

# FINANCE AND POLICY COMMITTEE

## AGENDA



**Monday 27 November 2023**

**at 10.00 am**

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

MEMBERS: FINANCE AND POLICY COMMITTEE

Councillors Boddy, Brown, Buchan, Feeney, Hall, Harrison, Lindridge, Little, Martin Wells, Morley and Young.

**1. APOLOGIES FOR ABSENCE**

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

**3. MINUTES**

- 3.1 To receive the minutes of the meeting of the Finance and Policy Committee held on 18 September 2023.
- 3.2 To receive the minutes of the meeting of the Safer Hartlepool Partnership held on 20 June 2023.
- 3.3 To receive the minutes of the meeting of the Health and Wellbeing Board held on 10 July 2023.

**4. BUDGET AND POLICY FRAMEWORK ITEMS**

- 4.1 Strategic Financial Management Report as at 30 September 2023 – *Director of Finance, IT and Digital*
- 4.2 Local Council Tax Support 2024/25 – *Director of Finance, IT and Digital*
- 4.3 Council Tax Base 2024/25 – *Director of Finance, IT and Digital*
- 4.4 Medium Term Financial Strategy (MTFS) 2024/25 TO 2026/27 – *Director of Finance, IT and Digital*

**CIVIC CENTRE EVACUATION AND ASSEMBLY PROCEDURE**

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

## **5. KEY DECISIONS**

- 5.1 Net Zero Strategy and Action Plan – *Executive Director of Development, Neighbourhoods and Regulatory Services*
- 5.2 Disposal of Land at Mainsforth Terrace, Hartlepool – *Executive Director of Development, Neighbourhoods and Regulatory Services*
- 5.3 Strategic Asset Management Plan – *Executive Director of Development, Neighbourhoods and Regulatory Services*
- 5.4 Development of Children's Home – *Executive Director of Children and Joint Commissioning Services, Executive Director of Development, Neighbourhoods and Regulatory Services and Director of Finance, IT and Digital*

## **6. OTHER ITEMS REQUIRING DECISION**

- 6.1 Progress Update on the Hartlepool Food Partnership: Healthy, Affordable and Sustainable Food for All – *Director of Public Health*

## **7. ITEMS FOR INFORMATION**

- 7.1 Council Plan 2021 – 2024 – Progress Update – *Managing Director*
- 7.2 Corporate Peer Challenge – 6 Month Progress Review Visit Update – *Managing Director*
- 7.3 Tall Ships Races Hartlepool 2023 – *Executive Director of Adult and Community Based Services*
- 7.4 Hartlepool Town Deal Programme – *Executive Director of Development, Neighbourhoods and Regulatory Services*
- 7.5 Corporate Procurement Quarterly Report on Contracts – *Executive Director of Development, Neighbourhoods and Regulatory Services*

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

For Information:

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

Monday 22 January, 2024 at 10.00 am

Monday 19 February, 2024 at 10.00 am



## **FINANCE AND POLICY COMMITTEE MINUTES AND DECISION RECORD**

18 SEPTEMBER 2023

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

### **Present:**

Councillor Mike Young (In the Chair)

Councillors: Moss Boddy, Paddy Brown, Bob Buchan, Tom Feeney, Gerard Hall, Brenda Harrison, Jim Lindridge, Sue Little and Andrew Martin-Wells.

Also Present: Councillor Ben Clayton as substitute for Councillor Melanie Morley in accordance with Council Procedure Rule 4.2.  
Councillors Shane Moore and David Nicholson.

Officers: Denise McGuckin, Managing Director  
Hayley Martin, Director of Legal, Governance and Human Resources  
James Magog, Director of Finance, IT and Digital  
Paul Dixon, Assistant Director, Corporate and Financial Services  
Laura Griffiths, Assistant Director, Customer Services and IT  
Sally Robinson, Executive Director of Children's and Joint Commissioning Services  
Claire Robinson, Public Health Principal  
Jill Harrison, Executive Director of Adult and Community Based Services  
Gemma Ptak, Assistant Director, Preventative and Community Based Services  
Ian Gardiner, Head of Leisure, Recreation and Participation  
Tony Hanson, Executive Director of Development, Neighbourhoods and Regulatory Services  
Beverley Bearne, Assistant Director, Development and Growth  
Kieran Bostock, Assistant Director, Place Management  
Scott Parkes, Consultancy Manager, Environmental Engineering  
Joan Stevens, Scrutiny Manager  
Connor Kerr and Steve Hilton, Communications and Marketing Team  
David Cosgrove, Democratic Services Team

## **17. Apologies for Absence**

Councillor Melanie Morley.

