easier for you to get hold of the information you need. We are able to provide our documents in alternative formats including Braille, audiotape, large print and alternative languages.

For further information about the meeting please call (0191) 643 5320.

Agenda Item	Page(s)
<p>5. <b>2019/20 Financial Management Report to 31 July 2019 (All Wards)</b></p> <p>To receive the second budget monitoring report for the current financial year which reflects the forecast financial position as at 31 March 2020.</p>	1 - 54
<p>6. <b>2020-2024 Financial Planning and Budget Process incorporating the Associated Engagement Strategy (All Wards)</b></p> <p>To consider a report outlining the process to be adopted for the Authority's Financial Planning and Budget process for 2020/21 as part of the proposed framework for the four years 2020/21 to 2023/24.</p>	55 - 78
<p>7. <b>Risk Based Verification (All Wards)</b></p> <p>To seek approval to make changes to the verification of evidence to support Housing Benefit and Council Tax Support claims.</p>	79 - 90
<p>8. <b>Review of the North Tyneside Contaminated Land Strategy (All Wards)</b></p> <p>To seek approval to commence consultation on an updated draft of the Contaminated Land Strategy.</p>	91 - 172
<p>9. <b>North Tyneside Council's Lettings Policy Review (All Wards)</b></p> <p>To seek approval of the reviewed North Tyneside Council Lettings Policy.</p>	173 - 240
<p>10. <b>Complaints Service Report 2018-19 (All Wards)</b></p> <p>To provide an overview of the Authority's closed complaints for the year 1 April 2018 - 31 March 2019 and to ensure compliance with the requirement to publish a report on complaints under the relevant statutory complaint legislation.</p>	241 - 272
<p>11. <b>Exclusion Resolution</b></p> <p>This is to give further notice in accordance with paragraphs 5(4) and 5(5) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 of the intention to consider items 12 and 13 below in private.</p> <p>Cabinet is requested to consider passing the following resolution:</p> <p>Resolved that under Section 100A (4) of the Local Government</p>	

Act  
1972 (as amended) and having applied a public interest test as defined in Part 3 of Schedule 12A of the Act, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraphs 3 and 1 respectively of Part 1 of Schedule 12A to the Act.

Reasons for taking the items in private: Item 12 contains information relating to the financial or business affairs of any particular person (including the authority holding the information).

Item 13 contains information relating to an individual.

**12. Procurement Update (All Wards) 273 - 282**

To consider a report outlining progress made on insourcing of the Procurement Service back to the Authority; and to seek approval to adopt a 'Responsible Procurement Charter' to be reflected in the Authority's standard conditions of contract for the supply of goods and services.

**13. Future of the Coroner Service for North Tyneside (All Wards) 283 - 294**

To consider a report outlining the current situation with the Senior Coroner for North Tyneside, and to seek approval for the proposed way forward for the Coroner Service in North Tyneside.

**14. Date and Time of Next Meeting**

Monday 14 October 2019 at 6.00pm.

**Circulation overleaf ...**

**Circulated to Members of Cabinet: -**

N Redfearn (Elected Mayor)  
Councillor B Pickard  
Councillor G Bell  
Councillor C Burdis  
Councillor S Cox  
Councillor S Day  
Councillor P Earley  
Councillor R Glindon  
Councillor M Hall  
Councillor C Johnson

**Young and Older People's Representatives and Partners of  
North Tyneside Council.**

## North Tyneside Council Report to Cabinet 9 September 2019

### Item 5(a)

2019/20 Financial  
Management Report to 31  
July 2019

<b>Portfolios:</b> Elected Mayor  Finance and Resources	<b>Cabinet Member:</b> Norma Redfearn  Councillor Ray Glindon
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**Report from:** Finance

**Responsible Officer:** Janice Gillespie, Head of Resources      **Tel:** 643 5701

**Wards affected:** All

### PART 1

#### 1.1 Executive Summary:

This report is the second monitoring report to Cabinet on the 2019/20 financial position. The report brings together financial and performance information with the intention of explaining the current financial position in the context of the policy priorities in the Our North Tyneside Plan. It provides the second indication of the potential revenue and capital position of the Authority at 31 March 2020.

The report explains where the Authority continues to manage financial pressures. Like most local authorities, North Tyneside Council continues to face significant financial pressures. These were reported in the 2018/19 Outturn Report and continue to manifest in 2019/20.

In considering the financial outlook for 2019/20, Services have considered the financial pressures they will face and how they will mitigate these. The current forecast for the year is a projection of a residual gap of £5.243m, an improvement of £0.020m from May.

At this stage in the financial year, Cabinet will understand that there are still aspects of the £10.533m 2019/20 savings programme to be met to deliver the General Fund budget approved by Council on 21 February 2019. A number of sessions have already been held by the Senior Leadership Team to give early consideration as to the actions required to manage the financial risks identified for 2019/20, including what additional actions can be taken in line with the Authority's Efficiency Statement. As a result, £2.800m is included within the £5.243m overall pressure outlined above, which represent the residual balances of the challenging cross-cutting savings targets.

This is the second report of the financial year and necessarily reflects these known pressures the Authority will be required to manage during the financial year. As well as an explanation of any previously identified risks that have crystallised, this report sets out any new risks that may have a financial impact on the Authority. It is

anticipated that the overall in-year pressures will be managed by the Services, enabling the Authority to again deliver a balanced position at year end.

The report includes details of any additional grants received by the Authority since the budget was set. The report also advises Cabinet of the position so far on the 2019/20 Schools budgets, planning for 2020/21, Schools funding and the forecast outturn for the Housing Revenue Account as at 31 July 2019.

Finally, the report provides an update on the 2019/20 Investment Plan, including delivery so far this year, along with details of variations and reprofiling of the Investment Plan which are presented to Cabinet for approval.

## **1.2 Recommendations:**

It is recommended that Cabinet:

- (a) notes the forecast budget monitoring position for the General Fund, Schools' Finance and Housing Revenue Account (HRA) as at 31 July 2019 (Annex sections 1, 5 and 6);
- (b) notes the Authority's Investment Plan spend of £9.255m to 31 July 2019 and the financing of the Plan to the end of the year (Annex Section 7); and
- (c) approves variations of £1.300m 2019/20 within the 2019 – 2023 Investment Plan (Annex Section 7).

## **1.3 Forward Plan:**

Twenty-eight days' notice of this report has been given and it first appeared on the Forward Plan that was published on 7 June 2019.

## **1.4 Authority plan and policy framework:**

The budget is a key strand of the Authority's Budget and Policy Framework.

## **1.5 Information:**

### **1.5.1 Financial Position**

This report is the second monitoring report presented to Members on the Authority's 2019/20 financial position. It provides an early indication of the expected revenue and capital financial position of the Authority as at 31 March 2020.

The report covers:

- The forecast outturn of the Authority's General Fund and HRA revenue budget including management mitigations where issues have been identified;
- The delivery of 2019/20 approved budget savings plans; and
- An update on the Capital Investment Plan, including details of variations and reprogramming, that is recommended for approval.

## **General Fund Revenue Account:**

The budget for 2019/20 was approved by full Council at its meeting on the 21 February 2019. The net General Fund revenue budget was set at £155.730m. This included £10.533m of savings to be achieved (£6.875m relating to 2019/20).

The forecast overall pressure is estimated at £5.243m against an approved net budget of £155.730m. This is driven mainly by Health, Education, Care & Safeguarding reflecting the continued pressures in Children's Services of £3.775m and Adult Services of £2.596m, partly mitigated by the contingency balances that were created by Cabinet as part of the 2018/19 budget setting process and continue to be held centrally to reflect the on-going pressures in social care being felt locally and nationally.

Included in this projection is £2.898m of pressures in Corporate Parenting and Placements, £2.048m in Wellbeing and Assessment and £0.560m in Disability & Mental Health. The drivers for these pressures continue from 2018/19 and arise from:

- Continued growth in demand in Adult and Children's Social Care Services;
- The timing of delivery of some aspects of the Efficiency Savings Programme to the extent that achievement of some savings may be at risk;
- Managing the costs of the shared pressure with the North Tyneside Clinical Commissioning Group around agreeing adequate levels of contributions for clients with health needs and to support social care; and
- Negotiations with care providers to assess the impact of the National Living Wage and the consequential impact on our commissioning costs are at an early stage for 2019/20.

The other main areas of pressure exist within the Resources section, primarily due to additional costs within ICT Retained Services. It is anticipated that the overall outturn forecast will improve over the course of the financial year as planned remedial actions begin to impact on both expenditure and income.

## **New Revenue Grants:**

No new revenue grants have been received during June and July 2019.

## **School Funding:**

Schools are required to submit their rolling three year budget plan by 31 May each year. The total planned deficit for 2019/20 is £5.045m. Cabinet will be aware that the Authority has been working with schools for a number of years with regard to the long-term strategic issue of surplus secondary places and the associated financial pressures which continue to be compounded by rising employment costs. As anticipated, 2018/19 was the fourth year of balances decreasing following a long term trend of rising balances in North Tyneside and the overall projected balances for 2019/20 continues this trend.

As well as school balances reducing overall, some individual schools continue to face significant financial challenges. There were nine schools with approved deficits in 2018/19 and five of these schools continue to be in deficit for 2019/20. Six schools are also new to deficit in 2019/20.

Cabinet will recall that the High Needs Block ended 2018/19 with a pressure of £0.920m. Initial forecasting of the budget position for 2019/20 indicates a similar level of pressure within the year of £0.952m. In line with the national picture, there has been a rise in demand for special school places within North Tyneside and the Authority is planning for places at the end of 2019/20 to total approximately 762. This compares to a total of 664 places at the beginning of 2018/19.

### **Housing Revenue Account (HRA):**

The HRA is forecast to have year-end balances at 31 March 2020 of £6.533m, which are £2.662m higher than budget which was set at £3.871m. The higher than forecast balances are mainly as a result of higher opening balances due to the impact of the previous year's financial performance (£1.101m) but there is also an in-year estimated underspend of (£1.561m), against an in-year budget of £2.331m, due to additional income of (£0.061m) combined with reduction to expenditure of (£1.500m) which is linked to savings identified following the end of the Kier JV from April 2019.

Universal Credit was fully implemented across North Tyneside on 2 May 2018. As of the end of July 2019, 2,608 North Tyneside Homes tenants have moved on to Universal Credit and a team is working proactively with tenants to minimise arrears. This position will be closely monitored as the year progresses to identify any adverse impacts on the budget position.

### **Investment Plan:**

The 2019-2023 Investment Plan, as adjusted for proposed reprogramming, totals £200.427m (£74.626m 2019/20) and is detailed in table 21 of the Annex. The Annex to this report also sets out in Section 7 delivery progress to date, planned delivery for 2019/20, reprogramming and other variations identified through the Investment Programme Governance process.

## **1.5.2 Performance against Council Plan**

The 2018-2020 Our North Tyneside Plan (Council Plan) sets out the overall vision and policy context within which the Financial Plan and Budget are set. The Council Plan has three key themes – Our People, Our Places and Our Economy. For each one there is a set of policy outcomes that the Authority is seeking to deliver as set out below.

### **Our People will:**

- Be listened to so that their experience helps the Council work better for residents.
- Be ready for school – giving our children and their families the best start in life.
- Be ready for work and life – with the skills and abilities to achieve their full potential, economic independence and meet the needs of local businesses.
- Be healthy and well – with the information, skills and opportunities to maintain and improve their health, well-being and independence.
- Be cared for, protected and supported if they become vulnerable.
- Be encouraged and enabled to, whenever possible, be more independent, to volunteer and to do more for themselves and their local communities.

### **Our Places will:**

- Be great places to live by focusing on what is important to local people.
- Be a thriving place for choice of visitors through the promotion of our award winning parks, beaches, festivals and seasonal activities.
- Offer a good choice of quality housing appropriate to need, including affordable homes.
- Benefit from the completion of the North Tyneside Living project and by North Tyneside Council's housing stock being decent, well managed and its potential use maximised.
- Provide a clean, green, healthy, attractive and safe environment.
- Have an effective transport and physical infrastructure - including our roads, cycle ways, pavements, street lighting, drainage and public transport.
- Continue to regenerate Wallsend and Whitley Bay while ambitious plans will be developed for North Shields, Forest Hall and Killingworth.

### **Our Economy will:**

- Grow by supporting new businesses and building on our strengths, including our existing world class companies, and small and growing enterprises.
- Be business friendly by ensuring the right skills and conditions are in place to support investment, and create and sustain new high quality jobs and apprenticeships for working age people.
- Continue to support investment in our business parks, units and Town Centres.

The Authority has plans in place to deliver all elements of the Council Plan and performance against these plans is carefully monitored. The area under most financial pressure is Health, Education, Care and Safeguarding.

In common with most local authorities, and in line with the national picture, North Tyneside Council has seen costs within adult social care continue to rise. Although the number of adults supported remains relatively stable, their individual needs have increased due to living longer with multiple complex conditions. Supporting those needs requires more intensive packages of care which are more expensive to provide. In addition to older people, younger adults with learning disabilities and physical disabilities are also living longer, often with multiple complex issues.

In Children's Services, good progress continues to be made on engaging with children in the early years of life to ensure that they are ready for school. Safeguarding vulnerable children and maximising their educational attainment remain key priorities.

Over recent years, there has been an increase nationally in demand for children's residential placements but with no corresponding increase in central government funded provision. As such, the levels of looked after children (LAC) and children who require supervision after leaving care continue to generate a significant financial pressure. In year data suggests that our LAC levels, whilst fluctuating, are on average, remaining constant (as per Chart 4 in 4.2.23 of the Annex) but are around 20 placements higher than the same period last year. There are a wide range of levels of care provided, with more complex cases now being faced.

Increasing complexity continues to drive financial pressure in 2019/20. The Authority is forecasting a pressure of £2.898m in Corporate Parenting and Placements, however on-going management of this pressure by the Service, including the implementation of the

New Model to Support Children has seen a positive movement from the outturn pressure for 2018/19 of £3.580m.

### 1.5.3 Investment Plan

An officer led review of the Investment Plan has resulted in proposals for variations of £1.300m of which more details are set out in Section 7 of the Annex to this report. The revised Investment Plan stands at £74.626m for 2019/20 and to the end of July 2019 spend of £9.255m had been incurred which represents 12.40% of the revised plan.

### **1.6 Decision options:**

The following decision options are available for consideration by Cabinet:

#### Option 1

Cabinet may approve the recommendations at paragraph 1.2 of this report.

#### Options 2

Cabinet may decide not to approve to recommendations at paragraph 1.2 of this report.

### **1.7 Reasons for recommended option:**

Option 1 is recommended for the following reasons:

Cabinet is recommended to agree the proposals set out in section 1.2 of this report as it is important that Cabinet continues to monitor performance against the Budget, especially given the current level of financial pressures faced by the public sector.

### **1.8 Appendices:**

Annex: Financial Management Report to 31 July 2019  
Appendix 1: 2019 – 2023 Investment Plan

### **1.9 Contact officers:**

Janice Gillespie – Corporate Finance matters – Tel. (0191) 643 5701  
Claire Emmerson – Corporate Finance matters – Tel. (0191) 643 8109  
David Dunford – (Acting) Senior Business Partner – Tel. (0191) 643 7027  
Cathy Davison – Investment Plan matters- Tel. (0191) 643 5727  
Darrell Campbell – Housing Revenue Account matters – Tel. (0191) 643 7052

### **1.10 Background information:**

The following background papers and research reports have been used in the compilation of this report and are available at the offices of the author:

- (a) Revenue budget 2019/20  
<https://my.northtyneside.gov.uk/sites/default/files/web-page-related-files/NTC%20Revenue%20Budget%20201920.pdf>

- (b) Investment Plan 2019-23  
<https://my.northtyneside.gov.uk/sites/default/files/meeting/related-documents/2019-2023%20Financial%20Planning%20and%20Budget%20Process%20Final%20Report.pdf> (page 22-25)
- (c) Reserves and Balances Policy (Appendix G)  
[https://my.northtyneside.gov.uk/sites/default/files/meeting/related-documents/cabinet%20ex%20agenda%20for%2021%2001%202019\\_0.pdf](https://my.northtyneside.gov.uk/sites/default/files/meeting/related-documents/cabinet%20ex%20agenda%20for%2021%2001%202019_0.pdf)  
(page 128-133)
- (d) Overview, Scrutiny and Policy Development Performance Report  
<https://my.northtyneside.gov.uk/sites/default/files/meeting/related-documents/6.%20OSPD%20Performance%20report%20%28June%202019%29.pdf>

## **PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING**

### **2.1 Finance and other resources**

As this is a financial report, implications are covered in the body of the report. This report will also be presented to the Authority's Finance Sub-Committee at its meeting on 17 September 2019.

### **2.2 Legal**

The Authority has a duty to ensure it can deliver a balanced budget. The Local Government Act 2003 imposes a duty on an authority to monitor its budgets during the year and consider what action to take if a potential deterioration is identified.

### **2.3 Consultation/community engagement**

#### **2.3.1 Internal Consultation**

Internal consultation has taken place with the Cabinet Member for Finance and Resources, the Elected Mayor, Cabinet Members, the Senior Leadership Team and Senior Finance Officers.

#### **2.3.2 External Consultation / Engagement**

The 2019/20 budget was completed after widespread consultation and community engagement in line with the Authority's approved Budget Engagement Strategy.

### **2.4 Human rights**

The proposals within this report do not have direct implications in respect of the Human Rights Act 1998.

### **2.5 Equalities and diversity**

There are no direct equalities and diversity implications arising from this report.

## 2.6 Risk management

Potential future financial pressures against the Authority are covered in this report and registered through the Authority's risk management process.

## 2.7 Crime and disorder

There are no direct crime and disorder implications arising from this report.

## 2.8 Environment and sustainability

There are no direct environmental and sustainability implications arising from this report.

### PART 3 - SIGN OFF

- Chief Executive  X
- Head of Service  X
- Mayor/Cabinet Member(s)  X
- Chief Finance Officer  X
- Monitoring Officer  X
- Head of Corporate Strategy and Customer Service  X

# 2019/20 Financial Management Report Annex

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### **SECTION 1 - GENERAL FUND SUMMARY**

#### **1 General Fund Revenue Forecast**

- 1.1 This report is the second monitoring report to Cabinet on the 2019/20 financial position. The report brings together financial and performance information with the intention of explaining the current financial position in the context of the policy priorities in the Our North Tyneside Plan. It provides an indication of the potential revenue and capital position of the Authority at 31 March 2020. The report explains where the Authority continues to manage financial pressures as, in common with most local authorities, North Tyneside Council continues to face significant financial challenges. These were reported in the 2018/19 Outturn Report and continue to manifest in 2019/20.
- 1.2 The Authority's approved net revenue budget of £155.730m is forecast to outturn with a pressure of £5.243m (a pressure of £5.263m in May). The budget includes £6.875m of savings as agreed at Council on 21 February 2019. Table 1 in paragraph 1.7 below sets out the variation summary across the General Fund.
- 1.3 The most significant amount of these pressures continue to exist within Health, Education, Care and Safeguarding, primarily relating to demand and complexity driven pressures within adults and children's social care. Children's Services are forecasting a year end pressure of £3.775m (up from a forecasted pressure of £3.083m at May) and Adults Services are forecasting a pressure of £2.596m (£2.528m pressure in May). As Members will recall from 2018/19, the Authority is currently holding two contingency balances centrally for Children's (£2.616m) and Adults (£1.800m). If these two contingencies are to be applied the remaining pressures the Authority would be required to deal with would be £1.159m in Children's and £0.796m in Adults. Further details are contained within this report in Section 4.2.

- 1.4 On-going pressures relate to the previous Customer Journey Programme and the development of the Outsystems software. Further details can be found in section 4.7 of this report.
- 1.5 In Environment, Housing & Leisure prudent forecasts suggest that the outturn position will be a pressure of £0.585m, an improvement of £0.145m since the last report. The main pressures are staffing, energy and rates, fleet and PFI. Currently £0.430m worth of potential management actions have been identified which may be able to offset these pressures at year end. The Service is committed to delivering a balanced position and is continuing to work on identifying options around the remaining £0.155m worth of pressures. Further details can be found in section 4.4.
- 1.6 Central Items is forecasting an underspend of £2.934m, representing an improvement of £0.479m since the last report. This includes contingencies of £4.636m, which, if allocated, would produce pressures in Central Items of £1.852m. These pressures are a result of Central Items holding the targets for the cross-cutting savings proposals, partially offset by forecasted underspends generated by management actions around Strain on the Fund and the Authority's Treasury Management Strategy.

1.7 Table: 1 2019/20 General Fund Revenue Forecast Outturn as at 31 July 2019

	Gross Expenditure			Income			Net Expenditure			May 2019
	Budget	Forecast	Variance	Budget	Forecast	Variance	Budget	Forecast	Variance	Variance
Services	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Health, Education, Care and Safeguarding	179.781	188.873	9.092	(111.711)	(114.432)	(2.721)	68.070	74.441	6.371	5.611
Commissioning and Asset Management	207.246	210.036	2.790	(185.327)	(187.935)	(2.608)	21.919	22.101	0.182	0.174
Environment, Housing and Leisure	71.599	73.599	2.000	(29.465)	(30.880)	(1.415)	42.134	42.719	0.585	0.730
Regeneration and Economic Development	2.242	2.163	(0.079)	(1.071)	(0.850)	0.221	1.171	1.313	0.142	0.153
Corporate Strategy	1.807	2.031	0.224	(1.609)	(1.676)	(0.067)	0.198	0.355	0.157	0.116
Chief Executive	0.432	0.368	(0.064)	(0.486)	(0.486)	0.000	(0.054)	(0.118)	(0.064)	(0.050)
Resources	79.500	73.774	(5.726)	(78.339)	(71.774)	6.565	1.161	2.000	0.839	0.924
Law and Governance	3.666	3.727	0.061	(3.811)	(3.907)	(0.096)	(0.145)	(0.180)	(0.035)	0.060
Central Items	17.774	13.637	(4.137)	(16.511)	(15.308)	1.203	1.263	(1.671)	(2.934)	(2.455)
Support Services	20.013	20.013	0.000	0.000	0.000	0.000	20.013	20.013	0.000	0.000
<b>Total Authority</b>	<b>584.060</b>	<b>588.221</b>	<b>4.161</b>	<b>(428.330)</b>	<b>(427.248)</b>	<b>1.082</b>	<b>155.730</b>	<b>160.973</b>	<b>5.243</b>	<b>5.263</b>

## **SECTION 2 - DELIVERY OF BUDGET SAVINGS PROPOSALS**

2.1 The combined budget savings of £6.875m in 2019/20 approved by Council in February 2019 bring the total savings the Authority has had to find in the nine years following the 2010 Comprehensive Spending Review (CSR) to £126.951m.

### **2.2 Table 2: Year on Year savings since 2010 CSR**

<b>Year</b>	<b>£m</b>
2011/12	16.169
2012/13	16.739
2013/14	12.240
2014/15	16.552
2015/16	14.158
2016/17	15.737
2017/18	18.338
2018/19	10.143
2019/20	6.875
<b>Total Savings</b>	<b>126.951</b>

2.3 In addition to the £6.875m of savings proposals required in 2019/20, £3.658m of prior year savings require a permanent solution in 2019/20. These savings were successfully achieved by in-year management actions during 2018/19. The total amount of savings that need to be achieved in 2019/20 is therefore £10.533m.

2.4 In tracking progress made against each individual saving proposal, a total of £6.370m, representing 60% of the target, is already forecast to be saved in 2019/20 (May, £6.219m and 59%). An additional £1.100m of management actions have been identified as achievable via Central Items in 2019/20. At this early stage in the financial year, a prudent approach is taken to reporting efficiency savings and they will only be reported as achieved in the forecast position when the impact can be seen flowing into the general ledger. As such it is projected that 29% of the target still needs to be achieved (May, £31%).

### **2.5 Table 3: Efficiency Savings by Service at July 2019**

<b>Service</b>	<b>2019/20 Target £m</b>	<b>Projected Delivery £m</b>	<b>Management Actions £m</b>	<b>Still to Achieve £m</b>
Regeneration and Economic Development	0.103	0.099	0.000	0.004
Central Items	6.058	2.376	1.100	2.582
Commissioning & Asset Management	0.176	0.176	0.000	0.000
Corporate Strategy	0.042	0.022	0.000	0.020
Environment, Housing & Leisure	0.886	0.886	0.000	0.000
Health, Education, Care & Safeguarding	3.268	2.811	0.000	0.457
<b>Total</b>	<b>10.533</b>	<b>6.370</b>	<b>1.100</b>	<b>3.063</b>

- 2.6 The governance structure of the Efficiency Savings programme includes a monthly review of progress by the Senior Leadership Team (SLT). In addition, in-year budget and performance progress meetings are held between officers and Cabinet Members to consider progress and actions being taken to deliver savings. The main variations in relation to the savings still to be achieved are outlined in the sections below.

#### Central Items

- 2.7 The £2.582m of savings targets, currently forecast as still needing achievement, relate to cross-cutting targets from the following Efficiency Statement categories; A Focus on the Social Care Customer Experience (£0.903m), How We Are Organised (£0.687m) and Delivering Our Fees & Charges Policy (£0.992m).
- 2.8 These ambitious cross-cutting savings proposals were identified as being challenging to achieve and, as such, Cabinet and SLT have been working to formulate a permanent solution to meet these targets. In the previous financial year, the Authority was able to take advantage of its Treasury Management Strategy to secure in-year mitigations to offset these targets. Continued benefits of this Strategy have enabled management actions of £1.100m to be identified, which will provide in-year mitigations to these targets in 2019/20. SLT is continuing to work on identifying further activity, actions and plans to achieve the residual target.
- 2.9 One of the cross-cutting savings targets that is yet to be achieved relates to a proposal to maximise the Authority's resources in relation to sourcing, supply chain and commercials. The initial business case was developed in 2017/18 and included an ambitious target of £2.000m to be delivered by the end of 2018/19. A range of work has been performed in 2017/18 and 2018/19 which has allowed the Authority to realise £0.408m of this saving. A further £0.400m is expected to be achieved during 2019/20 and management actions of a further £0.200m are expected to be available to support the delivery of this target in 2019/20. Despite the level of work performed so far, the residual target remains a significant challenge for the Authority. SLT is working on developing new activities, actions and plans to deal with this residual target.

#### Central Items – Procurement

- 2.10 The review of the Procurement arrangement with ENGIE has proven that the original savings targets were overestimated. The Authority has a track record of delivering greater than anticipated savings from Procurement than previously expected. The Authority has already delivered substantial Procurement savings, which can be demonstrated within Construction but this has mostly been seen within the Housing Revenue Account. Following work completed in the early part of 2019/20, it is now estimated that the Authority can deliver a further £0.400m of savings within the General Fund from Procurement.

#### Central Items – Management

- 2.11 The initial management savings target was £2.500m and to date the Authority has achieved £1.300m. Actions currently underway which may have an impact and generate further savings are:-

- Contracted Services returning in-house;
- Redesigning Housing & Construction with wider impact on Environment Housing & Leisure; and
- Service restructures.

#### Central Items – Customer Service / Community Hubs

- 2.12 The initial savings target was £2.000m and to date the Authority has achieved £0.600m. Currently it is expected that a maximum of £0.200m can be achieved from the Community Hubs project due to a range of factors such as the Authority's commitment to its Customer Services offer, its commercial boundary with ENGIE and property costs at Wallsend and Whitley Bay. Through a range of available management actions, the Authority may be able to allocate an additional £0.300m against these tasks to reduce the overall residual balance.

#### Health Education, Care and Safeguarding

- 2.13 HECS is forecasting to deliver £2.811m (86%) of its targets at this stage in the year. A total of £0.250m of the target that is still to be achieved relates to the Efficiency Statement category of Responding to Rising Complex Needs. Work is still on-going within HECS to deliver savings relating to enablement and the alternative delivery model.
- 2.14 In addition the following still require achievement as at July 2019; an amount of £0.100m relating to the implementation of assistive technology under the Efficiency Statement category of A Focus on the Social Care Customer Experience, £0.050m relating to a review of service delivery options under How We Are Organised, £0.050m relating to generating new income streams under Leading Sector-Led Improvement and £0.007m relating to a review of the Family Gateway under Continue to Redesign 0-19 Services.
- 2.15 A prudent view is being taken around savings to be achieved as these are delivered over the course of the year by on-going robust review and management actions rather than as a one-off activity with a discrete start and end date as in, for example, a staffing restructure. These targets are all viewed as on track in terms of management actions and the management within HECS is confident of delivering fully against targets in cash terms in due course. However, at this early stage in the year, these savings have been assumed as still requiring achievement whilst careful monitoring of actual results continues.

### **SECTION 3 – NEW REVENUE GRANTS**

- 3.1 No new revenue grants have been received or notified during June and July 2019.

## **SECTION 4 – SERVICE COMMENTARIES**

4.1 Meetings have been held between finance officers and budget managers to review the forecast positions for 2019/20, with forecasts being prepared on a prudent basis at this early stage in the financial year. Meetings have taken place with Lead Members to review the 2018/19 outturn, the initial outlook for 2019/20 and the quarter one position. Further meetings have been planned on a quarterly basis with officers, the Elected Mayor, the Deputy Mayor, the Cabinet Member for Finance and Resources, and other relevant Cabinet Members to discuss the in-year finance and performance position. Heads of Service and their senior teams will also attend to discuss plans in progress to mitigate any pressures.

### **4.2 Health, Education, Care & Safeguarding (HECS)**

4.2.1 HECS is forecasting a pressure against its £68.070m net controllable expenditure budget of £6.371m. This represents a worsening of £0.760m since the May forecast variance of £5.611m. This forecast position excludes the application of contingency budgets set aside in Central Items for pressures in Adult Services of £1.800m and within Children’s Services of £2.616m.

#### **4.2.2 Table 4: Forecast Variation for HECS at July 2019**

	<b>Budget £m</b>	<b>Forecast £m</b>	<b>Variance July £m</b>	<b>Variance May £m</b>
Corporate Parenting and Placements	16.374	19.272	2.898	2.572
Early Help and Vulnerable Families	1.593	1.661	0.068	0.015
Employment and Skills	0.546	0.531	(0.015)	0.000
Integrated Disability and Additional Needs Service	2.269	3.069	0.800	0.496
School Improvement	0.088	0.112	0.024	0.000
Regional Adoption Agency	0.000	0.000	0.000	0.000
<b>Children’s Services Sub-total</b>	<b>20.870</b>	<b>24.645</b>	<b>3.775</b>	<b>3.083</b>
Wellbeing, Governance & Transformation	2.299	2.316	0.017	(0.063)
Disability & Mental Health	31.280	31.840	0.560	0.791
Wellbeing & Assessment	10.299	12.347	2.048	1.741
Integrated Services	2.919	2.799	(0.120)	(0.044)
Business Assurance	0.298	0.389	0.091	0.103
<b>Adult Services Sub-total</b>	<b>47.095</b>	<b>49.691</b>	<b>2.596</b>	<b>2.528</b>
Public Health	0.105	0.105	0.000	0.000
<b>Total HECS</b>	<b>68.070</b>	<b>74.441</b>	<b>6.371</b>	<b>5.611</b>

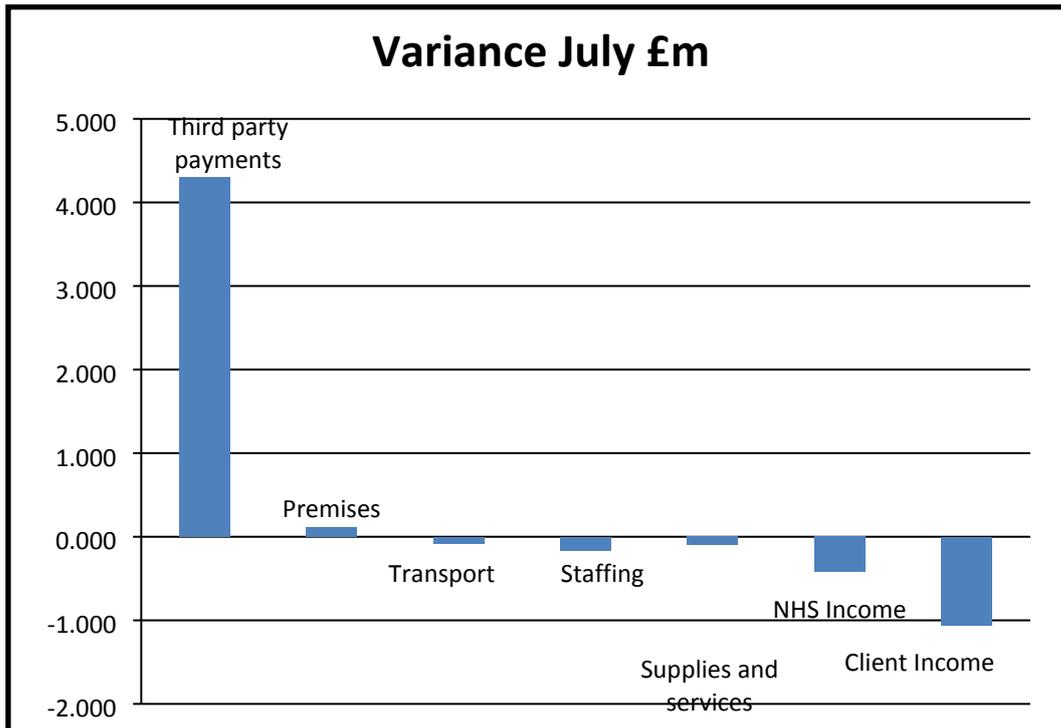
## **Main budget pressures across HECS**

- 4.2.3 In addition to its normal complex budget management, HECS has been required to deal with a combination of pressures and national policy changes. There are continuing upward pressures on care providers' fees partially resulting from the National Living Wage and an on-going challenge around ensuring that the NHS makes a fair contribution for clients with health needs as the North Tyneside Clinical Commissioning Group (NTCCG) faces continuing budget constraints.
- 4.2.4 The main factor behind the pressure is third party payments in relation to fees for care homes and community-based packages for adults. In addition, there remains significant pressure within Corporate Parenting and Placements in relation to care provision for children in care and care leavers. There has been a slight rise in the number of children in care to 304 from 301 at May 2019 (see 4.2.23 below) and this, in addition to an increased forecast for respite costs for children with a disability, explains the increased budget variance at July. In addition to third party care provision pressures, there are also on-going pressures in the workforce arising from staff retention costs and recruitment costs.

### **Adult Services**

- 4.2.5 In Adult Services, the £2.596m pressure relates to third party payments for care provision which is £4.301m above budget levels. There are also smaller pressures relating to premises costs (£0.118m). These pressures are partially offset by a higher than budgeted level of client contributions (£1.060m), and contributions from the NHS for clients with a health need (£0.423m). There are also underspends against staffing budgets, supplies and services and transport of £0.163m, £0.096m and £0.081m respectively. The demand pressures were foreseen by Cabinet and backed by £1.800m of contingencies held centrally.
- 4.2.6 The factors behind the overall pressure of £2.596m are represented graphically below:

**Chart 1: Breakdown of Budget Variances within Adult Social Care**



4.2.7 In common with most local authorities, North Tyneside Council has seen demand for adult social care continue to rise as the success story of longer lifespans means there are many more people with care and support needs arising from a mixture of physical health and mental health conditions including dementia and frailty in old age. In addition to older people, younger adults with learning disabilities and physical disabilities are also living longer, often with multiple complex issues.

4.2.8 In order to manage this demand as effectively as possible and ensure that the most intensive services are targeted at those in the greatest need, HECS has been going through transformation to develop an asset-based approach that focuses on enhancing an individual's strengths and informal support networks to maximise their independence. This has had the impact of containing the overall size of the population in receipt of services with a cost to the Authority, but the average cost of those services has increased due to the increased average complexity of the needs of those clients.

4.2.9 Pressures within external payments for care provision total £4.301m above budget. These are analysed into the following service types:

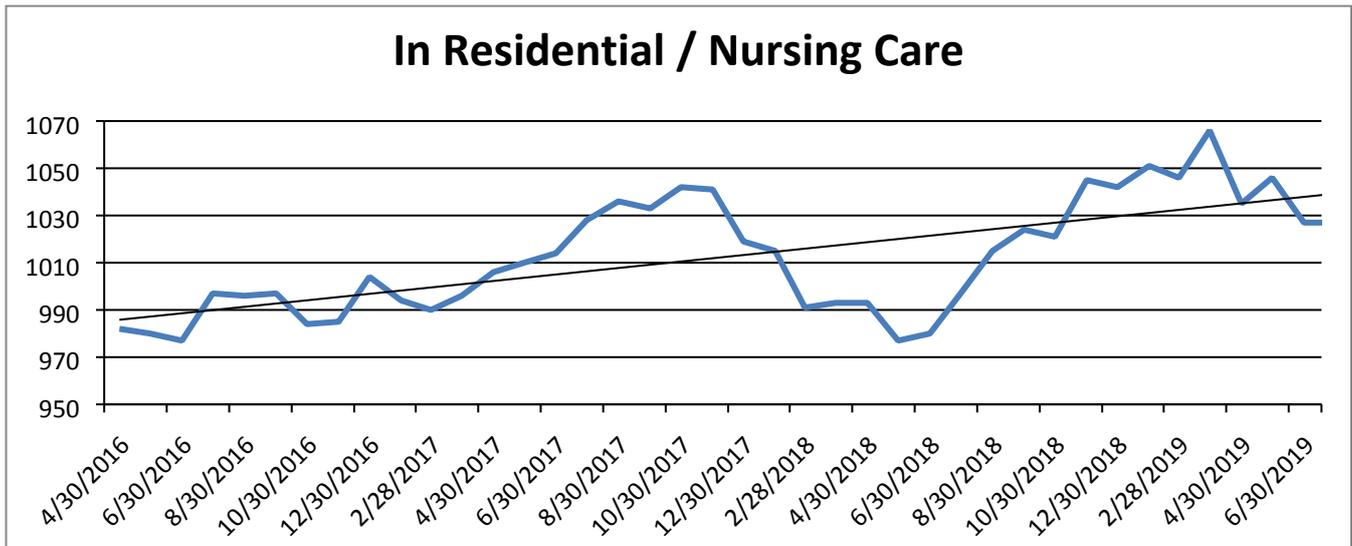
**Table 5: Analysis of Adult Services Care Provision Pressure by Service Type**

Type of Service	July £m	May £m
Residential and Nursing Care	2.662	2.520
Homecare and Extra Care	0.959	0.955
Other Community-Based Care	0.680	0.712
<b>Total</b>	<b>4.301</b>	<b>4.187</b>

Residential and Nursing Care

- 4.2.10 In relation to Residential and Nursing Care, an increase in short-term placements in the later part of 2018/19 saw numbers of placements overall rise to 1,066. Internal processes to monitor the use of short-term placements have been strengthened and numbers of placements overall have fallen in the first quarter of 2019/20. However, there are still challenges, for example the options to move clients from short-term placements to community provision diminishes after longer lengths of stay in short-term placement as clients lose skills and family concerns increase around risks at home.
- 4.2.11 Alternative provisions of services are being identified for short-term placements to prevent admission to long-term residential care such as reablement services, community based intermediate care or extra care provisions. HECS is continuing a focused review of all short-term placements with support from colleagues from sheltered accommodation and with a view to maximising the appropriate use of assistive technology to identify exit plans for those people needing to move on from short-term residential placements.
- 4.2.12 The numbers of placements overall for Residential and Nursing Care is starting to fall, reducing from 1,066 in March 2019 to 1,026 at the end of May 2019. However, the numbers in care at July 2019 (1,027) are higher than July 2018 which stood at 997.

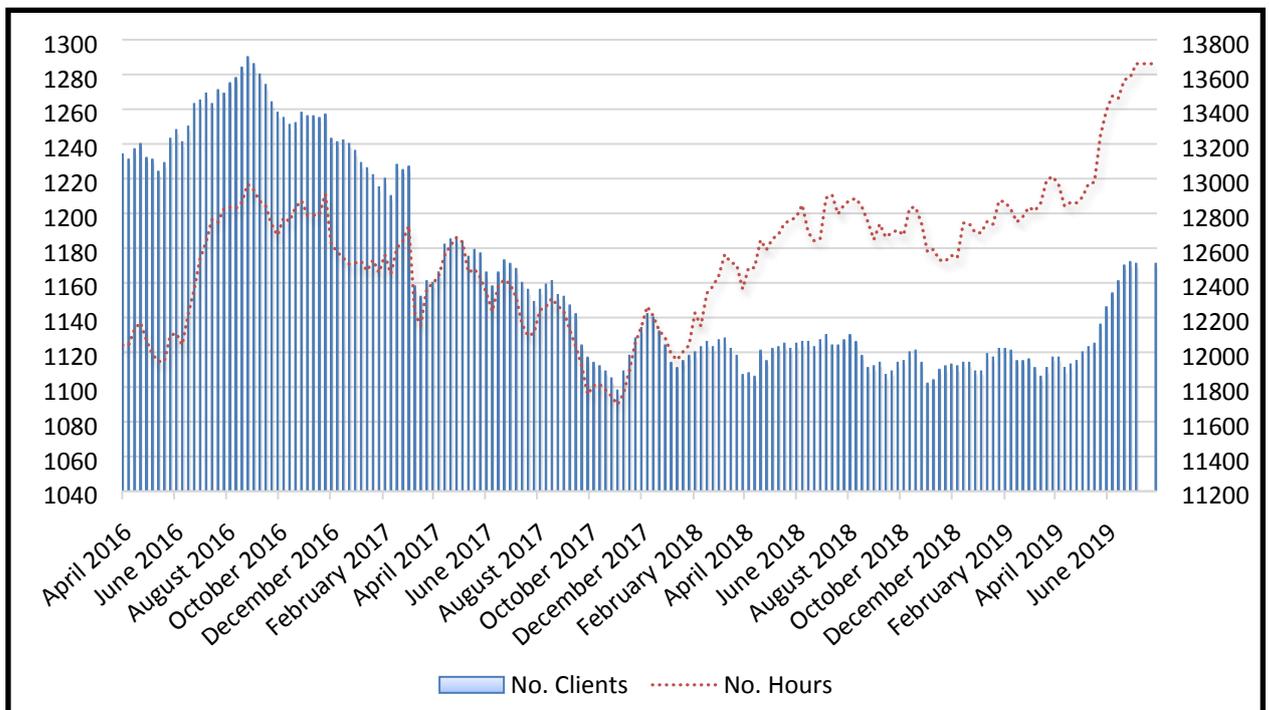
**Chart 2: Movement in Numbers of Clients in Residential and Nursing Care since April 2016**



Homecare and Extra Care

4.2.13 As reported during 2018/19, the Authority, in line with the national trend, has seen an increase in the number of homecare hours provided despite a fall in the total number of clients receiving this type of service. This is demonstrated by Chart 3 below:

**4.2.14 Chart 3: Trend in Annual Cost per Client of Homecare/Extra Care Services**



4.2.15 HECS is working hard to continue embedding the asset-based approach by re-engineering the customer pathway through the service to ensure that

assessments are proportionate and that clients receive the appropriate level of support to meet their needs to the extent that they are eligible under the Care Act as cost-effectively as possible.

#### CCG Income

- 4.2.16 There is an over-achievement of s117 Mental Health Aftercare income of £0.584m and a £0.060m budget surplus on general recharges for items such as staffing costs. This is offset by a shortfall of income for jointly funded packages of care where a client has a significant health need (£0.221m). Recharges for jointly funded packages of care have been reducing for a number of years falling from £2.440m in 2017/18 to £1.680m in 2018/19. The forecast for 2019/20 at July is £1.490m. In relation to jointly funded care, the Authority is working collaboratively with the CCG on a case by case basis where it is identified that a client has significant health needs. However, if a client has not been assessed as fully meeting the threshold for continuing healthcare, there has been an absence of clear statutory guidelines outlining the CCG's responsibility. New national guidance around jointly funded cases was published in late 2018 with revised national tools to support the assessment of continuing healthcare; the Authority is continuing to work through these issues in conjunction with the CCG.

#### Client Income

- 4.2.17 Client income is forecast to over-recover against budget by £1.060m. This includes an additional £0.120m relating to the full year impact of the new contributions policy agreed by Cabinet in 2018.

#### Premises

- 4.2.18 There are pressures of £0.118m in premises costs relating mainly to rent for respite premises for clients with a learning disability and accommodation costs for teams based within the community.

#### Children's Services

- 4.2.19 In Children's Services the £3.775m pressure relates mainly to demand pressures of £2.898m in Corporate Parenting and Placements and £0.800m in Integrated Disability and Additional Needs, which were foreseen by Cabinet and backed by £2.616m of contingencies held centrally. The forecast has increased by £0.692m since the last report mainly due to increased externally provided placements for children in care (£0.326m) and increased anticipated expenditure for respite services for children with a disability (£0.304m).

#### **Corporate Parenting and Placements**

- 4.2.20 The pressures within Corporate Parenting and Placements can be broken down as follows:

**Table 6: Analysis of Pressures in Corporate Parenting and Placements**

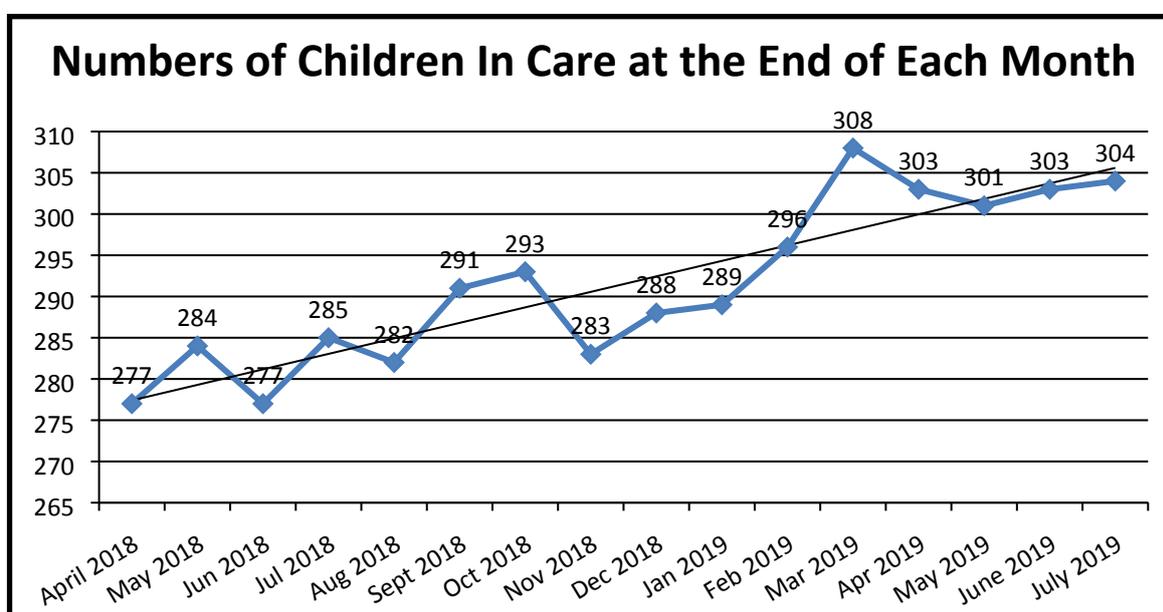
Type of Service	Budget 2019/20 £m	Variance July £m	Variance May £m
Care provision – children in care	9.186	2.016	1.658
Care provision – other children	3.202	0.425	0.472
Management and Legal Fees	0.098	0.120	0.112
Social Work	3.844	0.333	0.330
Safeguarding Operations	0.044	0.004	0.000
<b>Total</b>	<b>16.374</b>	<b>2.898</b>	<b>2.572</b>

4.2.21 The increase of £0.326m since the last report relates mainly to two new residential placements and two new supported accommodation placements.

Care Provision – Children in Care

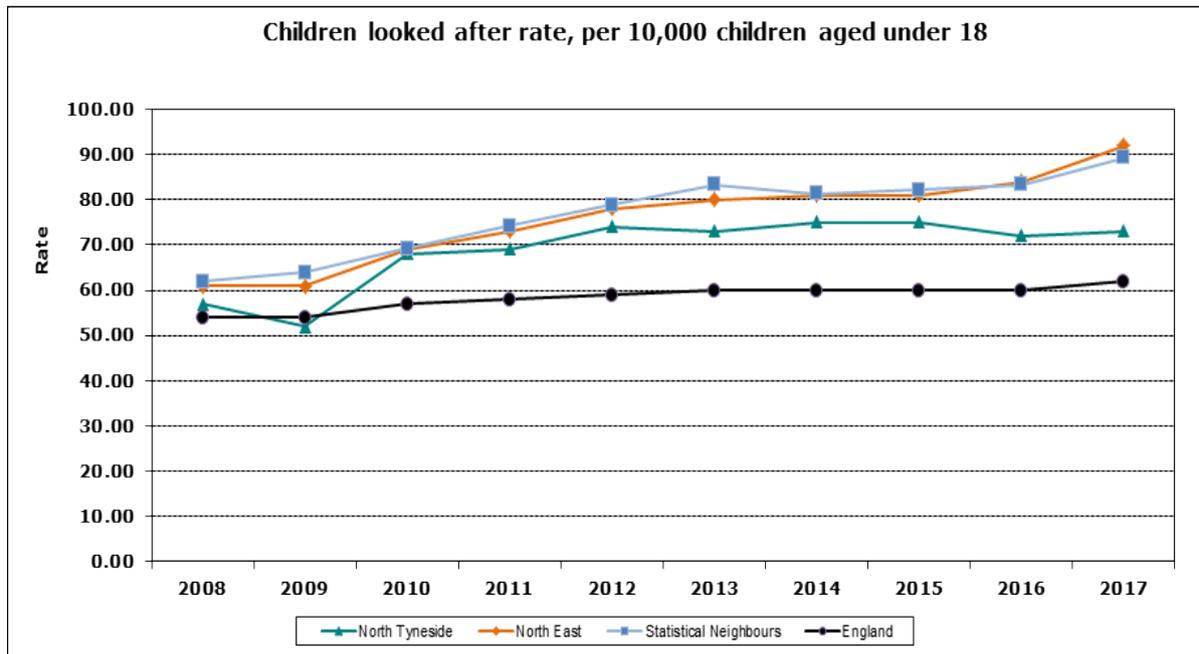
4.2.22 Over recent years, there has been an increase nationally in demand for children’s residential placements but with no corresponding increase in central government funded provision. In North Tyneside over the last few years the overall number of children in care has mirrored the increases felt nationally. Numbers were however, steady through 2018/19 before rising to 308 at the year end. Numbers of children in care have fallen slightly to 304 at the end of July 2019. The increase seen at the end of the 2018/19 financial year related to delays in the Courts resulting in fewer children leaving the care system.

4.2.23 **Chart 4: Children in Care at the End of Each Month**



4.2.24 The most recent available national comparators from 2017/18, as demonstrated by chart 5 below, shows that North Tyneside, although above the England average, performs well within the North East region in relation to the rates of children in care. Updated national figures for 2018/19 will be available in autumn 2019.

4.2.25 **Chart 5: Comparative Performance in Rates of Children in Care per 10,000 Children under 18**



4.2.26 In addition to the recent rise in overall numbers of children in care since February 2019, resulting mainly from delays in legal processes, placement mix also continues to change. Placements for adolescents (particularly males) with a combination of risks including aggressive behaviour, offending, substance use and sexualised behaviour are increasingly difficult to source. This has resulted in the use of more costly bespoke individual placements, where it is not suitable to place young people in group environments. This is demonstrated in the table below where the main pressure results from residential placements which, in terms of total bed nights, represents only 6% of provision by bed nights but is very costly amounting to 33% of the overall placement cost. The average cost of a residential care placement at present is £0.254m; however this is very volatile and is dependent on the individual needs of the cohort of children and young people in externally provided residential placements at a point in time. External supported accommodation can also be expensive and there is currently a cohort of four young people with very complex needs being supported at an average cost in excess of £0.005m per week. Forecasts assume these young people will be moved to less costly provision for the second half of the year.