**18. Declarations of Interest**

None.

**19. Minutes of the meeting held on 3 July 2023**

Received.

**20. Minutes of the meeting of the Health and Wellbeing Board held on 20 March 2023**

Received.

**21. Audit and Governance Committee Investigation - Accessibility of Council Services in Hartlepool for Those with Disabilities and Long Term Conditions – Results of Additional Consultation** (*Chair of the Audit and Governance Committee*)**Type of decision**

Non-key decision.

**Purpose of report**

To present the results of the additional consultation, undertaken at the request of the Finance and Policy Committee on the 3rd July 2023; and the Action Plan produced to inform consideration of the investigation's recommendations.

**Issue(s) for consideration**

Councillor Hargreaves, a Member of the Audit and Governance Committee presented the report on behalf of the Chair of the Committee, Councillor Brash, who could not attend. Councillor Hargreaves highlighted the further consultation that had been undertaken as requested by the Finance and Policy Committee. Councillor Hargreaves commended the report and, in particular, the action plan to the Committee and also thanked the Statutory Scrutiny Manager and her team for the work in undertaking the investigation and preparing the final report.

The Chair thanked Councillor Hargreaves and stated that he was aware of the amount of work that had gone into the further consultation exercise. A Member noted that the responses to the further consultation were still low but commented that it had to be assumed following the further consultation exercise that the majority of people were happy with the conclusions and recommendations in the report.

The Chair highlighted the prioritisation of the recommendations listed within the investigation report. The Statutory Scrutiny Manager indicated that as part of the action plan the Audit and Governance Committee had highlighted where it believed additional resources would be required. Members questioned if the recommendations had been costed at this stage. Officers stated that costs had not yet been assessed and it was proposed by Members that the costings for the recommendations be identified and reported back to this Committee.

### **Decision**

Finance and Policy Committee agreed to the following recommendations set out in the investigation report:-

1. That the outcome of the extended consultation process and Action Plan produced be noted and that a further report be submitted to the Committee setting out the costings of the recommendations of the investigation below.
2. That the recommendations of the Audit and Governance Committee, following their investigation into the accessibility of council services in Hartlepool for those with disabilities and Long Term conditions, as detailed below be approved:-
  - (i) Exploration of some adjustments would require more significant investment and be longer term actions. Other short / medium term actions would be to:-
    - (a) Develop a communications campaign to:
      - Highlight the various support schemes and reasonable adjustments that are already have in place;
      - Promote 'One-Stop-Shop' touch points such as the Civic Centre reception and Community Hubs where people can get assistance with everything in one place. Making those who find accessing the Civic Centre aware that the same service can be accessed elsewhere; and
      - Promote the role of Community Hubs and Community Navigators to increase the understanding of the services they offer.
    - (b) Ensure that community buildings and touch points have posters and leaflets on display for a range of disability support groups and charities.
    - (c) Circulate basic guidance to staff on font size and type, use of plain English, how to book an interpreter when one is required and put this information in an easy to find location on the intranet.
    - (d) Create an "accessibility" tile on the intranet homepage so it is easy to find and collate a range of useful accessibility information for staff to be able to find quickly and easily when a disabled person makes contact.

- (ii) Equality of access to services for all is a fundamental right and residents with disabilities and long term conditions should not be restricted in terms of the times they can access services or the levels of privacy they can expect. To this end:-
  - (a) A Text Relay Service should be introduced;
  - (b) Given the financial restrictions faced by the local authority, the feasibility and benefits, of creation of a pod facility in the Civic Centre be explored to allow residents and officers to use online signing / translation services;
  - (c) The creation of a network of British Sign Language (BSL) trained staff, to act as first point of contact for volunteers, be explored;
  - (d) Existing TV screens in the Civic Centre reception be used to promote accessibility services and the assistance that is available; and
  - (e) The Loop system currently used in council buildings be reviewed to ensure that it is still compatible with modern hearing aids.
- (iii) Provide access to a video / telephone translation service (for BSL and other languages) in the Civic Centre, and a private room for the discussion of confidential issues. This facility to be promoted (e.g. via signs on glass partitions in a similar way to how pharmacies tell customers they can use a private consultation room).
- (iv) A review of workforce training be undertaken to explore how disability awareness and an understanding of reasonable adjustments, could be increased, within available resources. As part of this:-
  - (a) Accessibility and diversity awareness training to be rolled out as mandatory training for all HBC staff and offered as an option for Councillors as part of the induction process; and
  - (b) Options for training be explored including the use of online packages to allow ease of access and roll out across departments, without the need for an external trainer.
- (v) The newly established Equality, Diversity and Inclusion Officer Group to be used as a mechanism to share best practice, monitor performance and identify service improvements.
- (vi) Improvements to the HBC website be explored to ensure that it is EDI compliant going forward, including but not be limited to:-
  - (a) Read options for documents, to allow access by blind or visually impaired residents;

- (b) Captions / signing on social media posts / videos; and
  - (c) When time-critical videos are posted on social media, and there is not time to set up closed captions, the video should include a text card to say that subtitles will be added. For videos which are not time-critical subtitles should be added before they are uploaded.
- (vii) Council reports, documents and forms must be accessible (easy read / screen reader friendly) and going forward clear content guidance should to be provided, and its use promoted, including:-
- (a) Where appropriate, instructions for the inclusion of links to allow the use of screen readers; and
  - (b) Promotion of use of a document accessibility checker.
- (viii) A consultation to be undertaken with partners on the potential benefits, and level of support for, the creation of a needs passport / card system that could be used to ensure that officers quickly recognise and respond to any additional support needs.
- (ix) The process for creation of the Highlight on the Waterfront development is an example of good practice in terms of engagement / involvement with residents with disabilities and lifelong conditions. This good practice to be rolled out across the development of all services and strategies.

## 22. Public Question

A public question for the Council meeting on 28 September 2023 had been received from Mr Steven Cosgrove. In accordance with Council Procedure Rule 9.8, the Managing Director, in consultation with the Chair of Council, considered that the question would be more appropriately referred to the next relevant Policy Committee for answer to be dealt with in accordance with the Council's Protocol for Public Questions at Policy Committee meetings. The question had, therefore, been referred to this meeting of the Finance and Policy Committee.

Mr Cosgrove was not present at the meeting; his question, as submitted, was as follows: –

On the 13th of July I attended my first council meeting in 63 years, specifically to observe the agenda item about allotment rents. At the meeting members on both sides congratulated themselves for a successful Tall Ships weekend and suggested that we will do it again in the future. In 2009 the Tall ships event cost the council around £4 million pounds so it is reasonable to expect this event to cost £5M+, yet, as was discussed briefly at the meeting, child poverty in Hartlepool is at an extremely high level, and budgets are unbelievably stretched. My question is this; Will the council

make a commitment to not hold any such major events costing, millions of pounds, of our tight budget, while we lead the way in child poverty.

In responding to the question, the Chair made the following comments.

“The costs associated with delivering the recent Tall Ships event are not finalised as yet, but will be substantially less than the £5m plus assumed in the question and are also expected to be less than the costs incurred in 2010 which is a significant achievement in the context of inflation and the impact of Covid on the events industry. It should also be noted that the 2023 event was supported financially by the Tees Valley Combined Authority as well as through sponsorship and income generation.

The economic benefits of the event to the town are currently being evaluated and will be reported in due course, but again are expected to be significant given the number of visitors in attendance and the incredibly positive informal feedback received to date from local businesses, residents and visitors.

Poverty (including child poverty) is a real challenge in Hartlepool and the Council is committed to investing in tackling root causes as well as supporting people who experience poverty. The needs and priorities of local people are taken into account when funding decisions are made and this will continue to be the case, including during consideration of any future large scale events.

It should be noted that the core mission of the Tall Ships Races is to provide young people with life changing experiences. The event in Hartlepool gave over 80 young people the opportunity to take part as sail trainees and involved many more through the education programme with schools. This sort of opportunity can inspire young people and raise their aspirations as well as providing them with skills, friendships and the chance to travel.