4.2.27 **Table 7: Forecast cost, forecast variance, average placement cost and placement mix**

Placement Type	19/20 Forecast Variance	Average Annual Placement cost (£m)	19/20 Bed nights	Placement Mix	No. of children July 19	No. of children May 19
External Residential Care	1.085	0.254	7227	6%	24	22
External Fostering	0.110	0.038	10,578	10%	24	24
In-House Fostering Service	0.015	0.020	76,250	69%	208	208
External Supported Accommodation	0.783	0.127	3,374	3%	12	10
Other*	0.023	various	12,811	12%	36	37
<b>Total</b>	<b>2.016</b>		<b>110,240</b>	<b>100%</b>	<b>304</b>	<b>301</b>

\*Other includes Placed for Adoption, Placed with Parents/Parental Responsibility and NTC Children's Homes.

4.2.28 Children's Services has been successful in reducing the use of externally provided supported accommodation, which is the next most expensive form of provision after residential care. This has been achieved by making full use of the Authority's in house provision jointly working with the housing team and supporting young people who have been involved in risk taking behaviour with stable and resilient staff teams. This has allowed the placement of young people within internal services that may otherwise have required an external placement at significant additional cost.

Care Provision – Children not in care

4.2.29 The pressure of £0.425m relating to care provision for children not in the care system relates predominantly to children under a Special Guardianship Order (SGO). Cabinet will recall that the Authority's policy for supporting children in SGOs was amended in 2018 and that this brought about additional costs. The contingency budget of £2.616m established in Central Items in 2018/19 was, in part, intended to mitigate against these costs.

Management and Legal Fees

4.2.30 There is an over-commitment in management staffing costs of £0.020m within the overall pressure of £0.120m, but the main pressure shown here relates to a prudent assumption of achievement of 50% of the savings target in relation to sector-led improvement income leaving a £0.050m pressure and a forecast of £0.050m of the saving against legal fees as yet to be achieved.

## Social Work

- 4.2.31 Within the overall pressures of £2.898m for Corporate Parenting and Placements, there are staffing pressures of £0.333m. Cabinet is aware of the particular challenges faced across the children's social care sector nationally. The net pressure is due to the need to establish an additional team, to support with case load management, which is forecast to be in place for six months (£0.150m) and market supplement payments (£0.180m). At the time of reporting, no agency staff are currently required and case loads are in line with good practice.

### **Integrated Disability and Additional Needs**

- 4.2.32 There is a pressure of £0.800m at July 2019 which is an increase of £0.304m since the last report. This increase relates to an increased forecast for respite services for children with a disability. Within this service area there are pressures relating to operational staffing costs within in-house residential services of £0.200m, and an associated unachieved health income target of £0.085m. In addition, there are pressures relating to the delivery of the Authority's statutory duties in relation to Special Educational Needs and Disability (SEND) with additional management capacity and loss of grant funding forecast to cause a pressure of £0.077m. There are also staffing pressures of £0.134m in Educational Psychology partly relating to cover arrangements associated with maternity leave.

## **4.3 Commissioning and Asset Management**

- 4.3.1 Commissioning and Asset Management (C&AM) is forecasting a pressure of £0.182m as set out in Table 8. This is a slight worsening compared to the previously reported variance of £0.174m. The increased budget variance is due to a higher forecast in home to school transport (£0.016m) and increased administration staffing costs in Child Protection Independent Assessment and Review (£0.010m). These costs are partially offset by a reduced forecast for North East Procurement organisation (NEPO) fees (£0.008m) and increased school non- attendance penalties (£0.010m).

#### 4.3.2 Table 8: Commissioning and Asset Management Forecast Variation

	Budget £m	Forecast £m	Variance July £m	Variance May £m
School Funding & statutory staff costs	18.288	18.288	0.000	0.000
Commissioning Service	0.402	0.402	0.000	0.000
Child Protection independent assurance and review	0.674	0.694	0.020	0.010
Facilities and Fair Access	0.247	0.417	0.170	0.164
Community and Voluntary Sector Liaison	0.439	0.439	0.000	0.000
Strategic Property and Investment	0.795	0.795	0.000	0.000
High needs Special Educational Needs	0.000	0.000	0.000	0.000
Property	0.975	0.975	0.000	0.000
Commissioning & Asset Management & support	0.154	0.154	0.000	0.000
Procurement	(0.055)	(0.063)	(0.008)	0.000
<b>Total Commissioning &amp; Asset Management</b>	<b>21.919</b>	<b>22.101</b>	<b>0.182</b>	<b>0.174</b>

4.3.3 The main budget pressures across C&AM relate to Facilities and Fair Access where there are inflationary pressures of £0.042m within Catering and £0.048m in Cleaning. In addition, there are pressures within Home to School Transport of £0.090m due to the increasing number of pupils attending special schools. There has been a 5% increase in the specific Consumer Price Index for food and beverages over the last three year period which on an annual spend of £2.200m equates to a pressure of £0.110m across the Service; this has been partially mitigated by cost efficiencies and by raising additional income.

4.3.4 C&AM is continuing to look at additional ways to achieve further efficiencies across the Catering and Cleaning services and within Home to School Transport work is actively progressing on route rationalisation using the new QRout system.

#### 4.4 Environment, Housing & Leisure (EHL)

4.4.1 EHL is forecasting a pressure of £0.585m against the £42.134m budget, as set out in Table 9 below, which is an improvement of £0.145m from the forecast at May. This reflects gross pressures of £1.888m which the service has plans to manage to the net pressure. This is in line with the position in previous years and there is still an expectation to be able to manage out these pressures in their entirety. This monitoring position reflects a £0.698m transfer from reserves to

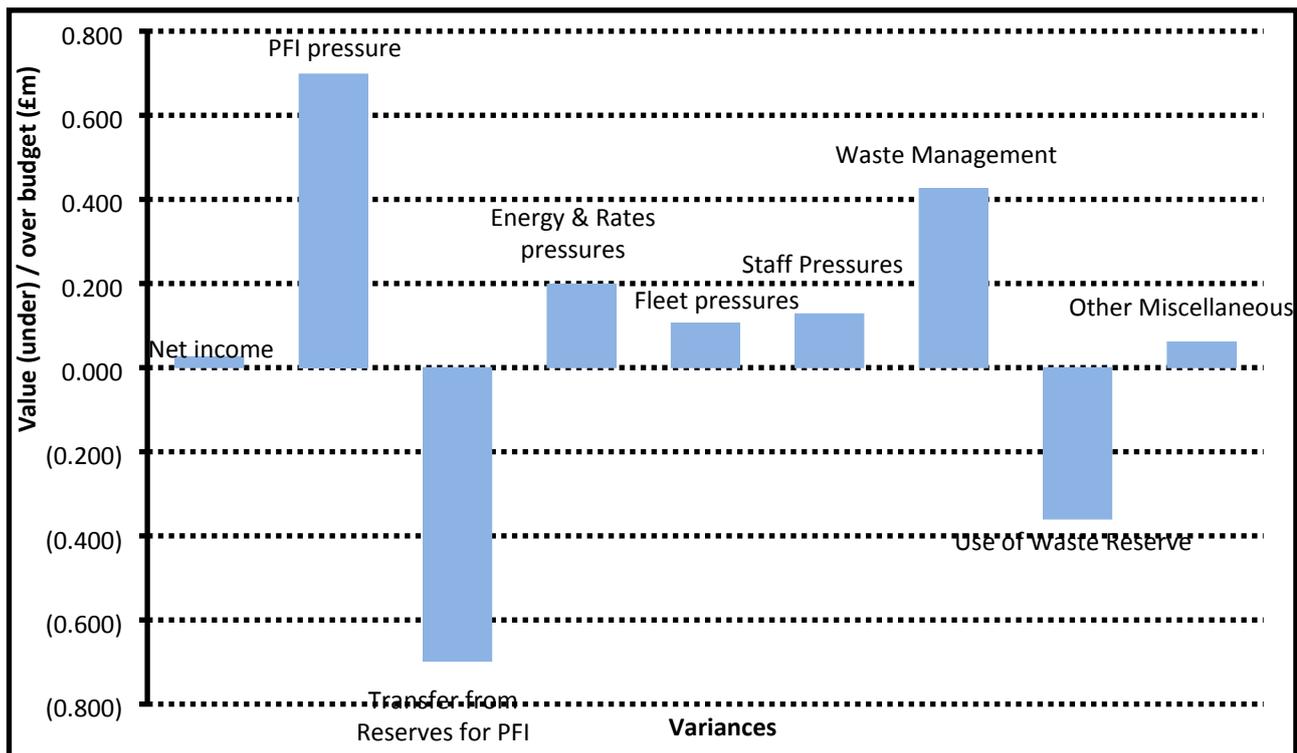
cover Private Finance Initiative (PFI) pressures and £0.360m transfer from the reserves specifically related to pressures from the Kerbside/Home Recycling Disposal contract renewal. EHL remains committed to delivering a balanced position.

#### 4.4.2 Table 9: Forecast Variation in Environment Housing & Leisure

	<b>Budget (£m)</b>	<b>Current Forecast (£m)</b>	<b>Current Variance (£m)</b>	<b>May 2019 Variance (£m)</b>
Sport & Leisure	3.100	3.316	<b>0.216</b>	0.266
Cultural Services	6.925	7.096	<b>0.171</b>	0.223
Security & Community Safety	0.302	0.283	<b>(0.019)</b>	0.004
Fleet Management	0.808	0.914	<b>0.106</b>	0.120
Waste and Recycling Disposal	7.230	7.179	<b>(0.051)</b>	(0.049)
Waste Management	3.607	3.729	<b>0.122</b>	0.137
Local Environmental Services	7.248	7.302	<b>0.054</b>	0.029
Head of Service and Resilience	0.133	0.175	<b>0.042</b>	0.022
Street Lighting PFI	4.396	4.396	<b>0.000</b>	0.000
Consumer Protection & Building Control	0.927	0.885	<b>(0.042)</b>	(0.011)
Transport and Highways	6.327	6.330	<b>0.003</b>	0.003
Planning	0.218	0.218	<b>0.000</b>	0.000
General Fund Housing	0.913	0.896	<b>(0.017)</b>	(0.014)
<b>Total</b>	<b>42.134</b>	<b>42.719</b>	<b>0.585</b>	<b>0.730</b>

4.4.3 The main pressures, identified in Chart 6 below, are Street-lighting PFI of £0.698m, pressures on energy and rates across the service areas of £0.198m and waste pressures of £0.426m related to the contract renewals. In addition there are new pressures in Fleet Management due to the capital financing of the new vehicles of £0.106m and net staffing pressures of £0.128m, plus smaller pressures in income and other miscellaneous operational spend.

#### 4.4.4 Chart 6: EHL Underlying Pressures and Achieved Mitigation Savings 2019/20



4.4.5 The following paragraphs 4.4.6 to 4.4.18 outline the pressures in each service area;

#### **Sport and Leisure**

4.4.6 Sport and Leisure is predicting a pressure of £0.216m, which is an improvement of £0.050m on the position at May. Whilst income budget targets around gyms have increased by £0.600m compared to 2018/19, EHL is still expecting a £0.159m improvement against these revised targets.

4.4.7 The improved income is offsetting historical pressures within Sport and Leisure around staffing and energy and rates costs. EHL is planning to mitigate the overall pressures by continuing the promotional work which was successful in 2018/19, which saw increases to the numbers using leisure facilities across the year.

#### **Cultural Services**

4.4.8 Cultural Services within North Tyneside are showing a forecast pressure of £0.171m, which includes historical pressures due to utility and rates costs and income shortfalls. This has improved by £0.052m since May's forecast due to focussing on staffing costs.

4.4.9 EHL is expecting to mitigate the pressure primarily by maximising the return from the Playhouse and Mouth of the Tyne Festival, along with continued close management of operational expenditure.

## Security and Community Safety

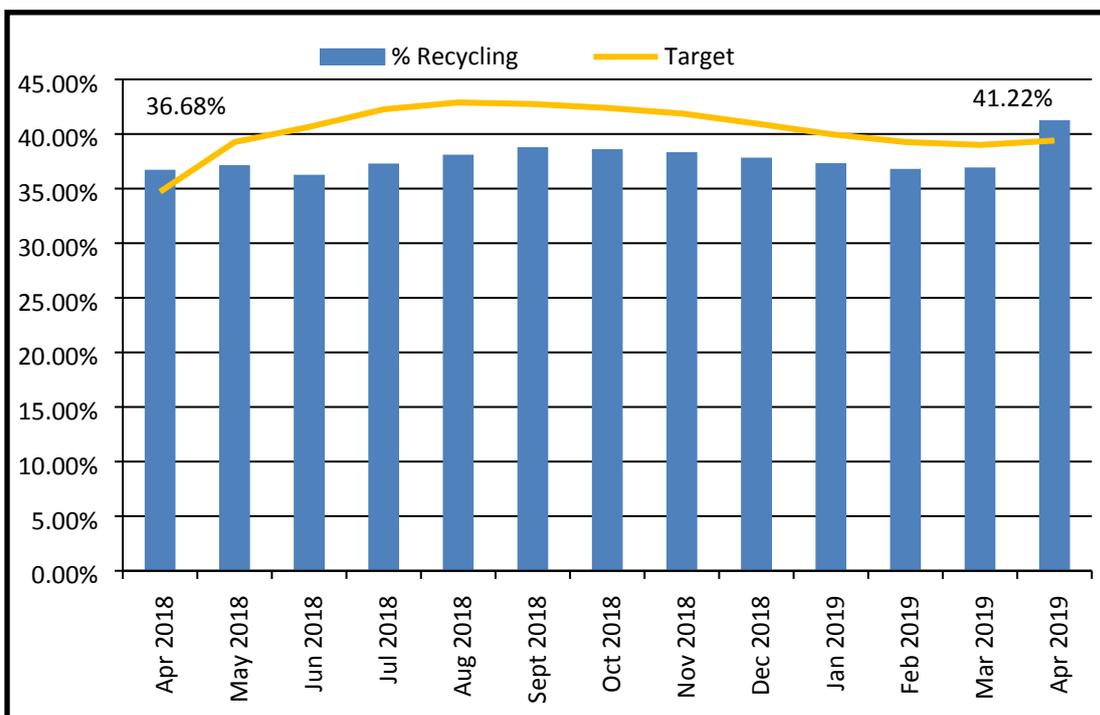
- 4.4.10 This service area has reviewed and realigned both structure and finances to increase its overall viability. Following this review it is forecasting a significant improvement over the outturn pressure of £0.054m in 2018/19, in fact forecasting an underspend of (£0.019m) as at July 2019.

## Fleet Management

- 4.4.11 Fleet Management is now forecasting a £0.106m pressure, mainly in relation to increased capital financing costs for newly purchased vehicles. This service area is prudently forecasting other costs, such as maintenance, materials and other operational expenditure whilst it carries out a review of recharging and maintenance plans. In past years the additional cost of financing new vehicles has been successfully offset by the associated reduction in servicing and maintenance costs of newer vehicles and EHL is working hard to identify further mitigating savings to deliver a balanced budget position.

## Waste Management including Recycling and Disposal

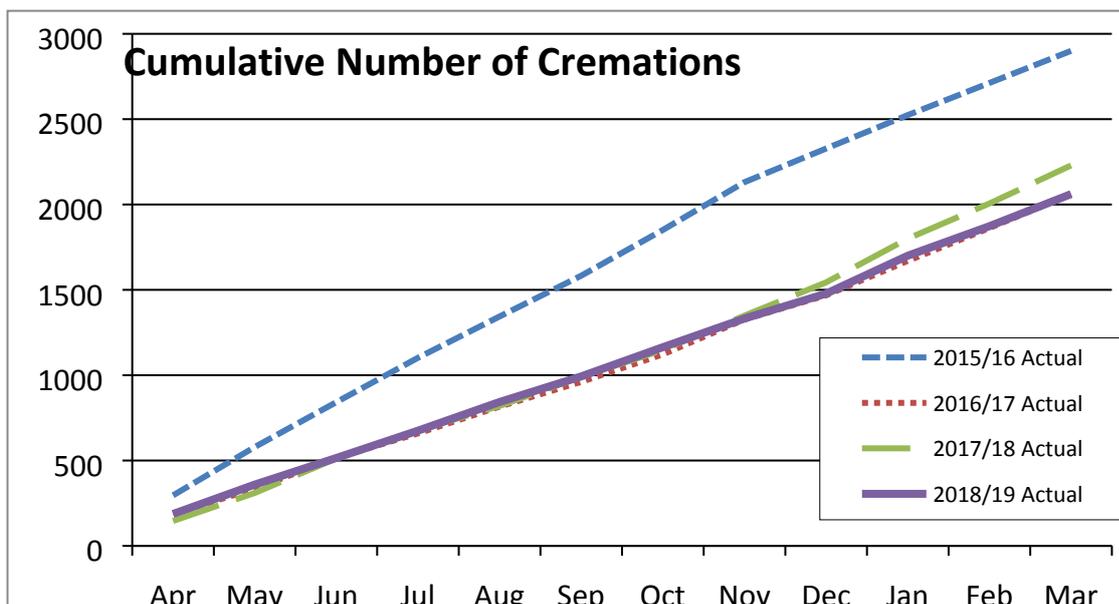
- 4.4.12 Waste Management are predicting pressures relating to Kerbside/Home Recycling Disposal Contract costs, which are planned to be mitigated by use of all available waste resources. Operational increases to routes due to new builds across North Tyneside account for other pressures, leaving a net pressure of £0.071m.
- 4.4.13 EHL are seeing the proportion of household reuse, recycling and composting continue to show improvement since the introduction of alternate weekly collections, as reflected in Chart 7 below.
- 4.4.14 **Chart 7: Proportion of household reuse, recycling and composting**



## Local Environmental Services

4.4.15 Local Environmental Services is predicting a forecast pressure of £0.054m, mainly relating to an expected income shortfall in Bereavement of £0.048m. In previous years this area has achieved or surpassed income targets, but 2018/19 reflected the lowest burial and cremation numbers for four years, as reflected in Chart 8. The drop in income will be taken into account when the management review charges for its services for October, with a view to mitigating the current shortfall. EHL will continue to manage overall costs and look for opportunities to make additional savings whilst closely reviewing the income levels.

### 4.4.16 Chart 8: Annual Number of Cremations (2015/16 to 2018/19)



## Street Lighting PFI

4.4.17 The Street Lighting PFI is predicting a cost pressure for 2019/20 of £0.698m, mainly caused by increased energy costs. As the Authority has planned for this issue, this pressure will be mitigated by a draw-down from the PFI reserve, established for this purpose and this will deliver a balanced budget position.

## Consumer Protection & Building Control

4.4.18 In 2018/19 this service area reported an outturn pressure of £0.090m, including a £0.122m shortfall in taxi licensing. In 2019/20 Capita, the Authority's Technical Services partner, has agreed to undertake a review of the service to mitigate this pressure and the risk to the Authority.

#### 4.5 **Regeneration and Economic Development**

4.5.1 Regeneration and Economic Development is forecasting a pressure of £0.142m at 31 July 2019 as summarised in Table 10 below:

#### 4.5.2 **Table 10: Forecast Variation for Regeneration and Economic Development**

	<b>Budget (£m)</b>	<b>Current Forecast (£m)</b>	<b>Current Variance (£m)</b>	<b>May 2019 Variance (£m)</b>
<b>Regeneration</b>	0.309	0.414	<b>0.105</b>	0.120
<b>Business &amp; Enterprise</b>	0.754	0.775	<b>0.021</b>	0.018
<b>Resources &amp; Performance</b>	0.108	0.124	<b>0.016</b>	0.015
<b>Total</b>	<b>1.171</b>	<b>1.313</b>	<b>0.142</b>	<b>0.153</b>

4.5.3 The pressures result from a forecast shortfall against budget for berthing fee income of £0.153m and for rental income for business units at the Swans Centre for Innovation of £0.092m. These pressures are partially offset by savings in supplies and services at Swans Quay mainly relating to security services.

#### 4.6 **Corporate Strategy**

4.6.1 Corporate Strategy is forecasting a pressure of £0.157m as set out in Table 11 below, an increase of £0.041m from May mainly due to increased staffing pressures. These staffing pressures are partially offset by savings in supplies and services as Corporate Strategy has reviewed subscriptions to various bodies. Corporate Strategy is looking to partly mitigate the pressures through the year by focused vacancy management, identifying opportunities to increase income and continuing to reduce non-essential spend.

#### 4.6.2 **Table 11: Forecast Variation Corporate Strategy**

	<b>Budget (£m)</b>	<b>Current Forecast (£m)</b>	<b>Current Variance (£m)</b>	<b>May 2019 Variance (£m)</b>
Corporate Strategy Management	(0.019)	0.008	<b>0.027</b>	0.024
Policy, Performance & Research	(0.059)	(0.074)	<b>(0.015)</b>	(0.027)
Marketing	0.092	0.200	<b>0.108</b>	0.070
Elected Mayor and Executive Support	(0.003)	0.000	<b>0.003</b>	0.011
Children's Participation & Advocacy	0.187	0.221	<b>0.034</b>	0.038
<b>Total</b>	<b>0.198</b>	<b>0.355</b>	<b>0.157</b>	<b>0.116</b>

#### 4.7 **Resources and Chief Executive Office**

4.7.1 The forecast pressure of £0.775m, within Resources and Chief Executive Office, decreased from £0.874m in May. The pressures, as set out in Table 12 below, mainly relate to Customer Journey and Digital Strategy within ICT Retained Services plus an increased forecast pressure in Revenues & Benefits of £0.231m in relation to overpayment recovery.

#### 4.7.2 **Table 12: Forecast Variation Resources**

<b>Resources</b>	<b>Budget (£m)</b>	<b>Current Forecast (£m)</b>	<b>Current Variance (£m)</b>	<b>Variance May £m</b>
Chief Executive	(0.054)	(0.118)	<b>(0.064)</b>	(0.050)
ICT Retained Services	1.805	2.366	<b>0.561</b>	0.884
Finance Service	(0.449)	(0.449)	<b>0.000</b>	0.000
Internal Audit	(0.088)	(0.090)	<b>(0.002)</b>	0.000
Revenue & Benefits and Customer Services	(0.020)	0.206	<b>0.226</b>	(0.005)
Human Resources	(0.334)	(0.280)	<b>0.054</b>	0.045
Organisational Development	0.247	0.247	<b>0.000</b>	0.000
<b>Total Resources</b>	<b>1.107</b>	<b>1.882</b>	<b>0.775</b>	<b>0.874</b>

4.7.3 Within ICT Retained Services, the main pressures relate to continuing staffing pressures associated with the Customer Journey project of £0.162m. There is an on-going pressure of £0.262m relating to the Outsystems software development and hosting platform for the production of custom applications. The reduction in pressure from May is in relation to the Head of Digital Strategy post and previously forecasted pressures now being covered by the Pension Cap and Collar payment received through the Engie NTC contract.

4.7.4 Also within ICT Retained Services are budget pressures within Digital Strategy of £0.401m, which relate to ICT costs for systems which are outside the ENGIE contract. These include telephony, network and storage support and maintenance packages amongst other smaller items.

4.7.5 Human Resources (HR) is showing a pressure of £0.054m due to staffing pressures following the transfer of HR back to the Authority from ENGIE.

4.7.6 Within Revenues, Benefit and Customer Services, there has been a reduction in recovery of Housing Benefit Overpayments from debtors on-going benefit payments. This is due to claimants moving across to Universal Credit and Housing Benefit Overpayments being allocated a lower priority payment from Universal Credit than other debts which are deemed priority such as rent and Council Tax. Fewer Housing Benefit Overpayments are being created as the number of claims to Housing Benefit reduces, which has also led to a reduction in forecast income but this element is largely offset by a reduction in the bad debt provision. A review of the overpayment income targets and forecasts is on-going.

## 4.8 Law and Governance

4.8.1 Law and Governance is forecasting an underspend of £0.035m, an improvement of £0.095m from a £0.060m pressure in May. A pressure was expected to arise relating to backdated staffing costs for the Coroner. This pressure was estimated at the 18/19 year-end and a provision was made within the Redundancy and Remuneration Reserve to cover the estimated cost. The improved position is primarily a result of the full cost of the back pay now expected to be covered from this reserve.

### 4.8.2 **Table 13: Forecast Variation for Law and Governance**

	<b>Budget (£m)</b>	<b>Current Forecast (£m)</b>	<b>Current Variance (£m)</b>	<b>May 2019 Variance (£m)</b>
Customer, Governance and Registration	(0.075)	(0.046)	<b>0.029</b>	0.029
Democratic and Electoral Services	(0.064)	(0.058)	<b>0.006</b>	0.006
Information Governance	(0.113)	(0.135)	<b>(0.022)</b>	(0.022)
Legal Services	(0.186)	(0.162)	<b>0.024</b>	0.024
North Tyneside Coroner	0.293	0.221	<b>(0.072)</b>	0.023
<b>Total</b>	<b>(0.145)</b>	<b>(0.180)</b>	<b>(0.035)</b>	<b>0.060</b>

4.8.3 There are pressures within Customer, Governance and Registration relating to a forecast shortfall against income targets of £0.015m and supplies and services pressures of £0.011m with the balance being minor operational staffing pressures of £0.003m. Legal Services is showing a small pressure due to locum cover.

## 4.9 Central Items

4.9.1 The forecast outturn at July 2019 set out in Table 14 below reflects an underspend of £2.934m on central budgets, including contingency budgets relating to pressures in adult and children's social care of £4.416m. This is an improvement of £0.479m resulting from increased savings in interest (£0.229m) and a reduced bad debt provision (£0.250m).

### 4.9.2 **Table 14: Forecast Variation Central Budgets and Contingencies**

	<b>Budget £m</b>	<b>Forecast £m</b>	<b>Variance July £m</b>	<b>Variance May £m</b>
Corporate & Democratic Core	9.545	9.545	0.000	0.000
Other Central Items	(8.282)	(11.216)	(2.934)	(2.455)
<b>Total Central Items</b>	<b>1.263</b>	<b>(1.671)</b>	<b>(2.934)</b>	<b>(2.455)</b>

4.9.3 Within Other Central Items there are several areas where spend and income is forecast to deviate from budget. Continued savings have been identified resulting from the application of the Authority's Treasury Management Strategy.

There is a saving of £0.962m relating to Public Works Loan Board loans taken out at a lower rate of interest than budgeted for (£0.355m) and a reduction in borrowing costs resulting from higher internal borrowing (£0.607m). In addition, reprogramming within the Investment Plan has delivered a credit against Minimum Revenue Provision of £0.370m at this stage in the year. Of this total saving, an amount of £1.100m has been proposed as in-year mitigation to the cross cutting savings targets which are yet to be permanently saved as outlined in sections 2.7 to 2.9. There is also a saving against budget of £0.600m for Strain on the Fund costs. There are contingency budgets of £4.636m including the £4.416m held against pressures in social care. There is a total of £0.218m other smaller savings.

- 4.9.4 These underspends are partially offset by savings targets forecast as still to be fully achieved. These relate to the following Efficiency Statement Categories; A Focus on the Social Care Customer Experience, How We Are Organised and Delivering Our Fees and Charges Policy. There is a reduced pressure relating to the bad debt provision of £0.150m.

## **SECTION 5 - SCHOOLS FINANCE**

### **5. Update on School Budgets 2019/20**

- 5.1 Schools are required to submit their rolling three year budget plan to the Authority by 31 May each year. The total initial planned deficit for school balances, as reported to Cabinet in July, was £5.045m in 2019/20.
- 5.2 In 2018/19 cumulative balances of £0.803m was available for schools with falling rolls or schools in financial difficulty (headroom funding). A retrospective allocation of £0.117m was made to Whitley Bay High School relating to the 2017/18 financial year following a successful bid in line with the eligibility criteria set by Schools Forum. This left a residual balance of £0.686m which was therefore available to allocate to eligible schools relating to the 2018/19 financial year.

In June 2019 six bid submissions were received from those schools who were eligible to access this funding. The Finance sub-group of Schools Forum considered each bid made against the eligibility criteria, subsequently a recommendation was made to Schools Forum on 10 July 2019 to allocate £0.288m to five schools. These allocations are shown in Table 15 below. The residual balance of £0.398m has been added to the new allocations to support schools in financial difficulty for 2019/20 and £0.732m will be available to eligible schools this financial year.

**Table 15: Allocations Agreed by Schools Forum to Schools in Financial Difficulty**

<b>School</b>	<b>Outturn 2018/19 £m</b>	<b>Allocation under falling rolls or headroom for 2018/19 £m</b>
Ivy Road	(0.223)	0.049
Backworth Park Primary	(0.013)	0.030
Longbenton High School	(1.544)	0.065
Marden High School	(0.533)	0.089
Percy Main Primary School	(0.055)	0.055
<b>Total</b>	<b>(2.368)</b>	<b>0.288</b>

- 5.3 These allocations, in addition to adjustments notified by schools or arising through the deficit challenge process, have reduced the total planned deficit balance to £4.703m. Table 16 below shows the revised projected school balances analysed by phase.

**Table 16: Summary of Planned School Balances for 2019/20 by Phase**

Phase	Outturn 2018/19 £m	Budget Plan 2019/20 £m
Nursery	0.009	0.002
Primary	3.789	2.788
Secondary	(3.279)	(7.731)
Special/PRU	1.080	0.238
<b>Total</b>	<b>1.599</b>	<b>(4.703)</b>

- 5.4 Cabinet will be aware that the Authority has been working with schools for a number of years with regard to the long-term strategic issue of surplus secondary places and the associated financial pressures which continue to be compounded by rising employment costs. As anticipated, 2018/19 was the fourth year of balances decreasing following a long term trend of rising balances in North Tyneside and the overall projected balances for 2019/20 continues this trend.

### School Deficits

- 5.5 Some individual schools continue to face significant financial challenge. As reported in July, there are eleven schools with a deficit budget plan in 2019/20. There are five schools with continuing deficits and six schools new to deficit in 2019/20. A deficit challenge session has been held with each school in deficit during June and July 2019. Following adjustments identified during the challenge sessions and the allocation of falling rolls and headroom funding, the total balances of deficit schools is now planned to be £10.073m with individual school deficit values shown in Table 17 below.

- 5.6 **Table 17: Schools in a Deficit Position**

School	Outturn 2018/19 £m	Budget Plan 2019/20 £m
Ivy Road Primary	(0.223)	(0.288)
Marden High	(0.533)	(0.493)
Norham High	(1.462)	(2.299)
Longbenton High	(1.544)	(2.195)
Monkseaton High	(3.485)	(4.492)
Beacon Hill	0.301	(0.210)
Fordley Community Primary	(0.033)	(0.014)
Forest Hall Primary	0.000	(0.014)
Holystone Primary	(0.034)	(0.023)
St Aidan's RC Primary	(0.022)	(0.027)
St Bartholomew's C of E Primary	(0.005)	(0.018)
<b>Total</b>	<b>(7.040)</b>	<b>(10.073)</b>

- 5.7 Further work continues with special schools to look at appropriate levels of funding for the needs of their current cohort of pupils. A review of High Needs provision in North Tyneside is also being undertaken and the outcome of this review will be reported to Cabinet in due course.
- 5.8 In April 2019 Schools Forum approved changes to the Scheme for Financing Schools in respect of Licenced Deficit Agreements. It is anticipated that the changes made to the scheme for financing schools will improve financial governance for 2019/20 and beyond.
- 5.9 Under the revised Scheme all schools which are new to deficit and require a Licenced Deficit Agreement in 2019/20, will be required to return to financial balance within a maximum timescale of three years. Previously the maximum timescale allowed was five years. Those schools that are already operating under a Licenced Deficit Agreement have been required to produce robust financial recovery plans which show the school achieving an in-year balanced position within three years with a view to start repaying the deficit in year four and subsequent years. Two secondary schools have been unable to produce plans to achieve an in-year balance within three years and further work is on-going to support these schools to identify recovery plans.
- 5.10 The Authority recognises that school budgets are under increasing pressure with rising costs relating to pay awards including the implications of the Nation Living Wage, pension contributions, the apprenticeship levy and inflationary pressures on premises, equipment and materials costs. As a consequence the Authority has introduced a Support and Challenge process to help schools to deliver excellent outcomes for pupils within available resources.
- 5.11 The Support and Challenge Framework is aimed at helping schools currently in deficit recover financial sustainability as quickly as possible but it is also intended to introduce earlier intervention and prevention measures for schools showing signs of future financial difficulties. Under the framework the Authority will allocate an annual RAG rating to each school based on the three year budget plan produced by 31 May each year. Additional support will then be offered appropriate to the RAG rating of the individual school.
- 5.12 As in previous years, the details of schools balances will be reported to the Department for Education (DfE) through the Consistent Financial Reporting (CFR) return. This return was co-ordinated by the Authority and was submitted by the deadline of July 2019. The CFR is then used to populate parts of the s251 Outturn return which will be submitted to the DfE by the end of August 2019 for verification in September. Full details of each individual school's balance will then be reported to Cabinet.

### **High Needs Block**

- 5.13 Cabinet will recall that the High Needs block ended 2018/19 with a pressure of £0.920m. Cabinet should note that the High Needs block forms part of the Dedicated Schools Grant (DSG) which is ring-fenced and does not form part of the General Fund. This overall pressure in the High Needs block is in line with the national and regional picture and Members will be aware of the high level of

interest in special needs provision and associated funding issues in the national media.

5.14 The forecast at July 2019 for the High Needs Block is unchanged since the last report with an anticipated in-year pressure of £0.952m reflecting a rise in demand for special school places within the Authority. The total number of places the Authority is planning for at the end of 2019/20 is approximately 762. This compares to a total of 664 places at the beginning of 2018/19. These additional places create pressures in relation to place funding of £10,000 per place and the associated top-up funding reflecting each child's level of need. A breakdown of the in-year pressure is shown in Table 18 below:

5.15 **Table 18: Breakdown of High Needs Pressures at July 2019**

Provision	Budget £m	Provisional Outturn Variance £m	Comment
Special schools and PRU	11.833	1.098	Pressure on places for children with profound, Multiple Learning Difficulties, Social Emotional and Mental Health problems and Autism Spectrum Disorder
ARPs/Top ups	3.145	0.085	Pressures in pre 16 top ups e.g. Norham ARP, Melrose ARP
Out of Borough	1.730	(0.181)	
Commissioned services	3.524	(0.050)	
<b>Subtotal</b>	<b>20.232</b>	<b>0.952</b>	

### Managing the High Needs Block

5.16 Work is also well underway within the review of the Additionally Resourced Provisions (ARPs) in mainstream schools. Many of the ARPs were established in 2004/05 to meet the needs of children with Moderate Learning Difficulties which were then rising in prevalence. The ARP review will inform changes required to enable the needs of children to be met more effectively in mainstream schools, highlight where places could be decommissioned in light of changing needs and identify action needed to ensure that there are smooth transition routes from primary to secondary schools. The Commissioned Services funded by the High Needs Block are also subject to a programme of review.

5.17 Sufficiency planning is being strengthened to better align the availability of special school places in North Tyneside with needs, in light of the increase in children with Social Emotional and Mental Health (SEMH) needs, Autism Spectrum Disorder (ASD) and Profound and Multiple Learning Difficulties (PMLD) and to reduce the requirement for more expensive out of borough placements.

5.18 A comprehensive special educational needs review is also underway which is examining all processes associated with Education Health and Care Plans (EHCPs). This has resulted in action to increase efficiency, strengthen gatekeeping and improve partnership working across education, health and

social care. The review is looking at the statutory assessment process, quality assurance arrangements, decision making panels and tribunal outcomes.

### Early Years Block

- 5.19 The Early Years block outturn for 2018/19 was a surplus of £0.881m. This included a brought forward deficit of £0.020m from 2017/18. An adjustment to funding takes place every year in early summer as the DfE reviews initial funding estimates based on the most up to date pupil census. Revised DSG allocations for Early Years were issued in July 2019 with a net impact on funding for 2019/20 of a reduction of £0.041m. In addition a clawback of funding for 2018/19 of £0.027m was also notified. This adjustment and clawback were within expectations and indications for 2019/20 continue to show that services can be delivered within the budget available.

### Planning for 2020/21

- 5.20 The Authority is continuing to work with the Schools Forum finance sub group to review modelling the conversion of the Authority's local funding formula to the National Funding Formula. The process will continue in line with the key milestones outlined below:

**Table 19: Process to Agree the Schools Allocation Formula for 2020/21**

	Task	Timescales
1	To review the current formula	complete
2	Suggest a number of scenarios showing how it could be changed to move towards the National Funding Formula	complete
3	Model the scenarios	complete
4	Analyse the impact	complete
5	Agree proposal for Schools Forum	complete
6	Schools Forum agree proposals to consult on	12 September 19
7	Consult with all schools (providing support to interpret)	16 September to 31 October 19
8	Results of consultation back to Schools Forum	13 November 19
9	The Authority decides on the allocation formula taking into account views of schools and Schools Forum	November 19
10	The Authority submits individual school allocations based on the agreed formula to the DfE	January 20

## **SECTION 6 - HOUSING REVENUE ACCOUNT**

### **Forecast Outturn**

6.1 The forecast set out in Table 20 below is based on the results to July 2019 and reflects improvements following the end of the Kier Joint Venture and the creation of the new Housing Property and Construction Service. As this is the first year of running with this new service EHL were conservative in budgeting for the impact, whilst expecting a more efficient service. The efficiencies' values are now becoming apparent and the relative forecasts have been amended accordingly. There are two main areas showing improvements: the cost of the repairs and the management-related costs of the new service. The total £1.500m saving identified below is a permanent saving to the base budget and will be built into the HRA 30-year business plan going forward. In addition, it is anticipated that there will be significant one-off savings in the Construction Project budget, which will be confirmed once the project completes in October.

6.2 **Table 20: Forecast Variance Housing Revenue Account**

	FULL YEAR - 2019/20			Variance May 2019 £m
	Full Year Budget £m	Forecast Outturn		
		Actual £m	July 2019 Variance £m	
<b><u>INCOME</u></b>				
Rental Income	(58.697)	(58.758)	(0.061)	(0.061)
Other Rental Income - Shops & Offices etc.	(0.275)	(0.275)	0.000	0.000
Interest on Balances	(0.050)	(0.050)	0.000	0.000
PFI Credits	(7.693)	(7.693)	0.000	0.000
	<b>(66.715)</b>	<b>(66.776)</b>	<b>(0.061)</b>	<b>(0.061)</b>
<b><u>EXPENDITURE</u></b>				
Capital Charges - Net Effect	12.110	12.110	0.000	0.000
HRA Management Costs	12.036	11.036	(1.000)	(0.006)
PFI Contract Costs	9.641	9.641	0.000	0.000
Repairs	11.959	11.459	(0.500)	(0.048)
Revenue Support to Capital Programme	9.053	9.053	0.000	0.000
Contribution to Major Repairs Reserve – Depreciation	12.392	12.392	0.000	0.000
Contingencies, Bad debt Provision & Transitional Protection Payments	1.000	1.000	0.000	0.000
Pension Fund Deficit Funding	0.855	0.855	0.000	0.000
	<b>69.046</b>	<b>67.546</b>	<b>(1.500)</b>	<b>(0.054)</b>
	<b>2.331</b>	<b>0.770</b>	<b>(1.561)</b>	<b>(0.115)</b>
<b>BALANCES BROUGHT FORWARD</b>	<b>(6.202)</b>	<b>(7.303)</b>	<b>(1.101)</b>	<b>(1.101)</b>
<b>BALANCES TO CARRY FORWARD</b>	<b>(3.871)</b>	<b>(6.533)</b>	<b>(2.662)</b>	<b>(1.216)</b>

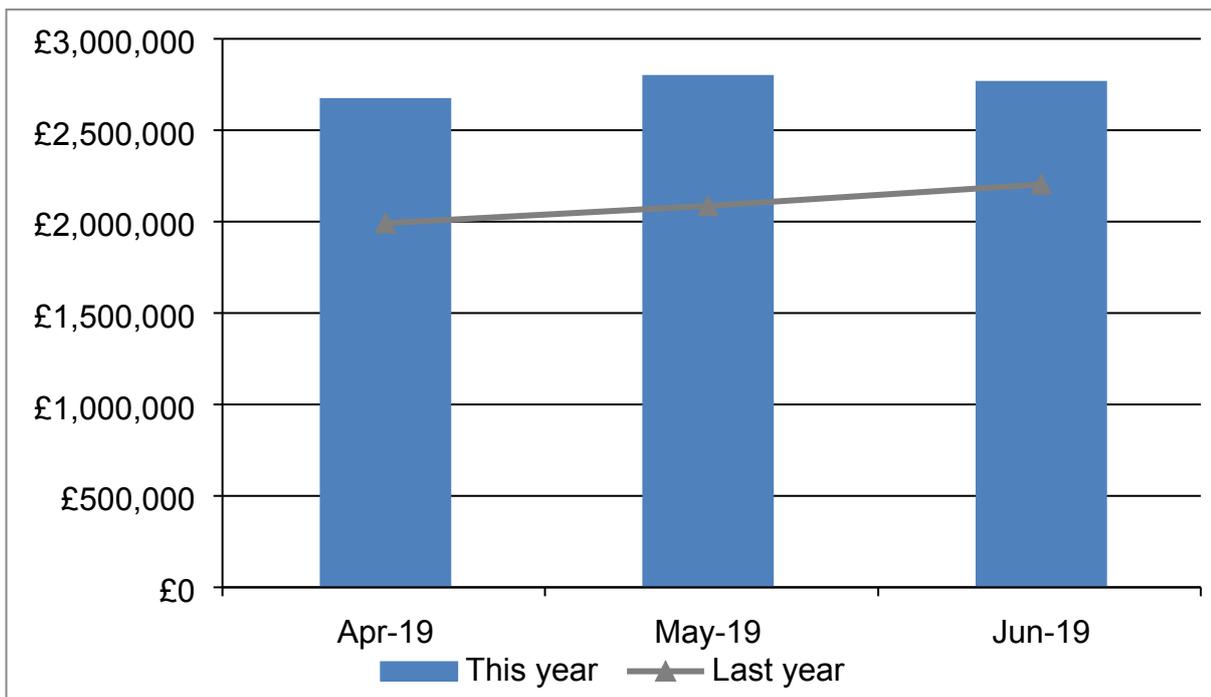
6.3 Rental income continues to perform well due to the continued reduction in the number of empty homes being maintained, leading to a forecast over-recovery

against budget (£0.134m). Income from Garages also continues to perform above budget (£0.027m), however, this is offset by a reduction in service charge income (including furniture packs) of £0.100m. Based on this early performance, the rental income could continue to improve throughout the remainder of 2019/20, however, some of this improved position may be offset by the continuing impact of Universal Credit and the potential of an increase in the bad debt provision, both of which will be closely monitored throughout the year.

### Rent Arrears

6.4 The impact of rent arrears has risen in the first quarter of 2019/20 as compared to 2018/19. Despite the lower number of tenants in arrears (down by 400), the value of arrears has risen by £0.563m in this period. Chart 9 below shows the value of rent arrears in 2019/20 compared to the same period in 2018/19. A team is working proactively with tenants to minimise arrears and this is being closely monitored as the year progresses to identify any adverse impacts on the budget position. For the first time in the last 15 years, there was a pressure on the bad debt provision in 2018/19, which was mainly in relation to changes caused by Universal Credit.

6.5 **Chart 9: Rent Arrears in Quarter 1 2019/20 compared to 2018/19**



6.6 Universal Credit was fully implemented across North Tyneside on 2 May 2018. The Authority continues to work with residents to provide ICT support to help them make applications and to provide personal budget support to help residents manage their household finances. At 1 April 2019 there were 2,005 tenants of North Tyneside Homes on Universal Credit with arrears totalling £1.163m. At July 2019 there were 2,608 tenants on Universal Credit with related arrears of £1.592m.

## Right to Buy (RTB) Trends

6.7 The impact of RTB is critical to long-term planning for the HRA. Prior to the introduction of self-financing in 2012, average RTB sales had dropped to around 25 per annum, mainly due to the capped discount (£0.022m) which had remained static as property values had increased, making RTB less attractive financially to tenants. Shortly after self-financing began, Central Government announced a change to RTB significantly increasing the maximum discount, initially to £0.075m and then subsequently annual inflation was added to the maximum. The table below shows the trend in RTB sales since that time, and the financial impact this has had on income for the HRA.

6.8 **Table 23: RTB Trends and Financial Impact**

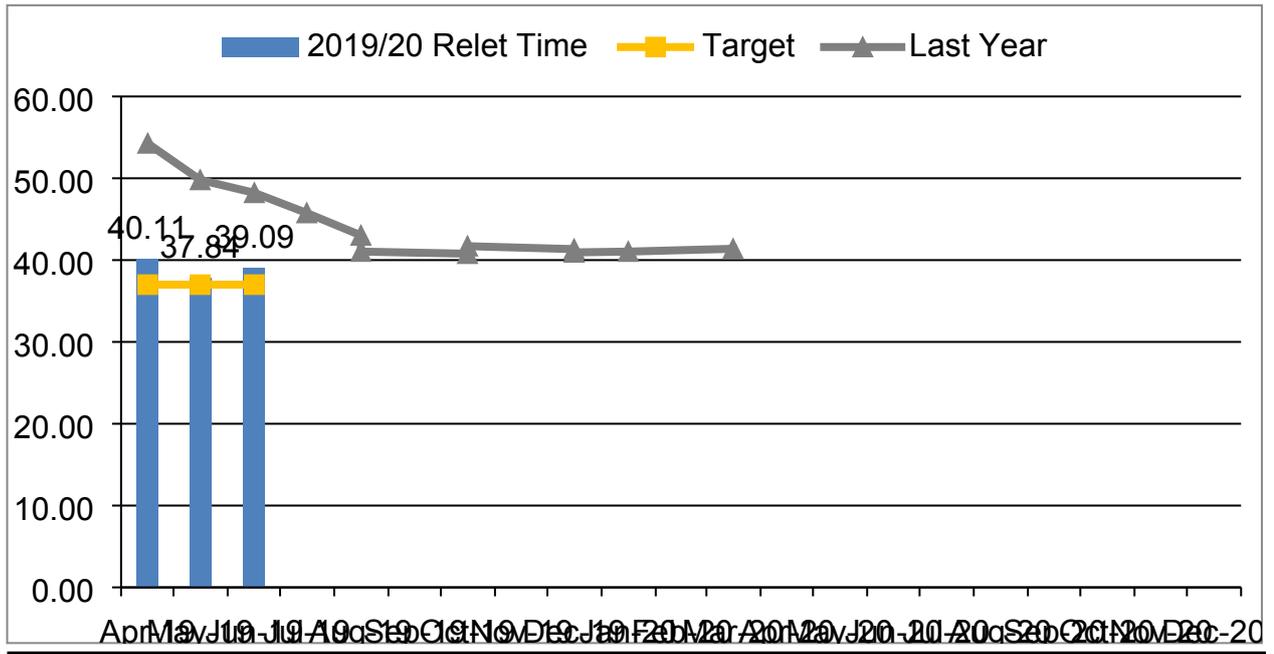
	Sales assumed by self-financing	Actual RTB Sales	Additional RTB Sales above Budget assumptions	Estimated lost rent per annum £m	Capital Receipts £m
<b>2012-13</b>	40	85	45	0.315	3.477
<b>2013-14</b>	47	122	75	0.457	4.957
<b>2014-15</b>	53	100	47	0.397	3.938
<b>2015-16</b>	55	135	80	0.577	5.548
<b>2016-17</b>	55	136	81	0.557	5.632
<b>2017-18</b>	56	158	102	0.630	7.758
<b>2018-19</b>	56	135	79	0.538	6.533
<b>2019-20 YTD</b>	19	37	18	0.148	1.797
<b>Total</b>	<b>381</b>	<b>898</b>	<b>517</b>	<b>3.619</b>	<b>39.640</b>

6.9 In the period (2012-2019), the Authority has built over 175 new homes through the HRA, which has helped mitigate a portion of the revenue loss from the 898 sales in the same period. However, the cumulative impact on HRA annual rental income from RTB over this period is in excess of £3.600m.

### Improvements to Average Reletting Periods

6.10 The HRA is expecting increased rentals throughout 2019/20, in part due to the improvements made in reletting empty properties. Chart 10 below shows the average relet time, for the first quarter of 2019/20, has improved since 2018/19, with year to date statistics showing a decrease of almost 10 days. In addition, 71% of property relets have been completed within the new 37 day target.

6.11 Chart 10: Average Relet Period



## **SECTION 7 - INVESTMENT PLAN**

### **Review of Investment Plan - Position Statement**

- 7.1 The Authority's Investment Plan represents the capital investment in projects across all Service areas. The vast majority of the 40+ projects are currently on target to deliver on time and on budget. Some of the key highlights of the Investment Plan due to be delivered during 2019/20 are summarised below:

### **Affordable Homes New Build and Conversion Works**

- 7.2 2 projects have been completed to date in 2019/20:
- The construction of 13 new affordable homes in Battlehill, on the former Bonchester Court site. Completed May 2019; and,
  - The construction of 9 new affordable homes in Battlehill, on the former Beadnell Court site. Completed May 2019.

In addition to the above projects there will be a number of other projects progressed through the design, planning and procurement process during 2019/20 that will subsequently complete in future financial years.

### **Housing Investment Work**

- 7.3 The Housing Capital delivery programme will see the following works delivered across the borough during 2019/20:
- Kitchens and bathrooms to 654 homes;
  - Heating upgrades to 600 homes;
  - Boundary improvements to 1,281 homes;
  - External decoration to 1,928 homes;
  - Roof replacements to 260 homes;
  - External Brickwork Repairs to 190 homes;
  - Footpath repairs throughout the borough; and,
  - Firedoor replacement to 630 flats within communal blocks.

### **Education Investment Works**

- 7.4 Delivery of the priority condition related projects across the school estate as part of the schools condition investment programme.

Priority Schools Building Programme (PSBP) 2 (Off Balance Sheet):  
Cullercoats Primary School – this project is being delivered as part of PSBP2 as a heavy refurbishment programme rather than a new build. Works commenced in May 2018 and follow a 5 phase programme extending to January 2020.

## **Highways and Infrastructure Works**

7.5 The main Highways & Infrastructure works include:

- Delivery of the Local Transport Plan (LTP) including the annual resurfacing programme and integrated transport projects;
- Delivery of the Additional Highway Maintenance Programme including footway improvements in line with the Mayor's priorities;
- Works to the Southern Promenade sea wall repair scheme;
- Completion of final phase of A1058 Coast Road Cycle Scheme;
- Completion of the North Bank of Tyne highway improvements; and,
- Completion of construction on the A189 Salters Lane major highways scheme.

## **Regeneration Works**

7.6 Regeneration Works for 2019/20 include:

Swans – the next phase consists of:

- CFI Phase 2 – works started May 2019 with completion expected in March 2020; and,
- Plot 6 basement demolition – the contract will be tendered with completion expected during 2019/20.