It is not considered appropriate to rule out major events being delivered in Hartlepool in the future until we know the full cost of the recent Tall Ships event and understand the associated economic impact. Many large scale events attract significant levels of external funding, and it is likely that any future events that may be planned for the town would be contingent on external funding being secured.”

The Director of Finance, IT and Digital informed Members that a report on the outcomes of the Tall Ships event would be submitted to the November meeting of the Committee, though he highlighted that not all the outcomes may be finalised by that time.

Members referenced the question and asked what actions were specifically being taken to tackle child poverty. The Managing Director commented that there were different root causes of child and family poverty in the community with many complexities and interactive issues. A Member

commented that the Audit and Governance Committee had in the last municipal year produced a report following an investigation into the causes of family poverty and the Committee had fully endorsed its recommendations at the previous meeting. The Vice Chair commented that significant events such as the Tall Ships had the ability to put Hartlepool on the map and help local businesses reach a wider audience.

### **Decision**

That the response to the question be shared with Mr Cosgrove.

## **23. Strategic Financial Management Report - as at 30th June 2023** *(Director of Finance, IT and Digital)*

### **Type of decision**

Budget and Policy Framework.

### **Purpose of report**

The purpose of the report was to inform Members of:

- i) Forecast General Fund outturn for 2023/24;
- ii) Forecast Housing Revenue Account outturn for 2023/24;
- iii) Corporate Income Collection Performance; and
- iv) Capital Programme Monitoring 2023/24.

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

The Director of Finance, IT and Digital provided the Committee with the first strategic financial management report of the financial year and highlighted for Members some of the key financial issues faced by the Authority. The Director indicated that there were a number of local authorities issuing Section 114 Notices and stated that while Hartlepool was not immune to the national pressures that were forcing some Authorities down the S114 route, it would still be necessary to make some difficult decisions now as pushing such decisions forward would only increase the likelihood of the need for a S114 Notice significantly in the forthcoming years.

The Director updated the Committee on the current General Fund Outturn position reporting that there was now an overspend of £3.935m predicted for the end of the year. This figure had significantly increased since the previous budget report and together with the planned use of £2.5m of one-off reserves, the Council was currently £6.5m above a sustainable budget. The largest cause of the overspend was Children's social care with the costs of external care being a major issue having risen by over 45% in three years. This was a national issue for local government.

The Director stated that were the Council to overspend by £4m this year, that would remove almost all of the flexibility put in place through the budget support fund, leading to an even more challenging MTFS position for the following two years.

The Director highlighted the other sections of the report outlining capital expenditure, the Housing Revenue Account, sundry debts and the collection fund performance. The Director also highlighted that the further information requested by Members at the previous meeting in relation to a proposed debt write off was set out in a confidential appendix to the report. The appendix contained exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, para 3; information relating to the financial or business affairs of any particular person (including the authority holding that information).

A Member commented on the financial situation stating that there needed to be clear ideas for the future management of the Council and its facilities. The Member commented that they would wish to see the future of as many facilities as possible secured; places such as the Town Hall Theatre, the Borough Hall, and CECA (Centre for Excellence in Creative Arts). The Assistant Director, Preventative and Community Based Services commented that there were a number of historical issues with some venues and most were still recovering 'footfall' after the Covid-19 pandemic. The Council was working with the Tees Valley Combined Authority and the Northern School of Art on the future use of CECA and it was in a much better position than the recent past.

A Member suggested that there needed to be cross party working and work with other Tees Valley authorities on the issues around Children's Services and suggested a Working Group to review the matter in detail. Members also expressed severe concern that since the previous reported overspend of £1m the situation three months later was nearly £4m.

The Managing Director stated that there was already joint working across the North East local authorities on Children's Social Care and Directors regularly lobbied Government Ministers. The Executive Director of Children's and Joint Commissioning Services provided some details to Members of the issues being faced in children's social care and assured Members that there was no mis-management and outlined the regional work on these issues. A single child in care with complex care needs could cost £500,000. Costs had simply increased significantly with fewer providers being able to command higher prices.