## **Variations to the 2019-2023 Investment Plan**

7.7 Variations of £1.300m to the Investment Plan have been identified and are included in Tables 21 and 22 below. Further details are provided in paragraph 7.8:

### 7.7.1 Table 21: 2019 - 23 Investment Plan changes identified

	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m	Total £m
<b>Approved Investment Plan – Council 21 February 2019</b>	<b>62.758</b>	<b>42.463</b>	<b>37.008</b>	<b>37.055</b>	<b>179.284</b>
<b>Previously Approved Reprogramming/Variations</b>					
Cabinet 1 April 2019	6.828	0	0	0	6.828
Cabinet 28 May 2019	8.484	0	0	0	8.484
Cabinet 29 July 2019	(4.744)	9.275	0	0	4.531
<b>Approved Investment Plan</b>	<b>73.326</b>	<b>51.738</b>	<b>37.008</b>	<b>37.055</b>	<b>199.127</b>
<b>Jun/Jul 2019</b>					
Variations	1.300	0	0	0	1.300
Reprogramming	0	0	0	0	0
<b>Total Variations</b>	<b>1.300</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1.300</b>
<b>Revised Investment Plan</b>	<b>74.626</b>	<b>51.738</b>	<b>37.008</b>	<b>37.055</b>	<b>200.427</b>

7.8 Details of the £1.300m variations are shown below:

- (a) **EV090 Section 278 Avant Homes at Killingworth Village £1.223m** –Officers have successfully negotiated with Avant Homes for the Technical Services Partner to deliver Section 278 highway works on Killingworth Way associated with their residential development planning permission. The works are to be fully funded from developer contributions. This project is part of a pilot which will be undertaken to determine the future delivery of section 278 works;
- (b) **DV064 Council Property Investment/DV066 Investment in North Tyneside Trading Co. £1.000m** – It is proposed that £1.000m Council Contribution be moved from DV066 Investment in North Tyneside Trading Company to DV064 Council Property Investment to allow officers to undertake preparation work on three potential sites for development;
- (c) **CO079 Play Sites 2019/20 (Section 106) £0.044m** – Two play areas are to be improved using Section 106 funding. They are Rockcliffe Park play area and Merlin Place Play Site. Works to the Rockcliffe Park site include improvements to play equipment, safer surfaces and ancillaries. Works at Merlin place include installation of play equipment, surfaces and boundary/access improvements; and,
- (d) **ED132 Schools Capital Allocation £0.033m**– The budget adjustment is to reflect the 2018/19 Kier Gain Share that has been received.

7.9 The impact of the changes detailed above on capital financing is shown in Table 22 below.

### 7.9.1 Table 22: Impact of variations on Capital financing

	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m	Total £m
<b>Approved Investment Plan – Cabinet 29 July 2019</b>	<b>73.326</b>	<b>51.738</b>	<b>37.008</b>	<b>37.055</b>	<b>199.127</b>
Council Contribution	0.000	0.000	0.000	0.000	0.000
Grants and Contributions	1.300	0.000	0.000	0.000	1.300
<b>Total Financing Variations</b>	<b>1.300</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>1.300</b>
<b>Revised Investment Plan</b>	<b>74.626</b>	<b>51.738</b>	<b>37.008</b>	<b>37.055</b>	<b>200.427</b>

### Capital Receipts – General Fund

7.10 General Fund Capital Receipts brought forward at 1 April 2019 were £1.100m. The capital receipts requirement for 2019/20 approved by Council on 21 February 2019 was £Nil. To date £0.184m capital receipts have been received in 2019/20. The receipts position is shown in Table 23 below.

#### 7.10.1 Table 23: Capital Receipt Requirement – General Fund

	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m	Total £m
Requirement reported to 21 February 2019 Council	0.000	0.000	0.000	0.000	0.000
Receipts Brought Forward	(1.100)	0.000	0.000	0.000	(1.100)
Useable Receipts received 2019/20	(0.184)	0.000	0.000	0.000	(0.184)
<b>Surplus Receipts</b>	<b>(1.284)</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>(1.284)</b>

### Capital receipts – Housing Revenue Account

7.11 Housing Capital Receipts brought forward at 1 April 2019 were £7.251m. The Housing receipts are committed against projects included in the 2019-2023 Investment Plan. The approved Capital Receipt requirement for 2019/20 was £4.286m. This, together with the reprogramming previously reported to Cabinet, the requirement is £2.142m. To date, £1.805m receipts have been received in 2019/20 of which £0.468m has been pooled as part of the quarterly returns to Central Government. In total, subject to future pooling, this leaves a surplus balance of £6.446m to be carried forward to fund future years.

### 7.11.1 Table 24: Capital Receipt Requirement - Housing Revenue Account

	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m	2019-23 £m
Requirement reported to 21 February 2019 Council	4.286	3.685	3.748	2.019	13.738
Reprogramming 2018/19	(0.348)	0.000	0.000	0.000	(0.348)
Reprogramming 2019/20	(1.796)	1.796	0.000	0.000	0.000
<b>Revised Requirement</b>	<b>2.142</b>	<b>5.481</b>	<b>3.748</b>	<b>2.019</b>	<b>13.390</b>
Receipts Brought Forward	(7.251)	(6.446)	(0.965)	2.783	
Receipts Received 2019/20	(1.805)	0.000	0.000	0.000	
Receipts Pooled Central Government	0.468	0.000	0.000	0.000	
<b>(Surplus)/ Balance To be generated to fund future years (subject to further pooling)</b>	<b>(6.446)</b>	<b>(0.965)</b>	<b>2.783</b>	<b>4.802</b>	

*The final figure for useable receipts and pooled receipts in year will depend on the final number of Right to Buy properties sold during 2019/20.*

### Investment Plan Monitoring Position to 31 July 2019

7.12 Actual expenditure, for 2019/20, in the General Ledger was £9.255m, 12.40% of the total revised Investment Plan at 31 July 2019. This is after adjusting for £0.281m of accruals and retentions relating to 2018/19 expenditure.

### 7.12.1 Table 25: Total Investment Plan Budget & Expenditure to 31 July 2019

	2019/20 Revised Investment Plan £m	Actual Spend to 31 July 2019 £m	Spend as % of revised Investment Plan %
General Fund	48.662	5.516	11.34%
Housing	25.964	3.739	14.40%
<b>TOTAL</b>	<b>74.626</b>	<b>9.255</b>	<b>12.40%</b>

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		2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	Total £000
<b>General Fund</b>						
<b>Maintaining Our Assets</b>						
BS026 Asset Planned Maintenance						
Council Contribution		1,522	1,500	1,500	1,500	6,022
Private Contribution (NHS)		100	0	0	0	100
<b>BS026 Asset Planned Maintenance Total</b>		<b>1,622</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>	<b>6,122</b>
BS029 Wallsend CFC Alcohol Treatment Capital Fund						
Public Health England		411	0	0	0	411
<b>BS029 Wallsend CFC Alcohol Treatment Capital Fund Total</b>		<b>411</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>411</b>
CO064 Social Care Information System						
Better Care Fund		99	0	0	0	99
<b>CO064 Social Care Information System Total</b>		<b>99</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>99</b>
CO076 Lockey Park Environmental and Play Improvements						
Section 106		74	0	0	0	74
<b>CO076 Lockey Park Environmental and Play Improvements Total</b>		<b>74</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>74</b>
CO078 Coastal Revival Fund						
Coastal Revival Fund (HCLG)		48	0	0	0	48
<b>CO078 Coastal Revival Fund Total</b>		<b>48</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>48</b>
DV071 Section 106 Contributions to Set Up Health Facilities						
Section 106		90	0	0	0	90
<b>DV071 Section 106 Contributions to Set Up Health Facilities Total</b>		<b>90</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>90</b>
ED075 Devolved Formula Capital						
Education Funding Agency		1,279	1,579	579	579	4,016
<b>ED075 Devolved Formula Capital Total</b>		<b>1,279</b>	<b>1,579</b>	<b>579</b>	<b>579</b>	<b>4,016</b>
ED120 Basic Need						
Education Funding Agency		184	113	113	113	523
<b>ED120 Basic Need Total</b>		<b>184</b>	<b>113</b>	<b>113</b>	<b>113</b>	<b>523</b>
ED132 School Capital Allocation						
Education Funding Agency		3,781	3,534	3,534	3,534	14,383
Private Contribution (Kier Gain Share)		33	0	0	0	33
<b>ED132 School Capital Allocation Total</b>		<b>3,814</b>	<b>3,534</b>	<b>3,534</b>	<b>3,534</b>	<b>14,416</b>
ED186 Backworth Park Primary						
Council Contribution		-2,374	0	0	0	-2,374
Section 106		2,374	0	0	0	2,374
<b>ED186 Backworth Park Primary Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
EV034 Local Transport Plan						
Dept for Transport LTP ITA		958	958	958	958	3,832
Dept for Transport LTP Maint		2,504	2,195	2,000	2,000	8,699
DFT Pothole Funding 19/20		144	0	0	0	144
<b>EV034 Local Transport Plan Total</b>		<b>3,606</b>	<b>3,153</b>	<b>2,958</b>	<b>2,958</b>	<b>12,675</b>
EV056 Additional Highways Maintenance						
Council Contribution		2,000	2,000	2,000	2,000	8,000
Department For Transport		876	0	0	0	876
<b>EV056 Additional Highways Maintenance Total</b>		<b>2,876</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>8,876</b>
EV069 Vehicle Replacement						
Council Contribution		1,300	500	0	0	1,800
<b>EV069 Vehicle Replacement Total</b>		<b>1,300</b>	<b>500</b>	<b>0</b>	<b>0</b>	<b>1,800</b>
IT020 ICT Strategy						
Council Contribution		1,234	1,000	1,000	1,000	4,234
<b>IT020 ICT Strategy Total</b>		<b>1,234</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>4,234</b>
<b>Maintaining Our Assets Total</b>		<b>16,637</b>	<b>13,379</b>	<b>11,684</b>	<b>11,684</b>	<b>53,384</b>
<b>Corporate</b>						
EV076 Operational Depot Accommodation Review						

		2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	Total £000
	Council Contribution	4,279	3,366	0	0	7,645
	ERDF	843	1,169	0	0	2,012
	<b>EV076 Operational Depot Accommodation Review Total</b>	<b>5,122</b>	<b>4,535</b>	<b>0</b>	<b>0</b>	<b>9,657</b>
	EV086 Clean Bus Technology Fund					
	Department For Transport	358	0	0	0	358
	<b>EV086 Clean Bus Technology Fund Total</b>	<b>358</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>358</b>
	GEN03 Contingencies					
	Council Contribution	3,559	2,125	500	500	6,684
	<b>GEN03 Contingencies Total</b>	<b>3,559</b>	<b>2,125</b>	<b>500</b>	<b>500</b>	<b>6,684</b>
	IT026 ICT Citizen Interaction					
	Council Contribution	0	0	0	0	0
	<b>IT026 ICT Citizen Interaction Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	IT027 Self Service Kiosk Replacement					
	Council Contribution	100	0	0	0	100
	<b>IT027 Self Service Kiosk Replacement Total</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100</b>
	<b>Corporate Total</b>	<b>9,139</b>	<b>6,660</b>	<b>500</b>	<b>500</b>	<b>16,799</b>
	Education					
	ED100 30 Hours Capital Grant					
	Education Funding Agency	75	0	0	0	75
	<b>ED100 30 Hours Capital Grant Total</b>	<b>75</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>75</b>
	ED188 SEND					
	Education Funding Agency	400	449	0	0	849
	<b>ED188 SEND Total</b>	<b>400</b>	<b>449</b>	<b>0</b>	<b>0</b>	<b>849</b>
	<b>Education Total</b>	<b>475</b>	<b>449</b>	<b>0</b>	<b>0</b>	<b>924</b>
	Housing General Fund					
	DV064 Council Property Investment					
	Council Contribution	1,253	0	0	0	1,253
	<b>DV064 Council Property Investment Total</b>	<b>1,253</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,253</b>
	HS004 Disabled Facilities Grant					
	Better Care Fund	1,500	1,437	0	0	2,937
	<b>HS004 Disabled Facilities Grant Total</b>	<b>1,500</b>	<b>1,437</b>	<b>0</b>	<b>0</b>	<b>2,937</b>
	HS051 Private Sector Empty Homes					
	Council Contribution	469	431	0	0	900
	Homes & Communities Grant	244	93	0	0	337
	Revenue Contribution (NHB)	76	0	0	0	76
	<b>HS051 Private Sector Empty Homes Total</b>	<b>789</b>	<b>524</b>	<b>0</b>	<b>0</b>	<b>1,313</b>
	<b>Housing General Fund Total</b>	<b>3,542</b>	<b>1,961</b>	<b>0</b>	<b>0</b>	<b>5,503</b>
	Investments					
	DV066 Investment in North Tyneside Trading Co					
	Council Contribution	5,249	2,200	0	0	7,449
	Section 106	1,623	0	0	0	1,623
	<b>DV066 Investment in North Tyneside Trading Co Total</b>	<b>6,872</b>	<b>2,200</b>	<b>0</b>	<b>0</b>	<b>9,072</b>
	<b>Investments Total</b>	<b>6,872</b>	<b>2,200</b>	<b>0</b>	<b>0</b>	<b>9,072</b>
	Regeneration					
	CO077 Amberley Playing Field Artificial Grass Pitch					
	Football Foundation Grant	500	0	0	0	500
	Section 106	214	0	0	0	214
	<b>CO077 Amberley Playing Field Artificial Grass Pitch Total</b>	<b>714</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>714</b>
	CO079 Playsites 2019/20					
	Section 106	44	0	0	0	44
	<b>CO079 Playsites 2019/20 Total</b>	<b>44</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>44</b>
	DV054 Spanish City Dome					
	Council Contribution	45	0	0	0	45
	<b>DV054 Spanish City Dome Total</b>	<b>45</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>45</b>

		2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	Total £000
DV058 Swan Hunters Redevelopment						
	Council Contribution	300	0	0	0	300
	LGF	1,885	0	0	0	1,885
DV058 Swan Hunters Redevelopment Total		2,185	0	0	0	2,185
DV067 Northern Promenade						
	Council Contribution	378	0	0	0	378
DV067 Northern Promenade Total		378	0	0	0	378
DV068 Southern Promenade						
	Environment Agency Grant	550	0	0	0	550
DV068 Southern Promenade Total		550	0	0	0	550
DV070 Forest Hall Regeneration						
	Revenue Contribution (Feasibility)	37	0	0	0	37
DV070 Forest Hall Regeneration Total		37	0	0	0	37
EV080 Coast Road Cycle Route						
	Cycle City Ambition Fund	231	0	0	0	231
	Transforming Cities Fund	237	0	0	0	237
EV080 Coast Road Cycle Route Total		468	0	0	0	468
EV082 North Bank of Tyne Infrastructure						
	NELEP Growth Deal	1,214	0	0	0	1,214
EV082 North Bank of Tyne Infrastructure Total		1,214	0	0	0	1,214
EV084 A189 Improvements Haddricks Mill to West Moor						
	DFT National Productivity Fund	2,333	0	0	0	2,333
	Section 106	0	0	0	0	0
	Section 278	1,554	0	0	0	1,554
EV084 A189 Improvements Haddricks Mill to West Moor Total		3,887	0	0	0	3,887
EV087 Air Quality Early Measures Fund						
	DEFRA - Air Quality Grant	350	0	0	0	350
	Transforming Cities Fund	285	0	0	0	285
EV087 Air Quality Early Measures Fund Total		635	0	0	0	635
EV088 Tyne View Terrace Cycleway						
	Transforming Cities Fund	427	0	0	0	427
EV088 Tyne View Terrace Cycleway Total		427	0	0	0	427
EV090 S278 Avant Homes at Killingworth Village						
	Section 278	1,223	0	0	0	1,223
EV090 S278 Avant Homes at Killingworth Village Total		1,223	0	0	0	1,223
GEN12 Local Infrastructure						
	Council Contribution	190	100	100	100	490
GEN12 Local Infrastructure Total		190	100	100	100	490
Regeneration Total		11,997	100	100	100	12,297
General Fund Total		48,662	24,749	12,284	12,284	97,979
HRA						
Housing						
HS015 Refurbishment / Decent Homes Improvements						
	See HRA Financing	21,225	20,664	20,862	21,144	83,895
HS015 Refurbishment / Decent Homes Improvements Total		21,225	20,664	20,862	21,144	83,895
HS017 Disabled Adaptations						
	See HRA Financing	1,041	1,051	1,062	1,072	4,226
HS017 Disabled Adaptations Total		1,041	1,051	1,062	1,072	4,226
HS039 ICT Infrastructure Works						
	See HRA Financing	110	107	108	109	434
HS039 ICT Infrastructure Works Total		110	107	108	109	434
HS041 Housing PFI						
	See HRA Financing	254	0	0	0	254
HS041 Housing PFI Total		254	0	0	0	254

		2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	Total £000
HS044 HRA New Build	See HRA Financing	1,835	5,167	2,692	2,446	12,140
HS044 HRA New Build Total		1,835	5,167	2,692	2,446	12,140
HS050 Construction Options Project	See HRA Financing	1,499	0	0	0	1,499
HS050 Construction Options Project Total		1,499	0	0	0	1,499
Housing Total		25,964	26,989	24,724	24,771	102,448
HRA Total		25,964	26,989	24,724	24,771	102,448
Total £000		74,626	51,738	37,008	37,055	200,427

### Investment Plan Financing

		2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	Total £000
General Fund	Council Contribution	19,504	13,222	5,100	5,100	42,926
	Grants & Contributions	29,045	11,527	7,184	7,184	54,940
	Revenue Contribution	113	0	0	0	113
General Fund Total		48,662	24,749	12,284	12,284	97,979
HRA Financing	HRA Capital Receipts	2,142	5,481	3,748	2,019	13,390
	HRA Revenue Contribution	9,136	8,079	7,702	9,014	33,931
	HRA MRR	12,392	12,825	13,274	13,738	52,229
	HRA House Building Fund Reserve	1,785	604	0	0	2,389
	HRA PFI Reserve	509	0	0	0	509
HRA Financing Total		25,964	26,989	24,724	24,771	102,448
Total£000		74,626	51,738	37,008	37,055	200,427
		0	0	0	0	0

**North Tyneside Council  
Report to Cabinet  
Date: 9 September 2019**

**Title: 2020-2024 Financial Planning and Budget Process incorporating the Associated Engagement Strategy**

<b>Portfolio(s):</b> Elected Mayor  Deputy Mayor  Finance and Resources  Community Safety and Engagement	<b>Cabinet Member(s):</b> Norma Redfearn  Councillor B Pickard  Councillor R Glindon  Councillor C Burdis
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**Report from Service Area:** Finance

**Responsible Officer:** Janice Gillespie, Head of Resources      **Tel:** (0191) 643 5701

**Wards affected:** All

**PART 1**

**1.1 Executive Summary:**

This is the initial report to Cabinet outlining the process to be adopted for the Authority's Financial Planning and Budget process for 2020/21 as part of the proposed framework for the four years 2020/21 to 2023/24. Further reports will follow as part of the process of setting the Authority's Budget for the financial year 2020/21. The next report to Cabinet will be on 25 November 2019, which will outline the initial Cabinet Budget proposals.

This report sets out information in relation to:

- The proposed 2020-2024 Financial Planning and Budget process, including information on the key decision milestones. This will include:
  - A review of the Medium-Term Financial Strategy (MTFS) and Medium-Term Financial Plan (MTFP);
  - Development of the detailed General Fund and Housing Revenue Account Budgets for 2020/21;
  - An update of the Investment Plan and the Treasury Management Strategy; and
  - Budget Engagement Strategy to be adopted as part of the 2020-2024 Financial Planning and Budget process.

**1.2 Recommendation**

It is recommended that Cabinet:

- (a) approves the proposed outline 2020-2024 Financial Planning and Budget process, which incorporates the key decision milestones and dates as set out at Appendix A to this report;
- (b) approves the Budget Engagement Strategy as part of the 2020-2024 Financial Planning and Budget process as set out at Appendix B to this report; and
- (c) authorises the Chief Executive in consultation with the Elected Mayor, Deputy Mayor, Cabinet Member for Finance and Resources, Cabinet Member for Community Safety and Engagement, the Head of Law and Governance and the Head of Resources, to make any changes necessary to the 2020-2024 Financial Planning and Budget process following the outcome of the Constitution review as described in section 1.4.2 of this report.

### **1.3 Forward Plan:**

Twenty eight days' notice of this report has been given and it first appeared on the Forward Plan that was published on 22 July 2019.

### **1.4 Information**

#### Council Plan and Policy Framework

- 1.4.1 The Budget and Policy Framework Procedure Rules are set out in Part 4.7 of the Authority's Constitution. The Budget is guided by paragraph 4.7.3 covering the process for the preparation, consideration and final approval of the Authority's Budget. The constitutional requirements for preparing, considering and approving the Budget, drive the timetable for the Financial Planning and Budget process.
- 1.4.2 The development of the Budget will follow the process laid down in the Authority's Constitution. However, as Cabinet will be aware, the Constitution is presently under review, and that review will include the annual budget approval process. It is expected that any amendments to the process will be the subject of a report to Council at its meeting in November 2019, but it is anticipated that the decision-making meeting of Council to set the Budget and Council Tax level will remain as 20 February 2020. The Financial Planning and Budget process is a fundamental part of the overall governance and assurance framework of the Authority. This in turn provides assurance that the Budget is considered as part of preparing the Annual Governance Statement to Council each year.
- 1.4.3 The priorities in the Council Plan (the "Our North Tyneside Plan") will provide the strategic policy framework within which budget resources will be allocated for 2020-2024.

#### Background

- 1.4.4 The last few years have been uncertain but financial planning for 2020/21 is particularly difficult. The Social Care Green Paper is 2 years late, the promised Comprehensive Spending Review has yet to emerge, the Fair Funding and Business Rates Retention review is in doubt and the future of Government grants such as the Better Care Fund and Troubled Families are also uncertain.
- 1.4.5 The financial outlook for local government and public services as a whole remains challenging. Local government has faced significant funding reductions and these are

likely to continue into the future. In the first Spring Statement presented to Parliament on 13 March 2019, the former Chancellor, Philip Hammond, highlighted recent upturns in economic estimates but the statement also had undertones of caution needed for the years to come.

- 1.4.6 Medium-term financial planning remains difficult and reflects the continuing funding cuts for local government, coupled with welfare reform and with increased demand for social care and other unfunded pressures arising from pay and price inflation. There are indications that many authorities are overspending against budgets for both Adults and Children's Services in order to meet increasing cost due to the increased complexity of service users' needs. These pressures are evident in the Authority and as a consequence the Authority will need to explore new financial and organisational initiatives to meet this significant challenge.
- 1.4.7 At a local level, there are changes in North Tyneside's demography with an increasing population and a growing number of our most vulnerable residents requiring complex health and social care support. The Authority, wherever possible, aims to manage demand as effectively as possible, targeting services at those residents with greatest need. This can only contain, or at best slightly reduce, the overall size of the population in receipt of these services. However, the average cost of these services has risen due to the increased average complexity of the needs of those clients.
- 1.4.8 In the March 2017 Budget, the Government said that it would publish a Green Paper on social care during the summer of 2017 to allow a public consultation to be held. This publication was to set out proposals to ensure that the care and support system would be sustainable in the long-term was then delayed until just before the 2018 Parliamentary summer recess. The paper has been delayed again and it is unclear when the Government intends to publish it. When the Green Paper is published it is also intended that there will be a review of the current functioning and structure of the Better Care Fund to make sure that it supports the Governments future plans for social care.
- 1.4.9 On 10 April 2019 European Union leaders agreed to delay Brexit until 31 October 2019. Due to this, political uncertainty remains high and is causing a delay to many decisions throughout Whitehall. The former Chancellor had announced in the Spring Statement that the Spending Review 2019 (SR19) would be due later in the autumn and would cover the period 2020/21 to 2022/23. However, the current Chancellor, Sajid Javid, announced on 8 August 2019 that there would be a fast-tracked one-year Spending Round to ensure departments can focus on delivering Brexit by 31 October 2019.

Details of the Spending Round have yet to be released but is expected that this will be completed in September 2019. A one-year settlement is likely to be on the basis of a roll-forward with current resources remaining the same as those in 2019/20. In real terms, this would mean that the settlement would be "cash flat" with the potential for additional funding for social care.

- 1.4.10 A one-year settlement will have implications for the Fair Funding Review (FFR) and reform of the Business Rate Retention Scheme (BRRS). The FFR had been scheduled for implementation from April 2020 alongside a move to 75% BRR. Uncertainty will remain as to future local government allocations post 2020/21. Significant risks remain to the Authority's funding around the principles yet to be agreed for fair funding distribution and how the move to 75% BRR is implemented.

- 1.4.11 The current Medium-Term Financial Plan (MTFP) covers the period to the end of 2022/23. Whilst there is a great deal of financial uncertainty, recommended practice suggests that due consideration is given not only to the short-term but to how the Authority will continue to finance its activities in the medium-term. It is therefore recommended at this stage that the MTFP covers the four-year period 2020/21 to 2023/24.

## **1.5 Background**

### Council Plan 2018-2020

- 1.5.1 The current Council Plan (the “Our North Tyneside Plan”) was approved by Council on 15 February 2018. The Plan, which was developed through the North Tyneside Strategic Partnership, sets out the overall vision and policy context within which the Financial Plan and Budget proposals are set. It provides a clear strategic framework for the Authority and its partners to operate within. The Plan also provides the strategic policy context for all financial decisions and delivery of services. This programme is designed to reshape services to ensure that the outcomes set out in the Council Plan can be delivered within the resources allocated through the Financial Planning and Budget Setting process.
- 1.5.2 The Our North Tyneside Plan is focused on ensuring that the Authority works better for its residents. It is supported by three key plans, “We Serve”, “An Ambition for North Tyneside and the Medium-term Financial Plan.

The Plan has three key themes – Our People, Our Places and Our Economy. These themes are based on the Mayor’s priorities for her second term. The Plan includes descriptions of how the organisation will support people in accessing high quality education, deliver regeneration projects across the borough and ensure that North Tyneside is business-friendly. The outcomes for the three themes are set out below:

#### **Our People will:**

- Be listened to so that their experience helps the Council work better for residents.
- Be ready for school – giving our children and their families the best start in life.
- Be ready for work and life – with the right skills and abilities to achieve their full potential, economic independence and meet business needs.
- Be healthy and well – with the information, skills and opportunities to maintain and improve their health, well-being and independence, especially if they are carers.
- Be cared for, protected and supported if they become vulnerable including if they become homeless.
- Be encouraged and enabled to, whenever possible, be more independent, to volunteer and to do more for themselves and their local communities.

#### **Our Places will:**

- Be great places to live by focusing on what is important to local people, such as by tackling the derelict properties that are blighting some of our neighbourhoods.
- Offer a good choice of quality housing appropriate to need, including affordable homes that will be available to buy or rent.

- Benefit from the completion of the North Tyneside Living project and by North Tyneside Council's housing stock being decent, well managed and its potential use maximised.
- Provide a clean, green, healthy, attractive, safe and sustainable environment. This will involve creating a cycle friendly borough, investing in energy efficiency schemes and by encouraging more recycling.
- Have an effective transport and physical infrastructure - including our roads, pavements, street lighting, drainage and public transport.
- Continue to be regenerated in Wallsend and Whitley Bay, through effective public, private and community partnerships, while ambitious plans will be developed for North Shields, Forest Hall and Killingworth.
- Be a thriving place of choice for visitors through the promotion of our award winning parks, beaches, festivals and seasonal activities.

### **Our Economy will:**

- Grow by supporting new businesses and building on our strengths, including our existing world class companies, and small and growing enterprises.
- Be business friendly, ensuring the right skills and conditions are in place to support investment, and create and sustain new high quality jobs and apprenticeships for working age people.
- Continue to support investment in our business parks, units and town centres.

It is these key policy priorities that form the direction of resource allocation when developing the Budget and MTFP.

### Review of the Medium-Term Financial Strategy (MTFS)

1.5.3 The Medium-Term Financial Strategy (MTFS) is developed within the context of the strategic priorities and policy decisions made by Cabinet. This ensures that the Authority's strategic plans can be delivered within the financial resources available. In addition, the MTFS ensures the Authority has a clear financial vision and direction for the medium-term and that Cabinet understands the financial implications of decisions that it is taking.

1.5.4 As part of the 2020-2024 Financial Planning process, a review of the MTFS will be carried out. It is proposed this will set out the following:

- Analysis of the current financial situation, including the main sources of income, the main financial commitments and the levels of reserves currently held;
- Provision of a longer-term financial vision for the Authority which is consistent with the overall strategic aims; and
- A set of actions that set out how the financial vision is to be achieved with appropriate timescales that can be integrated into the medium and short-term financial plans.

1.5.5 The Authority has previously agreed a set of principles as part of the process to develop the MTFP and Budget. These are based on best practice guidance produced by the Chartered Institute for Public Finance and Accountancy (CIPFA) and are set out below:

- 1) The overall financial strategy will be to ensure that the Authority's resources are directed to achieving the Council Plan and associated outcomes. The Authority's strategy will be reviewed on at least an annual basis;

- 2) Overall, Authority spending should be contained within original Budget estimates. If, following monthly budget monitoring, Service budgets are projected to exceed original estimates, plans should be prepared setting out the actions required to ensure spending at the end of the year does not exceed original estimates;
- 3) The Authority will maintain its General Fund Balance at a minimum level of £6.8m at the end of each year, subject to a risk assessment as part of the annual Budget-setting process;
- 4) The Authority will aim to balance its revenue Budget over the period of the MTFP without reliance on the use of the General Fund Balance;
- 5) The Authority will plan for any changes to specific grants/interim funding/financial settlement/legislation;
- 6) The Authority will maintain earmarked reserves for specific purposes which are consistent with achieving its key priorities. The use and level of earmarked reserves will be reviewed at least annually;
- 7) The Authority will continue to improve its approach to efficiency, commissioning and procurement to ensure value for money and to minimise the impact of savings on priority services as well as effectively managing the efficiency programme;
- 8) Opportunities for working in collaboration and partnership and for different ways of working will be identified and developed where this will support the delivery of the Authority's outcomes and improve service efficiency and delivery. This will include the use of wellbeing powers, development of trading opportunities and different business models, and the sourcing and securing of external funding;
- 9) The Authority will consider the use of prudential borrowing to support capital investment to deliver the Council Plan and will ensure that the full costs of borrowing are taken into account when investment decisions are taken;
- 10) The Authority will aim to promote and stimulate strong and sustainable economic growth leading to wellbeing and prosperity for residents and communities, supported by a planned approach to strategic investment managed through the Authority's Investment Plan;
- 11) The Authority will continue to review its strategic assets to maximise the potential to release value for strategic re-investment and to ensure that asset requirements are aligned to the delivery of services across the borough;
- 12) The Authority recognises the impact of increases in Council Tax levels and fees and charges on our residents, many of whom are struggling on relatively low income and low wealth and will therefore balance the need for increases against the delivery of the Our North Tyneside Plan and demand for services. This will include the consistent application of an agreed fees and charges policy;
- 13) The Authority will continue to consider business risk in all decision-making process and, alongside this, will ensure that resources are aligned to reduce any material financial risk to the Authority; and

- 14) The Authority will continue to review its Treasury Management Strategy and the efficient management of debt on an annual basis, with an ongoing focus on delivering safe stewardship.

These principles will be refreshed as part of the update to the MTFs.

#### Housing Revenue Account (HRA)

- 1.5.6 Since April 2019 the Housing Property and Construction service has been delivered by the Authority following the in-sourcing of the Kier Joint Venture. This move will see the Authority benefit from aligning the housing business to the Our North Tyneside Plan, deliver value for money to both the General Fund and the HRA and see greater flexibility between repairs and capital works resources to improve services to customers. The first set of benefits in financial terms, to be realised from the new service will be built into the HRA Business Plan from 2020. This will form part of the HRA Budget proposals which will be reported to Cabinet in November 2019.
- 1.5.7 The 2019/20 financial year marks the end of the four-year period of 1% per annum rent reductions for all housing stock introduced by the Government in the Welfare Reform and Work Act 2016. From April 2020 the Government has announced that rent policy will return to being based on increases of Consumer Prices Index (CPI) + 1% per annum for at least the next 5 years in order to give housing authorities greater planning certainty. The Authority is also facing the impact of the continued roll-out of Universal Credit and other welfare reforms.
- 1.5.8 In October 2018 the former Prime Minister, Teresa May, announced that the HRA borrowing cap would be lifted. This means that in future it is up to the Authority to satisfy itself that any borrowing undertaken for the HRA is prudent, affordable and in line with the principles already applied to the rest of the Authority's Investment Plan. This change will afford cabinet the opportunity to consider alternative approaches to debt management, which may have an impact of increasing the resources available for new build council housing. Cabinet should note however, that any change to the Authority's borrowing policy would need to be approved by Full Council. A review of the
- 1.5.9 The impact of the changes as outlined above will to be considered as part of the updating of the thirty-year HRA business plan, which aims to ensure the long-term viability of the HRA in line with the policy direction of the Mayor and Cabinet and the needs of tenants. The majority of this work has now been concluded, and the options available to Cabinet will be reported as part of the HRA Budget proposals which Cabinet will receive in November. For the purposes of the current Financial Planning and Budget process, a four-year revenue plan will be updated and presented in line with the principles adopted for the General Fund.

#### Investment, Prudential Borrowing and Treasury Management

- 1.5.10 The Capital Investment Strategy is the policy framework document that sets out the principles to be used to guide the allocation of capital investment across all the Authority's Services and informs decisions on capital spending priorities within the Authority's Investment Plan. Investment priorities are considered in the context of the strategic objectives of the Our North Tyneside Plan and other key strategies and plans of the Authority. The Ambition for North Tyneside report adopted by Cabinet on 26 November 2018, articulates the Elected Mayor and Cabinet's ambition for North Tyneside and explains in more detail their future ambitions for each part of the Borough. Delivery of these plans sets the challenge of meeting competing priorities against

limited financial resources. It is intended that a borrowing ceiling will be applied for the Authority in terms of both borrowing requirements and revenue costs.

The Authority's capital investment plans are set out in the Investment Plan, with the latest approved programme covering the period 2019/20 to 2022/23. The effective use of capital resources, including asset management, is fundamental to the Authority achieving its medium and long-term strategic objectives. Capital investment has a significant impact upon the local economy and helps to ensure that the Authority can continue to provide the best possible services and outcomes within North Tyneside.

- 1.5.11 Any capital investment decision will have implications for the Budget. The revenue costs over the lifetime of each proposed capital project are considered when the project is being developed to ensure that the impact can be incorporated within the Authority's financial plans and to demonstrate that the capital investment is affordable. Revenue implications may include the costs associated with supporting additional borrowing, as well as any changes to the running costs associated with the asset or wider benefits to the Authority such as the delivery of ongoing revenue savings or additional income through the generation of business rates, Council Tax or energy revenues.
- 1.5.12 The 2020-2024 Financial Planning and Budget process will include a review of the current Plan and the Capital Investment Strategy with a view to the development of a five-year Investment Plan for the period 2020/21 to 2024/25.
- 1.5.13 The Authority continues to explore external funding possibilities and other resources such as Community Infrastructure Levy (CIL) income, section 106 contributions and section 278 contributions when developing capital projects in order to minimise the borrowing requirement as far as possible. Within the MTFP, assumptions have been made around the level of external funding in the future but detailed work programmes are not committed to until the allocations have been confirmed. Projects and investment plans may therefore be re-prioritised depending on the availability of external funding and alignment with the policy direction of the Elected Mayor and Cabinet.
- 1.5.14 The generation of capital receipts can help to provide resources to support additional capital investment or to reduce the borrowing requirement (therefore the revenue costs). The availability of capital receipts has also reduced in recent years. Currently, no capital receipts have been included within the MTFP projections. If additional capital receipts are generated during the year, this provides the Authority with the flexibility to consider the introduction of additional projects to the Investment Plan or the ability to reduce its borrowing requirements.
- 1.5.15 The Treasury Management Strategy will be reviewed in light of the refreshed Investment Plan and the overall MTFP for both the General Fund and the HRA.

#### Update on developing the 2020-2024 General Fund Financial Plan and Budget

- 1.5.16 Whilst decisions around Budget-setting are approved on an annual basis, the Authority must demonstrate robust medium-term financial and resource planning. Best practice suggests between three and five years as a reasonable financial planning period.
- 1.5.17 Despite the level of uncertainty with regard to local government funding beyond 2019/20, a four-year Financial Plan is in development. This reflects, as far as possible, known pressures and changes but is based on assumptions in local government funding.

- 1.5.18 Local authorities are legally obliged to set a balanced Budget each year, and to ensure that they have sufficient reserves to cover any unexpected events. To legally balance the Budget, the Authority must make spending plans that match the estimated funding available over that time. The gap between available funds and planned net expenditure is referred to as the “funding gap” or efficiency requirement. In essence, the funding gap is the best estimate of additional resources, be those reductions in expenditure or increases in income, needed to cover rising cost pressures and demand for services alongside a reduced amount of funding from the Government and, to a lesser extent, other external sources.
- 1.5.19 Although there is a great deal of uncertainty, it is estimated currently that the Authority will need to close a gap of £31.730m by 2023/24. This funding gap is summarised in Table 1 below. The figures included below do not include any assumptions on Council Tax increases in the period of the MTFP.

However, when estimating the Core Spending Power for North Tyneside the Government has made an assumption that the Authority will increase Band D Council Tax and Adult Social Care (ASC) precept by the maximum available. North Tyneside used its full ASC precept increases in 2017/18 and 2018/19, therefore the maximum increase is 2.99%.

**Table 1: 2020-2024 Indicative MTFP**

	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m	2023/24 £m
Estimated General Fund Base Budget	154.726	155.730	158.531	160.934	161.422
Estimated Growth / Pressures	11.557	13.188	7.263	8.388	9.473
Estimated Resources / Carry Forward General Fund Base Budget	(155.730)	(158.531)	(160.934)	(161.422)	(161.914)
<b>Funding Gap / Efficiencies</b>	<b>10.553</b>	<b>10.387</b>	<b>4.860</b>	<b>7.900</b>	<b>8.981</b>
<b>Cumulative Funding Gap/Efficiencies</b>		<b>10.387</b>	<b>15.247</b>	<b>23.147</b>	<b>32.128</b>

### Financial Sustainability

- 1.5.20 As part of the update of the MTFs and the MTFP full consideration will be given to the Authority’s Reserves and Balances Policy and level of reserves to ensure adequate protection against unforeseen events. Within the existing statutory and regulatory framework, it is the responsibility of the Head of Resources (in her role as Chief Finance Officer) to advise the Authority about the level of reserves that it should hold and to ensure that there are clear protocols for their establishment and use.
- 1.5.21 The Authority, acting on the advice of the Chief Finance Officer, must make its own judgments on the level of reserves and balances taking into account all the relevant local circumstances. These include operational and financial risks, and the arrangements in place to manage them, including adequate and effective systems of internal control. The duties of the Chief Finance Officer in relation to the level of reserves are covered by the legislative framework described in 1.4.1 above. Under the

Local Government Act 2003, the Chief Finance Officer must report to Council on the adequacy of reserves (section 27) and reserve transactions must be taken account of within the required budget monitoring arrangements (section 28).

1.5.22 Setting the level of reserves is just one of several related decisions in the formulation of the financial strategy and the Budget for a particular year. This is carried out as part of the Authority's Financial Planning and Budget process. Account is taken of the key financial assumptions underpinning the Budget, alongside consideration of the Authority's financial management arrangements. In addition to the cash flow requirements of the Authority, the following factors are considered:

- The treatment of inflation and interest rates;
- Estimates of the level and timing of capital receipts;
- The treatment of demand-led pressures;
- The treatment of planned efficiency savings / productivity gains;
- The financial risks inherent in any significant new funding partnerships, major outsourcing arrangements or major capital investment developments;
- The availability of other funds to deal with major contingencies and the adequacy of provisions; and
- The general financial and economic climate in which the Authority operates.

1.5.23 Reserves are reviewed during the financial year and table 2 below shows the estimated use, following review of all General Fund reserves over the period to March 2024:

**Table 2: General Fund Reserves Summary 2018/19 to 2023/24**

Reserves Summary	Closing Balance 31/03/19 £m	Net Contribution(to) / From Reserves					Total
		2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m	2023/24 £m	
General Fund Balances	(6.804)	0.000	0.000	0.000	0.000	0.000	(6.804)
General Fund Reserves	(44.809)	0.781	0.579	0.550	0.550	0.969	(41.380)
General Fund Grants	(3.795)	2.180	0.080	0.080	0.080	0.013	(1.362)
<b>Total Reserves</b>	<b>(55.408)</b>	<b>2.961</b>	<b>0.659</b>	<b>0.630</b>	<b>0.630</b>	<b>0.982</b>	<b>(49.546)</b>

1.5.24 In assessing the adequacy of reserves, consideration is given to the level of un-earmarked reserves available for the management of financial risk to the Authority. The General Fund reserves total of £44.809m includes £22.468m of earmarked reserves, and £22.341m of un-earmarked reserves. The un-earmarked reserves are made up of the following:-

- Strategic Reserve
- Support Change Fund Programme Reserve
- Redundancy and Remuneration Reserve

There is anticipated use of the Redundancy & Remuneration Reserve and the Support Change Fund Programme Reserve over the period of the MTFP leaving the Strategic Reserve as the only material reserve which is un-earmarked.

1.5.25 Table 3 below sets out the level of un-earmarked General Fund reserves held at the end of the 2018/19 financial year and the forecast position at 31 March 2024 as a proportion of Gross Expenditure Budget and General Fund Net Revenue Budget over the period of the MTFP.

**Table 3: Reserves comparison for 2018/19 against North Tyneside Gross Expenditure and net General Fund Budget**

	<b>2018/19 Balance £m</b>	<b>Forecast 2023/24 Balance £m</b>
Strategic Reserve	14.597	14.597
Support Change Fund Programme	4.894	2.894
Redundancy & Remuneration Reserve	2.850	2.850
<b>Total Usable Reserves</b>	<b>22.341</b>	<b>20.341</b>
Gross Expenditure Budget	354.696	379.062
Reserves as a % of Gross Expenditure Budget	6.30%	5.37%
General Fund Net Revenue Budget	154.725	161.914
Usable Reserves as a % of General Fund Net Revenue Budget	14.44%	12.56%

1.5.26 There are many factors involved when considering appropriate levels of reserves which need to be assessed by individual local authorities. Included in the 2018/19 Annual Completion Report from the external auditor was a comparison across the LA7 region of levels of balances. This indicated that un-earmarked reserves within North Tyneside are lower than most in the region.

1.5.27 The Chief Finance Officer considers that these reserve levels are adequate, particularly when considered against the degree of uncertainty surrounding local government finance. She also considers that the Strategic Reserve should be sustained at least at this level over the period of the four-year MTFP.

#### Equality and Diversity Considerations

1.5.28 The Authority has specific responsibilities under the Equality Act 2010 and Public Sector Equality Duty. Part of this is to ensure that the potential effects of decisions on those protected by the equalities legislation are considered prior to any decision being made. The Authority will continually monitor the effect of our Budget-setting process and decision-making by using equality impact assessments.

1.5.29 Full impact assessments will be included in all proposals for inclusion with the initial Budget proposals in November 2019 in order to be available to Cabinet when it further considers the MTFP and Budget proposals on 25 November 2019. An equality impact assessment is also carried out on the proposed Budget Engagement Strategy.

The Public Sector Equality Duty of the 2010 Equality Act requires that public sector organisations publish information annually relating to people with protected characteristics who are its employees or are affected by its policies and practices. In addition, at least once every four years, organisations should include consideration of

the equality objectives the organisation thinks it should achieve to meet the general equality duty.

The Authority fulfilled this duty by publishing its Annual Equality and Diversity Review in June 2019. A report outlining the review was presented to Cabinet on 29 July 2019, in accordance with the Authority's Equality and Diversity Policy governance arrangements.

### 2020/21 Financial Planning and Budget process Timetable of Key Decision Milestones

- 1.5.30 Key aspects of the 2020/21 Financial Planning and Budget process timetable are set out at Appendix A to this report. This highlights key decision milestones in the process.
- 1.5.31 The Elected Mayor and Cabinet are responsible for formulating the Authority's Budget. The Cabinet Member for Finance and Resources, in close consultation with the Elected Mayor, has been nominated as the lead Cabinet Member for the overarching 2020-2024 Financial Planning and Budget process. The Head of Resources will be the project sponsor.

### The Budget Engagement Strategy

- 1.5.32 North Tyneside Council is committed to being an organisation that works better for residents and to ensure that it listens and cares. This commitment includes giving residents and other key stakeholders an opportunity to be involved in the Financial Planning and Budget process.
- 1.5.33 The aim of the Budget Engagement Strategy is to reach different sectors of the population through an approach that encompasses engagement with residents as a whole and customers/users of services as well as particular groups of people, including those with protected characteristics. The approach also ensures reach with particular interest groups such as carers, older people, children and young people, council housing tenants. The Budget Engagement Strategy also ensures targeted activity with specific external and internal stakeholder groups. Full details of the Budget Engagement Strategy are set out at Appendix B to this report.

## **1.6 Decision options:**

- 1.6.1 The Authority's Constitution and Budget and Policy Framework Procedure Rules set out the stages to be completed in relation to agreeing the Budget of the Authority. There are no other options available in relation to this. The Budget Engagement Strategy forms part of the 2020-2024 Financial Planning and Budget process.
- 1.6.2 Cabinet is referred to the legal requirements as stated in paragraph 2.2 of this report.

## **1.7 Reasons for recommended option:**

- 1.7.1 The reasons for the recommendations are mainly legal in nature, as stated in paragraphs 2.1 and 2.2 of this report.

## **1.8. Appendices:**

Appendix A – 2020/21 Financial Planning and Budget process: Timetable of Key Milestones

Appendix B – 2020/21 Budget Engagement Strategy

## 1.9. Contact officers:

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### Background information:

The following background papers/information have been used in the compilation of this report and are available at the office of the author:

- (a) Authority's Constitution and Budget and Policy Framework Procedure Rules

[http://www.northtyneside.gov.uk/pls/portal/NTC\\_PSCM.PSCM\\_Web.download?p\\_ID=566296](http://www.northtyneside.gov.uk/pls/portal/NTC_PSCM.PSCM_Web.download?p_ID=566296)

N.B. The Budget and Policy Framework can be found at part 4.7 of the Constitution.

- (b) 2018-2020 Our North Tyneside Plan

[Our North Tyneside Plan 2018-2020 | North Tyneside Council](#)

- (c) Treasury Management Strategy

[https://my.northtyneside.gov.uk/sites/default/files/meeting/related-documents/cabinet%20ex%20agenda%20for%2021%2001%202019\\_0.pdf](https://my.northtyneside.gov.uk/sites/default/files/meeting/related-documents/cabinet%20ex%20agenda%20for%2021%2001%202019_0.pdf)

(Annex 1, Section 8, page 61)

## PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

### 2.1 Finance and other resources

- 2.1.1 The financial implications arising from the outcomes of this report will be appraised as part of the decisions made as to what will be included in the Authority's 2020-2024 MTFP, incorporating the 2020/21 Budget-setting process. Decisions on the Budget in relation to the General Fund, Housing Revenue Account, school's funding and the Investment Plan need to be made within the overall context of the resources available to the Authority and within the legal framework for setting budgets. The Authority will need to examine closely the links with key funding partners and their proposed financial plans, including an assessment of the impact of any grant fall-out over the proposed four-year resource-planning period.
- 2.1.2 Cabinet and Council need to have due regard to the Chief Finance Officer's advice in relation to the levels of reserves and balances proposed as part of the four-year MTFP for 2020-2024 in accordance with the Authority's Reserves and Balances Policy most recently agreed by Council on 21 February 2019.
- 2.1.3 The only direct financial implications arising from this report will be any residual costs arising from support for engagement activity. These costs will be met from existing budgets.

2.1.4 The Budget Engagement Strategy for 2020/21 will, in part, help to inform decisions about what will be included in the four-year MTFP for 2020-2024.

## **2.2 Legal**

2.2.1 The Local Government Finance Act 1992 requires the Authority to set a balanced budget in the context of the resources available, including Government grants, business rates and Council Tax income.

2.2.2 The Local Government Act 2003 imposes duties on local authorities in relation to budget setting. The Act requires that, when an authority is deciding its annual Budget and Council Tax level, members and officers must take into account a report from the Chief Finance Officer on the robustness of the Budget and the adequacy of the Authority's financial reserves. The Government has a back-up power to impose a minimum level of reserves on an authority that it considers to be making inadequate provisions.

2.2.3 The Council has agreed that the Council Plan is part of the policy framework (as a "local choice" plan) and as such it must be agreed in accordance with the rules of procedure relating to the Budget and Policy Framework (Part 4.7 of the Authority's Constitution).

2.2.4 The 2020-2024 Financial Planning and Budget process has been prepared to comply with the timescales required within the Budget and Policy Framework Procedure Rules contained within the Authority's Constitution. Decision-making in relation to the Housing Revenue Account is the responsibility of Cabinet, in accordance with section 9D of the Local Government Act 2000 (as amended).

## **2.3 Consultation/community engagement**

### **2.3.1 Internal consultation**

Consultation has been carried out with the Elected Mayor, Deputy Mayor, and the Cabinet Member for Finance and Resources, the Cabinet Member for Community Safety and Engagement, the Chief Executive and the Senior Leadership Team. At the appropriate stage in the process, and the Budget proposals will be scrutinised as set down in the Authority's Constitution and Budget and Policy Framework Procedure Rules.

### **2.3.2 External consultation / engagement**

The Budget Engagement Strategy for 2020/21 as outlined in this report sets out the process by which residents and other stakeholders will be involved in the consultation on the 2020/21 Budget as part of the 2020-2024 Financial Planning and Budget process.

## **2.4 Human rights**

All actions and spending contained within the Budget are fully compliant with national and international human rights law. This will be detailed as part of the Financial Plan and Budget at the appropriate stage in the process. For example, Article 10 of the European Convention on Human Rights guarantees freedom of expression, including the freedom to 'hold opinions and to receive and impart information and ideas'. Article 8 of the Convention guarantees the right to respect for private and family life.

## **2.5 Equalities and diversity**

In undertaking the process for the Budget the Authority's aim will at all times be to secure compliance with its responsibilities under the Equality Act 2010 and in particular the Public Sector Equality Duty under that Act.

To achieve this the Authority will be taking a phased approach:

- An Equality Impact Assessment will be carried out on the proposals for the Budget Engagement Strategy. The aim will be to remove or minimise any disadvantage for people wishing to take part in the engagement activity. The Authority will make direct contact with groups representing persons with protected characteristics under the Equality Act 2010 to encourage participation and provide engagement in a manner that will meet their needs. Appendix B outlines the approach the Authority is taking.
- The outcome of any decisions made following engagement activity will be subject to further Equality Impact Assessment.

## **2.6 Risk management**

Individual projects within the Budget are subject to full risk reviews. For larger projects, individual project risk registers are / will be established as part of the Authority's agreed approach to project management. Risks will be entered into the appropriate Service or Corporate / Strategic Risk Register(s) and will be subject to ongoing management to reduce the likelihood and impact of each risk.

## **2.7 Crime and disorder**

- 2.7.1 Individual proposals within this report do not themselves have direct implications for crime and disorder. However, ultimately decisions may be made and considered as part of the overall Financial Planning and Budget process, as set down in this report. These will be detailed as part of reporting the Budget at the appropriate stage in the process.
- 2.7.2 Under the 1998 Crime and Disorder Act, local authorities have a statutory duty to work with partners on the reduction of crime and disorder. This is fulfilled through the Safer North Tyneside partnership within the framework of the North Tyneside Strategic Partnership.

## **2.8 Environment and sustainability**

The proposals within this report do not themselves have direct implications in relation to the environment and sustainability. However, ultimately decisions may be made and considered as part of the overall Financial Planning and Budget process of the Authority, as set down in this report. These will be detailed as part of the Budget at the appropriate stage in the process.