The Committee discussed the issues around children's social care at length expressing their grave disappointment at the lack of additional support from Government and the lack of national market control in the sector. Members also noted the adverse budget variance in relation to parking and asked if the Tees Valley Mayor had given further consideration to extending the free

parking initiative. It was reported that the Tees Valley Mayor had stated the initiative was a one-off scheme that would not be continued.

Members suggested that a copy of the report be shared with the Hartlepool MP and for her support in lobbying Ministers.

### **Decision**

1. That the forecast revenue outturn position and accompanying financial performance for the quarter, including decisions undertaken for urgency be noted;
2. The Committee noted the seriousness of the financial position and that actions are being progressed to mitigate this as far as possible as outlined in the report;
3. That the Housing Revenue Account position as reported, be noted;
4. That the forecast capital outturn position, including any budget realignments, was noted; and
5. That the write off as set out in confidential appendix of the report, be approved.
6. That a copy of the report be forwarded to the Hartlepool MP seeking her support in lobbying Ministers for further support for Hartlepool particularly in relation to Children's social care.

## **24. Local Council Tax Support 2023/24** *(Director of Finance, IT and Digital)*

### **Type of decision**

Budget and Policy Framework.

### **Purpose of report**

The purpose of the report was to:

- i) Update Members on the operation of the Local Council Tax Support (LCTS) scheme; and
- ii) Set out options for a new income banded / grid scheme for working age applicants from 1st April 2024 to increase the overall level of support for the lowest income families, improve the level of Council Tax collection and to reduce the administrative burden placed on the Council by the introduction of Universal Credit.

**Issue(s) for consideration**

The Director of Finance, IT and Digital set out proposals for a fundamental redesign of the LCTS Scheme to address issues around the administration burden of the existing scheme and the impact of Universal Credit. A number of other Councils had, over recent years, moved to a simplified or banded system for LCTS. A banded system for Hartlepool was proposed and the new scheme set out in the report would ensure that more support would be given to those working age households on the lowest of incomes than in the current scheme. The report set out in detail the issues with the current system, the impact of Universal Credit, the benefits of a simplified banded system, those that would benefit and those that would not, the options in relation to non-dependents.

The Director indicated that Members would need to consider options in relation to non-dependent deductions prior to the consultation on the proposals could commence. Consultation would need to commence very soon to allow an 8 week consultation process prior to a finalised decision being taken on the LCTS scheme before the end of the year by this Committee and then Council early in the New Year to allow the scheme to be implemented by in line with legislation.

The Chair commented that after careful consideration of the proposals set out in the report he supported Option 1 in relation to non-dependents where no charges would be imposed. This was supported by other Members. There was concern at the consultation process with Members concerned that the recipients of LCTS were often from sectors of the community that was less likely to engage with the Council. It was suggested that voluntary sector groups should be approached to support the consultation process particularly in reaching those 'hard to reach' sectors of the community. The Director welcomed the suggestion and also indicated that staff would be asking those phoning the Council when claiming or discussing their LCTS if they wished to participate in the consultation process by answering some questions while on the call.

The following decision was agreed on a majority vote.

**Decision**

1. That the current costs and administration impact/risks associated with the LCTS scheme be noted;
2. That the option for a new income banded / grid scheme for working age applicants from 1st April 2024 to reduce the administrative burden placed on the Council by the introduction of Universal Credit, to increase the overall level of support for the lowest income families and to improve the level of Council Tax collection be approved;

3. That the option for the basis of consultation with the public and major precepting authorities on the introduction of such scheme be based on Option 1 - no non-dependant charges; and
4. That a further report be submitted to the November meeting of this Committee setting out the results of the consultation, in order to consider and determine the option to be recommended to Council.

## **25. Tobacco Control Draft Strategy** *(Director of Public Health)*

### **Type of decision**

Key Decision (General Exception Notice Applies).

### **Purpose of report**

To share the draft Tobacco Control Strategy, and seek approval from Finance and Policy Committee for final sign off of the strategy.

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

The Public Health Principal reported that the draft Tobacco Control Strategy for Hartlepool had been informed by the Hartlepool Smoking Needs Assessment findings and had been developed following a consultation event and engagement with partners. Alongside the strategy, an action plan had been developed which set out under each theme details of how we would deliver these priority areas, who will deliver, timescales and be informed by indicators in order to measure success through an outcome framework.