### **PART 3 - SIGN OFF**

- Chief Executive  X
- Head(s) of Service  X
- Mayor/Cabinet Member(s)  X
- Chief Finance Officer  X
- Monitoring Officer  X
- Head of Corporate Strategy and Customer Services  X

## Appendix A

### 2020-2024 Financial Planning and Budget Process

#### Timetable of Key Milestones for 2020/21

<b>Date / Meeting</b>	<b>Detail</b>
9 September 2019 <b>Cabinet</b>	Cabinet approves the 2020-2024 Financial Planning and Budget process, incorporating the associated Engagement Strategy.
9 September 2019 <b>Cabinet</b>	Cabinet agrees the 2020/21 Council Tax Support Scheme for consultation.
10 September 2019 to 28 October 2019	Public consultation period on the 2020/21 Local Council Tax Support Scheme.
25 November 2019 <b>Cabinet</b>	Cabinet considers its 2020-2024 initial Budget proposals in relation to General Fund, Schools, Housing Revenue Account & Investment Plan for 2020-2024.
25 November 2019 <b>Cabinet</b>	Cabinet considers the outcomes of the consultation on the 2020/21 Council Tax Support Scheme and proposes a scheme for Council to consider on 16 January 2020.
26 November 2019	Notice of Objection process for the 2020/21 Budget commences.
26 November 2019	Budget and Council Plan engagement process begins. Ends in January 2020.
December 2019 <b>Scrutiny Process</b>	Scrutiny of the 2020-2024 Financial Planning and Budget process.
Mid December 2019	Estimated timing of the 2020/21 Provisional Local Government Finance Settlement.
13 January 2020 <b>Overview, Scrutiny and Policy Development Committee</b>	Overview, Scrutiny and Policy Development Committee considers the results of its review of the 2020-2024 Financial Planning and Budget and Council Plan process.
16 January 2020 <b>Council</b>	Council considers the proposed 2020/21 Local Council Tax Support Scheme from Cabinet and agrees or amends the scheme for 2020/21.

<b>Date / Meeting</b>	<b>Detail</b>
20 January 2020 <b>Cabinet</b>	Cabinet approves the final proposals in relation to the 2020/21 Housing Revenue Account budget and associated Business Plan, including an assessment in relation to the current year's budget monitoring information (2019/20). In addition, Cabinet will agree the Annual Housing Rent policy for 2020/21.
20 January 2020 <b>Cabinet</b>	Cabinet considers its Budget proposals for 2020-2024 in relation to General Fund Revenue, Schools & Investment Plan for 2020-2024, taking into account feedback received as part of Budget Engagement and any recommendations from Overview and Scrutiny and Policy Development Committee.
20 January 2020 <b>Cabinet</b>	2020/21 Council Tax Base agreed by Cabinet.
21 January 2020 <b>Overview, Scrutiny and Policy Development Committee</b>	Overview, Scrutiny and Policy Development Committee/Budget Study Group as appropriate considers Cabinet's final Budget proposals.
27 January 2020 <b>Cabinet</b>	Cabinet meeting to consider any recommendations of the Overview and Scrutiny Budget Study Group following its review of the Cabinets 2020/21 Budget and Council Tax proposals.
6 February 2020 <b>Council</b>	Cabinet submits to the Council its estimates of amounts for the 2020-2024 Financial Plan and 2020/21 Budget & Council Tax levels
18 February 2020	4pm deadline for responses to the Authority's Notice of Objection
20 February 2020 <b>Council</b>	Reconvened Council meeting to consider Cabinet's estimates of amounts for the 2020-2024 Financial Planning and Budget process and Council Tax levels. Consideration of any responses to the Notice of Objection.
24 February 2020 (if required) <b>Cabinet</b>	<p>Cabinet Meeting to consider any objections to Cabinet's Budget and Council Plan proposals.</p> <p>The Cabinet meeting on 24 February 2020 is now a scheduled meeting with other items of business and will proceed even where no objections are approved.</p>

5 March 2020 (if required) <b>Council</b>	Council meeting to agree the Budget for 2020/21, the Council Tax level for 2020/21 and the Investment Plan for 2020-2024
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\* This timetable may change as a result of the current review of the Authority's Constitution, including the annual Budget approval process.

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## **2020/21 Budget Engagement Strategy**

North Tyneside Council is committed to being an organisation that works better for residents and to ensure that it listens and cares. This commitment includes giving residents and other key stakeholders an opportunity to be involved in the Financial Planning and Budget process.

The Authority's overall approach to engagement ensures that the public have opportunities to have their say throughout the year, through a series of different methods, including engaging with the Elected Mayor, Cabinet and ward members through activities such as the Mayor Listens Events and Community Conversation activities. We also offer a broad range of both on-line and face to face engagement or consultation exercises on different key issues as well as our annual Resident's Survey.

In all of its engagement activity, the Authority is committed to ensuring that residents with protected characteristics, as set out in the 2010 Equality Act, are able to participate. In line with this an Equality Impact Assessment has been undertaken on the 2020/21 Budget Engagement Strategy and this is available on request.

In line with the proposed 2020-2024 financial planning and budget process as set out in Appendix A, engagement on Cabinet's initial budget proposals will take place from November 2019 to January 2020. The engagement approach is set out below .

### **Target Audiences**

The aim of the budget engagement strategy is to reach different sectors of the population through an approach that encompasses engagement with residents as a whole and customers/users of services as well as particular groups of people, including those with protected characteristics. The approach also ensures reach with particular interest groups such as carers, older people, children and young people, council housing tenants.

The engagement strategy also ensures targeted activity with the following specific external and internal stakeholder groups :

#### External stakeholder groups

- North Tyneside Strategic Partnership
- Businesses
- Schools and education sector
- Voluntary and community sector (including faith groups)

#### Internal stakeholder groups:

- Elected Members
- Staff
- Strategic Partners (Engie and Capita)
- Trade Unions

### Approach

Our approach aims for maximum reach by offering a range of different opportunities for people to have their say. In line with the Authority's corporate engagement strategy the approach will be consistent with the following principles

- Inclusive - making sure that everyone is able to engage in the process
- Clear - being clear on the aims of the engagement activity at the outset and the extent to which residents and others can be involved
- Integrated - ensuring that engagement activities are joined up with the relevant decision making processes
- Tailored - aiming to better understand our audience and using different methods appropriately to enable and encourage people to be involved
- Feedback - giving feedback through agreed channels when engagement activity is completed
- Timely - aiming to give sufficient notice to make opportunities available to all and taking into account those times when it is more appropriate to engage depending on the target audience.

Budget engagement activity for the 2020/21 budget will comprise

- providing clear information about the Financial Planning and Budget process in the Autumn edition of the Our North Tyneside magazine. This will include information about this engagement strategy and how people can have their say throughout the process including how to join the Residents Panel to do so;
- in November 2019, publishing information about Cabinet's initial budget proposals. This will be published online via the Council's website and at front line locations including the Community Conversation corners in the four Customer First centres. Feedback will be able to be provided by residents and others via a questionnaire either on-line or at these front line locations. This will be supported by communications activity via the media and social media to ensure that people know they can get involved in this way;
- there will also be opportunities for face to face engagement with lead officers and Cabinet members during November/December 2019. These will also be publicised via communications activity in the media and social media and at all key front line outlets including : libraries; Customer First Centres; community centres and leisure centres. These face to face sessions will comprise;

- four drop-in events (one at each of the Customer First centres);
- three in-depth sessions with the Residents Panel (which any resident can join). These sessions will provide people with the opportunity to gain an understanding of the Council's budget and to be able to appraise in detail the initial budget proposals and then provide feedback; and
- engagement sessions for the following internal and external stakeholder groups
  - staff
  - businesses
  - schools
  - children and young people
  - community and voluntary sector
  - Trade Unions,
  - North Tyneside Strategic Partnership
  - older people
  - carers
  - groups representing people with protected characteristics under the Equality Act 2010.

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## North Tyneside Council Report to Cabinet Date: 9 September 2019

### ITEM 5(c)

Title: Risk Based  
Verification

**Portfolio(s): Finance and Resources**

**Cabinet Member(s): Councillor Ray  
Glindon**

**Report from Service**

**Area: Resources**

**Responsible Officer: Janice Gillespie, Head of Resources (Tel: (0191) 643  
5701)**

**Wards affected: All Wards**

### PART 1

#### **1.1 Executive Summary:**

The purpose of this report is to seek approval from Cabinet to make changes to the verification of evidence to support Housing Benefit and Council Tax Support claims.

#### **1.2 Recommendation(s):**

**1.2.1** It is recommended that Cabinet agree that the Authority replaces its current Risk Based Verification approach to verifying incomes of those claiming Housing Benefit and Council Tax Support in line with 1.6 of this report.

#### **1.3 Forward Plan:**

**1.3.1** Twenty eight days notice of this report has been given and it first appeared on the Forward Plan that was published on 30 July 2019.

#### **1.4 Council Plan and Policy Framework**

This report does not link directly to priorities identified in the 2018-2020 Our North Tyneside Plan.

#### **1.5 Information:**

##### **1.5.1 Background**

**1.5.2** On 9 March 2015 the Benefits Service sought approval from Cabinet to implement a Risk Based Verification (RBV) process to administer new claims to Housing Benefit (HB) and Council Tax Benefit Support (CTS). RBV is a process that involves using a system that places new claims for HB and CTS into one of three risk groups: low, medium or high risk with each group having a set verification of income criteria that has to be met.

**1.5.3** Cabinet were asked to approve the RBV approach because the number of new claims to HB and CTS was steadily rising (in 2014/15 over 10,500 new claims were processed).

RBV provided an opportunity to improve administration and reduce the burden on claimants to provide as much evidence to support their claims. There was also the potential to drive out fraud and error by targeting higher risk claimants to provide more evidence in support of their claims.

- 1.5.4 Cabinet agreed that it was appropriate at that time to move to using a RBV process to administer new claims, so Engie procured a system provided at that time by Coactiva, (now Transunion), and on the 1<sup>st</sup> April 2015, RBV was implemented.
- 1.5.5 In 2015/16 the number of new claims received peaked to over 11,000 per annum and RBV allowed the Authority to process these claims without the need to request large amounts of evidence from claimants. This improved administration and the speed of processing claims improved from an average of 32 days for HB in 2014/15 to 24 days in 2015/16.
- 1.5.6 From November 2015 the Authority was part of the national roll out of the Universal Credit Live Service, and in May 2018 Universal Credit Full Service was implemented. Both of these changes have had an impact on the number of new claims to HB that the Authority deals with as working age claimants now claim housing costs through Universal Credit. Alongside this, the number of new claims for CTS is also reducing. In 2018/19 the overall number of new claims the Authority dealt with annually had reduced to less than 8,000 and is expected to drop further up to and following full migration of working age claimants to Universal Credit.
- 1.5.7 The profile of new claims for HB the Authority deals with is changing and the majority are now from pensionable age claimants, with the remaining working age claims from those in supported or temporary accommodation or claimants entitled to a Severe Disability Premium.
- 1.5.8 Since 2015 when RBV was implemented the Authority has also seen significant improvements in the access to data provided by the Department for Work and Pensions (DWP). This allows the Authority to verify the state benefits of claimants and receive direct notification from DWP systems when incomes change. For CTS claimants receiving Universal Credit, DWP also provide a notification to the Authority of the income they have used in awarding UC including details of earnings. A further recent development now means the Authority also have access to earned income and private pension data held on Her Majesty's Revenue and Customs (HMRC) systems.
- 1.5.9 These improvements in access to data, the reducing number of new claims, and the change in profile of new claims, has led the Service to consider whether there is still a need for RBV and whether the Service could still process claims effectively without risk to the Authority, without using it.
- 1.5.10 The number of new claims processed has been tracked since RBV was implemented in April 2015 (shown in Table 1 – Claims Data). This shows that the number of claims had started to reduce from 2016 but that in 2018 the reduction was considerably higher and additionally the first three months of 2019/20 also continues to show a significant reduction.

Table 1 – Claims Data

<b>Year</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Annual number of new claims	11,013	10,514	9,904	7,750	*1,609
Average claims per month	918	876	825	658	536
Reduction in monthly claims from previous year		-42 (5%)	-51 (6%)	-167 (20%)	** -122 (19%)

\*This is based on three months data (April, May and June)

- 1.5.11 The systems that provide the Authority with data direct from DWP and HMRC have also been examined, and it is considered that because of developments in these systems, that they now provide sufficient accurate information that is reliable for assessing entitlement to HB and CTS and there is often no need to request evidence from the customer in most cases.
- 1.5.12 Fraud and error in claims has also been examined and it was found since 2015/16 the creation of overpayments has reduced over the years but there is no conclusive evidence to suggest it was down to RBV. This is because there have been a number of DWP initiatives over the years that have improved accuracy of data and notifications of changes so there is less scope for error to occur.
- 1.5.13 Finally the cases categorised as high risk were considered. The system (Transunion) provides no reason for a case meeting a high risk category and it was found that in most cases the reason for it being high risk could not be established. After carrying out the additional checks required as part of the policy the cases were put into payment as there was no reason for the payment to be withheld, but claims had been delayed whilst the additional checks were carried out which impacts on processing times.
- 1.5.14 Whilst it is considered that there is no real value to continue to use RBV in benefit processing, the Authority still needs a framework in which to ensure that evidence in support of claims are verified to a standardised process to ensure accuracy and accountability.

An alternative to RBV

- 1.5.15 Prior to moving to a RBV the Service used a standard approach to verify income, which is similar to that applied to the high risk group under RBV for HB claims. This involved requesting original evidence. This would be now appropriate to use in HB cases as the reduced number of claims and change in profile of new claims makes this now a more manageable option. (CTS cases would still follow medium risk under RBV which allows photocopies as well as originals). The improved access to data on DWP and HMRC systems provides quicker more accurate information and removes the need to verify income with the customer in the majority of cases; only in a very limited number of cases would there be a need to request the customer to provide supporting evidence. Many

Authorities use this approach so North Tyneside would not be out of line with what others are using to verify incomes. Details of what evidence is required under this approach are shown at Appendix 1 – Evidence Required for New Claims.

## **1.6 Decision options:**

The following decision options are available for consideration by Cabinet:

### Option 1

Cabinet agrees that the Authority adopts a different approach to RBV to verify claims for HB and CTS Claims (set out at Appendix 1).

### Option 2

Cabinet may choose to reject Option 1 and ask that the Service consider an alternative approach.

Option 1 is the recommended option.

## **1.7 Reasons for recommended option:**

Option 1 is recommended for the following reasons:

- performance will not be affected;
- the reducing number of claims and the changing profile means there is no longer a need for an RBV approach to verifying income;
- the access to data from DWP and HMRC has improved the availability of accurate and reliable data to confirm claimant's incomes so an RBV approach is no longer required; and
- there may be savings to Engie as there will no longer be a need to pay for RBV software. (Any reduction in cost to administer HB and CTS claims will be part of a future review of service delivery.)

## **1.8 Appendices:**

Appendix 1: Evidence Required for New Claims

Appendix 2: Equality Impact Assessment

## **1.9 Contact officers:**

Janice Gillespie, Head of Resource, tel. (0191) 643 5701

Andrew Scott, Senior Client Manager, Revenues, Benefits and Customer Service, tel. (0161) 643 7150

Tracy Hunter, Client Manager Revenues, Benefits and Customer Service, tel. (0161) 643 7150

## **1.10 Background information:**

The following background papers/information has been used in the compilation of this report and are available at the office of the author:

- (1) [Cabinet Report: Risk Based Verification - 9 March 2015](#)
- (2) [Appendix to Cabinet Report: Risk Based Verification - 9 March 2015](#)

## **PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING**

### **2.1 Finance and other resources**

There are no negative financial implications with changing the process around verification of income for new claims. Any savings made to Engie as part of not requiring a RBV system will be part of future discussions around reductions in the overall cost to administer the Benefits Service.

### **2.2 Legal**

The Housing Benefit Regulations 2006 provide that claimants must furnish the Authority with documentation and/or information that may be reasonably required by the Authority in order for it to determine that person's entitlement to the benefit claimed. The Regulations do not impose a requirement on the Authority as to what specific information and evidence should be obtained from a claimant but do require it to obtain information which will enable an accurate assessment of entitlement to benefit to be made. The Authority's Council Tax Support Scheme includes a similar requirement.

There is however a requirement that all claims for HB includes verification of original documentation for identity.

### **2.3 Consultation/community engagement**

Internal Consultation

Discussions with the Lead Member for Finance and Resources and the Head of Resources have taken place. Internal Audit have been made aware that a proposal will be made to Cabinet to change the way the verification of claimants incomes in relation to HB and CTS claims is being made.

### **2.4 Human rights**

There are no human rights implications directly arising from this report.

### **2.5 Equalities and diversity**

An EIA has been carried out and it did not identify any groups with protected characteristics that would be impacted by this change.

### **2.6 Risk management**

The use of DWP and HMR data ensures claims are processed using accurate and reliable information.

A suite of Key Performance Indicators (KPI's) around the processing of new claims and overpayments created is managed through a monthly Partnership reporting mechanism. Overpayment creation is also managed through monthly budget monitoring. These will monitor performance to ensure claims processing and overpayments created are not adversely effected by changing the recommended verification process.

### **2.7 Crime and disorder**

There are no crime and disorder implications directly arising from this report.

## 2.8 Environment and sustainability

There are no environment and sustainability implications directly arising from this report.

### PART 3 - SIGN OFF

- Chief Executive  X
- Head(s) of Service  X
- Mayor/Cabinet Member(s)  X
- Chief Finance Officer  X
- Monitoring Officer  X
- Head of Corporate Strategy and Customer Service  X

## Appendix 1 – Evidence Required for New Claims

Key: Originals (O)/ Photocopies (P)

Type of Evidence	Sub Type	Housing Benefit	Council Tax Support
<b>Identity (ID) and National Insurance (NI) for claimant and partner</b>	Identity	O	
	National Insurance	O	O or P
<b>Residency/Rent</b>	Private Tenants	O	O or P
	Social Landlords	O	O or P
	Registered tenant	O	O or P
	*Council Tenancy		
<b>Household composition</b>	Dependants	O	O or P
	**Non-dependents income	O	O or P
<b>Income</b>	**State Benefits/Tax Credits		
	**Earnings/SMP/SSP		
	Self-employed earnings	O	O or P
	Other income	O	O or P
<b>Expenses</b>	Child care costs, private pension contributions etc	O	O or P
<b>Student</b>	Student status and income	O	O or P
<b>Capital</b>	Above lower capital limit	O	O or P
	Property	O	O or P

\* This is automatically provided from North Tyneside Homes via the Northgate system.

\*\*These can be verified via Customer Information System (CIS), other DWP information or HMRC data where possible.

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## Appendix 2 – Equality Impact Assessment for removing Risk Based Verification of Housing Benefit and Council Tax Support new claims

### Equality Impact Assessment (EIA)

The separate EIA guidance notes outline what should be included for each section. Please read them before you begin. If you have any queries, contact your Corporate Equality Group rep, or the Engagement Team on 643 2828.

#### 1. Author, service area, date

*Tracy Hunter, Finance*

#### 2. Who else has been involved in writing this EIA?

*Andrew Scott, Client Manager Revenues, Benefits and Customer Service*

#### 3. What proposal is this EIA assessing?

Page 87 To remove the current Risk Based Verification (RBV) process and replace it with a manual process.

#### 4. What is the purpose of your proposal and what is it expected to achieve?

Allow the Authority to implement a manual process of verifying incomes in relation to new claims for Housing Benefit and Council Tax Support. Since the implementation of RBV in April 2015 which provided an automated system to identify the level of evidence required for new claims, new developments have meant that the Department for Work and Pensions (DWP) and Majesty's Revenue and Customs (HMRC) systems now provide significant access to data to verify state benefits, earnings and pensions. This access means that claimants will now very rarely have to provide evidence themselves as we will utilise DWP and HMRC data to verify incomes.

#### 5. Is there any relevance to the aims of the public sector equality duty? *Write your answers in the table*

Aim	Yes, No, or N/A	Details if 'yes'
Eliminate unlawful discrimination, victimisation and harassment	N/A	
Advance equality of	Yes	By considering the different characteristics and needs of claimants to ensure that we

opportunity between people who share a protected characteristic and those who do not		treat all claimants fairly.
Foster good relations between people who share a protected characteristic and those who do not	N/A	

**6. Analysis by characteristic** *Write your answers in the table*

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Protected characteristic	Potential positive or negative impact?	Explanation and evidence
All protected characteristics	No	All claimants regardless of any characteristic will be asked to provide evidence where it is appropriate. The level of evidence required is based on the type of income the claimant has. The LA will only request evidence where it is not obtainable through DWP and HMRC systems.
Age	No	
Disability	No	
Gender	No	
Gender reassignment	No	
Marriage and civil partnership status	No	
Pregnancy and maternity	No	
Race	No	
Religion or belief	No	
Sexual orientation	No	

**7. Have you carried out any engagement in relation to this proposal? If so, what?**

- We have discussed the process with the Head of Finance and the impact on administration of Housing Benefit and Council Tax Support claims.
- The Lead member for Finance and Resources has also been consulted.

**8. Is there any information you don't have that you need to find?**

No

**9. What actions are already in place, or will be taken, to remove or reduce potential negative impacts? (add more lines to the table if you need to) *Write your answers in the table***

Action	Responsibility	Timescale

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**10. Are there any potential negative impacts that cannot be removed or reduced? If so, why is this?**

No negative impacts have been identified. We will carry out regular reviews of this process to ensure that no negative impacts emerge.

**11. Based on your conclusions from this assessment, what are your next steps?**

Cabinet will consider the report on the change in process on 9 September 2019.

**12. How will the impact of this proposal be monitored after it is introduced?**

We will have regular review meetings with the operational manager to discuss outcomes of this new process and any emerging issues.

**13. When will this EIA be reviewed?**

The EIA will be reviewed annually.

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## North Tyneside Council Report to Cabinet Date: 9 September 2019

### ITEM 5(d)

Title: Review of the North  
Tyneside Contaminated  
Land Strategy

<b>Portfolio:</b> <b>Community Safety and Engagement</b>	<b>Cabinet Member:</b> <b>Councillor Carole Burdis</b>
<b>Report from Service Area:</b>	<b>Environment, Housing and Leisure</b>
<b>Responsible Officer:</b>	<b>Phil Scott</b> <b>Head of Environment, Housing and Leisure</b>
<b>Wards affected:</b>	<b>All</b>
	<b>Tel: (0191) 643 7295</b>

### PART 1

#### 1.1 Executive Summary:

Part 2A of the Environmental Protection Act 1990 requires every local authority to produce a Contaminated Land Strategy (“the Strategy”) setting out how it will identify and deal with contaminated land within its area. The Authority has a published Strategy which was last reviewed and updated in 2014 and incorporated revised government guidance issued at that time.

This report to Cabinet presents an updated draft Strategy and seeks permission to delegate authority to the Head of Environment, Housing and Leisure to commence a process of public engagement with the statutory bodies who are consultees to the Planning process, developers, businesses and the wider public using the Authority’s Engagement Hub as a means of publicising it.

The Local Plan, approved by Council in July 2017, emphasises that new development must be made suitable for its use and enables contaminated land to be brought back into beneficial use. This updated draft Strategy links to the Local Plan and takes account of the latest national guidance on contaminated land matters and updates the work programme.

#### 1.2 Recommendation:

It is recommended that Cabinet:

- (1) Authorise the Head of Environment, Housing and Leisure to commence public engagement on the updated draft Contaminated Land Strategy attached at **Appendix 1** to this report; and

- (2) Agree that a further report be received by Cabinet at the conclusion of the public engagement process when Cabinet will be asked to approve the adoption of the updated draft Contaminated Land Strategy.

### **1.3 Forward Plan:**

Twenty eight days notice of this report has been given and it first appeared on the Forward Plan that was published on 14 June 2019.

### **1.4 Council Plan and Policy Framework**

This report relates to the following priorities in the 2018-2020 Our North Tyneside Plan.

Our Places will:

- provide a clean, green, healthy, attractive, safe and sustainable environment

Our People will:

- be healthy and well

Our Economy will:

- grow by supporting new businesses and building on our strengths

### **1.5 Information:**

#### **1.5.1 Background**

The Environmental Protection Act 1990 requires local authorities to produce a Contaminated Land Strategy (“the Strategy”) and to periodically review it. The Authority has a Strategy which was last reviewed in 2014. It incorporated revised Government guidance and updated the work programme.

The overarching objectives of the Government’s policy on contaminated land are:

- a) To identify and remove unacceptable risks to human health and the environment;
- b) To seek to ensure that contaminated land is made suitable for its current use; and
- c) To ensure that the burdens faced by individuals, companies and society as a whole are proportionate, manageable and compatible with the principle of sustainable development.

The Authority has a duty under Part 2A of the Environmental Protection Act 1990 to:

- Inspect the area for contaminated land in accordance with statutory guidance;
- Determine whether any particular site meets the statutory definition of contaminated land;
- Act as enforcing authority for all contaminated land, unless the site meets the definition of a “Special Site”, for which the Environment Agency is the enforcing authority;
- Consult with the Environment Agency on the pollution of controlled waters;
- Ensure the remediation of contaminated land; and
- Maintain a Public Register of contaminated land remediation.

The Contaminated Land Statutory Guidance, April 2012 provides a framework for the content required of the Strategy. It requires the Authority to outline:

- How the Authority will investigate contaminated land;
- How land will be assessed and determined as contaminated land;
- How the Authority will deal with contaminated land;
- The responsibilities of Appropriate Persons who have caused contaminated land; and
- The communication of findings following completion of the site investigation by categorising the risk of contamination.

### **1.5.2 Review of the Strategy**

The review of the Strategy has been shaped by engagement with the Contaminated Land North East Regional Group which consists of local authority Contaminated Land officers. Internal consultation has also been undertaken to ensure the Strategy remains up to date with current nationally published guidance.

The Local Plan, approved by Council in July 2017, emphasises that new development must be made suitable for its use and enables contaminated land to be brought back into beneficial use. The updated draft Strategy links to the Local Plan and highlights development as a route to bringing contaminated land back into beneficial use and provides an opportunity to improve the environment.

The main amendments to the Strategy are:

- **Mining and ground water constraints:** Developer guidance has been produced by the Environment Agency and the Coal Authority to ensure protection of water courses, ground water and mine gas;
- **National and local planning policy:** New policies on Planning place the onus on developers to demonstrate that development will not cause serious detriment to the environment;
- **Changes in land status:** There has been a reduction in local designated wildlife sites and sites of local nature conservation interest in the borough. There has been a reduction in publically owned land;
- **Prioritisation of actions relating to contaminated land:** Updates to the work programme to reflect the proactive work that has been undertaken; and
- **Environmental Damage Regulations:** Inclusion of the amendments that have been made to these regulations which remove the need for formal consultation on remediation proposals.

The updated draft Strategy is included in **Appendix 1** of this report.

A summary of the amendments to the updated draft Strategy are included at **Appendix 2** to this report.

### **1.5.3 Public Engagement**

This report seeks permission from Cabinet to commence public engagement on the updated draft Strategy. Consultation will be undertaken with the statutory bodies who are consultees to the Planning process, developers, businesses and the public. The Authority's Engagement Hub will be used as a means of publicising widely with comments being coordinated by the Environmental Health Service.

It is proposed that the engagement process will commence on 30 September 2019 for a period of 6 weeks. At the conclusion of the consultation the updated draft Strategy will be presented to Cabinet for final consideration.

## **1.6 Decision options:**

The following decision options are available for consideration by Cabinet:

### Option 1

To approve the commencement of public engagement on the updated draft North Tyneside Contaminated Land Strategy 2019.

### Option 2

To not approve the commencement of public engagement on the updated draft North Tyneside Contaminated Land Strategy 2019

Option 1 is the recommended option.

## **1.7 Reasons for recommended option:**

It is a statutory requirement that the Authority has an up to date Contaminated Land Strategy. The updated draft Strategy will provide developers, businesses and residents of North Tyneside with guidance on how the Authority will determine whether land is deemed to be contaminated. When land is deemed to be contaminated it sets out what action the Authority will take.

If the preferred option is not approved, the Authority risks not being able to fulfil its statutory requirements and not being in a position to ensure that land within North Tyneside will be fit for its current use. This may result in detrimental impacts to health for the residents of North Tyneside and the wider community.

## **1.8 Appendices:**

Appendix 1: Updated draft Contaminated Land Strategy

Appendix 2: Amendments to updated draft Contaminated Land Strategy

## **1.9 Contact officers:**

Colin MacDonald, Senior Manager Technical & Regulatory Services, (0191) 643 6620

Joanne Lee, Public Protection Manager, (0191) 643 6901

Frances McClen, Environmental Health Group Leader, (0191) 643 6640

David G Dunford, Acting Senior Business Partner, (0191) 643 7027

## 1.10 Background information:

The following background papers/information have been used in the compilation of this report and are available at the office of the author:

(1) Environment Protection Act 1990 Part 2A Section 78

<http://www.legislation.gov.uk/ukpga/1990/43/contents>

(2) The Environmental Protection Act 1990: Part 2A Contaminated Land Statutory Guidance April 2012

<https://www.gov.uk/government/publications/contaminated-land-statutory-guidance>

(3) Mining and ground water constraints webpage link

<https://www.gov.uk/guidance/mining-and-groundwater-constraints-for-development>

## **PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING**

### **2.1 Finance and other resources**

There are no financial implications directly arising from the report.

Defra funding for clean-up of contamination had previously been available to local authorities in the form of contaminated land capital grants. In 2014 the Government reduced the funding to £0.5m and then phased out altogether from April 2017.

### **2.2 Legal**

The Environment Act 1995 introduced contaminated land legislation which had been incorporated as Part 2A of the Environmental Protection Act 1990. Part 2A established a legal framework for dealing with contaminated land in England and placed a responsibility on the local authority to inspect its land from time to time for contaminated land. The decision to designate land as contaminated under Part 2A of the Environmental Protection Act 1990 lies with the Authority.

Statutory guidance issued in 2012, placed a duty on the Authority to publish a contaminated land strategy to reflect the changes introduced in that guidance and review the strategy every 5 years. This statutory guidance requires the Authority to take a “strategic approach” to inspecting their areas for contaminated land and to describe and publish this in a written strategy.

The first Contaminated Land Strategy was produced in 2001 and a review was published in 2014 incorporating the new statutory guidance. There is a need for the Strategy to reflect the current guidance and the risk based inspection process.

### **2.3 Consultation/community engagement**

#### **2.3.1 Internal Consultation**

Internal consultation will take place with the Cabinet Members, Members and service areas.

#### **2.3.2 External Consultation**

As outlined in section 1.5.3 of the report, a consultation process will commence to allow this Strategy to be refreshed.

### **2.4 Human rights**

There are no human rights implications arising directly from this report.

### **2.5 Equalities and diversity**

There are no equality and diversity implications arising directly from this report.

### **2.6 Risk management**

There are no risk management implications directly arising from this report. Risks associated with delivery of the Authority’s Public Protection function are monitored via the

Technical Services Partnership risk arrangements included within the strategic partnership governance framework.

## 2.7 Crime and disorder

There are no crime and disorder implications directly arising from this report.

## 2.8 Environment and sustainability

The Strategy will have a positive impact for the environment in that it will ensure that all land within the Borough is suitable for its current use.

### PART 3 - SIGN OFF

- Chief Executive  X
- Head(s) of Service  X
- Mayor/Cabinet Member(s)  X
- Chief Finance Officer  X
- Monitoring Officer  X
- Head of Corporate Strategy and Customer Service  X

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North Tyneside Council

Working in partnership with

**CAPITA**

# Contaminated Land Strategy

2019



## **Preface**

Part 2A of the Environmental Protection Act 1990 requires every local authority to produce a strategy setting out how it will identify and deal with contaminated land within its Borough.

The Authority has a statutory duty to produce a strategy for the inspection of such land. The first Contaminated Land Strategy was completed in July 2001. The Authority has a duty to review the Strategy and it was last updated in 2014 to incorporate the latest government guidelines.

This document is the third review of the Strategy and has been produced for the purposes of public engagement. As part of the engagement process views are being sought from the statutory bodies who are consultees to the Planning process, developers, businesses and the wider public using the Engagement Hub as a means of publicising it. Comments will be requested and coordinated by the Environment Health Service.

### **Consultation Responses**

Your views are invited on this updated draft Contaminated Land Strategy. The consultation will end on the xxxx 2019. Please send your comments to:

Environmental Health, Quadrant East – 1st Floor Left, The Silverlink North, Cobalt Business Park, North Tyneside, NE27 0BY, Telephone: (0191) 643 6100, email: [environmental.health@northtyneside.gov.uk](mailto:environmental.health@northtyneside.gov.uk).

## Executive Summary

Part 2A of the Environmental Protection Act 1990 requires every Local Authority to produce a written Strategy setting out how it will identify and deal with contaminated land within its Borough.

This Contaminated Land Strategy sets out the Authority's process for prevention and control of contaminated land using planning and legislative processes. This Strategy replaces the Authority's Contaminated Land Strategy produced in 2014.

The Strategy links to the Local Plan approved by Council in July 2017 which promotes the remediation of contaminated land by new developments. The Strategy highlights development as a route to bring contaminated land back into beneficial uses and improve the environment.

The Strategy describes the methodology used for the risk based inspection of the Borough and how the Authority will deal with contamination. The planning regime allows planning conditions to be applied to proposed developments within the Borough, and thus allow for the control of remediation on contaminated sites.

The Strategy clarifies what is to be considered as "Contaminated Land" based on the Statutory Guidance. This guidance requires contamination to be placed into categories of either human health risk or pollution of controlled waters.

The Guidance emphasises that only the top risk categories will be considered a "significant risk" and will require action.

The Strategy clarifies the legal determination of Contaminated Land. This highlights that Contaminated Land must demonstrate harm or the significant possibility of significant harm being caused to land or controlled waters.

The Strategy emphasises the need to demonstrate the cause of the contamination, the person(s) responsible for contaminant linkages and the responsibilities for those involved.

The Strategy acknowledges the often sensitive nature of the information to assess if land is contaminated and the need not to cause 'blight' i.e. has a detrimental effect on an area or properties. The Strategy addresses blight by ensuring good risk communication. The Strategy requires when land investigation is completed to produce a Written Statement if no Significant Contaminant Linkage has been identified and to have robust processes in place for the handling and storage of information. The contaminated land database is a live working document.

When land is investigated and found to be "Contaminated Land" (i.e. top risk categories), the Authority will, prior to determination of the land, produce a Risk Summary for those parties affected by the contaminants. The Risk Summary would identify the risk and impact of the contaminant linkage. The Risk Summary would advise whether the risk was caused by short or long term exposure, any uncertainties in the assessment and the remediation methods proposed. The Strategy promotes the use of Voluntary Remediation and the regeneration of land.

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## **Chapter 1**

### **1.0 Introduction**

Part 2A of the Environmental Protection Act 1990 came into force on the 1<sup>st</sup> April 2000. Section 57 of the Environment Act 1995 placed an obligation on the Authority to “cause its areas to be inspected from time to time for the purpose of identifying contaminated land” (section 78B). The Authority has a statutory duty to produce a written strategy for the inspection of the land. The first Contaminated Land Strategy was completed in July 2001. This document is the third review of the Authority’s Contaminated Land Strategy. The second review was written to take into account the new technical guidance published by DEFRA (Department for Environment, Food and Rural Affairs) in April 2012. This third review replaces the previous Strategy produced in 2014.

### **1.1 Regulatory Context**

Part 2A of the Environmental Protection Act 1990 specifies that the primary regulatory role for the Contaminated Land Regime rests with the Authority.

“The overarching objectives of the government’s policy on contaminated land are:

- a. To identify and remove unacceptable risks to human health and the environment;
- b. To seek to ensure that contaminated land is made suitable for its current use;
- c. To ensure that the burdens faced by individuals, companies and society as a whole are proportionate, manageable and compatible with the principle of sustainable development.”

### **1.2 The Role of the Authority**

The Authority has a duty under Part 2A of the Act to carry out the following actions:

- To inspect the area for contaminated land;
- To determine whether any particular site meets the statutory definition of Contaminated Land;

- To act as enforcing authority for all Contaminated Land, unless the site meets the definition of a “Special Site”, for which the Environment Agency is the enforcing authority;
- To consult with the Environment Agency on pollution of controlled waters;
- To ensure the remediation of Contaminated Land;
- To maintain a Public Register of Contaminated Land remediation.

### **1.3 The Role of the Environment Agency**

The Environment Agency has responsibilities for the following:

- To assist Local Authorities in identifying Contaminated Land, particularly in cases where water pollution is involved;
- To provide consultation on contaminated land inspection strategies;
- To provide site-specific guidance to Local Authorities on contaminated land;
- To act as the enforcing authority for any land designated as a 'special site';
- To publish periodic reports on contaminated land;
- To ensure the remediation of special sites (for definition of special sites see Appendix 1);
- To maintain a Public Register of special sites remediation.

### **1.4 Definition of Contaminated Land**

Section 78A(2) of the Environmental Protection Act 1990 gives the statutory definition of contaminated land for the purposes of Part 2A as:

*“Any land which appears to the local authority in whose area it is situated to be in such a condition, by reason of substances in, on or under the land, that –*

- a) significant harm is being caused or there is a significant possibility of such harm being caused; or*
- b) significant pollution of controlled waters or there is a significant possibility of such pollution”.*

This definition is based upon a risk assessment approach. The remediation of the land is required only if the contamination causes a significant possibility of significant harm to human health or the wider environment. To be determined as Part 2A contaminated land there must be a 'Significant Contaminant Linkage' (Contaminant, Pathway and Receptor) or significant possibility of such a linkage. Contaminants may be present in land but if they are not causing such a Significant Contaminant Linkage then no action will be required.

## **1.5 Controlled Waters**

The contaminated land regime deals with the pollution of controlled waters as a receptor. Section 78A(9) of Part 2A provides the definition for the term “pollution of controlled waters” as the entry into controlled waters of any poisonous, noxious or polluting matter or any solid waste matter.

Controlled waters are rivers, streams, estuaries, canals, lakes, ponds and groundwater as far out as the UK territorial sea limit. The statutory definition of controlled waters is given under section 104(1) of Water Resources Act 1991.

The term “controlled waters” in relation to England has the same meaning as in Part 3 of the Water Resources Act 1991, except that “ground waters” does not include waters contained in underground strata but those above the saturation zone.

## **1.6 Development of the Inspection Strategy**

The purpose of this Strategy is to ensure that all those affected by and involved in contaminated land inspection have a clear understanding of the reasons for the identification and inspection of potentially contaminated land sites.

The Strategy indicates how the priority of inspection is risk rated, based on potential contaminants and exposure to relevant receptors.

Relevant statutory bodies that have regulatory function in contaminated land will be consulted.

These are listed in Appendix 2.

## **1.7 Statutory Requirements of the Legislation**

The statutory requirements of the Authority are:-

- To produce a written strategy;
- To demonstrate how the Authority will deal with contaminated land in a rational and risk based approach;
- To ensure the Authority inspects its area from time to time to identify any contaminated land and ensure that the land is suitable for its current use;
- To establish the responsibilities for remediation of the contaminated land in a proportionate manner including the role of the Regulators and the role of the Appropriate Persons;
- To demonstrate the hierarchy of mechanisms for ensuring contaminated land is remediated;
- To maintain a Public Register detailing the regulatory action taken under Part 2A of the Environmental Protection Act 1990. This will be kept at the Authority's Head Office. Details of register are attached in Appendix 3 and discussed in section 10.5.

## **Chapter 2**

### **2.0 Contaminant Linkages and Risk Assessment**

The Statutory Guidance states that:

*“Under Part 2A the starting point should be that land is not contaminated land unless there is reason to consider otherwise. Only land where unacceptable risks are clearly identified, after a risk assessment has been undertaken in accordance with this Guidance, should be considered as meeting the Part 2A definition of Contaminated Land.”*

### **2.1 Contaminant Linkage**

The term contaminant linkage refers to the relationship between a contaminant, a pathway and a receptor. For risk to exist there must be a contaminant present in, on or under the land in a form and quantity that poses a hazard and one or more pathways via which the contaminant(s) could reach and affect a receptor.

To identify a contaminant linkage the following must be found:

- A contaminant and
- A relevant receptor (e.g. Controlled Water see table in Appendix 4) and
- A pathway by means of which either:
  - a) that contaminant is causing significant harm to that receptor; or
  - b) there is significant possibility of such harm being caused by that contaminant to the receptor.

The definition of Contaminated Land applies to controlled waters as well as land pollution. The Flood and Water Management Act 2010 has placed the responsibility for surface waters onto Local Authorities. Internal consultation would take place with the Surface Water Management Team in the event of a potential contamination incident.

## 2.2 Risk

Part 2A of the Environmental Protection Act 1990 takes a risk based approach to assessing contaminated land. When carrying out risk assessment under the Part 2A regime, the Authority will focus on land that might pose an unacceptable risk to human or environmental receptors.

The Environmental Protection Act 1990: Part 2A Contaminated Land Statutory Guidance 2012 defines, “risk” as the combination of:

- (a) the likelihood that harm, or pollution of water, will occur as a result of contaminants in, on or under the land; and
- (b) the scale and seriousness of such harm or pollution if it did occur.

Risk assessments will be based on information that is:

- (a) scientifically-based and
- (b) authoritative and
- (c) relevant to the assessment of risks arising from the presence of contaminants in soil and
- (d) appropriate to inform regulatory decisions in accordance with Part 2A and Environmental Protection Act 1990: Part 2A Contaminated Land Statutory Guidance.

The Authority will only consider risks in relation to the current use of the land.

## 2.3 Risk Categories

The revised Part 2A Contaminated Land Statutory Guidance 2012 provides risk categories to assist Enforcing Authorities to assess whether a site poses a significant possibility of significant harm to human health or the significant possibility of significant pollution to controlled waters. The Guidance has four risk categories for both human health and controlled waters.

The Guidance states that land is risk assessed, based upon the contaminants and the current use. Those areas on completion of site investigation, risk assessed within

Human Health Categories 1 and 2 would be determined as contaminated land as they would show 'significant possibility of significant harm to human health'. The guidance indicates that land assessed within Human Health Categories 3 and 4 do not demonstrate sufficient evidence of risk to be capable of being determined as contaminated land.

The risk categories are summarised in the Table in Appendix 4.

## 2.4 Responsibility for Determination of Risk

The revised Part 2A guidance places the responsibility for determination of Contaminated Land upon the Authority. The Authority may use external experts to advise it on regulatory decisions under the Part 2A regime, but ultimately the decision as to whether land falls under the definition of “contaminated” remains the sole responsibility of the Authority. The Authority would consult the Environment Agency if land was considered a Special Site. **Special sites are contaminated land sites** that due to specific **land** uses, past activities or water pollution are passed from the local council to the Environment Agency to regulate. The Authority would place weight on their expertise prior to making a determination. If land is considered to be contaminated land under the legal definition then the Authority must produce a Risk Statement and issue it to the appropriate persons to communicate the risk found. There is a right to appeal a Remediation Notice served in relation to Part 2A of the Environmental Protection Act 1990:

- to a magistrates' court, if the notice was served by a Local Authority;
- or to the Secretary of State, if the notice was served by the Environment Agency.

## 2.5 “Normal” Presence of Contaminants

The revised Part 2A Contaminated Land Statutory Guidance states that normal levels of contaminants in soil should not be considered to cause land to qualify as Contaminated Land, unless there is a particular reason to consider otherwise.

Defra commissioned the British Geological Society (BGS) in 2011/2012 to give guidance on what are normal levels of contaminants in English soils. The BGS

produced guidance on normal soil concentrations in regions for eight contaminants. These contaminants are arsenic, asbestos, benzo[a]pyrene (BaP), cadmium, copper, mercury, nickel and lead.

If it is established that land is at, or close to normal levels of these 8 contaminants, the Authority will not consider it further in relation to the Part 2A regime.

## **2.6 Use of Generic Assessment Criteria and other Technical Tools**

The Authority will, during detailed investigation of site, carry out risk based assessments on contaminants based on available Defra Soil Guideline Values (SGV's). Defra produced 9 Soil Guideline Values (SGV's) to assist in the assessment of potentially contaminated sites. The Authority will, in the absence of Defra SGV Guideline Values, use Generic Assessment Criteria (GAC's) produced by a variety of sources. The GAC's currently used by the Authority are those produced by The Chartered Institute of Environmental Health (CIEH) in conjunction with Land Quality Management Ltd (LQM).

The Authority will use GAC's and other technical tools to help inform certain decisions under the Part 2A regime, provided:-

- (i) It can be proven how they were derived and how they can be used appropriately and
- (ii) That they have been produced in an objective, scientifically robust and expert manner by reputable organisations.

Site Specific Values (SSV's) can be produced using the Contaminated Land Exposure Assessment (CLEA) tool. The Environment Agency has published calculations for deriving SGV's as a spreadsheet for use by professionals in conjunction with the wider guidance. The CLEA software is written using Microsoft Excel and uses VBA macros to support functionality. In addition, a specific spreadsheet has been published to support the assessment of dioxins in soil.

## **Chapter 3**

### **3.0 Characteristics of North Tyneside**

#### **3.1 Geographical Setting**

North Tyneside stretches from the eastern boundary of Newcastle upon Tyne to the North Sea and from the southern boundary of Northumberland to the River Tyne; an area of 8,367 hectares and has a mid-year population estimate currently of 203,000. The location of North Tyneside and corresponding wards are shown in Figures 1.1 and 1.2 of Appendix 6.

North Tyneside is a mixture of rural, urban and industrial areas with the major towns consisting of Wallsend, North Shields, Tynemouth and Whitley Bay, along the river and coastline plus the towns of Longbenton, Forest Hall and Killingworth between the main towns and the rural hinterland.

The River Tyne is a commercial river with ship repair, offshore fabrication, fishing and port related industries. The Borough contains a number of industrial estates, business parks and retail outlets.

#### **3.2 Industrial Heritage**

North Tyneside's position on the North Sea coast and along the northern banks of the River Tyne means that shipbuilding, fishing and coal mining have each played an important role in shaping its character.

##### **3.2.1 Shipbuilding**

Shipbuilding and repair is one of the oldest industries on the Tyne. Most shipyards on the north bank built small sailing vessels. In 1759 the Hurry family opened a large ship building yard at Howdon. The Howdon yard flourished throughout the Napoleonic Wars and shipbuilding also occurred extensively in North Shields from

1811 about Low Lights and Milburn Place but in peacetime declined until virtually unused by 1846.

In 1849 John H.S. Coutts shipbuilding company moved to Willington Quay. This yard was subsequently taken over by Palmer Bros and later in 1912 by J.T. Eltringham & Co. Shipbuilding continued in operation until 1921.

In 1849 T. & W. Smith began their glass-roofed shipyard at North Shields and early on became experts in the use of pontoon docks. Their neighbour, from 1884, was H.S. Edwards, who developed an early interest in oil tankers. The Edwards and Smith families took over these yards in North Shields.

Wallsend Yards carried out extensive shipbuilding from 1863 with different company ownerships but predominantly Swan and Hunter and Swan Hunters between 1880 to 1993. The yards were expanded into neighbouring sites such as the Allen's chemical works in 1883, Davis Yard in 1897, and Neptune Yard in 1903. The yard was taken over by Dutch company and has now been acquired by the Authority in partnership with other interested parties.

Ship building later diversified to heavy industrial activities such as offshore manufacturer and this is occurring about the former AMEC yards about Howdon and Willington Quay.

### **3.2.2 Coal Mining**

A wide range of coal seams at comparatively shallow depth led to mining in the North Tyneside area at an early date – certainly the monks of Tynemouth Priory owned pits in the 12<sup>th</sup> Century. However, at the eastern end of the borough only Preston Colliery survived into the 20<sup>th</sup> Century and that was forced to close in 1929. Near Carville Hall, Wallsend, a shaft was sunk in 1778 which reached the High Main Seam in 1781. Most of the riverside collieries were flooded out during the 1850s and it was 10 years or more before they could be re-opened. Wallsend was amongst the first to be salvaged, and continued in operation until the closure of the Rising Sun Pit in 1969. The Killingworth and West Moor Colliery was established in 1802 by the

Grand Allies. They had an extensive system of waggonways connecting their pits with the coal staithes in the Tyne. West Moor pit closed in 1882, leaving the company with the associated mines near Seaton Burn, which remained open until 1963. In the middle of North Tyneside, the extensive workings in the Backworth Royalty began in 1813 and eventually extended to Burradon and West Cramlington. Backworth Colliery was the last mine to close in North Tyneside when the Eccles Pit was shut in 1980.

### **3.2.3 Mining and Groundwater Constraints for Sustainable Development and Drainage Systems**

The North East had extensive coal fields that were exploited over a long period of time. During the mining operations the mines were dewatered to allow access to the coal seams. This act of dewatering artificially lowered the groundwater. Once the cessation of mining occurred the groundwater began to rise to pre mining levels.

The Coal Authority and the Environment Agency have identified the issue of rising mine waters potentially impacting on groundwater and that developers may wish to utilise Sustainable Drainage Systems (SuDS) schemes for the drainage solution on developments within the North East. The Coal Authority and the Environment Agency have been working together to produce a groundwater constraints map. As in some areas with specific geology and a high water table, infiltration sustainable drainage system (SuDS) (or any SuDS with a component of infiltration) may not work and could result in groundwater flooding risks.

Infiltration systems may also result in mine water pollution, flooding risks and impacts on pumping infrastructure. North Tyneside is part of the Bates mining block. This mining block has an active pumping station situated at Blyth.

The Coal Authority (CA) and the Environment Agency (EA) are working together to develop a management tool, in the form of a GIS based risk map, to help protect and manage the groundwater resource, reduce pollution risk and empower the competent planning and flood risk authorities.

The purpose of this management tool and the project is to help raise awareness of the current situation and to identify the associated risks to and from recovered, rising and actively controlled mine waters.

The constraints map can be found on the Coal Authority's Interactive Map Viewer. Currently the viewer provides the constraints map layer, available under the planning theme, which can be clicked on to show the mining block and category.

This has been added due to works carried out by the Coal Authority and the Environment Agency to assist developers in assessing the potential impacts from rising mine water on groundwater levels.

### **3.2.4 Fishing**

Fishing industry has been established since the 13<sup>th</sup> Century initially around the Tynemouth Priory and Low lights areas. Tynemouth Council opened its own Fish Quay in 1870. The Fish Quay was repeatedly lengthened until the 1920's. Salt herring became a major export, and there are smokehouses at North Shields. There was a canning factory in 1902 which has since closed. In 1980, the fish industry built modern processing units. The North Shields Fish Quay Development Co. was established in 1993 to take the industry through to the 21<sup>st</sup> Century.

## **3.3 Environment**

### **3.3.1 Geology**

The borough of North Tyneside is underlain by a series of rocks types known as the Carboniferous Coal Measures, which consist of cyclical deposits of coal, mudstones, sandstones and marine limestone's. The Coal Measures are in turn overlain by the Lower Permian Yellow Sands and the Upper Permian Magnesian Limestone.

During the Pleistocene period the area of North Tyneside was subjected to several periods of glaciation which left much of the borough covered with glacial deposits comprising mainly Glacial Till (boulder clay) but also includes laminated clays, silts, sands and gravels.

### 3.3.2 Hydrogeology

The aquifer designation data issued by the Environment Agency is based on geological mapping provided by the British Geological Survey. From 1 April 2010, the Environment Agency Groundwater Protection Policy has used aquifer designations that are consistent with the Water Framework Directive. These designations reflect the importance of aquifers in terms of groundwater as a resource (drinking water supply) but also their role in supporting surface water flows and wetland ecosystems.

The majority of North Tyneside is designated as a Secondary A aquifer; these are permeable layers capable of supporting water supplies at a local rather than strategic scale and in some cases forming an important source of base flow to rivers. These are generally aquifers formerly classified as minor aquifers.

However there are two areas within the Borough that are designated areas of principle aquifer; these are the Permian Limestones found at Tynemouth and Marden in Whitley Bay. These are layers of rock or drift deposits that have high intergranular and/or fracture permeability - meaning they usually provide a high level of water storage. They may support water supply and/or river base flow on a strategic scale. In most cases, principal aquifers are aquifers previously designated as major aquifer.

Groundwater is not abstracted for public supply in North Tyneside, but it remains a potential resource.

### 3.3.3 Hydrology

Groundwater is not utilised as a water resource within North Tyneside. Potable drinking water is sourced from outside the Borough.

Within North Tyneside there are limited water resources. The main bodies of water in the Borough include:-

- The North Sea;

- The River Tyne Estuary;
- Briardene Burn;
- Seaton Burn.

The River Tyne Estuary, Briardene Burn and Seaton Burn are the only water courses to have been classified by the Environment Agency using its General Quality Assessment. The remaining water courses within the Borough are classed as controlled water.

### **3.3.4 Areas of Special Interest and Ecology**

The generally flat topography and lack of tree cover across the Borough results in a countryside which is generally visually unremarkable. Features of interest often relate to the area's mining history including reclaimed spoil heaps. Areas of nature conservation value can include ponded areas formed by mining subsidence. Agriculture and particularly arable farming has had an important influence on the environment of the northern part of the Borough where hedgerows have been removed to create large fields. The open countryside in the north of the Borough is an important recreational area for the urban conurbation, with a network of footpaths and bridleways based on the old colliery waggonways. The coastal strip is an area of high quality environment and is valued both for its natural characteristics and wildlife and as a recreational resource.

There are two Special Sites of Scientific Interest (SSSI) within North Tyneside, both relating to the coast and these designations overlap. The first, the Tynemouth to Seaton Sluice Cliffs SSSI, comprises three separate areas of cliffs and rocks of special geological interest and the second, the Northumberland Shore SSSI, is a continuous coastal strip of special ornithological interest. The latter has recently been given the international designation of the Northumberland Coast as a Special Protection Area (SPA). In addition a third SSSI lies within Gosforth Park immediately to the west of the borough boundary (within Newcastle upon Tyne City), of importance for flora and fauna. There are also 25 Local Wildlife Sites (LWS formerly known as Sites of Nature Conservation Importance SNCI) designated by the Northumberland Wildlife Trust within the district providing a variety of habitats of

botanical, geological, ornithological and other wildlife interest. The sites include subsidence ponds, ancient grasslands, the remains of a salt marsh and an inter-tidal rocky outcrop. There are 7 Local Nature Reserves (LNR). In addition the Council has established a voluntary marine nature reserve covering areas around St Mary's Island. The Council has also defined 23 sites of local nature conservation interest (SLCI) which are nevertheless significant in their local context. There is one RAMSAR site identified within the Borough. The **Ramsar** Convention on Wetlands of International Importance especially as Waterfowl Habitat is an international treaty for the conservation and sustainable use of wetlands. It is also known as the Convention on Wetlands. It is named after the city of **Ramsar** in Iran, where the Convention was signed in 1971.

There has been a decrease in Local Wildlife Sites from 28 to 25 and a decrease in sites of local nature conservation interest from 27 to 23.

This ecology will be taken into consideration when remediating sites. The land may have ecological value due to its past industrial use. The ecology could be so important as to outweigh any detriment caused by contamination and will not require remediation provided no unacceptable risk. For example, the poor soil quality created by the former spoil of colliery areas supports rare plant species that thrive in such conditions. It is envisaged that these areas should be preserved provided that there is no detriment being caused to the area.

### **3.4 Historic Uses and Geology influencing Contaminant Risk**

The historic and current land use patterns will influence the likelihood and pattern of contamination present within the Borough.

A large proportion of contamination will be present along the River Tyne corridor due to its extensive use for heavy industry. The mining legacy of North Tyneside will have led to many coal referral areas requiring safeguards for new developments across the Borough. The rising mine waters which at present have yet to reach equilibrium and could still have impact on the Borough with regards to contamination.

The areas of Upper Permian Magnesian Limestone located at Tynemouth and

Marden in Whitley Bay must be considered with regard to water pollution, as this particular geological sequence has been recognised as an aquifer. The ecology could be so important, however as to outweigh any detriment caused by contamination and will not require remediation provided that there is no unacceptable risk to human health.

### **3.4.1 Redevelopment History**

Following the introduction of the 1947 Town and Planning Act, the planning system evolved from an ad hoc concern with issues of public health and urban social unrest to a comprehensive attempt to introduce order into the management of land use. It is planning legislation in association with the Government guidance that has enabled safeguards to be introduced on developments in the borough of North Tyneside.

Heavy industry and coal mining dominated the area from the 1800s through to the 1980s. Much of the area's industrial past was prior to any regulatory legislation and therefore pollution was not a consideration. Many landfill sites in the area were operated prior to the introduction of regulatory legislation such as the Control of Pollution Act 1974. Such pre licensed landfill sites are considered to pose a greater potential risk as there was no record kept of waste materials and the integrity of landfill sites may be less effective due to the lack of regulation.

Heavy industry was mainly located along the River Tyne and hence this area is likely to be an area with possible pollution problems. The standard of past remediation must be reviewed when considering the likelihood of a Contaminant Linkage as standards of remediation have improved as better understanding of contamination is known. The remediation will be considered during review of potentially contaminated land sites.

The former Tyne and Wear Development Corporation have redeveloped industrial land within the borough for housing such as the Royal Quays development site and appropriate remediation was carried out to ensure the development was fit for current housing use. The Council has completed the reclamation of Brenkley Colliery

and associated waggonways in 1998 and the Blyth and Tyne railway land site at Tynemouth in 1993.

### **3.5 Authority Owned Land**

The Authority owns approximately 30.24% of the land within the borough of North Tyneside. The majority of land is held within housing and environmental services who own many of the housing estates and recreational areas within the Borough. An internal procedure was agreed to ensure appropriate consultation with environmental health with regard to the suitability of the use of the council land. This consultation has been established for leases and sales of land.

There has been a decrease in council owned land from 32% to 30.24%. There is now a procedure in place for consultation regarding leases and sales of council owned land.

## **Chapter 4**

### **4.0 Current Contaminated Land Issues**

#### **4.1 Coal mining**

Coal mining can act as a source or pathway to contaminants such as gas or leachate. It is therefore important to consider coal mining for any new developments in the borough. The Coal Authority is a Government body and a statutory consultee for planning. Interactive maps have been provided for local authorities and developers showing high risk and low risk areas within the Borough based on mining carried out in area. The risk rating is used to determine the appropriate levels of gas protection on new developments. More information on the Coal Referral areas can be found on the Coal Authority's website <http://coal.decc.gov.uk>

Has been updated to show coal mining can be both a source or pathway for contaminants and the introduction of the interactive map.

The coalfield is divided into 2 areas, referred to as Development High Risk Area and Development Low Risk Area:

- The High Risk Area (15% of the coalfield area) is where coal mining risks are present at shallow depth which are likely to affect new development;
- The Low Risk Area (85% of the coalfield) is where past coal mining activity has taken place at sufficient depth that it poses low risk to new development.

Any development within a Development High Risk Area requires a Coal Mining Risk Assessment to be submitted with the planning application.

The aim of a Coal Mining Risk Assessment is to identify site specific coal mining risks and set out the proposed mitigation strategy to show that the site can be made safe and stable for the development being proposed.

Gives a brief explanation that the coal fields have 2 classifications based on risk.

The National Planning Policy Framework 2018 requires Local Planning Authorities to:

- Give substantial weight to the value of using suitable brownfield land within settlements for homes and other identified needs, and support appropriate opportunities to remediate despoiled, degraded, derelict, contaminated or unstable land.

Reflects the updated National Planning Policy Framework.

Areas of the Borough affected by coal mining may have some of the following potential issues:

- Heavy metals;
- Some areas affected by Stythe gas;
- Elevated Polycyclic Aromatic Hydrocarbons (PAHs) related to coal source material;
- Spoil heaps on fire;
- Lagoons.

Stythe Gas (Blackdamp) can arise from coal mining and has the potential to cause land contamination. Stythe Gas has been identified in one area of the Borough and the Coal Authority as the responsible person remediated by a permanent venting system, thus breaking pathway to residential houses. Monitoring equipment with gas detection alarms were also fitted to the affected properties as a precautionary measure. At present no further areas of Blackdamp problems have been identified.

## 4.2 Quarrying

Quarrying is not a direct source of contamination; however there is concern that the unknown materials used to backfill historic quarries could lead to the presence of contaminants. Prior to 1974 there was no regulation over landfilling of areas and as a result closed landfills and areas of unknown filled ground have the potential to contain methanogenic (gas producing) materials.

## **Chapter 5**

### **5.0 Aims, Objectives and Milestones of the Strategy**

#### **5.1 Aims**

The overall aim of this Strategy is to set out the procedure for identification and remediation of contaminated land to ensure that all land within the Borough is suitable for its current use.

The statutory Part 2A guidance requires a strategic inspection to prioritise sites in order of risk. This risk ranked prioritisation has been carried out within the Borough using a two tier, strategic and detailed, inspection method.

This strategy complies with the overarching objectives of the Government's policy on contaminated land, which are as follows:

- (a) To identify and remove unacceptable risks to human health and the environment;
- (b) To seek to ensure that contaminated land is made suitable for its current use; and
- (c) To ensure that the burdens faced by individuals, companies and society as a whole are proportionate, manageable and compatible with the principles of sustainable development.

#### **5.1.1 The Strategic Prioritisation of Contaminated Land Inspection**

The Authority prioritised inspection of land in the original Strategy issued in 2001 by auditing the historical maps, geology and receptors to create a database and geographical information system of areas of potentially contaminated land using Environmental Consultants.

A total of 1,134 potentially contaminated sites were identified within North Tyneside.

Sites were accorded a Prioritisation Number (ranking methodology) reflecting the seriousness of any actual or potential risk to human health and/or the environment. These initial interim scores should not be considered to provide an absolute indication of risk but are a tool to help ascertain an initial indication of risk. The priority of inspection will be based in descending order of priority:-

- To protect human health;
- To protect controlled waters;
- To protect designated eco systems;
- To prevent damage to property and ancient monuments.

### **5.1.2 Detailed inspection and risk assessment**

Detailed inspection of land is based on the preliminary risk categories and priority. The detailed inspection would be based on a comprehensive review of any planning or environmental information and a site walkover to determine likelihood of significant contaminant linkage based on the new government risk categories.

## **5.2 Objectives**

Objectives of the Strategy are defined as follows:

- A systematic risk based approach to the inspection of contaminated land to ensure it is suitable for current use;
- To encourage voluntary remediation by good communication of risk strategy;
- To ensure the remediation of Orphan Sites;
- To utilise remediation via redevelopment or regeneration of Brownfield sites in the planning regime to minimise cost to taxpayer;
- To prevent further contamination by the use of other regulatory regimes such as the Environmental Damage (Prevention and Remediation) Regulations 2015, Building Regulations or Environmental Permitting Regulations 2016;
- To remediate by formal statutory means in a proportionate manner to ensure suitable for end use.

### 5.3 Milestones

The Authority carried out an audit of the borough in 2001 which identified a total of 1,134 potentially contaminated sites. Highest priority for detailed inspection was given to sites with human health risk and a number of landfill sites were investigated. The following progress has arisen:

- Proactive gas monitoring and maintenance on gas protection measures completed on two closed landfill sites to ensure acceptable level of risk;
- Remediation measures to the Low Flatworth landfill agreed as part of the Tyne Tunnel development ensured integrity of the landfill by an improved cap layer and gas venting trench;
- Intrusive investigation works completed on a number of potential contaminated sites and pollution incidents concluded with declaration statement that sites were not Part 2A sites.

No sites in North Tyneside have been formally identified as Contaminated Land and required to be placed on Register. The Authority will continue to assess the landfills within the Borough with risk to human health as a priority for its strategic inspection.

Any complaint or enquiry about potential contamination of land will be investigated to determine the appropriate level of action required based on risk to human health.

Specific examples of works carried out under Part 2a have been included. These relate to the investigation of landfill site and potential pollution incidents reported to the Authority.

### 5.4 Review of Strategic Inspection of Borough

The Authority carried out a strategic inspection of land in 2001. This entailed an audit of North Tyneside historical data, geology and current land uses to identify any potentially contaminated land. All current potentially contaminated land has been categorised and prioritised by risk assessment detailing the source, pathway and receptor of each contaminant. A Geographical Information System (GIS) is used and a Microsoft Access Database has been developed for data storage. This database holds information about the land quality within the Borough including remediation

details and archived site investigation reports. The GIS incorporates historical maps, current land use maps, geological maps, groundwater vulnerability maps, and other environmental information such as the location of closed landfill sites, water courses and their classifications.

The GIS has been used to identify potentially contaminative sources and risk-ranked these according to the Contaminant-Pathway-Receptor, 'Contaminant Linkage' methodology; and has prioritised these into four preliminary priority categories. PPC1 is the highest risk category and PPC4 is the lowest risk category. Currently the number of sub areas categorised are as follows: - 20 PPC 1, 903 PPC2, 225 PPC3 and 91 PPC4 categories. The PPC categorisation may alter as additional information becomes available through further investigation. These sites will be investigated further to reassess the priorities.

## **Chapter 6**

### **6.0 Contaminated Land Prevention Actions**

Use of the contaminated land legislation should be a last resort. The Strategy sets out mechanisms available to prevent contamination. The Strategy endorses the 'polluter pays' principle and where possible places the onus on the polluter to remediate environmental damage. This is discussed in detail in chapter 9. The main method of prevention is by the planning regime to ensure new receptors are not created by changes of use.

### **6.1 Contaminated Land Actions Addressed at Planning**

The National Planning Policy Framework (NPPF) identifies land contamination as a material consideration in planning and was reviewed in 2019. NPPF supports the initiative to achieve sustainable development. The NPPF requires that no development should lead to unacceptable risks from pollution and that it is suitable for its new use.

The local plan reflects the NPPF to ensure that any development is sustainable and suitable for its current use.

The planning regime ensures any applications that are submitted to the Authority are assessed on a site by site basis to ensure the land is rendered suitable for its proposed use and on surrounding area by the applying of appropriate conditions. This land would require further assessment if there was any further change in land use.

The Contaminated Land Officer is consulted on all developments that may be affected by potential contamination. Procedures have been set up with the planning department regarding the consultation process. The Authority website has information available for developers regarding planning requirements and discharge of conditions advice for land contamination issues. This can be found on both the Planning Portal and the Environmental Health web pages.

## 6.2 Prevention of Future Land Contamination

The creation of newly contaminated land can easily occur due to a pollution incident, or unforeseen contamination. Such pollution incidents would be investigated to determine appropriate action to be taken.

There is legislation in place to regulate industrial processes and places the responsibility on the company in charge of the process to prevent contamination. These powers are available to minimise risk of pollution incidents from industries, particularly with regard to landfill sites and large industrial processes. The Environmental Permitting (England Wales) Regulations 2018 place an obligation on large industries in the event of the process ceasing; to submit surrender documents providing evidence that the land is the same quality as found prior to the process.

Methods of prevention can therefore be achieved via the following means;

- Planning control system;
- Integrated Pollution Prevention and Control (IPPC);
- Waste Management Licensing (WML);
- Environment Agency Liaison;
- Environmental Protection Act 1990;
- Water Resources Act 1991;
- Environmental Damage (Protection and Remediation) (England) Regulations 2015;
- Communication and consultation between relevant council functions.

The use of Legislation to prevent land contamination is discussed further in Chapter 9 - Mechanisms to Deal with Contaminated Land.

Reflects that some of the listed Guidance has been updated/revised in the last 5 years.

## **Chapter 7**

### **7.0 Priority of Contaminated Land Actions and Review of Time-Scales**

#### **7.1 Detailed Inspection Priority**

The Authority is carrying out detailed inspection of its land in accordance with Part 2A. The detailed inspection of an area is carried out in accordance with its risk ranking. This risk ranking is a number based upon prioritisation, with greater priority given to human health.

#### **7.2 Complaint/Pollution Incident Investigation**

With any sites that come to light as an emergency site or as a complaint the Authority will ensure that they will take priority with regards to initial assessment and until they are no longer deemed a threat to human health.

#### **7.3 Risk Based Inspection**

During the strategic review of land detailed, investigations will be carried out based on the preliminary risk rating categories (PRRCs); as discussed in section 5.4 of Chapter 5. It is the Authority's policy to give a higher weighting to the risks posed to human health, and therefore priority will be given in the first instance to known landfill or unknown filled ground.

There are a number of former landfill sites identified within the Borough. It is believed that the majority of these sites were created before the 1974 Control of Pollution Act; legislation that improved regulation and control of landfill. Pre-1974 landfill sites were not restricted in the type of fill and their design was less effective against pollution migration. Due to this lack of regulation it is recognised that there may be an increased potential for gas generating material to have been deposited into sites. Such pre-1974 landfill sites close to residential houses and schools are considered to have the greatest potential of gas migration and to affect a large number of people and properties. The Strategy therefore has identified pre-1974 landfill sites as priority

for further investigation and review.

## **7.4 Priority Contaminated Land Actions**

The actions required by the Authority on completion of site investigation have been clarified in the revised Part 2A Contaminated Land Statutory Guidance (April 2012). This guidance stipulates that on completion of the detailed site investigation, risk communication must occur. This can either be in the form of a Written Statement if the land investigated is not deemed contaminated land, or if there is considered an issue, a Risk Summary would be provided. It is preferable that remediation be carried out on a voluntary basis; however this may not always be possible. When a voluntary approach cannot be agreed then formal action will be taken to ensure remediation is carried out.

The main priority of the Authority's Contaminated Land Strategy, therefore, is to:

- Prioritise potentially contaminated sites in an ordered, rational and efficient manner;
- Carry out detailed site investigation in a staged approach initially via a desk top study and a site walkover. If after review of the data collected it is considered that further detailed information is required, then a Phase 2 detailed inspection will be carried out in accordance with BS 10175:2011+A2:2017, Code of Practice for The Investigation of Potentially Contaminated Sites;
- Communicate with other regulatory bodies and appropriate persons affected by the investigation, or the significant contaminant linkage to ensure that all available information is gathered;
- Utilise other legislation where appropriate to prevent or remediate contamination. Such legislation includes The Water Resources Act 1991 (Amendment) (England and Wales) Regulations 2009, Environmental Permitting (England and Wales) Regulations 2018 (As Amended) and the Environmental Protection Act 1990;
- Upon completion of the site investigation a Written Statement will be issued if no further action is needed. However, a Risk Summary will be produced to the

appropriate persons connected to land potentially affected by contamination.

This is a new requirement created by the revised Guidance;

- Ensure the working database of information collected from a variety of sources is continually updated and reviewed;
- Take action where required to prevent or alleviate significant harm or the significant possibility of significant harm to human health and the environment.

## **7.5 Site Investigation**

The decision to carry out further site investigations is based upon a risk assessment of all information collated. This allows for sites to be prioritised and actioned accordingly. The assessment of an individual site is a phased process.

### **7.5.1 Desk study reports**

Phase One desk study reports will be carried out to obtain more detailed site specific information. This will include a review of information held by other departments within the Authority, for example planning or building control records. A review of information held will occur in light of new guidance values or standards, or if there is a change of current land use.

### **7.5.2 Site Inspections**

Site inspections would include site walkovers to confirm the current site use and to determine if there is any visual olfactory evidence of contamination present. This would aid in the assessment of whether there is a Contaminant Linkage present. If further investigation is warranted then the extent of the site investigation would be determined either by the Authority or an externally appointed environmental consultant. Prior to this intrusive investigation, risk communication would be issued to appropriate persons affected by potential contaminant linkage.

### **7.5.3 Preliminary Site investigation**

Small scale sampling of a site may be the first phase of an investigation to target areas based on a Phase One report; this may in turn lead to a more in depth investigation of a site, depending on the results of the initial small scale investigation. The risk would be continually reviewed to determine action required.

### **7.6 Production of Risk Summaries**

If land is considered to be contaminated land in accordance with Part 2A, the Authority will; prior to determination as per the Statutory Guidance 2012, *“produce a risk summary for any land where, on the basis of its risk assessment, the authority considers it is likely that the land in question may be determined as contaminated land.”* This will set out the reasoning behind the Authority’s decision to determine the land as contaminated land under Part 2A. This will include a description of the risks and other factors the authority considers to be relevant in formulating the decision to designate the land that is under assessment.

### **7.7 Written Statements**

The revised Part 2A guidance requires the local authority following completion of investigation, to produce a Written Statement for land if it is found that the land does not require remediation. This is to remove uncertainty and blight of land. The Authority will produce a Written Statement for land not considered contaminated land following completion of an investigation. It will lay out the rationale as to why the Authority has decided not to designate the land. This decision will be based on the current use and should a significant change of use be proposed, then the written statement may no longer be valid for that site and the site would then be reassessed accordingly.

### **7.8 Initiate/Support Voluntary Remediation**

The Strategy encourages the appropriate persons to carry out voluntary remediation. Any sites designated as contaminated under the legal definition would be remediated

to a standard required for the current use to prevent a contaminant linkage. North Tyneside has currently one industrial site that has undergone Voluntary Remediation.

## **7.9 Determination of Contaminated Land**

The decision to designate land as contaminated under Part 2A of the Environmental Protection Act 1990 lies with the Authority. The Authority may take advice from other bodies (i.e. The Environment Agency) or other suitably qualified practitioners.

The revised Contaminated Land Guidance outlines four possible grounds for the determination of land as contaminated land:

- (a) Significant harm is being caused to a human or relevant non-human, receptor;
- (b) There is a significant possibility of significant harm being caused to a human, or relevant non-human, receptor;
- (c) Significant pollution of controlled waters is being caused;
- (d) There is a significant possibility of significant pollution of controlled waters being caused.

Once land has been determined as contaminated land, the Authority will serve a Determination Notice upon the appropriate persons. The Determination Notice will be placed upon a Public Register and will include information on the decision process and as a minimum will include the following:

- Outline of the contaminated land area on a plan;
- Risk summaries, explaining each contaminant linkage risk, its uncertainty, its timescale over which the risk becomes manifest, together with a conceptual site model, photographs, plans, cross sections and tables required to show how the decision was made;
- A summary as to why the Authority considers Section 1 of the Contaminated Land Statutory Guidance (April 2012) has been met.

## **7.10 Service of Remediation Notices**

If a site has been determined as being contaminated under Part 2A, the Authority will issue a Remediation Notice. The Remediation Notice will be served after a 3 month consultation period from the serving of a Determination Notice. Prior to determination, the Authority will issue a risk summary explaining why the land is considered contaminated and briefly describe the remediation required. If after consultation with the appropriate persons Voluntary Remediation cannot be agreed or additional information has not been provided to that would require a review of the determination notice, the lead regulator for Part 2A will issue a Remediation Notice to the appropriate person. If Voluntary Remediation is agreed the Appropriate Person shall issue a Remediation Statement to the lead regulator. The identification of an Appropriate Person would follow the criteria set down in the current guidance (April 2012); explanatory leaflets on Appropriate Persons A and B can be found on the Authority's Environmental Health web page. The Remediation Notice will provide details of the remediation required.

The Authority when issuing the Remediation Notice will decide on the appropriate Remediation Strategy. The enforcing authority may consult relevant technical documents (e.g. produced by the Environment Agency or other professional and technical organisations). It may also act on the advice of a suitably qualified experienced practitioner.

## **7.11 Dealing with Emergency Sites**

Sites identified as an emergency site where the contamination is deemed to be an imminent risk to health, or those sites highlighted through the Authority's complaints process will take priority with regards to the initial assessment and until such time they are no longer deemed an imminent threat to human health.

## **7.12 Funding**

The Authority requires a budget for detailed site investigation work and is responsible for costs arising from orphan sites. An orphan site is one in which the

person liable for site contamination cannot be reasonably identified or when a liable person is identifiable but is deemed in law not to have the capacity to carry out or meet the costs of assessment, remediation or mitigation required. The cost for intrusive site investigation is borne by the Authority. There is a duty on the Authority to remediate contaminated land and the cost of remediation would be placed upon the polluter or owner. The burden of remediation would be placed upon the Authority when site was an orphan site as no polluter can be found or the cost is too great for the owner. There is no longer specific grant funding for remediation of land available.

Reflects the availability of funding to the Authority under Part 2A

### 7.13 Timescales

Timescales for the implementation of the original Strategy have been reviewed and additional tasks with expected timescales are set out in Table labelled Work Program. The table shows that the strategic inspection and audit of North Tyneside land was completed to give a priority scoring system for inspection. The detailed inspection of land is now ongoing dependent upon the number and complexity of contaminant linkages.

**Table: Work Programme**

<b>Task</b>	<b>Objective</b>	<b>Progress</b>	<b>New Target</b>
<b>Completion Of Preliminary Priority Categorisation Within North Tyneside</b>	To identify from historical data the potentially contaminated land areas within the borough.	Achieved June 2001	Update status of sites will be identified through planning regime.
<b>Detailed Desk Top Study to Prioritise and Risk Assess land</b>	To review risk rating and priority based on site specific data.	Achieved June 2001 to March 2003	This will be carried out as required.
<b>Site Inspections (including walkover surveys) and Site Investigations Where Necessary</b>	To ensure that there is sufficient information to determine whether the land is contaminated under Part 2A of the Environmental Protection Act 1990.	There have been 3 site investigations between 2014 and 2018. The investigations arose as follows:  Site investigation carried out at petrol station and concern over potential contamination into an allotment from a drainage pipe. Testing showed no elevated contaminants.  Site investigation was undertaken about a former closed landfill site to consider potential contaminants leaching into	Site investigations will be carried out as required.

Task	Objective	Progress	New Target
		<p>residential gardens.</p> <p>Assessment of sampling concluded that the gardens were suitable for current use and were not determined as Contaminated Land.</p> <p>Site investigation was carried out to evaluate white discharge next to the wagon way onto a field. Testing showed no elevated contaminants.</p>	
<p><b>Risk Summary:</b> <b>Designated Contaminated land</b></p>	<p>To clarify the risk for the contaminant linkages and local authority opinion that it is likely to be determined as Contaminated Land formal consultation will occur.</p> <p>To encourage remediation and avoid need for Determination Notice.</p>	<p>Formal consultations to owners, occupants and person with interest to land have been made to relevant persons when further site investigation is considered . There have been 3 areas of land that have required such consultation. There has been no necessity to make formal determination of contaminated land. Formal consultation will be required prior to Formal determination of land and within 21 days from site investigation conclusion.</p>	<p>This will be carried out as required</p>

<b>Task</b>	<b>Objective</b>	<b>Progress</b>	<b>New Target</b>
<b>Voluntary Action</b>	To avoid the need to serve a statutory notice and work in partnership with polluters or owner/occupiers to attain a suitable standard of remediation.	There has been no voluntary remediation carried out via the formal contaminated land legislation. This is available for any interested party to prevent determination as contaminated land. Remediation would need to be commenced within 7 working days of notification of designation as contaminated land or prior to determination.	Advice and support for voluntary remediation will be carried out, as requested.
<b>To Serve Remediation Notices, When Required</b>	When voluntary remediation is not carried out within a specified time limit a Remediation Notice will be served to ensure that a suitable remediation standard is achieved.	No remediation notices have been served. Remediation Notice will be served at the end of a 3 month consultation period, starting from the date of determination that land is contaminated land.	This will be carried out as required
<b>To Remediate Land Designated As Contaminated Land Under Part IIA</b>	To ensure the protection of human health and the environment.	No formal remediation has been required, This would arise at the end of the Remediation Notice consultation period	This will be carried out as required
<b>To Produce Written Statements if no further action</b>	The statement should make clear that on the basis of its assessment and current use, the authority has	There have been 3 written statements produced relating to residential properties adjacent to a landfill and Earsdon Waggon	This will be carried out as required.

Task	Objective	Progress	New Target
<b>required</b>	concluded that the land does not meet the definition of contaminated land under Part 2A.	Way clarifying the lands suitability for use.	
<b>To Deal With Urgent Sites</b>	To ensure that all sites requiring urgent remediation measures are attended to as soon as is possible after their identification.	No urgent remediation measures have been required. Urgent remediation measures would commence within 5 working days of notification.	This will be carried out as required.
<b>To respond to Planning Consultation</b>	To ensure end use is suitable for the land and surrounding area.	Approximately 500 Planning consultations received annually.	To respond to planning applications and review discharge conditions relevant to contaminated land.

The table has been updated to reflect the change in priorities to include planning work. Titles have been changed to make clearer the outcomes to be achieved. Inclusion of examples of Part 2A investigations carried out

## **7.14 Contaminated Land Strategy Review**

The Authority has a duty to review its Contaminated Land Strategy from time to time. The process of strategy review will occur every five years.

The purpose of a review is to ensure priority is continually given to the highest risks. Procedures for inspection are based on the highest priority first. Risk is based on its potential to cause harm. Potential harm is graded accordingly from human receptor to building.

## **Chapter 8**

### **8.0 Communication Strategies**

Contaminated land is a sensitive issue and it is important that a comprehensive risk communication strategy is in place. This will allow the risk associated with a contaminant linkage and the timescale over which it is envisioned harm will occur to be communicated in a clear and concise manner.

The Strategy must be issued for consultation to show the procedures for site investigation and methods of dealing with sites that are deemed contaminated under the legal definition.

#### **8.1 Statutory Consultees**

The Authority has consulted internally and externally on the Contaminated Land Strategy. Details of the consultees are given in Appendix 2.

#### **8.2 Non-statutory Consultees**

The Strategy is available for the general public of North Tyneside via the Authority's website so that all procedures are transparent. The general public are invited to comment on the Contaminated Land Strategy.

#### **8.3 Communicating with appropriate persons, owner/occupiers**

The Authority will seek to gain Voluntary Remediation for those sites that are determined as Contaminated Land under Part 2A of the Environmental Protection Act 1990. Voluntary action can reduce tax payer costs and may achieve a standard of remediation equal to, or better than, what the authority would otherwise have specified in a Remediation Notice.

The opportunity for Voluntary Remediation will be provided when issuing the risk summary prior to determination. If Voluntary Remediation within a reasonable

timescale can be obtained, it will not be necessary to determine the land as contaminated land and it would not be placed on the register. Hence Remediation Notices will only be served when no voluntary action can be agreed or voluntary action fails to be undertaken within the stipulated timescales.

In order for voluntary action to take place and be effective, it is important to communicate with the 'Appropriate Person', the 'Owner(s)/Occupier(s)' if different to the appropriate person, and other interested parties. The Environmental Health Team is the appropriate Authority point of contact for all issues regarding Contaminated Land. These Officers will endeavour to keep all interested parties up to date on investigation works as they proceed.

#### **8.4 Risk Communication**

The use of a risk based approach to the identification and management of contaminated land provides a consistent and defensible basis for considering uncertainties, discussing options and making informed decisions on the level of remediation required. It ensures the remediation is proportionate to risk. This approach utilises both risk assessment (the identification, estimation and evaluation of risk) and risk management (evaluation and selection of suitable remedial measures). It is important to ascertain effective risk communication to all interested parties (including identified appropriate persons and any persons affected by the contaminated land in question) throughout the process of risk assessment and risk management.

The aim of the contaminated land regime is to ensure the polluter pays. The communication of risk allows all parties with an interest in the land to understand its short term and long term risk.

The Authority has provided information on its website on the main issues relating to the contaminated land. This includes the following:

- What Contaminated Land Means for You;
- Owner/Occupier Responsibilities and Liability as Appropriate Person;

- Leaflet on Voluntary Remediation, Remediation Notices and the Public Register;
- Specific Details on why the Land appears to be contaminated;
- Whether or not the impact is immediate and irreversible;
- Whether or not the individual(s) or communities affected can exercise a degree of control over exposure.

All of these factors should be taken into account when communicating with all interested parties regarding contaminated land issues.

The most effective communication is a two way process that respects the views of all participants. When communicating with any party regarding contaminated land issues the Authority will endeavour to:

- Be clear and consistent;
- Present all information in a simple visual way;
- The council will invite feed back on the issues raised.

The contaminated land regime grants powers to the Authority to deal with materials present in, on or under the land and contaminated land is only designated under the legal definition discussed in section 1.4.

## **Chapter 9**

### **9.0 Mechanisms to deal with Contaminated Land**

Enforcing authorities should seek to use Part 2A only where no appropriate alternative solution exists. The Part 2A regime is one of several ways in which land contamination can be addressed.

The Authority will endeavour to use alternative measures to deal with land contamination before it is deemed necessary to take action under Part 2A of the Environmental Protection Act 1990. These are discussed in the following sections.

#### **9.1 Voluntary Action**

The Authority will seek to minimise unnecessary burdens on the taxpayer, businesses and individuals. The Authority will encourage voluntary action to deal with land contamination issues. The level of remediation must be proportionate to potential exposure and harm caused by the contaminant. This risk will be influenced by its current end use and potential exposure to contaminants. A Risk Statement would be issued by the Authority to the Appropriate Person(s). This statement would identify contaminant risk, the uncertainties of risk, and its effect with time as well as providing methods to remediate.

It is important that those responsible for causing contaminated land understand the impacts a contaminant linkage will have. The Authority encourages Voluntary Remediation and will support those responsible for causing a Contaminant Linkage in recognising the potential risk and harm that may result. The Authority will advise on remediation to encourage Voluntary Remediation. The borough of North Tyneside has one industrial site that has undergone Voluntary Remediation.

#### **9.2 Planning Regime**

Land contamination can be addressed when land is developed (or redeveloped) under the planning system.

The National Planning Policy Framework 2019 (NPPF) identifies contaminated land as a material consideration in planning decisions. Development must be sustainable and the planning regime encourages the effective use of land by reusing land that has been previously developed (brownfield land), provided that it is not of high environmental value.

The sections 170,178 and 179 of the National Planning Policy Framework sets out the position on contaminated land as follows:

- Section 170 ( e) of the NPPF indicates planning policies and decisions should contribute to and enhance the natural and local environment by preventing new and existing development from contributing to, being put at unacceptable risk from, or being adversely affected by, unacceptable levels of soil, air, water or noise pollution or land instability.
- Section 178 of the NPPF indicates planning policies and decisions should ensure that:
  - a) a site is suitable for its proposed use taking account of ground conditions and any risks arising from land instability and contamination. This includes risks arising from natural hazards or former activities such as mining, and any proposals for mitigation including land remediation (as well as potential impacts on the natural environment arising from that remediation);
  - b) after remediation, as a minimum, land should not be capable of being determined as contaminated land under Part 2A of the Environmental Protection Act 1990; and
  - c) adequate site investigation information, prepared by a competent person, is available to inform these assessments.

- Section 179 of the NPPF indicates that:

Where a site is affected by contamination or land stability issues, the responsibility rests with the developer and/or landowner.

Reflects the updated National Planning Policy Framework

The planning regime allows the remediation of land contamination and protects against the creation of contaminated land.

The North Tyneside Local Plan adopted July 2017 sets out the Authority's position on contamination as follows:

#### **DM5.18 Contaminated and Unstable Land**

Where the future users or occupiers of a development would be affected by contamination or stability issues, or where contamination may present a risk to the water environment, proposals must be accompanied by a report which:

- a. Shows that investigations have been carried out to assess the nature and extent of contamination or stability issues and the possible effect it may have on the development and its future users, biodiversity, the natural and built environment; and
- b. Sets out detailed measures to allow the development to go ahead safely and without adverse effect, including, as appropriate:
  - i. Removing the contamination;
  - ii. Treating the contamination;
  - iii. Protecting and/or separating the development from the effects of the contamination;
  - iv. Validation of mitigation measures; and
  - v. Addressing land stability issues.

Where measures are needed to allow the development to go ahead safely and without adverse effect, these will be required as a condition of any planning permission.

Reflects that the North Tyneside Local Plan 2017 has been adopted.

The Coal Authority and the Environment Agency are statutory consultees and the Authority's Contaminated Land Officer; as a material consideration; will give recommendation and conditions based on the information provided with the planning application and the proposed end use.

The developer must therefore provide appropriate levels of information to allow the consultee to make an informed decision. Pre-planning advice on contaminated land issues are provided on the Environmental Health pages of the Authority's website.

Planning policies and validation systems ensure that the proposed development is made suitable for its new use. The Contaminated Land Officer will take into account ground conditions and land instability (including from natural hazards or former activities such as mining), pollution arising from previous land use and any proposals for mitigation including land remediation or impacts on the natural environment arising from that remediation. The applicant must provide adequate site investigation information, prepared by a competent person and for the discharge of conditions will be required to provide a remediation statement and validation report. This will ensure the land is suitable for use and cannot be deemed a Part 2A site.

### **9.3 Building Regulations**

The Building Regulations sets the standards that buildings must be constructed to and they lay down health and safety standards for the construction of all types of building work, including new build, extensions, internal alterations, underpinning, cavity wall insulation and change of use. The regulations provide another tool to ensure adequate internal protection of buildings against shallow mine gas or landfill gas.

## **9.4 Environmental Damage Regulations**

The Environmental Damage (Prevention and Remediation) Regulations came into force in England on 1 March 2009. They are based on the 'polluter pays principle' so those responsible prevent and remedy environmental damage, rather than the taxpayer paying. They are only applicable to commercial concerns.

## **9.5 Environmental Permitting Regulations**

Some facilities could harm the environment or human health unless they are controlled. The Environmental Permitting Regime (the "regime") requires operators to obtain permits for some facilities, to register others as exempt and provides for ongoing supervision by regulators. The aim of the regime is to:

- Protect the environment so that Statutory and Government policy environmental targets and outcomes are achieved;
- Deliver permitting and compliance with permits and certain environmental targets effectively and efficiently in a way that provides increased clarity and minimises the administrative burden on both the regulator and the operators;
- Encourage regulators to promote best practice in the operation of facilities;
- Continue to fully implement European legislation.

## **Chapter 10**

### **10.0 Information Management**

The status of land within the borough of North Tyneside will be reviewed as additional data is obtained via the planning regime and commissioned site investigation work. A data management system is in place to allow for the continuous review of the allocated risk priority of sites and to prevent blight of land. This information is currently stored via a number of sources and is linked to the contaminated land software. This system is currently being reviewed and updated.

#### **10.1 Data Storage and Accessibility**

The Authority uses a computerised Geographical Information System (GIS) and Microsoft Access Database system to store the data in relation to land contamination. It should be noted that this system is a working document and it will be constantly changing with data being updated as new information becomes available.

#### **10.2 Internal Responsibility for Data Management**

Within the Authority it is the responsibility of the Contaminated Land Officer, based within Environmental Health, for data management.

#### **10.3 Internal Access to Information**

Information highlighting possible areas of reduced land quality has been passed to the Planning, Building Control and evaluation areas of the Authority to ensure that the Pollution Control Team is consulted on any development and planning issues within 250m of these areas.

The GIS/MS Access Database is a working document and as such is a draft document. The initial preliminary categorisation of contaminated sub areas is based upon the limitations of digitised data. The digitised data does not take into account

any remediation or intrusive site investigations which may have been carried out via planning conditions. As desk top studies are carried out the data will be updated but may be insufficient to make a written statement. Information held within this system will therefore be treated as confidential.

Some of the data within the system, such as the Historical Ordnance Survey Maps and the British Geological Society Maps, are the subject of copyright restrictions and as such cannot be issued or copied to any third parties.

#### **10.4 Public Access to Information**

The public will have free access to the public register. The Authority will ensure full compliance with the access provisions contained in the Environmental Information Regulations 2004 (or as subsequently amended or replaced).

#### **10.5 Register Information**

Under section 78R (1) of the Environmental Protection Act 1990 the Authority has a duty to maintain a public register of all land that has been determined as contaminated and subsequently remediated. A current copy of the Contaminated Land Register and contents is provided in Appendix 3.

All information held on the public register will be held in accordance with the confidentiality provisions set out in s.78S and s.78T of the Environmental Protection Act 1990.

The register will also include information about the condition of the land in question. The register will contain details of contaminated land within North Tyneside or contaminated land in adjoining councils when the land is adjacent to the Borough boundary. A copy of any register entries held by these adjoining authorities will be included on the Authority's Register. The register will be held at the following location and will be available for viewing during working hours by appointment only between 9am – 5pm Monday to Thursday and 9am – 4.30pm Friday excluding Bank Holidays:-

North Tyneside Council  
Quadrant East  
The Silverlink North  
Cobalt Business Park  
North Tyneside  
NE27 0BY

**Contact: Environmental Health on 0191 643 6100 (working hours only).**

Members of the public are entitled to free inspection of the Register. The register is also available on the North Tyneside Council website.

<https://my.northtyneside.gov.uk> › Residents › Environmental issues › Pollution

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## Glossary of Terms

**Appropriate Person(s):** any person(s) who have been identified as being responsible for any thing which is to be done by way of remediation.

**Attribution:** the process of apportionment between liability groups.

**Charging Notice:** a notice placing legal charge on land determined as contaminated by an enforcing authority to enable the authority to recover from the appropriate person any reasonable cost incurred by the authority in carrying out remediation.

**Class A liability group:** a liability group consisting of one or more Class A persons.

**Class A persons:** a person who has caused or knowingly permitted a pollutant to be in, on or under the land.

**Class B liability group:** a liability group consisting of one or more Class B persons.

**Class B person:** a person who is the owner or occupier of the land in circumstances where no Class A person can be found with respect to a particular remediation action.

**Contaminant:** a substance which is in, on or under the land and which has the potential to cause harm or to cause pollution of controlled waters.

**Contaminated Land:** "any land which appears to the local authority in whose area it is situated to be in such a condition, by reason of substances in, on or under the land, that-

- a) significant harm is being caused or there is a significant possibility of such harm being caused, or;
- b) pollution of controlled waters is being, or is likely to be, caused."

**Contaminant Linkage:** the relationship between a contaminant, a pathway and a receptor.

**Controlled Waters:** Defined by reference to Part III of the Water Resources Act 1991 (Amendment) (England and Wales) Regulations 2009, this embraces territorial and coastal waters, inland fresh waters, and ground waters.

**Current use:** any use of the land which is currently being made, or is likely to be made, of the land.

**Enforcing Authority:**

- a) in relation to a Special Site, it is the Environment Agency;
- b) in relation to contaminated land other than a Special Site, the local authority in whose area it is situated.

**Harm:** "harm to the health of living organisms or other interference with the ecological systems of which they form part and, in the case of man, includes harm to his property".

**Intrusive Investigation:** an investigation of land (for example by exploratory excavations) which involves actions going beyond simple visual inspection of the land, limited sampling or assessment of documentary information.

**Liability Group:** the persons who are appropriate persons with respect to a particular significant pollutant linkage.

**Orphan Linkage:** a significant pollutant linkage for which no appropriate person can be found, or where those who would otherwise be liable are exempted by one of the relevant statutory provisions.

**Owner:** "A person (other than a mortgagee not in possession) who, whether in his own right or as trustee for any other person, is entitled to receive the rack rent of the land, or where the land is not let at a rack rent, would be so entitled if it were so let."

**Part 2A:** Part 2A of the Environmental Protection Act 1990.

**Pathway:** one or more routes or means by, or through, which a receptor:

- a) is being exposed to, or affected by, a contaminant; or
- b) could be so exposed or affected.

**Pollutant:** a contaminant which forms part of a pollutant linkage

**Pollution of Controlled Waters:** "the entry into controlled waters of any poisonous, noxious or polluting matter or any solid waste matter."

**Polycyclic Aromatic Hydrocarbons(PAH):** PAHs are one of the most widespread organic pollutants. They are present in fossil fuels and are also formed by incomplete combustion of carbon-containing fuels such as wood, coal, diesel, fat, tobacco, and incense.

**Possibility of Significant Harm:** a measure of the probability, or frequency, of the occurrence of circumstances which would lead to significant harm being caused.

**RAMSAR:** Ramsar sites are wetlands of international importance, designated under the Ramsar Convention. The Ramsar Convention is an international agreement signed in Ramsar, Iran, in 1971, which provides for the conservation and good use of wetlands. The UK Government ratified the Convention and designated the first Ramsar sites in 1976.

**Receptor:** either:

- a) a living organism, a group of living organisms, an ecological system or a piece of property which:
  - i) is in category listed in Table A within Appendix 2; and
  - ii) is being, or could be, harmed, by a contaminant; or
- b) controlled waters which are being, or could be, polluted by a contaminant.

**Register:** the public register maintained by the enforcing authority including details of the formally designated contaminated sites and any remediation actions carried out.

**Remediation:**

- a) the doing of anything for the purpose of assessing the condition of -
  - i) the contaminated land in question;
  - ii) any controlled waters affected by that land; or
  - iii) any land adjoining or adjacent to that land.
  
- b) the doing of any works, the carrying out of any operations or the taking of any steps in relation to any such land or waters for the purpose -
  - i) of preventing or minimising, or remedying or mitigating the effects of any significant harm, or any pollution of controlled waters, by reason of which the contaminated land is such land; or
  - ii) of restoring the land or waters to their former state; or
  
- c) the making of subsequent inspections from time to time for the purpose of keeping under review the condition of the land or waters."

**Remediation Action:** any individual thing which is being, or is to be, done by way of remediation.

**Remediation Notice:** a notice specifying what an appropriate person is to do by way of remediation and the periods within which he is required to do each of the things so specified.

**Remediation Package:** the full set or sequence of remediation actions, within a remediation scheme, which are referable to a particular significant pollutant linkage.

**Remediation Scheme:** the complete set or sequence of remediation actions (referable to one or more significant pollutant linkages) to be carried out with respect to the relevant land or waters.

**Remediation Statement:** a statement prepared and published by the responsible person detailing the remediation actions which are being, have been or are expected to be, done as well as the periods within which these things are being done.

**Risk:** the combination of:

- a) the probability, or the frequency, of occurrence of a defined hazard (for example exposure to a property of a substance with the potential to cause harm); and
- b) the magnitude (including the seriousness) of the consequences.

**Significant Harm:** any harm which is determined to be significant in accordance with the statutory guidance in Chapter A (that is, it meets one of the descriptions of types of harm in the second column of Table A within Appendix 2).

**Significant Pollutant:** a pollutant which forms part of a significant pollutant linkage.

**Significant Pollution Linkage:** a pollutant linkage which forms the basis for a determination that a piece of land is contaminated land.

**Significant Possibility of Significant Harm:** a possibility of significant harm being caused which is determined to be significant in accordance with the statutory guidance in Chapter A.

**Shared Action:** a remediation action which is referable to the significant pollutant in more than one significant pollutant linkage.

**Single-linkage Action:** a remediation action which is referable solely to the significant pollutant in a single significant pollutant linkage.

**Special Site:** any contaminated land that has been designated as such, by reason of the contaminants within it. The effect of the designation of any contaminated land as a special site is that the Environment Agency, rather than the local authority, becomes the enforcing authority for the land.

A site where the contamination is such that the Environment Agency has become the enforcing authority for the purposes of Part 2A of the Environmental Protection Act 1990.

**Substance:** any natural or artificial substance, whether in solid or liquid form in the form of a gas or vapour.

**Suitable for Use:** This describes the requirement for the use of a piece of land to be suitable for the level of contaminants present within the land. An example of this is that a higher level of contaminants is acceptable in, on or under the land if the land is to be used a hardstanding car park, than if it were to be used for an area of garden.

## **Appendix 1**

### **Definition of Special Sites**

Special sites are areas of contaminated land under Part 2A of the Environmental Protection Act 1990 for which the Environment Agency, and not the local authority, are the main regulator. This means it is the Environment Agency's responsibility to ensure the appropriate remediation is carried out.

Special sites are not necessarily the most seriously contaminated sites.

There are four main categories of special site described in the regulations:

- some water pollution cases – includes areas of contaminated land affecting drinking water supply or (potentially) polluting controlled waters within a major aquifer;
- industrial cases – includes specific circumstances such as acid tar lagoons, sites where explosives were manufactured, or a site for an authorised process under the Environmental Permitting (England and Wales) Regulations and its predecessor regimes;
- defence cases;
- radioactivity cases – where land is contaminated land by virtue of radioactivity which can include nuclear sites.

#### **1 Water pollution – sites where:**

- drinking water supplies are affected;
- water quality criteria are affected;
- listed substances are affecting defined aquifers.

#### **2 Industrial land use – sites with:**

- waste acid tar lagoons;
- petroleum refineries;
- explosives manufacture or processing;
- authorised processes (for example Integrated Pollution Control sites, Pollution Prevention and Control sites and Environmental Permitting Regime sites);

- nuclear sites.

### **3 Defence**

- land currently owned or occupied by the Ministry of Defence and those of visiting forces;
- chemical weapons or biological agents manufacture, processing or disposal.

### **4 Radioactivity**

- land affected by radioactivity from any substances.

**(Dealing with Contaminated Land in England and Wales, 2009, Environment Agency)**

## **Appendix 2**

### **Relevant statutory bodies that have regulatory function in contaminated land to be consulted**

#### **Environment Agency**

Groundwater and Contaminated Land Team  
Environment Agency  
Tyneside House  
Skinnerburn Road  
Newcastle Business Park  
Newcastle upon Tyne  
NE4 7AR

#### **Natural England,**

North East Region  
The Quadrant,  
Newburn Riverside,  
Newcastle upon Tyne,  
NE15 8NZ

#### **Newcastle City Council**

Environmental Protection  
Civic Centre  
Barras Bridge  
Newcastle upon Tyne  
NE99 1RD

#### **Northumberland Council**

Environmental Health  
County Hall  
Morpeth  
Northumberland  
NE61 2EF

#### **North Tyneside Council Public Health Team**

Wendy Burke  
Director of Public Health  
Quadrant Third Floor Right  
Cobalt Business Park  
North Shields  
NE27 0BY

**Public Health England**

North East PHE Centre  
Centre Director  
Floor 2 Citygate  
Gallowgate  
Newcastle-upon-Tyne  
NE1 4WH

**South Tyneside Council**

Environmental Health  
Town Hall & Civic Offices,  
Westoe Road  
South Shields  
Tyne & Wear  
NE33 2RL

Consultation will be undertaken using the Engagement Hub as a means of publicising the strategy. All comments will be requested to be made to the environmental health email address and coordinated by Environment Health..

## **Appendix 3**

### **Contaminated Land Register**

Each enforcing authority has a duty to maintain a Register in accordance with the public register provision of section 78R (1) of the Environmental Protection Act 1990.

Before any information is included on the register the authority must consider whether that information should be excluded on the basis that:

- a) its inclusion would be against the interests of national security; or
- b) the information is commercially confidential.

The register will include details of the following:

- remediation notices which have been served;
- appeals against remediation notices and the appeal outcomes;
- remediation declarations;
- remediation statements;
- appeals against charging notices;
- designation of special sites;
- notification of claimed remediation;
- convictions under Section 78M of the Environmental Protection Act 1990 (removed when conviction spent);
- Guidance issued under Section 78V(1) of the Environmental Protection Act 1990;
- Other environmental controls - cases where Section 78YB of the Environmental Protection Act 1990 prohibits a remediation notice being served;
- Environment Agency site specific advice;
- site information.

Where land is determined as being a special site then the register will also include:

- the notice designating it a special site;
- an identification of the description of land under which it is a special site;

- any notice given by the appropriate Agency of its decision to adopt a remediation notice;
- any notice given by or to the enforcing authority terminating the designation of the site as a special site;
- the date of any site specific guidance issued by the Environment Agency (Site specific guidance for special sites may be required to be publicly available under the Environmental Information Regulations 1992).

**Currently no sites within the borough of North Tyneside have been legally determined as contaminated land.**

The Contaminated Land Register will take the following format:

<b>Location</b>	<b>Reference</b>	<b>Determination</b>	<b>Remediation Statement</b>	<b>Determination Statement</b>	<b>Grid Reference</b>

## Appendix 4

### Summary of Risk Categories

Cat-egory	Human Health	Controlled Waters
1	The significant possibility of significant harm exists where there is an unacceptably high probability, supported by robust science based evidence that significant harm would occur if no action is taken to stop it. Significant harm may already have been caused.	There is a strong and compelling case for considering that a significant possibility of significant pollution of controlled waters exists. And that it is likely that high impact pollution would occur if nothing were done to stop it.
2	The land poses a significant possibility of significant harm, may include land where there is little or no direct evidence that similar land, situations or levels of exposure have caused harm before, but nonetheless the authority considers on the basis of the available evidence, including expert opinion, that there is a strong case for taking action under Part 2A on a precautionary basis.	On the basis of the available scientific evidence and expert opinion, the risks posed by the land are of sufficient concern that the land should be considered to pose a significant possibility of significant pollution of controlled waters on a precautionary basis, and where there is a relatively low likelihood that the most serious types of significant pollution might occur.
3	The legal test for significant possibility of significant harm is not met. This will include land where the risks are not low, but nonetheless the authority considers that regulatory intervention under Part 2A is not warranted	The risks are such that it is very unlikely that serious pollution would occur; or where there is a low likelihood that less serious types of significant pollution might occur.
4	There is no risk or that the level of risk posed is low. There are only normal levels of contaminants in soil or contaminant levels do not exceed relevant generic assessment criteria. Estimated levels of exposure to contaminants in soil are likely to form only a small proportion of what a receptor might be exposed to anyway through other sources of environmental exposure.	There is no risk, or that the level of risk posed is low, e.g. no contaminant linkage has been established in which controlled waters are the receptor in the linkage; or the water pollution is similar to that which might be caused by “background” contamination.

North Tyneside Council will use these Risk Categories to help in the identification of high priority sites under Part 2A.

## Appendix 5

### Receptors and Harm

#### Environmental Protection Act 1990: Part 2A Contaminated Land Statutory Guidance 2012

Relevant types of receptor	Significant harm	Significant possibility of significant harm
<p>Any ecological system, or living organism forming part of such a system, within a location which is:</p> <ul style="list-style-type: none"> <li>• a site of special scientific interest (under section 28 of the Wildlife and Countryside Act 1981)</li> <li>• a national nature reserve (under s.35 of the 1981 Act)</li> <li>• a marine nature reserve (under s.36 of the 1981 Act)</li> <li>• an area of special protection for birds (under s.3 of the 1981 Act)</li> <li>• a “European site” within the meaning of regulation 8 of the Conservation of Habitats and Species Regulations 2010</li> <li>• any habitat or site afforded policy protection under paragraph 6 of Planning Policy Statement (PPS 9) on nature conservation (i.e. candidate Special Areas of Conservation, potential Special Protection Areas and listed Ramsar sites); or</li> <li>• any nature reserve established under section 21 of the National Parks and Access to the Countryside Act 1949.</li> </ul>	<p>The following types of harm should be considered to be significant harm:</p> <ul style="list-style-type: none"> <li>• harm which results in an irreversible adverse change, or in some other substantial adverse change, in the functioning of the ecological system within any substantial part of that location; or</li> <li>• harm which significantly affects any species of special interest within that location and which endangers the long-term maintenance of the population of that species at that location.</li> </ul> <p>In the case of European sites, harm should also be considered to be significant harm if it endangers the favourable conservation status of natural habitats at such locations or species typically found there.</p> <p>In deciding what constitutes such harm, the local authority should have regard to the advice of Natural England and to the requirements of the Conservation of Habitats and Species Regulations 2010.</p>	<p>Conditions would exist for considering that a significant possibility of significant harm exists to a relevant ecological receptor where the local authority considers that:</p> <ul style="list-style-type: none"> <li>• significant harm of that description is more likely than not to result from the contaminant linkage in question; or</li> <li>• there is a reasonable possibility of significant harm of that description being caused, and if that harm were to occur, it would result in such a degree of damage to features of special interest at the location in question that they would be beyond any practicable possibility of restoration.</li> </ul> <p>Any assessment made for these purposes should take into account relevant information for that type of contaminant linkage, particularly in relation to the ecotoxicological effects of the contaminant.</p>

Relevant types of receptor	Significant harm	Significant possibility of significant harm
<p>Property in the form of:</p> <ul style="list-style-type: none"> <li>• crops, including timber;</li> <li>• produce grown domestically, or on allotments, for consumption;</li> <li>• livestock;</li> <li>• other owned or domesticated animals;</li> <li>• wild animals which are the subject of shooting or fishing rights.</li> </ul>	<p>For crops, a substantial diminution in yield or other substantial loss in their value resulting from death, disease or other physical damage. For domestic pets, death, serious disease or serious physical damage. For other property in this category, a substantial loss in its value resulting from death, disease or other serious physical damage.</p> <p>The local authority should regard a substantial loss in value as occurring only when a substantial proportion of the animals or crops are dead or otherwise no longer fit for their intended purpose.</p> <p>Food should be regarded as being no longer fit for purpose when it fails to comply with the provisions of the Food Safety Act 1990. Where a diminution in yield or loss in value is caused by a contaminant linkage, a 20% diminution or loss should be regarded as a benchmark for what constitutes a substantial diminution or loss.</p> <p>In this Chapter, this description of significant harm is referred to as an “animal or crop effect”.</p>	<p>Conditions would exist for considering that a significant possibility of significant harm exists to the relevant types of receptor where the local authority considers that significant harm is more likely than not to result from the contaminant linkage in question, taking into account relevant information for that type of contaminant linkage, particularly in relation to the ecotoxicological effects of the contaminant.</p>
<p>Property in the form of buildings. For this purpose, “building” means any structure or erection, and any part of a building including any part below ground level, but does not include plant or machinery comprised in a building, or buried services such as sewers, water pipes or electricity cables.</p>	<p>Structural failure, substantial damage or substantial interference with any right of occupation. The local authority should regard substantial damage or substantial interference as occurring when any part of the building ceases to be capable of being used for the purpose for which it is or was intended.</p> <p>In the case of a scheduled Ancient Monument, substantial damage should also be regarded as occurring when the damage significantly impairs the historic, architectural, traditional, artistic or archaeological interest by reason of which the monument was scheduled.</p> <p>In this Chapter, this description of significant harm is referred to as a “building effect”.</p>	<p>Conditions would exist for considering that a significant possibility of significant harm exists to the relevant types of receptor where the local authority considers that significant harm is more likely than not to result from the contaminant linkage in question during the expected economic life of the building (or in the case of a scheduled Ancient Monument the foreseeable future), taking into account relevant information for that type of contaminant linkage.</p>

## Appendix 6

### Location of North Tyneside



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## **Appendix 7**

### **Powers of Entry**

The Statutory Guidance 2012 states that the authority should consult the landowner before inspecting the land unless there is a particular reason why this is not possible, for example because it has not been possible to identify or locate the landowner. Where the owner refuses access, or the landowner cannot be found, the authority should consider using statutory powers of entry.

The authority has specific powers of entry under Section 108 of the Environment Act 1995 to authorise suitable persons to carry out inspection of the land. This can involve entering premises, taking samples or carrying out related activities for the purpose of enabling the authority to determine whether any land is contaminated land. Where the authority chooses to utilise these powers, at least seven days' notice will be given of proposed entry onto any premises, unless there is an immediate serious risk to human health or the environment.

Under Section 108 of the Environment Act 1995 the local authority is given the power to authorise a person to exercise specific powers of entry. North Tyneside Council will not carry out any inspection using these statutory powers of entry that takes the form of an intrusive investigation if:

- a) it has already been provided with detailed information on the condition of the land, whether by the Environment Agency or some other person such as the land owner, which provides an appropriate basis upon which the authority can determine whether the land is contaminated in accordance with the requirements of the guidance; or,
- b) a person offers to provide such information within a reasonable and specified timescale, and then provides such information within that time; or,
- c) prior to an inspection under its powers of entry the council will be satisfied that a pollutant linkage exists. This means that as well as a reasonable

possibility of the presence of source, pathway and receptor, they also make a pollution linkage.

## References

Within the development of its Contaminated Land Strategy North Tyneside Council has referred to the following literature. The new legislation regarding Contaminated Land has been designed to supersede existing statutory legislation documents. It is designed to operate alongside current regimes of pollution control legislation.

## Statutory Guidance

1. BS 10175:2011+a2:2017 Code of Practice for the Investigation of Potentially Contaminated Sites
2. Environmental Protection Act 1990 Part I – Integrated Pollution Control
3. Environmental Protection Act 1990 Part II – Waste Management License
4. Environmental Protection Act 1990 Part IIA – Contaminated Land Statutory Guidance 2012
5. Environmental Protection Act 1990 Part III – Statutory Nuisance
6. Environment Act 1995 - Section 57
7. Pollution Prevention and Control (England and Wales) Amendment) (No 2) Regulations 2003
8. The Water Resources Act 1991 (Amendment) (England and Wales) Regulations 2009

## Non Statutory Guidance

1. Babbie (2001): Identification, Prioritisation and Risk Ranking of Potentially Contaminated Land in North Tyneside Methodology
2. British Geological Survey and The Environment Agency (2000): Technical Report WE/99/14: Some Guidance on the Use of Digital Environmental Data.
3. CIRIA (1995): Remedial Treatment for Contaminated Land Vol III; Site Investigation and Assessment.
4. DoE May (1991) "Public Registers of Land Which May Be Contaminated"
5. DoE (1994): CLR No 1 Vol One and Two. "A Framework For Assessing The Impact of Contaminated land on Groundwater and Surface water.
6. DoE (1994): CLR No 1 Vol One and Two. "A Framework For Assessing The Impact of Contaminated land on Groundwater and Surface water.
7. DoE (1994) CLR No 2 Vol One and Two: "Guidance on Preliminary Site Inspection of Contaminated Land
8. DoE (1994) CLR No 3: ;Documentary Research on Industrial Research
9. DoE (1994) CLR No 4: "Sampling Strategies for Contaminated Land"
10. DoE (1994) CLR No 5 "Information Systems for Land Contamination"
11. DoE (1994) CLR No 6 " Prioritisation and Categorisation Procedure for Sites which may be Contaminated.
12. DoE Industry Profiles (1995 and 1996)
13. DoE May 1991 "Public Registers of Land Which May Be Contaminated"

14. Environment Agency (May 2001): Contaminated Land Inspection Strategies: Technical Advice For Local Authorities
15. Environment Agency (1999): Methodology for the Derivation of Remedial Targets for Soil and Groundwater to Protect Water Resources
16. Environment Agency (2001): Land Contamination: Technical Guidance on Special Sites: Petroleum Refineries. Research and Development Technical Report Ref P5-042/TR/05
17. Environment Agency "Policy and Practice for the Protection of Groundwater"
18. Environment Agency (2001): Technical Aspects of Site Investigation Research and Development Technical Report P5-065/TR.
19. Environment Agency (2001): Secondary Model Procedure for the Development of Appropriate Soil Sampling Strategies for Land Contamination. Technical Report Ref P5-066/TR
20. Environment Agency and Local Government Association: Land Contamination Protocol.
21. Health and Safety Executive: "Protection of workers and the general public during the development of contaminated land"
22. ICRCCL 59/83 (1983): Guidance on the Assessment and Redevelopment of Contaminated Land
23. MAFF (1998): Code of Good Agricultural Practice for the Protection of Soil: The Soil Code.
24. MAFF (1998): Code of Good Agricultural Practice for the Protection of Water: The Water Code.
25. National Rivers Authority (1994): Water Quality Series No 15: "Contaminated Land and the Water Environment"
26. National Rivers Authority (1994): "Guide to Groundwater Vulnerability Mapping in England and Wales"
27. National Rivers Authority (1995): Guide to Protection Zones in England and Wales
28. SNIFFER (1999): Communicating Understanding of Contaminated Land Risks.
29. The New Dutch Intervention Values for Soil Remediation
30. The Kelly Indices (Formally GLC) Guidelines for Contaminated Soils

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## Appendix 2

Amendments made the Strategy

Consultation document

<b>Chapter/Para/Page</b>	<b>Description of amendment</b>
Pg 2	Insertion of Preface.
Pg 2	Invitation to comment on Strategy.
Ch 3, Para 3.2.3, Pg 11	Insertion of Mining and Groundwater Constraints for Sustainable Development and Drainage Systems (North East England only).
Ch 3 Para 3.3.4 Pg 14	Updated information on Areas of Special Interest and Ecology.
Ch 3 Para 3.5 Pg 17	Updated information of Authority Owned Land.
Ch 4, Para 4.1, Pg 18	Updated to show coal mining can be both a source or pathway for contaminants and the introduction of the interactive map.
Ch 4, Para 4.1, Pg 18	Gives a brief explanation that the coal fields having 2 classifications based on risk.
Ch 4, Para 4.1, Pg 19	Reflects the updated National Planning Policy Framework.
Ch 5 Para 5.3 Pg 23	Specific examples of works carried out under Part 2a have been included.
Ch 6 Para 6.2 Pg 26	Reflects updated Guidance.
Ch 7 Para 7.12 Pg 32	Reflects the responsibilities of the Authority under Part 2A.
Ch 7 Para 7.13 Pg 37	The table has been updated to reflect the change in priorities to include planning consultations. Titles have been changed to make clearer the outcomes to be achieved. Inclusion of examples of Part 2A investigations carried out.
Ch 9 Para 9.2, Pg 42	Reflects the updated National Planning Policy Framework.
Ch 9 Para 9.2, Pg 42	Reflects that the issue of the North Tyneside Local Plan 2017 has been adopted.

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## North Tyneside Council Report to Cabinet Date: 9 September 2019

### ITEM 5(e)

Title: North Tyneside  
Council's Lettings Policy  
Review

<b>Portfolio(s):</b> Housing	<b>Cabinet Member(s):</b> Councillor Steve Cox
<b>Report from Service Area:</b>	Environment, Housing and Leisure
<b>Responsible Officer:</b>	Phil Scott, Head of Environment, Housing and Leisure Tel: (0191) 643 7295
<b>Wards affected:</b>	All Wards

### PART 1

#### 1.1 Executive Summary:

The Council's Lettings Policy provides the legal allocations framework as to who is accepted onto the housing register, how the register is administered and how the majority of social rented housing in the Borough is let. It is good practice for the Lettings Policy to be reviewed periodically. The last review of this policy took place in 2016.

In 2017 the Homelessness Reduction Act was enacted and provisions become operable from April 2018, which requires changes to be made to the current lettings policy. In addition it is proposed to make three other changes to the current policy due the increasing demand for the Authority's homes and to ensure that those in housing need are prioritised.

Having carried out a full Section 105 Consultation on the proposed changes this report is to seek approval of the reviewed North Tyneside Council's Lettings Policy.

#### 1.2 Recommendation(s)

It is recommended that Cabinet agree the North Tyneside Council Letting's Policy as set out in Appendix 1 of this report and note the financial implications as set out in paragraph 2.1.

#### 1.3 Forward Plan

Twenty eight days' notice of this report has been given. It first appeared on the Forward Plan that was published on 10 June 2019.

#### 1.4 Council Plan and Policy Framework

This report relates to the following priorities in the 2018 - 2020 Our North Tyneside Plan:

**Our People Will:**

Be ready for work and life  
Be cared for, protected and supported  
Be healthy and well

**Our Places Will:**

Offer a good choice of quality housing  
Be great places to live

In addition to Our North Tyneside Plan 2018 - 2020, the Lettings Policy also relates to the following current plans and strategies:-

**North Tyneside Housing Strategy 2016 - 2021**

This Strategy has four strategic objectives, of which preventing homelessness sits within Priority 4: Better Homes, More Independence.

**North Tyneside Homelessness Prevention Strategy 2019 - 2021**

The newly adopted strategy has four priorities, these have been shaped by recent legislative changes, homelessness review, engagement with service providers and service users.

**North Tyneside Tenancy Strategy 2013 - 2018**

The Strategy emphasises the need to make best use of the housing stock to meet local housing need, maintain and create successful, sustainable communities and prevent homelessness.

**North Tyneside Joint Health and Wellbeing Strategy 2013 - 2023**

This Strategy focuses on the health inequalities that exist within the Borough and sets out priorities to address this. The issues faced by many homeless and transient people cut across all five strategic priorities.

The Lettings Policy promotes sustainable communities and helps people access secure, suitable and affordable homes within North Tyneside.

**1.5 Information:****1.5.1 Background**

Local authorities are required to carry out a review of their Lettings Policies at reasonable intervals. The last review was carried out in July 2016.

This review has taken into account:-

**Shrinking Housing Revenue Account (HRA) budget**

- Reduced rents by 1% for 4 years as a consequence of changes made by national government
- The impact on rental income due to the introduction of Universal Credit, rent arrears increased by £594k in 2018/19

## **Reduction in our housing stock**

- Our housing stock has reduced from 32,000 in 1979 to 14,656 at the end of 2018/19. A total of 382 properties have been sold under the Right to Buy scheme since 2016.

## **New legislation**

- The introduction of the Homeless Reduction Act 2017 has put new duties on the Authority as to how to manage homeless applications and prevent homelessness.

## **Ensuring people with housing need are allocated available homes.**

- There are 3,868 applicants registered on the Authority's housing register, with an average of 1,400 homes available a year. Due to the low level of available homes it is important that homes are allocated to those applicants most in need.

### **1.5.2 Review Process**

A review of the Authority's Lettings Policy has been carried out, taking into consideration the following:-

- Housing Act 1996
- The Localism Act 2011
- The Welfare Reform Act 2012
- Care Act 2014
- The Homeless Reduction Act 2017
- Allocation of Accommodation: Guidance for local housing authorities in England, June 2012
- Providing social housing for local people; Statutory Guidance for local authorities in England, December 2013
- Welfare Reform and Work Bill
- Local Government Finance Settlement 2016/17
- Issues identified during the operation of the current Lettings Policy
- Feedback from consultation with Members, staff, tenants / potential tenants, residents and key stakeholders

All relevant issues associated with the above list have been incorporated into the revised policy, (Appendix 1).

The policy has been drafted in consultation with the Authority's Legal Team to ensure compliance with statutory requirements.

### **1.5.3 Proposed amendments to the Lettings Policy**

The main issues arising from the review are summarised below. The feedback from the consultation on each of the proposals is provided in the Consultation Report as set out in Appendix 2. There were originally 6 proposed changes but as a result of the feedback only 4 have been taken forward.

## **a) Homeless applicant's choice to bid**

The Homelessness Reduction Act (the Act) commenced in April 2018. The Act places a new duty on local authorities to help prevent the homelessness of all families and single people, regardless of priority need, who are eligible for assistance and threatened with homelessness.

Key measures in the Act include an extension of the period during which an authority should treat someone as threatened with homelessness from 28 to 56 days and a further duty to provide 'relief' from homelessness for 56 days, for example when a homeless applicant is placed in the Authority's temporary accommodation.

Under the current Lettings Policy, when the Authority has a duty to rehouse a homeless applicant, the Authority discharges this duty by awarding a high priority band and allowing homeless applicants to bid for available homes over a 4 week period. This is resulting in households staying longer in temporary accommodation, as the majority tend to wait until the 4<sup>th</sup> week to bid for a home.

The 'relief duty' combined with the 4 week bidding period is resulting in 100% occupation of temporary accommodation, resource availability and impact on vulnerable households.

Within the revised policy it is proposed to remove the right for homeless applicants to bid for homes and for the Authority to make one direct offer of suitable accommodation. Under the Housing Act 1996 the Authority only needs to make one offer of suitable accommodation to discharge its duty to a homeless applicant.

Before making a direct offer, the Authority would need to consider the following:-

- Property eligibility i.e. size and type of home
- Social considerations relating to the applicant and their household, including risk of violence, racial or other harassment in a particular locality
- The suitability of accommodation for households with particular medical and/or physical needs
- The need for support from family where there is a high need

Applicants would have a right to appeal against the suitability of an offer, which will be assessed by a senior officer who has not been involved with the original case.

## **b) Financial Resources**

The current Lettings Policy states:-

Where a housing application is received from an applicant who owns their own home, the applicant will be considered to have the financial resources to meet their own housing need and therefore may not be accepted on to the housing register.

Exceptions to this are:-

- Those at risk of homelessness or who are in financial hardship, as assessed by the Council's Housing Options Team
- Those moving into older people's accommodation, where their equity is less than the average price of a similar type of accommodation (only for North Tyneside Living Accommodation)

- Exceptional circumstances considered

As there is no monetary level set against the above assessment, it is proposed under the revised policy to include a financial assessment of household income (housing applicants only) and savings for eligibility to join the housing register of a maximum of:-

- £50,000 annual household income or above.
- £100,000 or over in savings and/or assets.

Note: The average income in the Borough is £35,000.

By setting a monetary level it allows transparency to applicants, ensures those applicants with housing need secure homes quicker and for officers to make clear decisions on housing application assessments, without any ambiguity. It also prevents someone with unlimited savings securing a council home. These figures will be reviewed annually.

It should be noted that the above levels exclude applicants over the age of 60 who apply for older people's accommodation, where the current level is set at £110,000 for equity and/or savings. This figure is reviewed annually.

### **c) Restricting Transfer Applicants**

The current Lettings Policy treats North Tyneside Council tenants as a housing register applicant. This means that transferring tenants can apply for other available homes straight after transferring to a new home.

It is proposed that those North Tyneside Council tenants that have no housing need will not be eligible for the housing register until they have lived in their tenancy for one year or more and they have proved they have managed the tenancy satisfactorily.

The Authority's Lettings Policy is based around government legislation, giving those with a reasonable preference (a housing need) priority. Once an applicant is rehoused into a North Tyneside tenancy it is seen that their housing need has been met.

By having no restrictions on transferring tenants without a housing need, it has a financial impact on the Authority due to empty homes repair costs.

### **d) Restrictions on Bidding**

In the 2016 review of the Lettings Policy, applicants were prevented from bidding for 3 months if they refused 3 reasonable offers of suitable accommodation. After reviewing the impact of this change it is showing that 3 months is not proving a deterrent on serial bidders and the refusal of homes.

In 2018/19 there were a total of 1,949 refusals of homes (37.48 refusals per week) and 20 applicants were prevented from bidding for 3 months after refusing 3 offers. Sixteen of these applicants re-applied after the 3 months and 44% (7) of those applicants refused a further 3 offers.

It is proposed to increase the restriction on bidding from 3 to 6 months if an applicant refuses 3 reasonable offers of accommodation.

#### 1.5.4 Homeless Reduction Act 2017

There is a requirement to update the Lettings Policy to reflect the changes in relation to the Homeless Reduction Act 2017 and it is proposed that the following will be included in the revised policy:-

- Prevention Stage - this is where free advice by the Authority is given to prevent homelessness and secure accommodation. Personalised Housing Plans are developed and agreed with the individual. The applicant will be assessed in line with the Lettings Policy;
- Relief Stage - this is where the individual has been relieved of homelessness by being supported to find alternative, suitable accommodation. The applicant will be assessed in line with the Lettings Policy; and
- Anyone who is deemed priority homeless and where the Authority has a duty to rehouse, to be given one direct offer of suitable accommodation

#### 1.6 Decision options:-

**The following decision options are available for consideration by Cabinet:-**

##### Option 1

Agree the recommendations as set out in section 1.2 of this report.

##### Option 2

Agree the recommendations as set out in section 1.2 of this report, subject to amendments as specified by Cabinet.

##### Option 3

Not approve the recommendations and refer the content of this report back to officers for further consideration and consultation.

**Option 1 is the recommended option.**

#### 1.7 Reasons for recommended option:-

Option 1 is the recommended option, as it will support the continued efficient and effective management of the housing register and allocation of the Authority's homes and thereby continue to play an important role in meeting housing need within the Borough.

The proposals contained within Option 1 reflect feedback from consultation and secure compliance with the Authorities' statutory duties.

If the preferred option is not approved, the Authority will be in a weaker position to manage some of the risks associated in meeting legislation duties, welfare reforms and managing housing need.

## 1.8 Appendices:-

Appendix 1 - Draft North Tyneside Council's Lettings Policy 2019

Appendix 2 - Consultation Report

Appendix 3 – Equality Impact Assessment (EIA)

## 1.9 Contact officers:

Paul Worth - Housing Operations Manager, Environment Housing and Leisure. Tel: 643 7554

Katrina Anderson - Housing Options Manager, Environment Housing and Leisure. Tel: 643 7569

Julia Orton - Housing Implementation Officer, Environment Housing and Leisure. Tel: 643 6202

David Dunford - Senior Manager Financial Planning and Strategy - Senior Business Partner, Finance. Tel: 643 7027

## 1.10 Background information:

The following background papers / information have been used in the compilation of this report are available at the office of the author.

- [Housing Act 1996](#)
- [The Localism Act 2011](#)
- [The Welfare Reform Act 2012](#)
- [Care Act 2014](#)
- [Allocation of Accommodation: Guidance for local housing authorities in England, June 2012](#)
- [Providing social housing for local people; Statutory Guidance for local authorities in England, December 2013](#)
- [Welfare Reform and Work Bill](#)
- [North Tyneside Homelessness Prevention Strategy 2013 - 2018](#)
- [North Tyneside Housing Strategy 2016 -2021](#)
- [The Homelessness Act 2002](#)
- [The Homelessness Reduction Act 2017](#)
- [The Homelessness Code of Guidance](#)

## PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

### 2.1 Finance and other resources

The proposed changes to the Lettings Policy will require some IT amendments (Civica, Housing Register Module) and approximately £5,000 is required to cover the necessary one-off costs. This will be funded from management contingency budgets held within the Housing Revenue Account.

It is expected that the proposed changes will result in reduced administration in the management of void homes and overall re-let times.

### 2.2 Legal

Full consideration has been given to the range of relevant legal requirements and provisions, to which the Authority is subject in the revising of the Lettings Policy.

This includes:-

- The Housing Acts
- The Localism Act 2012
- The Homeless Reduction Act 2018
- Allocation of Accommodation: Guidance for local housing authorities in England, June 2012
- Providing Social Housing for Local People: Statutory guidance for local authorities in England

Due to the extensive nature of the proposals in the Lettings Policy, a full Section 105 Consultation was carried out in line with the Authority's statutory duty.

Any risks associated with priority given to applicants have been identified and assessed with the benefit of legal advice and will be added to the Risk Register.

### **2.3 Consultation / Community Engagement**

Officers leading on the Lettings Policy Review met with staff, senior management and the Lead Member for Housing to scope out the required changes. Officers also met and discussed the review with involved tenants and residents of the Housing Options Service Development Group and Tenant's Overview Panel.

On 26<sup>th</sup> November 2018, Housing Sub-committee met and received a briefing on the progress of Lettings Policy Review, a further briefing was held on 28<sup>th</sup> January 2019. The Sub-committee gave their feedback on policy proposals and this feedback was incorporated into the review.

A full Section 105 Consultation was carried out to seek the views of tenants impacted on the proposed policy changes. Each North Tyneside Council tenant on the housing register seeking a transfer received a letter summarising the changes and the opportunity to provide feedback. The Lettings Policy consultation ran from 4<sup>th</sup> June 2019 to 13<sup>th</sup> July 2019.

Consultation responses were also sought from a wide range of internal and external partners and stakeholders. See Appendix 2 for details.

### **2.4 Human rights**

North Tyneside Council's proposed Lettings Policy is compliant with Article 8 of the European Convention on Human rights – the right to respect for private and family life.

### **2.5 Equalities and diversity**

An Equality Impact Assessment has been undertaken in relation to the proposed changes.

- The proposed policy allows for housing applicants to be suspended for a period of six months where they have refused three or more reasonable offers over a 12 month period. The implementation of this proposal will be carefully monitored, including making use of information about protected characteristics and reviewing procedures.
- It is proposed to remove a homeless applicant's choice to bid and make one reasonable offer of suitable accommodation. It is important to consider vulnerable applicant's needs for types of homes and where they are requesting to be rehoused, which need to be suitable to their needs.

In developing the procedures to implement this policy, further consideration will be taken to mitigate potential negative impacts arising from the policy.

## 2.6 Risk management

There are no significant risk management implications arising from this report.

## 2.7 Crime and disorder

There are no significant crime and disorder implications arising from this report.

## 2.8 Environment and sustainability

There are no environment and sustainability implications directly arising from this report.

### PART 3 - SIGN OFF

- Chief Executive  X
- Head(s) of Service  X
- Mayor/Cabinet Member(s)  X
- Chief Finance Officer  X
- Monitoring Officer  X
- Head of Corporate Strategy and Customer Service  X

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# North Tyneside Council Lettings Policy 2019

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# **1 Aims and Objectives of North Tyneside Council's Lettings Service**

To help people access secure, suitable and affordable homes within North Tyneside, the Authority will:-

- Work with our Registered Provider Partners and Private Landlords to ensure that people seeking a home or those who need to move from their current home, have as much choice as possible over where they live.
- Be an effective partner in the Tyne and Wear Homes Sub-Regional Choice Based Lettings Scheme, to enhance opportunities for housing applicants to move homes within our own Borough and between that of our Tyne and Wear Partners.
- Recognise the support needs of vulnerable people and work with organisations providing care and support, in order that they can access the help they need and where relevant provide help for them to stay in their own home or obtain support in moving home.
- Meet all legislative requirements, including the two primary Housing Acts, 1985 & 1996 and act in accordance with the statutory Codes of Guidance.
- Promote equalities in our service to help ensure that no customer or potential customer is unjustifiably treated less favourably on any grounds, subject to the protected characteristics as defined under s4 of the Equalities Act 2010.
- Contribute to preventing anti-social behaviour and nuisance and promote neighbourhood sustainability.

Our Lettings Service is designed to:-

- Offer as much choice as possible to applicants.
- Provide a fair and transparent service in which people receive the correct priority for housing.
- Meet housing need.
- Support and assist customers to understand how the service works, in order that they can access and use the service.
- Create more sustainable communities, as people who exercise choice over where they want to live are more likely to want to stay there.
- Make efficient use of our resources and those of our partners.

## **1.1 An Applicant's Rights**

Upon request, applicants for housing have the following rights to information. The right to:-

- Free advice and assistance about their housing options.

- Be informed in writing of any decision about their housing application, what facts were taken into account in assessing their application; how their application was treated; what preference is to be given and whether appropriate housing to meet their needs is likely to become available.
- Be notified in writing of any decision that preference will not be given because of unacceptable behaviour.
- Request a review of decisions made on their application and subsequent priority.

### **Confidentiality and Access to Information**

The Data Protection Act 2018 ('the Act') and General Data Protection Regulations 2016 (GDPR) are designed to protect personal data about living individuals (Data Subjects). The Act also places obligations on those organisations that process personal data (Data Controllers). As a Data Controller, the Authority and its Tyne and Wear Homes partners are committed to complying with this legislation by applying the Principles of the Act and GDPR.

The Authority policy on Data Protection can be viewed at <https://my.northtyneside.gov.uk/category/1001/data-protection>

The Authority will seek only information that they require to assess the applicant's application and housing needs. The Authority will collect and keep data in accordance with the Act and GDPR, Authority policy and ICO guidelines on handling personal data.

Confidential information held about applicants will not be disclosed to third parties apart from:

- Where the individual who is the subject of the confidential information has consented to the disclosure
- Where the Authority is required by law to make such disclosures
- Where disclosure is made in accordance with an information sharing protocol

### **Freedom of Information**

Under the Freedom of Information Act 2000, the Authority has been obliged to provide information to anyone who requests it, unless an exemption applies. It is free to make a request, which can be done online at <https://services.northtyneside.gov.uk/freedom/Welcome.aspx>

### **Subject Access Request**

If you are looking for your own personal information, this is handled under the Data Protection Act 2018 as a subject access request, further information can be found on North Tyneside Councils webpage <https://services.northtyneside.gov.uk/freedom/Welcome.aspx>.

Please note that we cannot provide you with personal information about third parties, if doing so will breach the Data Protection Act 2018.

## **2 Choice Statement: Tyne and Wear Homes**

The Authority is a partner of the Tyne and Wear Homes Sub-Regional Choice Based Lettings Scheme that allows applicants to search and apply for available homes from across Tyne and Wear. The four main authorities - Gateshead, Newcastle, North Tyneside, South Tyneside and their respective housing organisations have joined together to bring applicants an easier way to access all of the housing options available.

The scheme aims to promote greater choice and wider housing options through a gateway for accessing affordable housing in the social and private rented sectors and for shared ownership. It provides the applicant with a choice of landlords and tenures.

Mutual exchanges within and between social sectors for existing tenants will be promoted through our Lettings Service.

The Authority must make sure it makes the best use of its available homes.

### **2.1 Working with Registered Providers and Private Landlords**

The Authority will work with Registered Providers and Private Landlords to meet housing need and to offer greater choice.

Applicants who have indicated their interest in Registered Provider's accommodation will be short-listed for nominations using this policy but the Registered Provider may apply their own policies in determining which applicants will be offered accommodation or which applicants they may wish to exclude.

An offer of suitable accommodation from a Registered Provider or Private Landlord to a priority homeless applicant through this scheme, will be regarded as a final offer, discharging the Authority's homeless duty under section 193(5) & (7) of the Housing Act 1996.

### **2.2 Shared Ownership**

Tyne and Wear Homes may advertise shared ownership properties; however the Shared Ownership Organisation will consider any application using their set criteria.

### **3 Applying for a Home**

To register for the Tyne and Wear Homes Scheme, all applicants must complete an application form and they must be registered and accepted before they can participate in the scheme. Applicants can register for the scheme at [www.tyneandwearhomes.org.uk](http://www.tyneandwearhomes.org.uk)

North Tyneside Homefinder is part of the Tyne and Wear Homes Lettings Scheme. All allocations will be made in line with North Tyneside Council's Lettings Policy.

#### **3.1 Sub-regional Applications**

If an applicant has applied to the Tyne and Wear Sub-regional Choice Based Lettings Scheme and their application for housing has not been assessed by North Tyneside Council, they will not be able to bid for available homes owned by the Council. Applicants will only be able to bid for available homes, once they have been assessed and accepted onto North Tyneside Council's Housing Register.

#### **3.2 Information Required From Housing Applicants**

Housing applicants have a responsibility to provide, either as part of their application or upon request, information which allows a full assessment of their housing needs to be completed. Applicants will be advised of the information required. This will include but is not limited to:-

- Proof of identity of the applicant, any joint applicant or any member of his or her household, including details of any living arrangements
- Photographic identification of applicant and any joint applicant
- National Insurance Number(s)
- Confirmation of nationality and immigration status
- Information on capital and interest and/or equity in a property
- Proof of all financial resources
- Confirmation of residential arrangements for any children
- Confirmation from a medical practitioner of any limiting illness, disability or relevant medical circumstances
- Details of any previous and / or current tenancies and the contact details of the landlord(s). This must be provided for a minimum of the last 6 years or the time elapsed since the applicants 16<sup>th</sup> birthday
- Details of all unspent convictions
- Suitable references where appropriate. The Authority will request these before an application assessment can be completed and / or at any point prior to an offer being made

All applicants must complete the housing application in full, which means answering all of the questions asked. Where either:-

- the application is not completed in full to allow a full housing assessment to be made or;
- any other information which is requested or needed as part of the housing application is not provided,

The applicant will be advised that they must submit the required information within 21 days of their form being received or their application will be closed.

Where forms are returned to the applicant for completion of information, if the form is returned within 21 days, the original application date will apply.

The Authority will seek references from existing and/or previous landlords or contact relevant agencies to decide whether or not an applicant or anyone registered on their application is ineligible.

Checks can be carried out at any stage of the lettings process to confirm:-

- That the eligibility and qualification criteria are being met
- There is no evidence of anti-social behaviour, harassment or relevant criminal activity
- That there are no current or previous rent arrears or any outstanding housing debt owed to any landlord(s)
- The applicant's financial resources
- That there are no other current or previous breaches of tenancy
- There has been no current or previous damage to properties

### **3.3 Applicant's Obligation to be Truthful**

It is an offence for an applicant to knowingly withhold information that is reasonably required to assess their application or to knowingly or recklessly provide false information that may lead to the applicant being granted a tenancy.

The Authority reserves the right to remove or suspend an applicant from the scheme. Where this happens the applicant will be notified in writing of the decision and of the reasons why. The applicant can request a review of this decision.

The Authority will take appropriate action against any applicant who is successful in obtaining a Council tenancy, after knowingly providing false information or withholding information that is reasonably required to assess their application.

A person guilty of an offence under this section (s171 of Housing Act 1996) is liable, on summary of conviction, to a fine not exceeding Level 5 (the maximum level of

fine, imposed for an offence by law) on the standard scale. In addition the Authority will take action to recover possession of any property to which a tenancy has been granted (Ground 5 of schedule 2 of the Housing Act 1985).

### **3.4 Change of Circumstances**

Applicants are required to notify North Tyneside Council's Homefinder Team of any change in their circumstances that may affect their housing needs or level of priority awarded.

The applicant will be advised in writing of any change in the assessment of their application or eligibility for housing.

### **3.5 Annual Review of Applications (Renewals)**

Applicants are required to renew their application on an annual basis to remain registered on the scheme. Applicants will be notified of this requirement on an annual basis.

Where applicants fail to respond within 28 calendar days, it will be assumed that they no longer wish to be registered on the scheme and their application will be closed.

An applicant may request re-instatement to the scheme. If an applicant requests this within three months they will not need to complete a new application, unless the applicant has changed address or their circumstances have changed. If the applicant does not request reinstatement within three months, they will be required to make a new application and a new application date will apply.

### **3.6 Cancelled Applications**

An applicant will be removed from the scheme where they:-

- Request to be removed
- Accept a tenancy through the scheme as a sole or joint tenant
- Do not respond to correspondence relating to their application that requires a response
- Move and do not advise the Homefinder Team of their new address within 3 months
- Become ineligible, either through the statutory provisions for persons from abroad or through unacceptable behaviour
- Have provided false or incomplete information in or connected with their housing application
- Have exchanged homes through the mutual exchange scheme

Where an applicant has been removed from the scheme, where appropriate, they will be notified in writing.

## **4 Eligibility – Who Can Register With the Scheme**

Any person 18 years or older, together with those falling under paragraph 4.1 below, can be registered for the Tyne and Wear Homes Scheme, unless they are:-

- a) A person from abroad who:-
  - Is not already a secure or introductory tenant or an assured tenant of housing accommodation, allocated to them by a Local Housing Authority and
  - Is ineligible because they are either:-
    - Subject to immigration control within the meaning of the Asylum and Immigration Act 1996 and not in a class prescribed as eligible by the Secretary of State or
    - In a class prescribed by the Secretary of State as ineligible
- b) A person treated by the Authority as ineligible because of 'Unacceptable Behaviour.' (See section 4.2)

Additionally, the Authority is prohibited from allocating accommodation to two or more persons jointly, if any of them is a person who is ineligible or treated as ineligible under the categories set out above.

Information as to the classes of person currently prescribed by the Secretary of State as ineligible for housing, can be obtained from Communities and Local Government at [www.communities.gov.uk](http://www.communities.gov.uk)

### **4.1 16 and 17 Year Olds**

The Authority will accept a housing application from a young person, aged 16 or 17 who is:-

- Homeless, in priority need and owed a duty under Part VII of the 1996 Housing Act
- A child in need, as defined by Section 17 of the Children's Act 1989, considered to be vulnerable and supported by Children's Services or other appropriate support agencies
- Pregnant or a parent with a dependent child

### **4.2 Assessment of Ineligibility**

Before an applicant is considered to be ineligible, the circumstances of their case will be considered in line with the procedural guidance for staff. Information may be sought from any agency to help inform the assessment.

North Tyneside Council reserves the right, when determining the suitability of an applicant, to assess the suitability of all proposed members of the household, not only the applicant(s). This determination can be re-assessed at any point to ensure the suitability of the application as a whole. This will include the way in which any applicant or household member has conducted any current or former tenancies.

The Authority may treat an applicant as ineligible, if satisfied that:-

- Any applicant or any member of the applicant's household has been guilty of unacceptable behaviour in or around the property or in the locality of the property
- The behaviour is serious enough to make the applicant unsuitable to be a tenant under the scheme, and
- In the circumstances at the time the application is considered, the applicant is unsuitable to be a tenant by reason of that behaviour

Unacceptable behaviour (including rent arrears) is defined as behaviour by the applicant(s) or a member of their household which would, if that person had been a secure tenant or residing with a secure tenant of the Authority, have entitled the Authority to a Possession Order under the Housing Act 1985 s84, on any of the grounds mentioned in Part I of Schedule 2 to that Act, other than ground 8.

When it is decided an applicant is ineligible for the scheme, they will be given the reasons for this decision, in writing and will be advised of the conditions they must meet before they can re-apply for the scheme. The onus is on the applicant, not the Authority, to demonstrate in any new application that any unacceptable behaviour has ended. The applicant would need to prove that they have amended their behaviour over a 12 month period.

Applicants must demonstrate that their or a member of their household's behaviour has improved and there have been no further incidents of unacceptable behaviour or that their circumstances have sufficiently changed, as to warrant a new application. The applicant will be required to support this by supplying appropriate evidence, including positive engagement with agencies.

An applicant can be made ineligible at any point and removed from the scheme under the criteria given above, for example if their arrears have increased and/or they have been involved in anti-social behaviour since being accepted onto the scheme.

#### Transfer Applicants

Current tenants of North Tyneside Council with no housing need applying for a transfer will not be eligible to go on the Housing Register until they have lived in their

home for period of 12 months or more and shown they have conducted their tenancy satisfactorily. Exceptions to this are:-

- Unable to afford the rent (welfare reform)
- Fleeing Domestic Violence, ASB or medical need
- Mutual exchanges
- Any other exceptional circumstances

### **4.3 Applicant's Financial Resources**

#### Home Owners

Where a housing application is received from an applicant who owns their own home, the applicant will be considered to have the financial resources to meet their own housing needs and will therefore not be accepted on to the Housing Scheme.

Exceptions to this are:-

- Those at risk of homelessness or who are in financial hardship as assessed by the Authorities' Housing Options Team
- Those moving into older peoples accommodation who are aged 60 years or over where the current level of equity is set against the average price of similar older persons accommodation in the borough.

#### Resources

Households with sufficient resources to accommodate themselves will be required to complete a financial assessment. If a household's income exceeds the following amounts they will not qualify to join the housing register:

- Applicants, including transfer applicants, with a combined gross household income of £50,000 per year or more.
- Applicants, including transfer applicants, with savings and or assets, in excess of £100,000.

The Authority will carry out financial checks, which may include credit checks, on any applicant, joint applicant or spouse of the household included on the application, to determine combined household income and savings.

Financial checks may apply to any part of this policy, which requires such an assessment, including at the offer of accommodation stage. Income will include earnings, savings and welfare benefits.

The Authority will not take into account the following in assessment of savings or income:

Exceptions may be made on a case by case basis for example:-

- Any members of the armed forces recently discharged from the forces with a payment due to injury or disability, unless there is an award towards resolving their housing costs.
- Those with severe mobility needs that cannot be met with the funds available.

Where income/savings is derived from the sale of any assets such as a house then the Authority will assume that this sum is available as part of the financial assessment.

If an applicant deliberately deprives themselves of capital or income in order to qualify for housing, they will be treated as still having it for the purpose of the financial assessment. Deliberate deprivation includes gifted money to relatives and friends and payments to third parties that do not form part of authorised loans that are regulated by the Financial Services Authority.

Where an applicant has financial means in excess of the above thresholds, applications will be considered in the following circumstances:

- Where it is not possible to adapt the current accommodation to meet the needs of the owner/occupier's medical condition.
- Where the applicant does not have sufficient resources to adapt the existing accommodation to meet the needs of the owner/occupier's medical condition and they cannot afford to buy or rent suitable, specialist housing.
- The sale of the property would not enable the owner/occupier to purchase or rent an alternative property suitable to their specific medical needs.

If an applicant(s) has sold or transferred ownership of their home within the last three years and the equity from their sale or transfer of ownership is greater than the average house price for similar accommodation, they may be considered ineligible, as it will be deemed that they have enough financial resources to meet their own housing needs. The exceptions given above may apply.

Average house prices in the Borough and financial assessment figures will be reviewed annually.

## **5 Assessing Housing Need / Reasonable Preference Categories**

North Tyneside Council is required by Law to determine the relevant priority that housing applicants are awarded. The Law, as it applies to Local Housing Authorities, requires that reasonable preference must be given to those categories set out in s.167 (2) of the 1996 Housing Act and are as follows:-

- People who are homeless (within the meaning of Part 7 of the Housing Act 1996): this includes people who are intentionally homeless and those who are not in priority need;
- People who are owed a duty under section 190(2), 193(2) or 195(2) of the Housing Act 1996 (or under section 65(2) or 68(2) of the Housing Act 1985) or are occupying accommodation secured by any local authority under section 192(3);
- People occupying insanitary or overcrowded housing or otherwise living in unsatisfactory housing conditions;
- People who need to move on medical or welfare grounds, including grounds relating to a disability, this does not include short term or minor medical conditions; and
- People who need to move to a particular locality in the district of the housing authority: where failure to meet that need would cause hardship (to themselves or others).

The Authority will use a banding system to allocate accommodation. In assessing housing need, the Authority will give Reasonable Preference to those applicants who fall into the statutory categories.

North Tyneside Council's Lettings Policy has been devised to ensure it meets the legal obligations to provide overall Reasonable Preference to the above categories of applicants, whilst also prioritising those with a local connection.

### **5.1 Local Connection**

A 'Local Connection' exists where the applicant has a connection with the Borough of North Tyneside because:-

- They have been resident in the Borough, continuously for at least the last 2 years
- They are moving to the Borough for permanent employment
- Of family associations with others living in the Borough. A family member or family association is defined as parents, grandparents, children, brothers or sisters, stepparents, grandchildren, aunts or uncles. Family members must have lived in the Borough continuously for the last 2 years

- The applicant was / is a member of the Armed Forces or former Service Personnel and the application is made within five years of discharge or where a bereaved spouse or civil partner of members of the Armed Forces is leaving Service Family Accommodation, following the death of their spouse or partner or where a serving member or former member of the Reserve Forces who needs to move because of a serious injury, medical condition or disability sustained as a result of being in the forces
- They have been accepted as a priority homeless applicant in North Tyneside and the Authority has a duty to re-house them
- Special Circumstances - Under special circumstances where an applicant has no local connection, a local connection priority may be awarded. Special circumstances may include the need to be near a special medical or support service within the Borough or the applicant or a member of their household is confirmed by the National Witness Mobility Scheme as being on a Witness Protection Scheme

## 5.2 **Band 1 - Urgent and High Housing Need (applicants with a local connection)**

The Authority will place applicants with an 'urgent and high' housing need in Band 1. 'Urgent and High' housing need applies to the following:-

- a) People who need to move on medical or welfare grounds for one of the following reasons:-
  - i. There is a severe long term limiting illness or permanent and substantial disability where an appropriate specialist health professional has recommended that an immediate move is necessary because:-
    - There is an immediate or substantial risk to life in their current home because of the combination of health and housing circumstances or;
    - It is impossible for the applicant to live in their current home and adaptation is not practical or existing adaptations are no longer effective.
  - ii. The applicant is in hospital or residential care, awaiting discharge to a suitable home and the present home is unsafe or discharge is prevented by their housing situation.

- iii. An applicant's current home does not reasonably allow essential health treatment to be carried out e.g. renal dialysis and adaptation to the home is not possible.
- b) There is a strong likelihood of a child being taken into care if re-housing is not made and this is confirmed by an appropriate social care professional
- c) There is a strong likelihood of admission to residential care of an applicant or member of his / her household, if re-housing is not made and this is confirmed by a health or social care professional
- d) A child experiencing abuse needs to be moved away, to protect their safety and reduce the risk of further abuse from the perpetrator. This has to be confirmed by a health or social care professional.
- e) The applicant is living in insanitary or overcrowded or unsatisfactory housing conditions by virtue of:-
  - i. The household being statutorily overcrowded in their current home
  - ii. The household occupying insanitary or unsatisfactory housing conditions that pose an ongoing significant threat or danger to health, well-being and safety, which is confirmed by an assessment by Environmental Health Officers. However, due regard will be given to any remedial action that can be taken by the tenant, owner or landlord to make the property satisfactory. In the case of owner-occupiers, due regard will be given to their financial circumstances and their vulnerability because of age or infirmity. This may result in the applicant being awarded a lower priority, if they are accepted onto the scheme.
- f) People who need to move to avoid hardship:-
  - i. Applicants whose life is threatened or there is an immediate and substantial risk to life because of violence, including threats of violence or severe harassment. This includes victims of racially motivated attacks, harassment on grounds of disability, crime or witnesses of crime and where there are no alternatives to re-housing.
  - ii. Witnesses of crime who have been confirmed by the National Witness Mobility Scheme as being on a Witness Protection Scheme.

- iii. Applicants who are suffering immediate potential domestic abuse with a serious risk of intimidation amounting to violence, threats of violence or serious harassment, if they were to remain in their current home.
- iv. Applicants who are at immediate risk of serious harm or a Multi-Agency Risk Assessment Conference (MARAC) is recommending urgent re-housing.
- v. Witnesses or victims of crime, who would be at risk of intimidation amounting to violence or threats of violence if they remained in their current home.

Determination of Band 1 status will be made by a Team Leader or above.

All circumstances of the case will be considered and professional, statutory and voluntary agencies may be called upon to provide evidence to confirm the applicant's particular needs.

Urgent and high housing need applicants will be given priority for all homes they are eligible for, unless there is a Local Lettings Scheme in place or a Direct Offer is to be made.

Band 1 status is time limited for 3 months,

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Band 1 applicants who are not actively seeking re-housing and who are not participating in the scheme or have refused a direct offer of accommodation may have their application re-assessed and a lower priority may be awarded.

### **5.3 Band 2 - High Housing Need (applicants with a local connection)**

High housing need applies to the following:-

- a) People who need to move on medical or welfare grounds. The applicant or a member of their household or for whom the applicant provides care, has a severe long term limiting illness or permanent and substantial disability, where their quality of life or health is severely affected by the accommodation occupied or by the place in which they live. An established medical need must be demonstrated, such as mental illness or disorder, physical or learning disability, progressive or chronic medical condition.

Examples include but are not limited to:-

- i. The ability to live in the community is at risk without suitable accommodation (and is confirmed by a health professional)
  - ii. Where a household member is housebound or cannot reasonably access the essential facilities in the home and an adaptation to the home is not possible
  - iii. There are concerns about safety, for example through a high risk of falling due to difficulties with access and adaptation to the home is not possible
  - iv. Applicant's with a diagnosed mental health condition and the applicant is living in conditions which are significantly contributing to a deterioration in their mental health, where a move would prevent deterioration, relapse or exacerbation in their mental health condition and is recommended as being urgent by mental health professionals
- b) People living in insanitary or overcrowded or unsatisfactory housing conditions by virtue of:-
- i. Occupying a home on an assured short-hold tenancy for a minimum of 12 months, where a valid Notice of Seeking Possession has been served and where that Notice has no more than two full calendar months until its expiry date. The applicant would need to undergo a homelessness assessment and be seen to be in priority need but not determined to be intentionally homeless or seen to have deliberately worsening their circumstances.
  - ii. Occupying non-secure tenancies and is legally required to vacate their home. (Applicants would need to undergo a homelessness assessment and be seen to be in priority need but not determined to be intentionally homeless or seen to have deliberately worsening their circumstances). This includes people living in supported housing or in accommodation provided as a condition of employment, such as those in Her Majesty's Forces or Tied Tenants of North Tyneside Council. If an applicant leaves the accommodation of their own accord or in circumstances of misconduct, this priority will not be applied.

For those in the Armed Forces, this applies where the applicant is either in the Armed Forces or has been a former member of Service Personnel and their application is made within 5 years of discharge; or the applicant is a bereaved spouse or civil partner of a deceased member of the Armed Forces and they are having to leave the Services' Family Accommodation following the death of their spouse or

partner; or the applicant is a serving or former member of the Reserve Forces and needs to move because of a serious injury, medical condition or disability sustained as a result of being in the forces.

If the applicant is still in service, the Band 2 priority will be awarded 6 months prior to the date they are required to leave. This priority will also apply for those leaving of their own accord; however it will not apply to those that have been dishonourably discharged. The priority will only be awarded once.

- iii. The household being overcrowded and the applicant requires two or more bedrooms than they currently have, in line with the Local Overcrowding Definition.
  - iv. The applicant, who must be a North Tyneside Resident, has been approved for foster caring / adoption (by North Tyneside Council) and a larger home is required to facilitate the needs of the family and this is supported by the Adoption and Fostering Caring Service.
  - v. Lacking (not sharing) a bathroom, kitchen or inside WC.
- c) People who need to move to avoid hardship where:-
- i. They are suffering from the effects of serious anti-social behaviour that is severely affecting their health and quality of life, which is supported by the Police.
  - ii. They are suffering domestic abuse, intimidation or harassment, including racial harassment amounting to threats of violence but who are not at immediate risk and can remain in their current home.
  - iii. Young people who are being supported by Children's Services, the Leaving Care Team or who are considered to be vulnerable by a recognised care or support professional and an appropriate care or support service is in place.
  - iv. Supported Accommodation is due to end within the next 3 months and the household is unable to provide their own permanent housing.

All circumstances of each case will be considered and professional statutory and voluntary agencies may be called upon to provide evidence to confirm the applicant's particular needs.

Band 2 applicants with the time limit of 3 months will have their application reviewed to ensure their needs still warrant a Band 2 and those who are not actively seeking

re-housing or who have refused suitable offers of accommodation (regardless of the refusal limit), will have their application re-assessed and a lower priority may be awarded.

#### 5.4 **Band 3 - Medium Housing Need (applicants with a local connection)**

Medium Housing Need applies where:-

a) People who are homeless

- Homeless, as defined under Part VII of the Housing Act 1996 and are not owed a full statutory duty to secure accommodation by the Authority. This includes those applicants who are homeless and not in priority need but does not include those who are intentionally homeless. This includes households that are unintentionally homeless but not in priority need and are occupying accommodation secured under section 192(3) of the Housing Act 1996.
- Applicants who are homeless or threatened with homelessness as defined under Part VII of the Housing Act 1996, who are not owed a full statutory duty to secure accommodation by the Authority, as they have been determined to be intentionally homeless. This includes households that are intentionally homeless and in priority need and are occupying accommodation secured under section 190(2) of the Housing Act 1996.

b) People who need to move on medical or welfare grounds:-

- The applicant or a member of his household has a medical need that could be eased or improved by re-housing.

c) The applicant is living in insanitary or overcrowded or unsatisfactory housing conditions by virtue of:-

- i. Sharing a kitchen, toilet and bathing facilities with someone not part of the applicant's household (this does not include invited guests living within the household).
- ii. The state of repair or condition of the property, as confirmed by an Environmental Health Officer. However, due regard will be given to any remedial action that can be taken by the tenant, owner or landlord to make the property more satisfactory.

- iii. Over-crowding and the applicant requires one bedroom more than they currently have, in line with the Local Overcrowding Definition (see section 5.12).
- iv. The applicant or any joint applicant needs to move to the Borough to be near permanent employment.
- v. North Tyneside Tenants living in flat or maisonette above the ground floor, with a permanent household child who is aged 5 years or younger and the applicant is finding access to the home difficult due to the stairs.

#### **5.5 Band 4 - Applicants with a reasonable preference but who do not have a local connection**

This applies to applicants outlined in sections 5.2, 5.3 and 5.4 but who do not qualify for a local connection.

#### **5.6 Band 5 – Applicants with a General Housing Need who have a local connection**

This applies to those applicants who do not have Urgent and High, High or Medium Housing Need but who have a Local Connection.

#### **5.7 Band 6 – Applicants with a General Housing Need with no local connection**

This applies to those applicants who do not have Urgent and High, High or Medium Housing Need and do not have a Local Connection.

#### **5.8 Re-assessment of Band 1 and Band 2 Applications**

Band 1 applicants will be reviewed when they are not actively seeking re-housing and are not participating in the scheme. Certain categories of Band 2 applicants will be reviewed to ensure their needs still warrant a Band 2 priority.

Where it is identified that applicants are not participating in the scheme and / or have refused suitable offers of accommodation, an applicant's priority can be re-assessed.

#### **5.9 Time-Limited Priority**

Band 1 and Band 2 applicants who are subject to a time-limited priority associated with the urgent nature of their housing circumstances, may be granted an extension to their time-limit where:-

- A recommendation has been made for a specific type of accommodation which has not been available

- No suitable accommodation has become available
- The applicant has not come top of the list for any specific properties for which they have bid on
- Personal circumstances have prevented the applicant from being pro-active e.g. after effects of threats of or actual violence or because of severe health reasons
- The applicant was incapable of accessing the scheme, without advice and assistance and this was not available

An extension of time-limited priority will not normally be authorised in any other circumstances. All extensions of time-limited priorities will be authorised by a Senior Officer.

### **5.10 Additional Priority**

The Housing Act 1996 section 167(2E) allows the Authority discretion to allocate housing accommodation to particular types of applicants. The Authority considers it important to give additional priority to existing tenants in the circumstances set out below, to make best use of the stock and to enable existing tenants to exercise choice over where they live and to contribute towards the creation of sustainable communities.

Additional priority will only be given where the tenant has shown a history of being a responsible tenant and the Authority has not taken any action against them for breaches of their Tenancy or Occupancy Agreement.

Additional priority will not be awarded if the tenant owns another property.

#### **5.10.1 Band 2 Additional Priority**

This will be awarded to North Tyneside Council Tenants where:-

- They are under occupying their current home by at least 2 bedrooms and they are prepared to take a smaller home that they are eligible for under the Authority's Property Letting Criteria. This priority will not apply if the household wishes to move to a similar sized accommodation. In such cases, the application will be re-assessed and any identified queue position may change.
- They have lived in their current home and have been a tenant for at least 10 years and wish to move to another area of the Borough. The applicable date will be the date of application or after 10 years tenancy has been completed, whichever is latest. This priority will only be awarded if the tenant has complied with the Authorities' Tenancy or Occupancy Agreement. A pre-termination inspection may be carried out to verify the circumstances.

### **5.10.2 Band 3 Additional Priority**

This will be awarded to North Tyneside Council Tenants where:-

- They are under-occupying their current home by at least one bedroom and they are prepared to take a smaller home that they are eligible for, in line with the Authority's Property Lettings Criteria. This priority will not apply if the household wishes to move to a similar sized accommodation. In such cases, the application will be re-assessed and any identified queue position may change.

### **5.11 Homeless Applicants**

In the case of those applicants where the Authority accepts a duty for accommodation, under the Housing Act 1996 s193 (2) and 195 (2), one direct offer of suitable accommodation will be made.

Before making a direct offer, the Authority would need to consider the following:-

- Property eligibility i.e. size and type of home
- Social considerations relating to the applicant and their household, including risk of violence, racial or other harassment in a particular locality
- The suitability of accommodation for households with particular medical and/or physical needs
- The need for support from family where there is a high need

Applicants would have a right to appeal against the suitability of an offer, which will be assessed by a senior officer who has not been involved with the original case.

If the offer of a home is considered suitable to applicants needs, this will be classed as a final offer under s193 (7A). If they then refuse the offer of accommodation, the Authority will have discharged its duty under s193 (2) of the Housing Act 1996.

### **Homeless Reduction Act 2017**

- Prevention Stage - this is where free advice by the Authority is given to prevent homelessness and secure accommodation. Personalised Housing Plans are developed and agreed with individual(s). The applicant will be assessed in line with the Lettings Policy.
- Relief Stage - this is where the individual has been has not been successful in the Prevention Stage by being supported to find alternative suitable accommodation. The applicant will be assessed in line with the Lettings Policy.

During the Prevention and Relief stages, if a homeless applicant refuse a reasonable offer they have made a bid for, under their housing application, the Authority's homeless duty under Prevention and Relief will end.

### **5.12 Overcrowding**

Statutorily Overcrowding is determined by a Senior Officer in line with legislation. An assessment will be carried out based upon room size and living space.

The local definition of overcrowding, regards a household as being overcrowded based on the following:-

- The applicant needs two or more bedrooms than they currently have
- The applicant needs one more bedroom than they currently have

In applying this definition a separate bedroom is required for:-

- A single parent
- A couple (including same sex couples)
- Anyone aged 18 years or over
- Anyone aged 18 years or over with a partner
- Up to 2 children under 10 years (regardless of gender)
- Up to 2 children under 18 years of the same gender
- Where there are 2 children of the opposite gender and one of them is aged 10 years or over, a separate bedroom is required for each child

Children have to be permanent members of the household and the household must be their primary residence.

### **5.13 Unacceptable Behaviour (Not resulting in Ineligibility) / Factors Affecting an Applicant's Priority**

An applicant's priority may be reduced where they or a person registered on their application to be re-housed has:-

- A history of rent arrears or other housing debt, which affect their suitability to be a tenant. This will be determined by the seriousness of the arrears and whether this was the result of wilful behaviour
- A history of anti-social behaviour in their neighbourhood or deliberate damage to their own or another's property
- Demonstrated behaviour which was not serious enough to justify a decision to treat the applicant as ineligible
- Any other breach of the tenancy conditions where the behaviour is deemed unacceptable

- Not met the Pre-termination Inspection requirement (North Tyneside Council tenant's only)
- Intentionally worsened their housing circumstances without good reason. For example, a household that has moved into overcrowded accommodation, making their circumstances worse. This applies to new applicants or applicants who are already registered for re-housing, who have moved within the last 12 months to worse housing conditions than their previous accommodation or who have deliberately overcrowded their current residence without good reason.

This will be done by placing the applicant in the band below that of which they would normally have been placed. Applicants with a local connection, who fall into a reasonable preference category, will not fall below a Band 4.

Applicants with no local connection, who fall into a reasonable preference category, will not fall below a Band 5.

Where an applicant has their priority reduced, they will be notified in writing and may request a review of the decision. The applicant will be notified of any conditions they must meet for their application to be re-assessed. The onus is on the applicant, not the Authority, to request their application to be re-assessed.

In the circumstances where an applicant has an 'urgent and high housing need,' any decision not to reduce the applicant's priority will be made by a Senior Officer.

An applicant can be removed from the Housing Register, if for example, their arrears have increased and/or they have been involved in anti-social behaviour since being accepted onto the scheme.

## **6 Bidding and Short-listing**

All homes that are available for letting are advertised weekly at [www.tyneandwearhomes.org.uk](http://www.tyneandwearhomes.org.uk) and in the local Customer First Centres in North Tyneside. Available homes are advertised from 00:01 on a Thursday until 23:59 the following Monday. This period is known as the Lettings Cycle. Bids can only be placed during a Lettings Cycle. Note: Lettings Cycles are subject to change or cancellation to accommodate Bank Holidays and other holiday periods.

On occasion, landlords may need to withdraw a property from advert, during or after a Lettings Cycle has closed. In this instance applicants have no right to an offer.

Each advertised home will contain information to inform applicants of any set criteria that applies. It will also include information such as the property type, size, area, type of heating and weekly rent, so that applicants can make an informed choice.

Applicants (not where homeless duty has been accepted) can place up to three bids per week on advertised homes (across the sub-region); this can be done on-line, by text, by telephone, in person or through an advocate, such as a care or support worker or family member.

If an applicant is in queue position one (top of the short-list) for more than one property, the applicant will be contacted to decide which property they would prefer. If the applicant cannot be contacted within 24 hours, an Officer will make the decision on what property is to be offered. The applicant is not able to put a hold on more than one property at any given time.

Where more than one applicant applies for an advertised home, the home will be offered to the applicant who is placed in the highest priority band, using the short-listing criteria below. Exceptions to this may apply.

Applicants who have an outstanding offer are not able to bid on other available homes.

Applicants (not where homeless duty has been accepted) are limited to three refusals within a 12 month period.

To assist applicants who have been unsuccessful in bidding, the Authority provides regular feedback on the criteria met by successful bidders. This allows applicants to make more informed choices about future bids they may place.

## 6.1 Short-listing Criteria

Shortlists are created in the following order:-

- Band 1
  - Date of Priority Award
- Band 2
  - Date of Priority Award
- Band 3
  - Under Occupation (North Tyneside Council Tenants only, who are effected by Welfare Reform)
  - Date of Application
- Band 4
  - Date of Application
- Band 5
  - Date of Application
- Band 6
  - Date of Application

There may be occasions where a home is advertised but is let outside of the normal short-listing criteria by way of a direct offer. In these instances, it will be clearly stated in the advert.

## **7 Matching Homes and Households**

In order to make the best use of the accommodation, it is essential to let homes to those who need that size and type of property. When deciding the size and type of property for which applicants are eligible, the Authority will consider the Household Criteria and the Property Letting Criteria.

### **7.1 Household Criteria**

The following apply in relation to Household Criteria:-

- A child is a person aged under 18 years
- A couple is two people living together as spouses, partners or civil partners
- A single parent household is entitled to the same size accommodation as a two parent household with the same number of children
- For households that include a pregnant woman (proof of pregnancy will be required), the unborn child will be considered in determining the household's requirements
- An older person is defined as someone who is aged 60 years or over
- For couples, only one of the partners has to meet any age requirement and only the person meeting the age requirement would be a tenant
- Households with a disability, refers to a household where at least one of the members has a medical or mobility need which requires them to an adapted property to meet those needs. This needs to be confirmed by a health professional
- Applicants with a shared residence order or staying access for children are not entitled to additional bedrooms for their children, if there are already permanent children residing in the household. The general principle is that children need one home of an adequate size and the Authority will not accept responsibility for providing a second home for children. The shortage of housing locally means that where there are no permanent children in the household, only one extra bedroom will be allocated and will be restricted to certain property types

On advertising an available home the Authority will set out the minimum size of household that can be considered. Applicants must meet the correct household criteria before their application is considered.

### **7.2 Property Letting Criteria**

The Property Letting Criteria will be used in advertising to determine the eligibility of applicants bidding for available homes.

Exceptions may apply, for instance:-

- Where a North Tyneside Council tenant is under-occupying their home by at least one bedroom and they are prepared to take smaller accommodation (this does not include bungalows where the age restriction eligibility remains at 60 years and over)
- If an increase in accommodation size on disability or medical grounds is recommended, for example, in response to the specific needs of a child or adult or a need for a live-in carer (criteria applies)

	Bedsit	1 Bed NT Living	1 Bed Flat	1 Bed Bungalow	1 Bed House	2 Bed NT Living	2 Bed Flat	2 Bed Bungalow	2 Bed House	2 Bed Maisonette	3 Bed Flat	3 Bed Bungalow	3 Bed House	3 Bed Maisonette	4 Bed Bungalow	4 Bed House / Flat / Maisonette	5/6/7 Bed House
Single person	●		●		●												
Single person aged 60 years or over	●	●	●	●	●												
Single person with overnight access to 1 child or 2 children of the same sex	●		●		●		●			●							
Single person with overnight access to 2 or more children	●		●		●		●			●							
Single person with a need for a resident / overnight carer							●	●	●	●							
Single person requiring level access accommodation (see note below)			●	●													
Couple with overnight access to 1 child or 2 children of the same sex			●		●		●		●	●							
Couple with overnight access to 2 or more children			●		●		●		●	●							
Couple			●		●		●		●	●							
Couple where one or both is aged 60 years or over		●	●	●	●	●	●	●	●	●							
Couple where one requires level access accommodation (ground floor)			●	●			●	●									
2 adults not living together as a couple							●		●	●							
3 adults where none are partners											●		●	●			
3 adults where none are partners and where one is aged 60 years or over											●	●	●	●			
Families with 1 child							●		●	●							
Families with 2 children							●		●	●	●		●	●			
Families with 3 children											●		●	●		●	
Families with 4 or more children, depending on family size & make-up											●		●	●		●	●

● Black Dots A household can apply and be considered for any of these homes

No Dots A household may be considered for these homes, only if there is no demand from any eligible applicants and / or if there is no age restriction in place or the age restriction has been lowered

**The above is only for guidance only and does not include all household types and sizes.**

### **7.2.1 Bungalows**

Bungalows will only be allocated to applicants aged 60 years and over, unless they are purpose built for disabled applicants. Bungalows may be offered to applicants under the age of 60 years, outside of the Letting's Policy, where a member of the household have been assessed as requiring ground floor accommodation and meets the Authority's Disability Criteria or where a mental health issue has been confirmed and no other accommodation type is deemed suitable. Therefore any applicants(s) not meeting these criteria will only be eligible for a ground floor flat.

In the allocation of bungalows to couples, where only one applicant is aged 60 years or over, the tenancy will be granted as a sole tenancy to the applicant who is aged 60 years or over or to the applicant whose circumstances have led to the allocation of the home.

### **7.2.2 North Tyneside Living**

North Tyneside Living offers high quality rented accommodation, exclusive for people aged 60 and over, allowing them to continue to live independently in their own home.

Apartments provide private living space, with their own secure front door and high specification interior. Communal areas include a hair salon / therapy room, laundry facilities and lounges, which can provide a focal point for social interaction and inclusion. This is an essential part of ensuring vibrancy and maintaining independence.

Where it is considered an applicant may not be suitable for North Tyneside Living accommodation, they will be advised accordingly in writing. The applicant will have the right to request a review of the decision.

In the allocation of North Tyneside Living homes to couples, where only one applicant is aged 60 years or over, the tenancy will be granted as a sole tenancy to the applicant who is aged 60 years or over or to the applicant whose circumstances have led to the allocation of the home.

Children are not permitted to reside in North Tyneside Living accommodation.

### **7.2.3 Properties Suitable for People with a Disability**

Where homes are specially built or have been significantly adapted for person(s) with a disability, only applications where at least one member of the household is regarded as having a physical disability will be considered.

In these cases the home may be allocated directly to the most appropriate applicant. The needs of the household and the type of home being allocated will be considered; therefore the shortlist position does not guarantee an offer.

#### **7.2.4 Flats and Maisonettes**

Applicants with children under 10 years cannot be considered for flats with a shared / communal entrance. This will not apply to applicants who have overnight staying access or shared residency to children.

#### **7.3 Restrictions on Property Type and Location Requirements**

Applicants who have been awarded a priority on health grounds or because they are fleeing harassment or violence, may require a specific area or property type, as a result of their disability or health condition.

The priority may be awarded with a recommendation for a specific type of property, e.g. ground floor accommodation. It may also be awarded with regards to support needs and / or the safety of the applicant. In such cases, there will normally be some restrictions on where the applicant can bid on, in relation to the location, property type or acceptance of support.

Consultation may be necessary with appropriate agencies or health professionals in determining what these restrictions should be. These could include, only being able to bid on a property, which is in:-

- A location specifically recommended by a health professional, support agency or statutory agency, where it would increase the chances of the applicant maintaining a tenancy successfully
- An area where the applicant(s) or a member of the household's personal safety will not be compromised, if they are being allocated priority due to risk of violence or harassment of any kind

## 8 Offers of Accommodation

All offers of accommodation are conditional upon the applicant continuing to meet the necessary criteria and qualification, up to the point of the signing of a Tenancy or Occupancy Agreement. Verification / eligibility checks in line with this policy will be conducted on all successful bids, to determine that the applicant(s):-

- Are still eligible under the scheme
- Their household size matches the property
- Their household meets the advertised Letting Criteria

In addition to this, North Tyneside Council (and its partner Landlords), will be entitled to carry out an affordability assessment to ensure that any tenancy offered will be sustainable. The assessment will be based on the actual income and expenditure of the applicant(s). Where the Landlord considers the applicant cannot afford the level of rent attributed to a property, no offer of accommodation will be made and any existing conditional offer will be withdrawn. Applicants will have a right to request a review of the decision but such properties will not be held pending the decision.

Prior to any offer of accommodation being made to a North Tyneside Council tenant, the following conditions relating to the applicant's present home will be assessed:-

- The internal condition by way of cleanliness and decorative standards are satisfactory
- The conditions of the gardens are satisfactory

This will be determined by a pre-termination inspection / home visit prior to an offer being made.

Any outstanding housing debt will be considered before any offer of accommodation is made.

Prior to any offer of accommodation being made to a 'none' North Tyneside Council tenant; reference(s) will be sought from their current and / or previous landlords(s) to determine that their tenancy has been conducted satisfactorily.

If any of the above are found to be unsatisfactory, a review of the applicant's application will be carried out, which may result in ineligibility or a reduced priority and the withdrawal of any conditional offer of a property.

If there has been either:-

- material changes to the circumstances declared by the applicant (for example, in the household size or their health or medical condition) resulting in a likely

change in the level of priority awarded to the application or the type and size of property for which they are eligible; Or,

- The applicant or a member of their household is guilty of unacceptable behaviour

Then a review of the applicant's application will be carried out, which may result in ineligibility or a reduced priority and the withdrawal of any conditional offer of a property.

At the offer viewing stage, the applicant will be given up to 48 hours to decide if they wish to accept the home. A longer period may be agreed with a Housing Officer at the time, where the circumstances of the applicant warrant a longer period.

An offer can be withdrawn at any point up to the signing of a Tenancy or Occupancy Agreement.

### **8.1 Offers to Applicants with Pets**

Certain pets cannot usually be kept in properties with a shared entrance; applicants will be informed of any restrictions in any property advert and at the time of the offer.

### **8.2 Restricting Refusals**

Applicants, who have refused three offers of accommodation made by North Tyneside Council within a 12 month period, will have their application suspended for six months. After the suspension period, it is the applicant's responsibility to request for their application to be reinstated. This must be requested within 3 months of the six months suspension, otherwise a new application will need to be made and any previous priority awarded will no longer apply.

Where an applicant continues to refuse offers of accommodation, the application may be re-assessed and a lower priority awarded and or removed from the housing scheme.

## 9 Lettings outside of the Allocation Scheme

The Authority is permitted by law to allocate property outside of the provisions of the Allocation Scheme in particular circumstances. Some examples have been included within the policy for completeness:-

- If due to demolition or regeneration of a North Tyneside Council property, the Authority needs to find a new home for the occupant.
- When employment ceases for Tied Tenants of the Authority and their accommodation is required for the continuation of the Service. This will not apply if their employment is ending due to misconduct or if the employee is leaving of their own accord.
- To an existing tenant who has succeeded to a North Tyneside Council Tenancy on death of the previous tenant but the property is more extensive than is required according to their household circumstances and the Authority considers it reasonable to move them to a more appropriately sized property.
- To an existing tenant or joint tenants, who have requested a move to a smaller property because they occupy a property with substantial adaptations which are no longer needed by the household and the Authority believes a transfer to another property would assist with the more efficient use of housing stock.
- High-risk offenders will be made a direct offer following the agreement between the Authority and other relevant agencies, such as the Probation Service and / or the Police, where this is in the interest of public protection. This is intended to support the multi-agency approach to risk management (MAPPA), adopted for such a category of applicant.
- Direct offers to applicants with 'exceptional circumstances' that are not covered within the policy. Authorisation for these direct offers can only be made by the Head of Service in consultation with the Cabinet Portfolio Holder.

### 9.1 Direct Offers / Direct Lets

It is our aim to advertise as many homes as possible through the Tyne and Wear Homes Scheme but there may be circumstances where the Authority will make a Direct Offer, which means allocating a home without advertising it. There may also be circumstances where a home is advertised but later withdrawn.

A direct offer can be made regardless of the Band awarded.

Examples of when this may happen are:-

- Applicants where the Authority has accepted a full duty to a homeless applicant
- Witness Protection (Supported by the Police)

- Applicants who are assessed as being high-risk offenders
- Urgent and high need applicants placed in Band 1 may be made a direct offer in order to expedite re-housing
- Any other 'exceptional' circumstances will be considered at the discretion of the Head of Service

A Senior Officer must authorise any direct offer, prior to the offer being made.

When an applicant has a direct offer pending, no further bids can be made.

## **9.2 Restriction on Choice**

A choice of accommodation will be restricted to certain applicants, such as high risk offenders, where the need to manage the risk which they pose to other individuals or the community in general, limits the amount of choice they can reasonably be allowed.

High-risk offenders will be made a 'direct offer' following the agreement between the Authority and other relevant agencies such as the Probation Service and / or the Police, where this is in the interest of public protection. This is intended to support the multi-agency approach to risk management, Multi-Agency Public Protection Arrangements (MAPPA), adopted for such a category of applicant.

## **10 Local Lettings Policies**

The Authority may adopt Local Lettings Policies for specific estates, types of property or areas.

The criteria for adopting a Local Lettings Plan are as follows:-

- The need for a Local Lettings Plan can be identified from local residents, officers of the Authority, local housing landlords, key stakeholders within the community or elected members.
- Full consultation with all key stakeholders, including residents must take place.
- The need for a Local Lettings Plan must be evidenced and demonstrated using a range of factors, including demographics, property type demand, crime and anti-social behaviour reports and complaints.

A report on the proposed Local Lettings Policy with supporting evidence must be considered and agreed by the Head of Service and the appropriate Cabinet Member.

Local Lettings plans will be reviewed on an annual basis.

## **11 Staff Lettings**

Applications from:-

- Employees who work for North Tyneside Council
- Elected Members of North Tyneside Council
- Family of an employee or Elected Members

Will be treated in same way as any other application, no undue favour will be shown and neither will it be disadvantaged. A designated Senior Officer must authorise any offer to an applicant falling into any of the above categories.

## 12 Right to Review

The Authority will inform an applicant, in writing, of any decision relating to their housing application.

Applicants will have a right to request a review (Housing Act 1996 s 166A (9) (c)) of any decision made by the Authority, this may include:-

- Ineligibility
- Reducing the priority of the application
- The preference or priority awarded to their application, including the removal of preference because of unacceptable behaviour or any change in circumstance

An applicant must request a review in writing within 21 days of being notified of a decision. Their request must state all the aspects of the decision they wish to be reviewed. As an applicant is only entitled to one request for a review, any aspect of the decision letter not referred to in their request, cannot be referred to at a later date.

Reviews will be carried out by a Senior Officer who was not involved in the original decision. The Senior Officer will, where appropriate, seek information from all parties who provided information which contributed to the original decision.

The Authority will notify the applicant of the outcome of any review, including a full explanation of how the decision was arrived at. This will be sent to the applicant and any nominated representative.

If an applicant continues to be dissatisfied, they may make a complaint through North Tyneside Council's complaints procedure. If they consider that an injustice has been caused due to maladministration, they may contact the Housing Ombudsman. The contact details are: Housing Ombudsman Service, PO Box 152, Liverpool, L33 7WQ; Tel: 0300 111 3000, email: [info@housing-ombudsman.org.uk](mailto:info@housing-ombudsman.org.uk), [www.housing-ombudsman.org.uk](http://www.housing-ombudsman.org.uk)

## **13 Monitoring and Reviewing the Lettings Policy**

### **13.1 Monitoring**

To ensure that the policy and procedures are fair and non-discriminatory and that service standards are being met; standards and key performance indicators will be set in consultation with participants.

The Authority will monitor the effectiveness of the Lettings Policy by:-

- Publishing the results of lettings made through the Lettings Scheme and by Direct Lettings
- Monitoring all lettings by protected characteristics to eliminate discrimination
- Nominations will be monitored by the sub-regional partnership
- Publishing an Annual Report on lettings, including performance information on lettings
- Auditing the implementation of the Lettings Policy

The Authority will use this performance monitoring information to analyse current and future housing needs and to inform future reviews of the Lettings Policy.

### **13.2 Review**

The policy will be reviewed periodically but at least biennial. Where appropriate the review will be conducted in consultation with applicants, tenants and key stakeholders.

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## North Tyneside Council's Lettings Policy

### Consultation Report Results July 2019

#### 1. Lettings Policy Review

North Tyneside Council's Lettings Policy sets out the ways in which housing applications are assessed and how the Authority's housing stock is allocated. North Tyneside Council has reviewed its Lettings Policy to ensure that it is in line with government legislation, responds to the local housing market and that it best meets the needs of the Borough.

In carrying out this review, officers have considered the wider context including recent legislative changes, best practice from other organisations, feedback from Councillors, housing applicants and stakeholders. We have also worked with our 'involved tenants and residents' through the Housing Options Service Development Group. This review resulted in considering six changes to the policy.

In June 2019 we carried out consultation with our customers and stakeholders on the proposed changes. This report summarises the results of the consultation and how we propose to use the feedback.

#### 2. Consultation Process

The consultation process ran from 4<sup>th</sup> June 2019 - 13<sup>th</sup> July 2019 and involved applicants on North Tyneside Council's Housing Register, tenants and stakeholders. People were contacted by letter or email in the form of a survey, which included some background information around the reasons for the changes being considered. People were able to access the survey in a number of ways outlined below:

- 989 applicants were contacted by letter (a prepaid envelope was included)
- 2,268 applicants were contacted by email
- 1,223 applicants were current tenants of the Authority, wishing to 'transfer.'
- 68 stakeholders were emailed the online survey – they included Citizens Advice Bureau (CAB), Shelter, Harbour and Registered Social Housing Providers
- Posters and copies of the consultation survey were placed in the four Customer First Centres for anyone to complete
- The consultation was also placed on North Tyneside Council's Website and on the Tyne and Wear Homes website

#### 3. Consultation Results

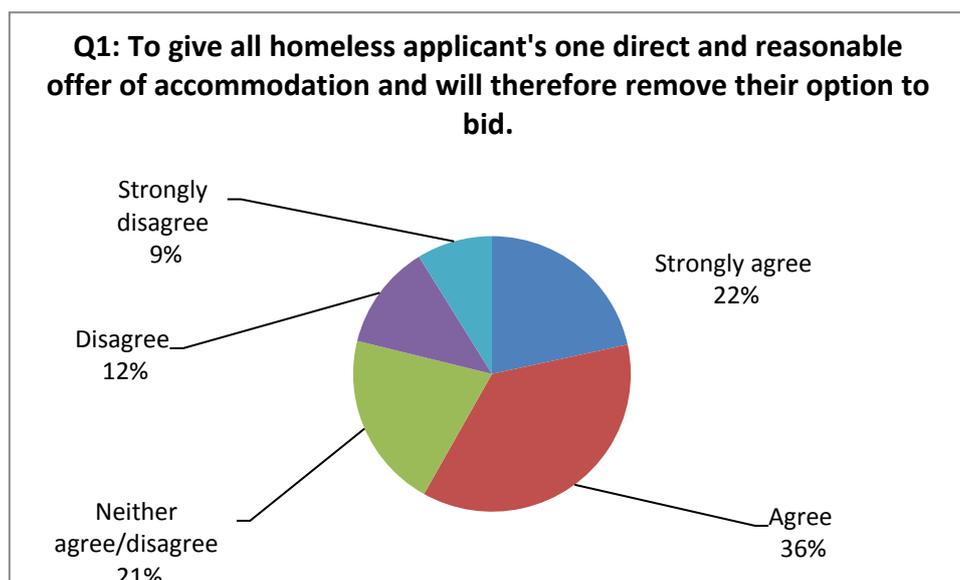
267 responses were received. The table below shows who responded. A full breakdown of the results is available upon request.

Applicant for a home	54
Current North Tyneside Council Tenant	101
Current tenant of another local authority	29
In another capacity	48
Other organisation	12
Registered Housing Provider	8
No information provided	15

### 3.1 Housing Offer to Homeless Applicants

The Homeless Reduction Act 2017 places new duties on local authorities to prevent those at risk of homelessness, becoming homeless. This has resulted in people living in temporary accommodation longer, which can have a negative impact on them and their families, especially to their mental health and general wellbeing. We want to rehouse people most at risk as quickly as we can. The proposal below will allow us to rehouse homeless people and their families to do this, avoiding long stays in temporary accommodation.

**We are proposing to:** give all homeless applicants one reasonable offer in-line with legislation. When North Tyneside Council has a duty to rehouse a homeless person we are proposing to remove the applicant's choice to bid and will make them one direct and reasonable offer of suitable accommodation.



The results show that 58% of the respondents agreed with the proposal, whilst 21% disagreed and 21% had no opinion.

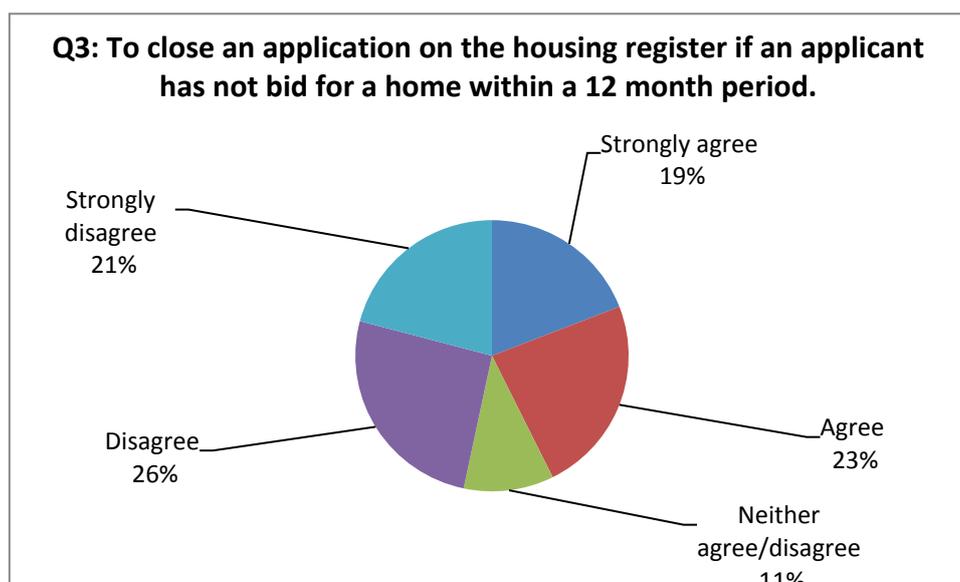
Comments	Response / Actions
Overall comments around this proposal were positive. Views were that those people in need should accept an offer of accommodation and that it did seem a fair and sensible approach, which in some cases could reduce the stress of homelessness applicants.	This proposal will be taken forward.

<p>The feedback highlighted a number of questions around this proposal and are shown below:-</p>	
<p>What is a reasonable offer of accommodation?</p>	<p>A reasonable offer is an offer of accommodation which is suitable for the household's needs, taking into consideration the size and type of property, any social circumstances and ensuring the applicant is not placed at any risk in the area.</p>
<p>Will the applicant be able to give an area of preference?</p> <p>What about people who are fleeing domestic abuse?</p> <p>This could result in people being placed somewhere they are not familiar with and depending on their mental state could make them homeless again.</p>	<p>Applicant's individual circumstances are considered and to ensure there is no risk in the area they are moving to. Most applicants are housed in their area of preference; however the Authority must make best use of its stock and match applicants to available homes, taking into consideration the overall effect of homelessness, both emotional and financial.</p> <p>The Authority will ensure that homeless applicants' direct lets, will not be all in one particular area of the borough.</p>
<p>People who are in crisis are being penalised by treating this group of people differently, it could cause further risk and hardship making the tenancy unsustainable.</p>	<p>Support will be in place from the Authority to help new tenants settle into their new home and sustain their tenancy.</p>
<p>Temporary accommodation needs to be improved, why are people in temporary accommodation for longer periods of time?</p>	<p>Households are in temporary accommodation for longer periods due to the introduction of the Homeless Reduction Act (2017), which places new duties on local authorities to prevent or relieve homelessness, meaning the length of stay in temporary accommodation may be extended.</p>
<p>What happens if the applicant refuses the direct offer?</p> <p>Is there an appeals process?</p>	<p>All applicants have a right to request a review.</p>
<p>Maybe 2 offers of accommodation would work better and then a choice is still being given.</p>	<p>The council have taken this into consideration.</p>
<p>There were also comments around properties being in a poor state of repair</p>	<p>Every property should meet the Authority's Moving In Standard. Any outstanding repairs are discussed with the prospective tenant at the viewing and any new or additional repairs are reported.</p>

### 3.2 Closing in-active applications on the Housing Register

There are currently 3,868 applicants on North Tyneside Council's Housing Register. In the past 12 months 30% of applicants have not bid on any homes, with a majority not having bid at all since being registered. North Tyneside Council wants to ensure that the people on the Housing Register are those who need our homes the most. Our proposal will make sure that we allocate homes to those in most need.

**We are proposing to:** close an application on the Housing Register if an applicant has not bid for a home within a 12 month period.



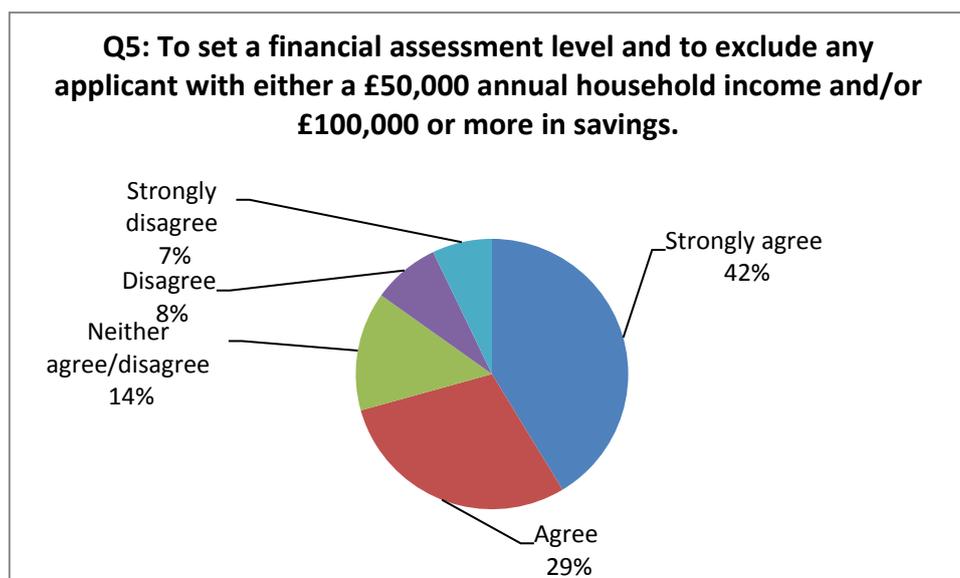
42.7% of respondents agreed with the proposal and 46.7% disagreed with the proposal

Comments	Response / Actions
Feedback on this proposal was negative.	This proposal will not be taken forward.

### 3.3 Taking applicant's income into account

Our current policy does not take applicant's financial income into account. We want to ensure that people on North Tyneside register are those most in need and are unable to privately rent or buy their own home.

**We are proposing to:** set a financial assessment level and to exclude any applicant with either a £50,000 annual household income or £100,000 or over in savings.



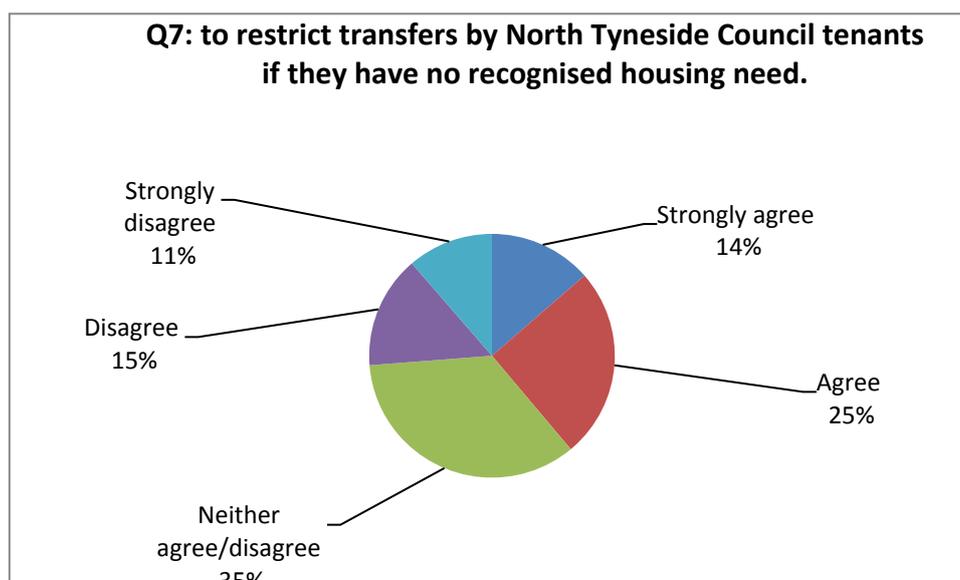
The results show that 70.6% agreed with the proposal, 14.2% were unsure and 15.1% of the respondents disagreed with the proposal.

Comments	Response / Actions
Overall feedback for this proposal was very positive and felt that social housing should be for people on lower incomes. There were also some comments that suggested that the threshold should be lower than what had been suggested.	This proposal will be taken forward
There were comments/questions that are addressed below:-	
What about people who may earn over £50,000 but have a large family with little disposable income?	Each case will be looked at individually and where there are exceptional circumstances this will be referred to a senior officer for consideration; however we feel that £50,000 is enough income to allow applicants to meet their own housing need.
Consideration needs to be given to people with specific circumstances such as disability, older people and other medical reasons.	The Authority will take exceptional circumstances into consideration.
What about people who pay child support?	A financial assessment will be carried out to determine individual circumstances.
This income may not be enough for someone to obtain a mortgage	A range of housing options will need to be considered.

### 3.4 Restrictions to Transfers

North Tyneside Council's current lettings policy is based around government legislation, giving those in most housing need priority. Once an applicant has been rehoused by us their housing needs are seen to have been met. To ensure we only have people on the register who have a housing need.

**We are proposing to:** restrict transfers by North Tyneside Council tenants if they have no recognised housing need. We are proposing that this restriction remains in place for a period of time.



39% of the respondents agreed with restricting transfers whilst 26.1% disagreed. However 34.8% seemed unsure with the proposal. Of those who agreed with the proposal, 3 years was the most favourable before an applicant could apply for a transfer.

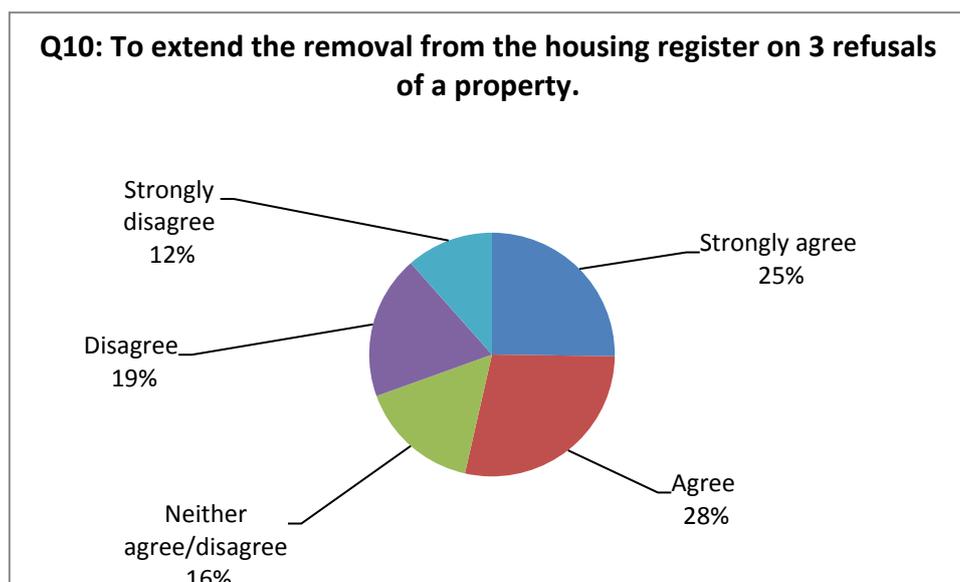
Comments	Response/Actions
<p>Overall people seemed to be in favour with this proposal, although many did not seem to have an opinion about this. Positive responses highlighted the importance of choosing the right property initially.</p> <p>Some issues/questions that came from the consultation are outlined below:-</p>	<p>To take this proposal forward, however to restrict to one year as opposed to three years. The reason for this is that once someone has been housed, their needs have been met. In addition, one year would demonstrate that a person could satisfactorily sustain their tenancy.</p>
<p>People's needs may change and a restriction should not be put in place.</p> <p>The reason for transfer should be a priority and not the number of years to restrict a tenant.</p>	<p>The restriction will only be for those who have no housing need and their current housing needs are being met by the home in which they live.</p> <p>If a person's needs change, a review will be completed.</p>

<p>Would this include mutual exchanges? People may use mutual exchanges more</p>	<p>If someone has been housed via a mutual exchange, then they would be restricted for a transfer, unless there are exceptional circumstances.</p> <p>They would still have a right to apply for a mutual exchange.</p>
<p>It costs a lot of money to re-house someone frequently causing a waste of money, time and resources if they have no housing need.</p>	<p>On average it costs the Authority over £3,000, plus administration costs to re-let a home.</p>

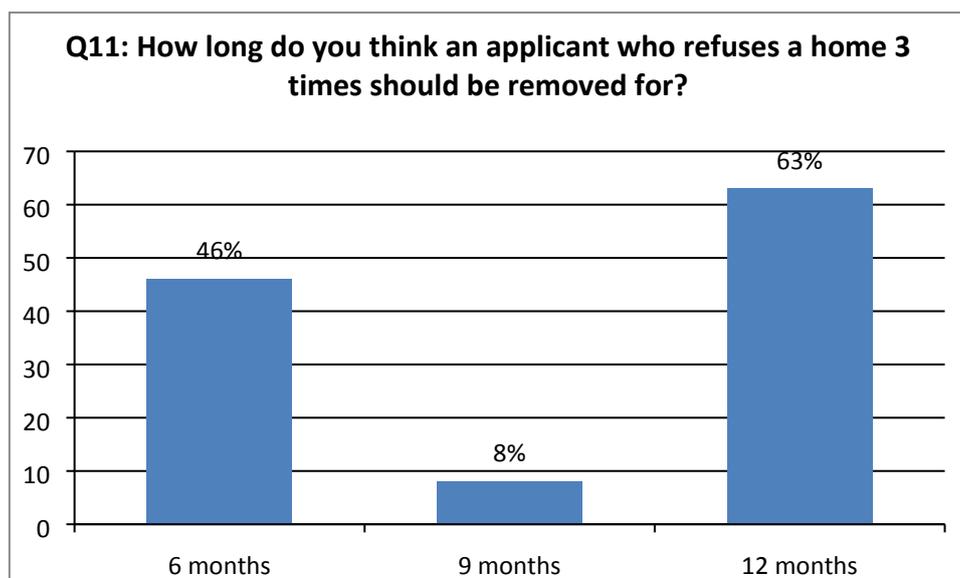
### 3.5 Suspension from the housing register on 3 refusals of a property

We receive a high volume of refusals on available homes. These refusals are made after the applicant has bid for the property of their choice. Refusals can add to the time that other people who are in housing need have to wait. Currently when an applicant refuses a property 3 times they are suspended from the housing register for a period of three months. To ensure we are helping people on our current housing register who are most in need.

**We propose to:** extend this suspension to a longer period of either 6, 9 or 12 months.



53.5% agreed with the proposal and 30.5% disagreed, 15.9% didn't have an opinion. 63% of respondents felt that applicants should be removed from the housing register for 12 months, whilst 46% thought 6 months, with 9 months being the less favourable with 9%.

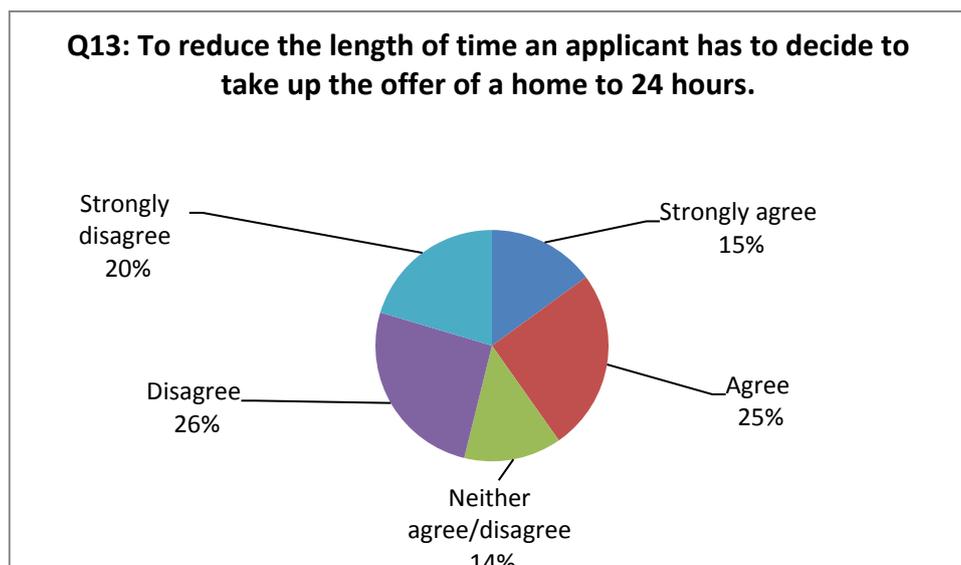


Comments	Response/ Action
<p>Over half of the respondents were in favour of this proposal and suggested that people are removed from the register for 12 months, as applicants would be more mindful when bidding for a home and be likely to bid on the property they want.</p> <p>There were some questions and concerns around this which are outlined below:-</p>	<p>To take this proposal forward with a 6 months suspension.</p> <p>This is a reasonable solution to an increasing issue which causes cost and delay, not only to the Authority but other applicants bidding on properties where offers are delayed due to people further up the shortlist refusing properties. It will tackle serial bidders and will allow those most in need to secure a home.</p> <p>Although 63% of respondents felt that a 12 month period would be appropriate, it was felt that 6 months would have a lesser impact on those most vulnerable.</p>
What about the state/condition of some properties?	All properties should meet the Moving In Standard.
Why are people refusing properties?	People often don't visit properties before bidding and/or viewing or simply just change their mind.
Would this apply to people who require adaptations/elderly?	Yes – most people requiring adaptations are pre-assessed by an Occupational Therapist and any potential properties are assessed for suitability before an offer is made.
Vulnerable people need more support	Individual circumstances will be considered.

### 3.6 Time available to decide to take up an offer of a home

A housing register applicant will have an informed choice to bid for the home they are interested in, for example they will have decided where they want to live and what type of accommodation they require. For most applicants it can then be up to 8 weeks before they can view the home they have bid for. After they have viewed the property, the applicant currently has 48 hours during which to decide whether to take up the offer of the home. We need to let our homes as quickly as possible, therefore...

**We propose to:** reduce length of time an applicant has to decide to take up the offer of a home to 24 hours.



Overall Respondents (46.2%) disagreed with this proposal, whilst 40.2% agreed and 13.6% neither agreed nor disagreed.

Comments	Response/Actions
More people disagreed with the proposal to reduce the decision time after viewing from 48 hours to 24.	This proposal will not be taken forward.

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## Equality Impact Assessment (EIA)

**The separate EIA guidance notes outline what should be included for each section. Please read them before you begin. If you have any queries, contact your Corporate Equality Group rep, or the Engagement Team on 643 2828.**

1. Author, service area, date

Julia Orton, Housing Implementation Officer, Environment, Housing and Leisure - July 2019

2. Who else has been involved in writing this EIA?

Paul Worth- Senior Manager – Housing Operations  
Katrina Anderson – Housing Options Manager

3. What proposal is this EIA assessing?

Proposed changes to North Tyneside Council's Lettings Policy

4. What is the purpose of your proposal and what is it expected to achieve?

The Lettings Policy sets out the way in which Council Housing is allocated. North Tyneside Council's Lettings Policy was reviewed in 2016, it is good practice to review the letting policy every two years in order to respond to policy changes and the local housing market. There are a total of 4 changes that fulfil our responsibility to all of our tenants to ensure people are living in accommodation most suitable to their needs, to rehouse those in the most housing need, and to let homes in the most efficient and effective way. The changes are outlined below:-

- One direct offer of accommodation to be given to homeless applicants
- Setting an applicant's household income of £50,000 or £100,000 in savings &/or assets
- Restricting transfers for 1 year if there is no housing need
- Suspending applicants for up to 6 months after 3 reasonable refusals

5. Is there any relevance to the aims of the public sector equality duty? *Write your answers in the table*

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Aim	Yes, No, or N/A	Details if 'yes'
Eliminate unlawful discrimination, victimisation and harassment	Yes	No evidence of discrimination has been found previously but this EIA will help us to verify that lettings are fair and equitable.
Advance equality of opportunity between people who share a protected characteristic and those who do not	Yes	The Lettings Policy aims to ensure that applicants receive the correct priority for housing in line with their needs.
Foster good relations between people who share a protected characteristic and those who do not	Yes	The Tyne and Wear Homes process allocates homes to people from all communities and backgrounds in North Tyneside. Procedures are in place to ensure any prejudices that may be encountered are addressed; this will help foster good relations.

6. Analysis by characteristic *Write your answers in the table*

Protected characteristic	Potential positive or negative impact?	Explanation and evidence
Age	Positive	The equity/savings of people aged over 60 who apply for North Tyneside Living properties (older person's accommodation) has been increased to £110,000 in 2019/20. This figure will be reviewed on an annual basis and is currently incorporated in the Lettings Policy.
Disability	Negative	<p>Vulnerable customers may find it difficult to bid for a home or understand how the Homefinder process works.</p> <p>The policy allows for applicants to be suspended for a period of six months where</p>

	Positive	<p>they have refused three or more offers over a twelve month period. Some respondents in the consultation raised concerns that for those with mental health issues may be detrimentally impacted by this measure. It is therefore important that safeguards are put in place to ensure that offers are suitable. The implementation of this proposal will be carefully monitored, including making use of information about protected characteristics and reviewing procedures.</p> <p>Applicants can bid for homes online, by contacting the Council First Centres or by Auto-bid (this is set up for vulnerable customers).</p> <p>The reviewed policy allows that for applicants with a priority homeless status to be made a direct offer of accommodation rather than being able to bid for available homes. In implementing this it is important that such offers are 'suitable' and do not create situations in which people are vulnerable or disadvantaged, for instance by moving them to an area where they feel unsafe due to hate crime.</p> <p>Evidence has shown where direct offers have been made to homeless applicants that there has been very little impact on these applicants in relation to direct offer and areas of choice, over 80% have been allocated homes in areas where they have requested in 2017/18.</p>
Gender	N/A	We have no reason to believe that the proposals would have any greater or lesser effect on people on account of gender.
Gender reassignment	Negative	The policy allows for applicants' accounts to be suspended for a period of six months where they have rejected three or more offers over a twelve month period. Some respondents in the consultation raised concerns that for some, including those who are undergoing or have undergone gender reassignment, some areas / properties may not feel safe and therefore they may be detrimentally impacted by this measure. It is therefore important that safeguards are put in place to ensure that offers are suitable. The implementation of this proposal will be carefully monitored, including making use of information about protected characteristics and reviewing procedures.
Marriage and civil	N/A	We have no reason to believe that the proposals would have any greater or lesser

partnership status		effect on people on account of marriage and civil partnership status.
Pregnancy and maternity	N/A	We have no reason to believe that the proposals would have any greater or lesser effect on people on account of pregnancy and maternity.
Race	Negative	The proposed policy change allows for applicants accounts to be suspended for a period of six months where they have refused three or more offers over a twelve month period. Some respondents in the consultation raised concerns that for vulnerable applicant's issues may be detrimentally impacted by this measure. It is therefore important that safeguards are put in place to ensure that offers are suitable and that the proposal is sensitively implemented, particularly with regard to minority groups. The implementation of this proposal will be carefully monitored, including making use of information about protected characteristics.
Religion or belief	Positive	The Lettings Policy and procedure is sensitive to the needs and requirements of applicants who are suffering from harassment and hate crime as a result of their religion or faith.
Sexual orientation	N/A	We have no reason to believe that the proposals would have any greater or lesser effect on people on account of sexual orientation.

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7. Have you carried out any engagement in relation to this proposal? If so, what?

Engagement has already been carried out with the Housing Options Service Development Group and Syrian refugees in the Borough have been consulted. Further hard to reach groups e.g. YMCA, Islamic Society were consulted as part of the consultation explained below.

Consultation took place week commencing 4<sup>th</sup> June to 13<sup>th</sup> July 2019. The consultation was posted on the North Tyneside Engagement Hub and on the Tyne and Wear Homes website. It was sent out to all applicants currently on the housing register. Posters and hard copies of the questionnaire were made available in the four Customer First Centres in the borough. Members of the resident's panel who are current tenants were contacted along with our stakeholders e.g. Shelter, CAB and other Housing Providers.

8. Is there any information you don't have that you need to find?

No

9. What actions are already in place, or will be taken, to remove or reduce potential negative impacts? (add more lines to the table if you need to) *Write your answers in the table*

Action	Responsibility	Timescale
We will ensure that safeguards and procedures are in place so any negative impacts on people with protected characteristics will be addressed.	PW/KA/LB	Once policy changes are agreed
Monitor the waiting list, bidding activity, allocation of properties, outcome of affordability tests and account suspensions due to multiple refusals by people with protected characteristics	PW/KA/LB	Ongoing
Annual review of savings/equity figures will be carried out	PW/KA/LB	Annual

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10. Are there any potential negative impacts that cannot be removed or reduced? If so, why is this?

No

11. Based on your conclusions from this assessment, what are your next steps?

To seek Cabinet approval and implement the proposed changes to the Lettings Policy, late 2019

12. How will the impact of this proposal be monitored after it is introduced?

By monitoring the changes and any impact, through reviews and complaints.

13. When will this EIA be reviewed?

The EIA will be reviewed in line with the next Lettings Policy review in September 2021 or if any legislative changes are made prior to this date.

## North Tyneside Council Report to Cabinet Date: 9 September 2019

<b>ITEM 5(f)</b>
Title: Complaints Service Report 2018-19

<b>Portfolio(s):</b> Elected Mayor  Community Safety and Engagement  Adult Social Care  Children, Young People and Learning	<b>Cabinet Member(s):</b> Norma Redfearn  Councillor Carole Gambling  Councillor Gary Bell  Councillor Peter Earley
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**Report from Service Area:** Law & Governance

**Responsible Officer:** Bryn Roberts, Head of Law and Governance (Tel: 643 5339)

**Wards affected:** All

### PART 1

#### 1.1 Executive Summary:

The purpose of this report is to provide Cabinet with an overview of the Authority's closed complaints, for the year 1 April 2018 and 31 March 2019 and to ensure compliance with the requirement to publish a report on complaints under the relevant statutory complaint legislation. This report covers all complaints made to the Local Authority, including those made under social services arrangements, and those made to the Local Government and Social Care Ombudsman (LGSCO) and the Housing Ombudsman (HO).

The LGSCO have recently produced their annual summary of complaints for all local authorities and North Tyneside Council remain second lowest within Tyne & Wear. For 2018-19, the LGSCO were contacted by 56 complainants who were dissatisfied with their contact with North Tyneside Council. Of the 56 complaints received, advice was given by the Ombudsmen on six occasions, 18 were referred back to the Authority for local resolution, 20 were closed after initial enquiries, six were not upheld and six were upheld causing injustice to the complainant.

With regard to the Local Authority complaints, the number of complaints continues to be very low compared to the amount of transactions the Authority undertakes every year. Overall, formal complaints to the Authority in 2018-19 has decreased by 10% in comparison to 2017-18 (973 complaints and 1,070 complaints respectively).

Effective complaints handling is very important and learning from the outcomes is an excellent way to improve service delivery.

## **1.2 Recommendation(s):**

It is recommended that Cabinet:

1. notes the complaint related activity during 2018-19 as set out in the Annual Complaints Report (Appendix 1);
2. approves the above Report for publication by the Head of Law and Governance and
3. receives the Local Government and Social Care Ombudsman's Annual Review of complaints concerning North Tyneside Council for 2018-19 (Appendix 2).

## **1.3 Forward plan:**

28 days notice of this report has been given and it first appeared on the Forward Plan that was published on 9 August 2019.

## **1.4 Council plan and policy framework**

This report relates to the following priorities in the Our North Tyneside Plan "Our People" and "Our Places", as lessons learned from complaints are a key driver in service improvement and ensuring best value for money.

## **1.5 Information:**

### **1.5.1 Background**

The Authority undertakes millions of transactions with its 206,000 residents and over five million visitors to the Borough, throughout the year. Against that background, the number of complaints received by the Authority remains consistently low, reflecting the excellent services our customers receive and the Authority's ability to resolve swiftly any issues that do arise at the first point of contact.

The number of formal complaints decreased during 2018-19 compared to the previous year as the Authority continues to take a proactive approach to encouraging our residents and service users to provide feedback. The Authority's complaint leaflet entitled "How to complain about Council services" is widely available in the Authority's buildings and to download from the Authority's website. It is also now very easy for our customers to contact us on-line, and Social Care Service users are provided with a complaint leaflet at the first point of contact.

Customer satisfaction with the complaints process remains relatively high and the Authority continues to resolve the vast majority of complaints at Stage One. The Authority welcomes complaints as valuable feedback from its customers and complaint outcomes provide valuable lessons learned to further improve and enhance the Authority's services and procedures.

The Authority operates statutory complaint procedures for Adult Social Care and Children and Young People's Services and Public Health. It also provides a Corporate Complaints Procedure for all other services. The Senior Complaints

Officer is the main contact with the offices of the Local Government and Social Care Ombudsman and Housing Ombudsman (LGSCO and HO). This involves responding to initial enquiries, gathering information, and arranging access to files and interviews of staff under the instruction of the LGSCO and HO investigators, and providing advice and assistance to the Authority's Officers who may be the subject of a complaint.

### **1.5.2 Local Government and Social Care Ombudsman**

During 2018-19, the Authority responded to LGSCO enquiries in a timely fashion and was well within the required timescale for response of 28 days. The LGSCO's Annual Review of complaints concerning North Tyneside Council for 2018-19 is at Appendix 2.

### **1.5.3 Complaints Report**

The Authority's Complaints Annual Report for 2018-19 is attached at Appendix 1. Cabinet is invited to note that the overall number of formal complaints to the Authority in 2018-19 has decreased by 10% in comparison to 2017-18 (973 complaints and 1,070 complaints respectively)

### **1.5.4 Corporate Complaints**

There were 1070 Corporate Complaints received during 2017-18, this decreased to 973 in 2018-19.

The Authority recognises that it is important to deal with complaints well as this is central to providing a good customer service. Services seek to address complaints and learn from these complaints so that the Authority can continually improve services.

The results are set out in detail in Section 3, Table 8 of the Report at Appendix 1.

### **1.5.5 Social Care Complaints**

The number of Social Care complaints (relating to both Adult Social Care and Children and Young People's Services) decreased slightly from 126 in 2017-18 to 97 in 2018-19. This equates to 42 cases in Children's Social Services and 55 cases in Adult Social Care.

The results are set out in Section 2, Tables 2 to 6 of the Report at Appendix 1.

### **1.5.6 Customer Survey**

A survey of complainants' experiences of, and satisfaction with, the complaints service undertaken in respect of complaints handled during 2018-19 resulted in 11% of forms being returned. The majority of those responding found it easy to find information about the service and said that staff were helpful, that they were happy with the length of time taken to respond to their complaint, and that the content of the response letter was easy to understand. Overall 59% of customers thought the complaints process was good.

### 1.5.7 Future Developments

One key aim of the complaint process is 'learning' from complaints and this is a core driver in all future developments. A number of changes were made to procedures and practice in services as a result of complaints resolved during 2018-19. Examples have been listed on pages 10-11 of the Report.

A continuing area of development is partnership working, where services are provided on behalf of the Authority in conjunction with other public, voluntary and private sector organisations. Such change has potential for complaint processes to become complex, so arrangements are in place to ensure the customer's experience is as straightforward as possible. Securing the efficient handling of complaints is a vital component of ongoing arrangements with our current and any potential future partners.

### 1.5.8 Conclusion

Complaints are now widely recognised as integral to the provision of quality services at both individual and strategic levels. The Authority's successful history and current good practice in effective complaint handling will be an integral service improvement driver in the current rapidly changing culture. The demands of maintaining, and increasing levels of customer satisfaction, coupled with organisational changes across public and partner sectors, will be well supported by the current robust complaint handling procedures and electronic system in place.

The Report will be published on the Authority's website and will be available on request from the Senior Complaints Officer.

### 1.6 Decision options:

The following decision options are available for consideration by Cabinet:

#### Option 1

Note the content of the Report and approve publication of the report.

#### Option 2

Cabinet may refer the report back to officers and request that further analysis and information is provided.

Option 1 is the recommended option.

### 1.7 Reasons for recommended option:

Option 1 is recommended for the following reason:

All local authorities providing 'social service functions' including North Tyneside Council are legally required to publish an annual report on complaints received. Publication of a Report also supports community engagement and promotes transparency and opportunities for organisational improvement.

### 1.8 Appendices:

Appendix 1: North Tyneside Council Complaints Service Report 2018-19.

## **1.9 Contact officers:**

Bryn Roberts, Head of Law and Governance, tel 643 5339  
Emma Rothery, Senior Complaints Officer, tel 643 5361  
David G Dunford, Senior Business Partner, tel 643 7027

## **1.10 Background information:**

The following background papers/information have been used in the compilation of this report and are available at the office of the author:

- The Local Authority Social Services Complaints (England) Regulations 2006 and Guidance (Children)  
<http://www.legislation.gov.uk/ukxi/2006/1738/contents/made>
- The Local Authority Social Services and National Health Service Complaints (England) Regulations 2009 and Guidance (Adults)  
[http://webarchive.nationalarchives.gov.uk/+www.dh.gov.uk/en/SocialCare/DH\\_120361](http://webarchive.nationalarchives.gov.uk/+www.dh.gov.uk/en/SocialCare/DH_120361)
- North Tyneside Council Corporate Complaints Procedure  
<http://my.northtyneside.gov.uk/category/479/complaints-procedure>
- The NHS Bodies and Local Authorities Regulations 2012  
<http://www.legislation.gov.uk/ukxi/2012/3094/introduction/made>

## **PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING**

### **2.1 Finance and other resources**

There are no financial or other resource implications arising directly from this report. The delivery of the service is provided for from existing budget provision. Compensation payments are funded from existing budgets in the relevant Service areas.

### **2.2 Legal**

Local Authorities with Social Service functions are required to publish regular reports on Complaints and Ombudsman investigations in accordance with The Local Authority Social Services Complaints (England) Regulations 2006.

### **2.3 Consultation/community engagement**

Internal Consultation

The Report has been circulated to Heads of Service, the Acting Chief Executive, the Elected Mayor, Deputy Mayor and Cabinet Members for Adult Social Care and Children, Young People and Learning. Comments received have been incorporated where relevant in the Report.

## 2.4 Human rights

The service promotes equal access to complaint services and opportunities to contribute to service improvement.

## 2.5 Equalities and diversity

The service promotes equal access to complaint services and opportunities to contribute to service improvement. Material is available in different formats and Officers actively provide assistance for people with individual needs as required. Equality monitoring is undertaken so that the service can ensure it meets the needs of people with protected characteristics across all of the borough's communities.

## 2.6 Risk management

A risk assessment has taken place. All risks identified can be managed through North Tyneside Risk Process and will be added to the Authority's Risk Register.

## 2.7 Crime and disorder

There are no crime and disorder implications directly arising from this report.

## 2.8 Environment and sustainability

There are no environment and sustainability implications directly arising from this report.

## PART 3 - SIGN OFF

- Chief Executive  X
- Head(s) of Service  X
- Mayor/Cabinet Member(s)  X
- Chief Finance Officer  X
- Monitoring Officer  X
- Head of Corporate Strategy and Customer Services  X

# COMPLAINTS SERVICE REPORT 2018-19

**Date:** July 2019

**Author:** Emma Rothery

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North Tyneside Council

## COMPLAINTS SERVICE REPORT

1 APRIL 2018 – 31 MARCH 2019

### Introduction

This report provides an overview of the Authority's closed complaints, for the year between 1 April 2018 and 31 March 2019. It covers complaints under the Children Act 1989 and the National Health Service and Community Care Act 1990, which are often referred to together as the 'social services' procedures. It also includes other 'corporate complaints' about other services provided by the Authority and Complaints made to the Local Government and Social Care Ombudsman (LGSCO) and Housing Ombudsman (HO). This report has been produced using data from complaints that were closed during 1 April 2018 to 31 March 2019.

The Authority aims to provide high quality services and customer care at all times. However, it recognises there are occasions when people may wish to register dissatisfaction with those services. When this happens, the Authority wants to hear about people's experiences and, where something has gone wrong, to put it right, so far as is possible and this process in turn drives improvements generated from complaints. Therefore we have a comprehensive complaints service that covers not only the statutory Social Services arena, but also all other services of the Authority under a Corporate Complaints Procedure.

We also welcome comments, compliments and suggestions to provide a broad, balanced and reflective picture of people's experiences of our services.

### Executive Summary

The number of complaints continues to be very low compared to the millions of transactions the Authority has with approximately 206,000 residents and approximately, 5 million visitors to the area every year, but the overall number of formal complaints to the Authority has decreased since last year when 1,196 complaints were registered in comparison to 973 during 2018-19.

Complaint leaflets are widely available in the Authority's buildings and to download from the Authority's website. It is also now very easy for our customers to contact us online. Satisfaction surveys are now issued to all complainants following the closure of their complaint, regardless of the complaint outcome. 11% of complainants returned their satisfaction survey during 2018-19 and of them, 59% were happy with the complaints process.

In keeping with the principle of resolving problems as quickly as possible, the proportion of Corporate Complaints resolved at Stage 1 remains high at 85% in 2018-19 and 93% for

Children Social Care Complaints. Adult Social Care complaints have a one stage process and if the complainant remains dissatisfied they may complain to the Local Government and Social Care Ombudsman, resulting in all such complaints being resolved at Stage 1 of the statutory complaints procedure.

The Local Government and Social Care Ombudsman found three cases of maladministration with injustice against the Council. All recommendations made by the Local Government and Social Care Ombudsman were actioned in a timely way by the Authority.

## **Procedures**

### **Overview**

The Council aims to respond positively to all complaints and other representations so that it can help resolve individual issues and learn from experience how to improve services. We aim to provide comprehensive complaint services, which are widely understood and easily accessible to all. The whole Authority, staff and Members, are committed to effective complaint handling and problem solving as an integral part of customer focussed services and responsive performance management.

There are three separate procedures for Corporate, Children's and Adult Social Care. Wherever possible, before the 'formal' complaint procedures are used, efforts are made at an operational level to resolve any difficulties.

### **Corporate Complaints**

Once the formal procedures are entered into for Corporate Complaints, there are, in essence, three stages:

1. Complaint referred to Team Leader or Manager to try to resolve within 15 working days'
2. If not resolved to the customer's satisfaction, they can ask for it to be reviewed by a more senior Manager within 15 working days; and
3. Ultimately, the Regulation and Review Committee, consisting of up to five Ward Councillors, make the final decision.

### **Children Social Care Complaints**

In Children Social Care cases, the statutory complaints process is governed by the Local Authority Social Services Complaints (England) Regulations 2006. Stage 1 should be responded to within 10 working days and can be extended to 20 working days; at Stage 2 the response is due within 25 working days and may be extended to 65 working days for complex complaints with the complainant's approval; and Stage 3, the complaint is referred to an Independent Review Panel.

The Authority engage Independent Investigators and Independent Persons for Children Act Complaints at Stage 2 as set out in the Regulations. Other independent roles, e.g. members of Independent Complaint Review Panels, are also engaged by the Authority's Complaints Service as and when required.

Children Social Care staff ensure that all children, of an understanding age, who are new to the care system are in receipt of a complaints leaflet.

## **Adult Social Care Complaints**

The Local Authority Social Services and National Health Service Complaints (England) Regulations 2009 were introduced in April 2009. Under these provisions, the characteristics of individual complaints are assessed and specific plans of how to address the complaint are agreed with the complainant. The approach focuses on the complainant and enables organisations to tailor a flexible response that seeks to resolve the complainant's specific concerns. It is based on the principles of good complaints handling:

1. Getting it right
2. Being customer focused
3. Being open and accountable
4. Acting fairly and proportionately
5. Putting things right
6. Seeking continuous improvement

This statutory procedure has no fixed timescales, other than a maximum period of six months for handling the complaint and is a one stage process.

## **How to make a complaint**

Complaints can be made in a number of ways, e.g.

- By talking to the staff involved, to let them try to sort the problem out.
- By writing to or telephoning the relevant service department or the Customer and Member Liaison Office in Quadrant.

Write to: Customer and Member Liaison Office  
Quadrant

The Silverlink North  
Cobalt Business Park  
North Tyneside  
NE27 0BY

Tel. 0191 643 2280

Email: [cmlo@northtyneside.gov.uk](mailto:cmlo@northtyneside.gov.uk)

- A complaint form is available on line at: <https://my.northtyneside.gov.uk/category/478/complain-about-council-services>
- By personal visit to any of the Council's Customer First Centres
- By telephoning the Council's Contact Centre on 0345 2000 101.

## **Help and support**

The Customer and Member Liaison Office is independent of service departments and offers information, advice and help to complainants and staff responding to complaints. The primary role of the Customer and Member Liaison Office is to ensure all complaints are looked into properly and any lessons learned are adopted.

Independent advocacy is available for people wishing to make Social Services complaints, especially children and vulnerable adults. Other assistance can be arranged to suit individual requirements.

Copies of this report and other material can be made available in other formats or languages on request to the Customer and Member Liaison Office.

### **Who can make a complaint?**

Under the Corporate Complaints Procedures, any user of the Authority's Services can complain. This includes residents and visitors. It also includes relatives and carers acting on someone's behalf, e.g. a person living outside the area representing a relative living in North Tyneside.

In the Social Services arena, people can make a complaint if they are someone for whom the Authority has a power or duty to provide, directly or indirectly, a social service and his/her needs for that service have come to the attention of the Authority. This is extended to cover someone acting on his or her behalf, e.g. a relative or carer.

Limited exclusions do apply:-

- when other more appropriate processes already exist, e.g. formal appeal procedures, legal proceedings;
- when the matter occurred more than 12 months before the complaint was made (unless there is good reason for the delay in bringing the matter to the Authority's attention); and
- when the matter has already been properly examined.

It should be noted that where a complaint is made on someone else's behalf, authorisation to act will be obtained from the person the complaint is about.

## **External review**

### **Local Government and Social Care Ombudsman and Housing Ombudsman**

The Local Government and Social Care Ombudsman (LGSCO) and the Housing Ombudsman (HO) look at complaints about Local Authorities in a fair and independent way and their service is provided free of charge. They are independent of all Government Departments and have the same powers as the High Court to obtain information and documents. If they find the Authority has done something wrong they will make recommendations to put things right.

The Ombudsmen play a vital role for people wishing to make a complaint. It is usual for them to refer a matter to the Authority to look into, if it has not done so previously; they class this type of complaint as "premature".

The Local Government and Social Care Ombudsman Advice Team can be contacted on:  
Tel: **0300 061 0614** Text 'call back' to **0762 481 1595** at: [www.lgo.org.uk](http://www.lgo.org.uk)

or write to: **The Local Government and Social Care Ombudsman**, PO Box 4771, Coventry CV4 0EH

The Housing Ombudsman Advice Team can be contacted on:

Tel: 0300 111 3000 Email: [info@housing-ombudsman.org.uk](mailto:info@housing-ombudsman.org.uk)

or write to: **Housing Ombudsman Service**, Exchange Tower, Harbour Exchange Square, London, E14 9GE

Operational liaison with the Local Government and Social Care Ombudsman and the Housing Ombudsman is undertaken by the Senior Complaints Officer.

In the Annual Letter for 2018-19 from the LGSCO they indicated that in total, 56 complaints about North Tyneside Council had been received during the year. The HO does not provide an annual report for each Authority so similar information is not available from the HO in relation to complaints they have received regarding provision of housing and housing services by the Authority.

Of the 56 complaints received, advice was given by the Ombudsmen on six occasions, 18 were referred back to the Authority for local resolution, 20 were closed after initial enquiries, six were not upheld and six were upheld causing injustice to the complainant. The Ombudsmen has emphasised that their statistics reflect the data they hold and may not necessarily align with the data we hold. For example, their numbers include enquiries from people they signpost back to the authority, some of whom may never contact us.

The LGSCO Annual Letter is available on their website and a copy is available from the Senior Complaints Officer.

Set out below are details of the complaints received by the LGSCO in relation to neighbouring authorities. In comparison with previous years, it is apparent that levels of contact with the LGSCO remain constant highlighting that the majority of complainants are satisfied with the way their complaint has been handled by the Authority.

<b>Complaints referred to the LGSCO in Tyne &amp; Wear</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
Gateshead	58	44	51	51
Newcastle upon Tyne	68	66	66	67
<b>North Tyneside</b>	<b>56</b>	<b>36</b>	<b>46</b>	<b>56</b>
South Tyneside	51	45	49	49
Sunderland	56	71	67	67
Total	289	262	377	290

### **Care Quality Commission**

In the Adult Social Care arena, the Care Quality Commission also plays a similar role within its wider remit of regulation of social care. The Commission can be contacted at CQC National Customer Service Centre, Citygate, Gallowgate, Newcastle upon Tyne, NE1 4PA, telephone: 03000 616161 or via an online form on their website [www.cqc.org.uk](http://www.cqc.org.uk).

## **OFSTED**

For Children Social Care and across Children Young People and Learning, OFSTED plays a similar role to Care Quality Commission. They can be contacted at: OFSTED, Piccadilly Gate, Store Street, Manchester, M1 2WD, telephone: 0300 123 1231 or via email: [enquiries@ofsted.gov.uk](mailto:enquiries@ofsted.gov.uk).

## **Management and Operation**

The management and operation of both the corporate and social services processes is provided by the Customer and Member Liaison Office, which is based within the Law and Governance Department of the Authority. The Customer and Member Liaison Office is also the main point of contact for the Local Government and Social Care Ombudsman and the Housing Ombudsman.

The Office not only managed many individual complaints but also monitored the correct use of the procedures in the various service departments. It did not investigate complaints as service areas were responsible for examining complaints about their own services.

Individual complaints were referred to relevant service managers to examine and respond to the complainant.

The Complaint service is supported by a bespoke Customer Relationship Management system.

## **Performance Indicators**

The Complaints Annual Report is presented to the Authority's full Cabinet meeting. The Report is also presented to the Authority's Regulation and Review Committee to update Members with the number of complaints that have been received the previous year and to advise Members if the recommendations from any Stage Three hearing have been undertaken.

The Authority carries out an in-house survey of people who have used the complaints process. These show that 52% of respondents said they found it easy to find information about the complaints process; 34% were happy with the time taken to respond to complaints; 39% thought the process was good and 35% were satisfied with the outcome.

There are currently approximately 206,000 residents in North Tyneside. Voluntary diversity monitoring of complainants was introduced several years ago. The following table compares the results of the survey against the Office of National Statistics (ONS) Mid Year Population estimate for 2017 in relation to gender and age, and the latest data in relation to disability, ethnic origin and religion, which is taken from the 2011 Census.

%	O.N.S.	NTC	%	O.N.S.	NTC
<b>Gender</b>			<b>Ethnic Origin</b>		
Female	51.7	50	Asian	1.9	0
Male	48.3	47	Black	0.4	0
Declined		3	Other Ethnic	0.6	0
<b>Age</b>			Mixed	0.9	0
16-24	11.1	0	White British	95.4	95
			Other White	1.2	0
25-34	14.9	10	Chinese	0.5	0
35-44	16.1	26	Declined	-	5
45-54	18.1	19	<b>Religion</b>		
55-64	15.9	16	Christian	63.8	43
65-74	13.1	21	Hindu	0.3	0
Over 75	10.8	5	Buddhist	0.2	0
Declined	-	3	Muslim	0.7	0
			Sikh	0.2	0
<b>With a disability</b>			Jewish	0	0
Yes	20.6	17	Other	0.2	0
No	-	72	None	28.1	38
Not given	-	11	Declined	6.4	19

## Numbers and analysis of complaints

The number of complaints for 2018-19, together with previous years for comparison, is shown in the tables at the end of this report.

This information is made available for consideration by individual service areas, as part of performance management throughout the year. This helps identify any themes or trends and so informs service improvement initiatives. The Senior Complaints Officer met with various service management teams to discuss any implications arising from themes or trends in complaints.

The total complaints related activity is set out in Table 1. Whilst formal complaints have continued to slightly increase in numbers year on year, this year, there has been a small reduction in the number of registered formal complaints.

Corporate complaints resolved at Stage 1 remained high at 85% and 93% of Children Social Care complaints closed during the period were resolved at Stage 1. This reflects the commitment of Managers and Supervisors to resolve complaints at an early stage.

All complaints concluded and closed off on the Complaints Database create a prompt to enter any lessons learned as a result of the complaint. A number of improvements generated by complaints were made to procedures and services during the year. A number of examples of such improvements are set out below.

Department	Lessons Learned
Building Control	Arrangements will be made for long term appointments to be confirmed nearer the appointment date.
Delay in producing an Education, Health and Care Plan	Further recruitment to Department, investment in training and induction undertaken.
Issues surrounding Universal Credit and the knowledge of staff in the Contact Centre	Staff have been reminded to advise eligible customers to claim Universal Credit. Refresher training conducted by Training Advisor to all Customer Service staff.
Special Guardianship Order	It was found that the original calculation was incorrect. This has now been amended to reflect the correct payment. The complainant was offered £500 in recognition of the impact pursuing this complaint has had upon her and her family, both emotionally and financially and a payment of £250 to the Advocate for her expenses in supporting the complainant with this complaint.
Delay to entry into the Mouth of the Tyne Festival	There was a delay in the Act arriving which delayed to opening time of the gates to the public. Following a review of procedures, changes have been made to what attendees can take into the event.
No facility to record the title of transgender complainant	System changes to include 'Mx' prefix and training to staff around LGBT issues.
Delays to repair leak in kitchen	Better coordination between trades will be implemented.
Difficulty discussing repairs with tenant	Communication with family difficult without an interpreter was difficult. Arrangements made for an Interpreter to be engaged during further meetings, if required.
Lack of response from the Parking Department	Parking Control will ensure that adequate staffing resources are in place to deal with high spikes in workload to avoid a re-occurrence of this issue.
Dispute over conversation during the issue of a Penalty Charge Notice.	Civil Enforcement Officers have been instructed to activate their body worn

	CCTV whenever they are in conversation with a member of the public.
Advice given to residents applying for a dropped kerb.	To ensure consistency and to remove any doubt, staff have started to advise residents about permission in writing and not verbally.
Renewal of Ease Card for Armed Forces	We have changed a policy based on feedback and equity and will implement the change in January 2019.

## Developments

North Tyneside Council continues to change rapidly. This change process will continue and remain a challenge for effective complaints handling as service users experience changes and the organisation evolves internally as a result of changing priorities from central Government and more limited resources being available to the Authority.

There are significant examples of change within the Authority. The Authority has partnership arrangements with Engie and Capita to provide a range of services.

On 1 April 2018, a substantial change to the management of complaints took place whereby, Link Officers within the main services areas became responsible for recording complaints on the customer relationship management system. This process has now reverted back to a centralised Complaints Team responsible for registering and monitoring all complaints made to the Authority. The Senior Complaints Officer remains responsible for considering corporate complaint requests to progress to Stage Three which is a hearing of the Regulation and Review Committee, liaison with the Local Government and Social Care Ombudsman and the Housing Ombudsman and the supervision of complaints at Stage Two and Three of the Children’s complaints process.

The overall focus of attention continues to be very much centred on ‘learning’ from complaints and this will be a core driver in all future developments by the Authority.

## Conclusions

In the Our North Tyneside Plan, the Authority has made a commitment to listen and to work better for residents. As part of this commitment, Cabinet agreed in May 2019, a programme to improve customer service across all of its services. This programme has four key elements and one of these, “Better Never Stops”, will introduce a clearer focus on a continuous improvement culture across the organisation.

The rapidly changing culture and demands of increased customer satisfaction coupled with organisational changes across public and partner sectors means that complaints services must be continually kept up to date. The Authority’s successful history and current good practice in effective complaint handling cannot be taken for granted.

Therefore, part of the customer service improvement programme will include a review of how we handle complaints to ensure that the Authority has the best structure and systems in place to enable complaints to be dealt with effectively, sensitively and in a timely manner. The Authority already delivers a good level of service as set out in this annual report, but this review as part of the customer service improvement programme will identify where there might be any other improvements that could be made.

The underlying principles when dealing with complaints will tie into a new set of customer service standards, a "Customer Promise ", that will be developed as part of the Customer Improvement Programme and will continue to include the following.

- To aim to respond to complainants in a proportionate manner, understanding the perspective of the person making the complaint and wherever possible resolve matters at an early stage.
- To continue to work alongside and support managers and other partner organisations to ensure that complaints are responded to concisely and in a timely manner.
- To continue to work within our policies, procedures and legislative guidelines throughout the complaints processes.
- To provide training to staff to ensure complaints are handled effectively and efficiently.
- To continue to focus on handling enquiries promptly to try to prevent unnecessary escalation and dissatisfaction.
- To continue to learn from our outcomes and make changes to improve our services.

By the very nature of this area of work, the complaints services will never satisfy all of the people all of the time. However, the survey of complainants indicates a good level of satisfaction with the service overall.

The Authority is committed to providing effective complaints services for the benefits of individual customers, the Authority and the community alike. Complaints are now widely recognised as integral to the provision of quality services at both individual and strategic levels and will continue to be so in the coming years.

## **Background**

### **Statistics**

This part of the report is broken down into the following sections:-

- 1) Overall number of complaints across the Authority
- 2) Social Services Complaints
- 3) Corporate Complaints
- 4) Local Government and Social Care Ombudsman
- 5) Informal Complaints and Enquiries

## 1. Overall number of complaints across the Authority

The volume of formal complaint related activity for the period April 2015 to March 2019 is summarised in Table 1.

<b>Table 1 Summary</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
Social Service Complaints	97	115	126	97
Corporate Complaints	836	992	1070	973
<b>Total</b>	<b>933</b>	<b>1107</b>	<b>1196</b>	<b>1070</b>
Local Government & Housing Ombudsman complaints received by NTC	43	32	38	56
<b>Formal total</b>	<b>976</b>	<b>1139</b>	<b>1234</b>	<b>1126</b>
Pre-Complaint and general enquiries dealt with by the Customer & Member Liaison Office	550	599	685	1105
<b>Total complaint related activity</b>	<b>1526</b>	<b>1738</b>	<b>1919</b>	<b>2231</b>

There has been an increase in the number of pre-complaint and general enquiries dealt with by the Customer and Member Liaison Team during 2018-19 in comparison to previous years. The Customer and Member Liaison Office continued to make sure that as many enquiries as possible are directed to the most appropriate service at the first point of contact. This will ensure customers are given more responsive replies and reduce the inefficiencies inherent in redirection of enquiries within the Authority. All enquiries received by email into the Customer and Member Liaison Office are acknowledged by email, the majority on the same working day. The customer is also notified of who their enquiry has been sent to and that they should expect a response direct. Enquirers by telephone or letter are also provided with a receipt setting out the same information.

## 2. Social Services Complaints

Social Service complaints dealt with under the relevant statutory processes are split into Children's and Adult Services, as shown in Table 2. In addition there are complaints regarding Children's and Adult Services which were dealt with under the Corporate procedure (see Table 8).

<b>Table 2 Social Services by Division</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
Children & Families Services	50	54	64	42
Adult Services	47	61	62	55
<b>TOTAL</b>	<b>97</b>	<b>115</b>	<b>126</b>	<b>97</b>

There has been small decrease of complaints about Social Care Services overall during the last year.

Within Children Social Care, complaints have been categorised as shown in Table 3.

<b>Table 3 Children &amp; Families Services Categories</b>	2015-16	2016-17	2017-18	2018-19
Adoption/Fostering/LAC	10	7	14	5
Safeguarding	20	22	31	19
Child Protection	0	2	2	0
Front Door	12	12	9	2
Commissioning and Investment	3	0	3	0
Children with Disability Team	0	0	5	3
Other	5	11	0	13
<b>TOTAL</b>	<b>50</b>	<b>54</b>	<b>64</b>	<b>42</b>

Children who are looked after receive a 'complaints form' to use if they wish to raise any point about their care or circumstances generally. Acknowledging that making a complaint can be difficult, young people are encouraged to have the assistance of a mentor or advocate if they want to make a complaint. The units for children with a disability have specially trained advocates to help those who have communication difficulties.

In the child protection system users may feel they have little power to make a complaint and this is acknowledged. To capture issues of user concern the review process and other meetings are forums in which matters that are a worry to the user can be tackled. In this way the user's view can be heard and services influenced. In addition to the numbers reported above there were 24 complaints about Children Services dealt with under the Corporate Complaints procedure.

Within Adult Social Care, categories are shown in Table 4.

<b>Table 4 Adult Services Categories</b>	2015-16	2016-17	2017-18	2018-19
Safeguarding	2	1	3	5
Commissioning	3	3	2	4
Personalisation / Social Work	36	44	40	34
Integrated Services	4	5	9	5
Other	2	8	8	7
<b>TOTAL</b>	<b>47</b>	<b>61</b>	<b>62</b>	<b>55</b>

In addition to the numbers reported above there were 20 complaints about Adult Services dealt with under the Corporate Complaints Procedure during 2018-19.

Tables 5 and 6 show the proportions of upheld complaints for Children's and Adults Services over the year.

<b>Table 5 - Children Social Care complaint outcomes</b>	2015-16 %	2016-17 %	2017-18 %	2018-19 %
Not Upheld	70	46	55	40
Upheld in Full	2	4	8	31
Upheld in Part	26	44	37	29

<b>Table 6 - Adult Social Care complaint outcomes</b>	2015-16 %	2016-17 %	2017-18 %	2018-19 %
Not Upheld	49	43	43.5	47.2
Upheld in Full	0	3	0	9.0
Upheld in Part	49	51	56.5	43.6

Problem solving at the earliest opportunity is a key aim of effective complaint handling. This is not only of value to the complainant but also to the Authority in optimising use of resources and enhancing customer care.

Table 7 shows early resolution at Stage 1 of Children's complaints only. From April 2009 a one stage process was introduced for Adult Social Care complaints.

<b>Table 7 – Children's Social Services complaints resolved at stage:</b>	2015-16 %	2016-17 %	2017-18 %	2018-19 %
One	96	93	94	93
Two	2	2	1.5	7
Three	0	0	4.5	0

### 3. Corporate Complaints

Table 8, below, shows a breakdown of corporate complaints received from 2015-16 for comparison purposes.

<b>Table 8 – Corporate Complaints</b>					
<b>Department</b>	<b>Service Area</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
Chief Exec & Financial Services	Finance & Resources	7	7	11	14
	Law & Governance	13	22	7	5
	Other (inc Street Lighting)	0	2	1	7
	<b>Total</b>	<b>20</b>	<b>31</b>	<b>19</b>	<b>26</b>
Revs, Bens & Customer Services	Benefits	80	71	51	30
	Council Tax	50	43	69	99
	Customer Services	34	37	37	42
	<b>Total</b>	<b>164</b>	<b>151</b>	<b>158</b>	<b>171</b>
Adult Social Care					
	<b>Total</b>	<b>11</b>	<b>15</b>	<b>14</b>	<b>20</b>
Children, Young People & Learning					
	<b>Total</b>	<b>13</b>	<b>19</b>	<b>16</b>	<b>24</b>
<b>ENVIRONMENT, LEISURE AND HOUSING:</b>					
<b>Department</b>	<b>Service Area</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
Leisure	Indoor Sports & Leisure	15	15	21	21

	Cultural Services Other	11	11	8	12
	<b>Total</b>	<b>26</b>	<b>26</b>	<b>29</b>	<b>33</b>
Environment	Parking	20	33	52	46
	Planning/Building Control	20	27	21	19
	Highways	51	64	87	59
	Environmental Health	12	15	19	7
	Other	1	3	20	3
	Street Environment	39	49	80	61
	Property	6	7	7	8
	Waste Management	16	15	30	15
	Recycling/Wheeled Bins/Special Collections	71	89	116	153
	Trees/Shrubs	15	21	15	9
	Winter Maintenance	2	0	0	0
	Bereavement Services	2	3	0	0
	<b>Total</b>	<b>255</b>	<b>326</b>	<b>447</b>	<b>380</b>
Housing	Debt Recovery/Income	12	20	20	18
	Day-to-day Repairs	12	16	10	22
	Allocations/Letting	24	40	26	31
	Housing Estates	45	79	76	47
	Empty Homes / Voids	12	5	10	12
	Quality Homes for Older People	10	7	4	1
	Homelessness / Advice	7	6	9	12
	Housing Investment	25	11	10	17
	Safer Estates	3	10	4	22
	Leasehold	2	2	3	0
	Other	3	10	10	6
	<b>Total</b>	<b>155</b>	<b>206</b>	<b>182</b>	<b>188</b>
Kier North Tyneside	Day-to-day Repairs	126	156	148	99
	Gas Services	23	26	20	10
	Housing Investment	27	19	20	11
	Empty Homes / Voids	14	16	12	7
	Other				2
<b>Total</b>	<b>190</b>	<b>217</b>	<b>200</b>	<b>129</b>	
Business & Economic Development	Business & Economic Development	<b>2</b>	<b>1</b>	<b>4</b>	<b>1</b>
Public Health	Public Health	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>
	<b>Grand Total</b>	<b>836</b>	<b>992</b>	<b>1070</b>	<b>973</b>

The number of formal Corporate Complaint registered during 2018-19 had decreased by 10% to 973.

Table 9 shows the proportion of corporate complaints upheld or not.

<b>Table 9: Corporate complaints outcomes</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Not Upheld	40	47	46.5	49
Upheld in Full	32	24	27	30
Upheld in Part	28	29	26.5	21

Table 10 shows the stage at which corporate complaints were resolved, again indicating a high level of early problem solving overall and again is consistent with previous years.

<b>Table 10: Corporate complaints resolved at Stage:</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
One	87	88	87	85
Two	12	12	13	14
Three	1	0	<1	<1

### Policy complaints

Complaints about the policies of the Authority are recorded and responded to at Stage 1 but not considered further within the complaints process.

## 4. Local Government and Social Care Ombudsman and Housing Ombudsman

The next stage after the Authority's complaints procedures is consideration by the Local Government Social Care Ombudsman or Housing Ombudsman.

Table 11 groups the breakdown by the Authority's Service Areas as recorded by the Authority:

<b>Table 11: Complaints to the LGO &amp; HO</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
Environmental & Cultural Services	5	5	4	4
Highways, Transport & Planning	9	4	7	9
Revenues & Benefits	5	4	4	3
Housing	7	9	8	11
Education & Children Social Care	8	4	5	15
Adult Social Care	7	4	8	10
Other	2	2	2	4
<b>Total</b>	<b>43</b>	<b>32</b>	<b>38</b>	<b>56</b>

Table 12 gives the decisions made by the Local Government Social Care Ombudsman and Housing Ombudsman in the given years as recorded by the Authority.

<b>Table 12: LGO &amp; HO Decisions</b>		<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>
<b>Total</b>	<b>Complaints Received</b>	<b>43</b>	<b>32</b>	<b>38</b>	<b>56</b>
Not Investigated	Outside Jurisdiction	10	3	7	10
	Discretion not to	5	7	8	10

	investigate/No further action				
	Premature referrals	4	6	3	19
	Discontinued Investigation	3	2	5	0
	Signposted to HO				5
<b>Total Not Investigated</b>		<b>22</b>	<b>18</b>	<b>23</b>	<b>44</b>
Investigated	Findings of no maladministration	15	8	10	5
	Satisfied with LA's actions	0	0	0	0
	Findings of maladministration and injustice	4	3	3	6
	Maladministration, no injustice			1	0
	Ongoing	2	3	1	1
<b>Total Investigated</b>		<b>21</b>	<b>14</b>	<b>38</b>	<b>56</b>

## 5. Informal complaints and enquiries

As has been indicated previously, the 'headline' figure of the number of formal complaints does not reflect the number of concerns or problems reported to the Authority, and satisfactorily dealt with by staff via social media, telephone and email contact and via the Members Enquiries System.

The Customer and Member Liaison Office also monitored the number of enquiries and informal complaints, or 'pre-complaint enquiries' dealt with by its staff during 2018-19, and these figures are shown in Table 13. This information has already been helpful on a number of occasions as early indicators of developing issues in some service areas.

<b>Table 13 - Pre complaint &amp; general enquiries processed by CMLO</b>	2015-16	2016-17	2017-18	2018-19
Children, Young People & Learning	11	18	20	8
Adult Social Care	18	18	15	22
Cultural Services	19	17	23	27
North Tyneside Homes	79	84	91	110
Kier North Tyneside	30	29	23	57
Environmental Services	306	353	404	805
Customer Services, Revs & Bens	36	32	41	36
Law & Governance	23	20	20	19
Finance & Resources	25	21	35	6
Other	3	7	13	15
<b>TOTAL</b>	<b>550</b>	<b>599</b>	<b>685</b>	<b>1105</b>

It is noted that complaint numbers had reduced overall however, the number of pre-complaints had greatly increased. During 2018, the Authority introduced alternative weekly bin collections. This resulted in a significant increase in contact from members of the public who were unhappy at the change to the service, dissatisfied with the length of time taken to receive an extra bin and upset that their bin had not been collected, however, it is understandable that such a significant change in delivery has impacted on

residents. Whilst, this increase had occurred, it has to be taken in the context that there are over 90,000 households in the Borough who benefit from this service, therefore, complaint numbers are relatively small and every effort is made to ensure that residents' satisfaction is maintained.

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24 July 2019

*By email*

Paul Hanson  
Acting Chief Executive  
North Tyneside Metropolitan Borough Council

Dear Mr Hanson

### **Annual Review letter 2019**

I write to you with our annual summary of statistics on the complaints made to the Local Government and Social Care Ombudsman about your authority for the year ending 31 March 2019. The enclosed tables present the number of complaints and enquiries received about your authority, the decisions we made, and your authority's compliance with recommendations during the period. I hope this information will prove helpful in assessing your authority's performance in handling complaints.

### **Complaint statistics**

As ever, I would stress that the number of complaints, taken alone, is not necessarily a reliable indicator of an authority's performance. The volume of complaints should be considered alongside the uphold rate (how often we found fault when we investigated a complaint), and alongside statistics that indicate your authority's willingness to accept fault and put things right when they go wrong. We also provide a figure for the number of cases where your authority provided a satisfactory remedy before the complaint reached us, and new statistics about your authority's compliance with recommendations we have made; both of which offer a more comprehensive and insightful view of your authority's approach to complaint handling.

The new statistics on compliance are the result of a series of changes we have made to how we make and monitor our recommendations to remedy the fault we find. Our recommendations are specific and often include a time-frame for completion, allowing us to follow up with authorities and seek evidence that recommendations have been implemented. These changes mean we can provide these new statistics about your authority's compliance with our recommendations.

I want to emphasise the statistics in this letter reflect the data we hold and may not necessarily align with the data your authority holds. For example, our numbers include

enquiries from people we signpost back to your authority, some of whom may never contact you.

In line with usual practice, we are publishing our annual data for all authorities on our website, alongside our annual review of local government complaints. For the first time, this includes data on authorities' compliance with our recommendations. This collated data further aids the scrutiny of local services and we encourage you to share learning from the report, which highlights key cases we have investigated during the year.

In May 2018, we published a public report about your Council. We found the Council had, since 2010, used an incorrect policy to calculate Special Guardianship allowances and had potentially paid incorrect allowances to Special Guardians since November 2013.

I am pleased that the Council agreed to implement a new policy for Special Guardianship allowances and to identify all Special Guardians that might have been affected by the fault. It agreed to calculate and, where necessary, backdate allowance payments for the complainant and others affected. It also agreed to pay the complainant and representative £200 to remedy their time and trouble in pursuing the complaint.

I wrote to you in September 2018 to welcome the action you took to fully investigate all those affected and to pay them the correct allowances, appropriately backdated. There was some delay carrying out this action, but I am satisfied at the comprehensive approach taken by the Council and its constructive approach in remedying a significant complaint.

### **New interactive data map**

In recent years we have been taking steps to move away from a simplistic focus on complaint volumes and instead focus on the lessons learned and the wider improvements we can achieve through our recommendations to improve services for the many. Our ambition is outlined in our [corporate strategy 2018-21](#) and commits us to publishing the outcomes of our investigations and the occasions our recommendations result in improvements for local services.

The result of this work is the launch of an interactive map of council performance on our website later this month. [Your Council's Performance](#) shows annual performance data for all councils in England, with links to our published decision statements, public interest reports, annual letters and information about service improvements that have been agreed by each council. It also highlights those instances where your authority offered a suitable remedy to resolve a complaint before the matter came to us, and your authority's compliance with the recommendations we have made to remedy complaints.

The intention of this new tool is to place a focus on your authority's compliance with investigations. It is a useful snapshot of the service improvement recommendations your authority has agreed to. It also highlights the wider outcomes of our investigations to the public, advocacy and advice organisations, and others who have a role in holding local councils to account.

I hope you, and colleagues, find the map a useful addition to the data we publish. We are the first UK public sector ombudsman scheme to provide compliance data in such a way and believe the launch of this innovative work will lead to improved scrutiny of councils as well as

providing increased recognition to the improvements councils have agreed to make following our interventions.

### **Complaint handling training**

We have a well-established and successful training programme supporting local authorities and independent care providers to help improve local complaint handling. In 2018-19 we delivered 71 courses, training more than 900 people, including our first 'open courses' in Effective Complaint Handling for local authorities. Due to their popularity we are running six more open courses for local authorities in 2019-20, in York, Manchester, Coventry and London. To find out more visit [www.lgo.org.uk/training](http://www.lgo.org.uk/training).

We were pleased to deliver a children's social care complaint handling course to your staff during the year. I welcome your Council's investment in good complaint handling training and trust the course was useful to you.

Finally, I am conscious of the resource pressures that many authorities are working within, and which are often the context for the problems that we investigate. In response to that situation we have published a significant piece of research this year looking at some of the common issues we are finding as a result of change and budget constraints. Called, [Under Pressure](#), this report provides a contribution to the debate about how local government can navigate the unprecedented changes affecting the sector. I commend this to you, along with our revised guidance on [Good Administrative Practice](#). I hope that together these are a timely reminder of the value of getting the basics right at a time of great change.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'M King', with a stylized flourish at the end.

Michael King  
Local Government and Social Care Ombudsman  
Chair, Commission for Local Administration in England

**Local Authority Report:** North Tyneside Metropolitan Borough Council  
**For the Period Ending:** 31/03/2019

For further information on how to interpret our statistics, please visit our [website](#)

## Complaints and enquiries received

Adult Care Services	Benefits and Tax	Corporate and Other Services	Education and Children's Services	Environment Services	Highways and Transport	Housing	Planning and Development	Other	Total
11	3	4	14	3	3	12	7	0	57

## Decisions made

Incomplete or Invalid	Advice Given	Referred back for Local Resolution	Closed After Initial Enquiries	Detailed Investigations			Total
				Not Upheld	Upheld	Uphold Rate (%)	
0	6	18	20	6	6	50	56

**Note:** The uphold rate shows how often we found evidence of fault. It is expressed as a percentage of the total number of detailed investigations we completed.

## Satisfactory remedy provided by authority

Upheld cases where the authority had provided a satisfactory remedy before the complaint reached the Ombudsman	% of upheld cases
0	0

**Note:** These are the cases in which we decided that, while the authority did get things wrong, it offered a satisfactory way to resolve it before the complaint came to us.

## Compliance with Ombudsman recommendations

Complaints where compliance with the recommended remedy was recorded during the year*	Complaints where the authority complied with our recommendations on-time	Complaints where the authority complied with our recommendations late	Complaints where the authority has not complied with our recommendations	
7	6	1	0	<b>Number</b>
	100%		-	<b>Compliance rate**</b>
<p><b>Notes:</b>            * This is the number of complaints where we have recorded a response (or failure to respond) to our recommendation for a remedy during the reporting year. This includes complaints that may have been decided in the preceding year but where the data for compliance falls within the current reporting year.            ** The compliance rate is based on the number of complaints where the authority has provided evidence of their compliance with our recommendations to remedy a fault. This includes instances where an authority has accepted and implemented our recommendation but provided late evidence of that.</p>				

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