There was no dissent to the following decision.

### **Decision**

That the draft Tobacco Control Strategy and associated action plan be approved.

## **26. Highlight Leisure Facility** *(Executive Director of Adult and Community Based Services and Director of Finance, IT and Digital)*

### **Type of decision**

Key Decision Test I and II – General Exception Notice Applies.

### **Purpose of report**

The report provided Members with an update on the proposed development of the Highlight leisure and wellbeing facility and sought support for the proposed funding strategy.

### Issue(s) for consideration

The Executive Director of Adult and Community Based Services reported that During the period January 2021 to July 2022, the project has progressed through a number of milestones with the project now fully developed to Technical Design. This level of information is sufficient to obtain a fixed price tender for the delivery of the construction phase of the project.

The early part of 2023 saw two large regional contractors with significant leisure centre experience go into liquidation which caused extensive uncertainty in the market, particularly in the North East. This led to an unavoidable delay while the project team considered alternative approaches to procuring a suitably experienced contractor.

Following a competitive procurement process, Wates Construction, a leader in the sport and leisure sector nationally, were identified as the preferred contractor to progress the development. Wates were appointed under a Pre-Construction Services Agreement (PCSA) whereby they become part of the project team to develop the final design, resulting in them being able to provide a fixed price tender for the delivery of the construction phase of the development.

The Executive Director indicated that additional costs of £2.790m had arisen in addition to main construction costs since the original process was completed in July. Much of this was due to price increases across all elements building work and supplies. It was also recommended that the Council create a contingency pot of £1.860m to cover any unexpected risks that arise as construction commences, which was standard practice for construction projects of this size.

Therefore the proposed facility, based on the medium case scenario being achieved through value engineering and including the offsite ancillary works are as follows:

Element	Value
Highlight Tender Sum (medium case)	£30.000m
Additional Project Costs	£2.790m
Risk/Contingency	£1.860m
<b>Total</b>	<b>£34.650m</b>

When taking into consideration the total anticipated costs, there is therefore a budget shortfall of £9m. Rationalisation of the offer within the strategic leisure centre creates significant risk against the outcomes, business model and revenue projections compared to the one off capital investment it would save. Any changes to the proposed leisure facility at this stage would incur significant additional costs attached to design and other feasibility work as well as adding further delay and risk of continued inflation increasing the overall costs.

It should be noted that the original budget for the project was developed in 2019/20. Since that time, inflation, energy costs and other factor have had a huge impact upon the whole of the UK, including the construction market. Following extensive research to understand the regional construction market, these costs do not appear to be abnormal with a number of other high profile projects being subject to similar pressures.

The Executive Director also outlined the risks associated from either abandoning the scheme or reducing its scope to bring down costs. Reducing or removing elements of the Highlight proposals could significantly affect the external funding that had been obtained for the scheme. A significant amount of work has been undertaken by officers to develop a revised funding strategy to address the budget shortfall and this included an additional £500,000 from Sport England. There would, however, be an additional prudential borrowing requirement of £4.5m, though this would only bring the borrowing requirement to around half the cost of the total scheme when the external funding was considered. There would also be the use of Capital Contingencies (£2.5m) and additional resources from a review of the Capital Programme (£1.5m).

Members questioned and discussed the increased costs for the Highlight in some detail. While there was acknowledgement that much of the delay and costs were outside of the Council's control, there was still significant concern expressed by some Members at the increases now reported. The Chair voiced his support for the project and considered that while the additional costs were unwelcomed, the business case for the Highlight still made financial sense for the authority and there was strong public support for the new facility. Officers assured Members that external funders had examined the scheme and consider that the increased costs are in line with national trends and in many ways, not a surprise.

Members sought assurance that this was the final costs of the scheme and that no further requests for additional funding would be forthcoming. Officers assured Members that as far as was known at this time, this would be the final cost of the scheme. The Director of Finance, IT and Digital also assured Members that the prudential borrowing was affordable over the 40 year expected lifespan of the project.

All Members expressed their concerns at the increase in costs but acknowledged that these were reflective of costs rising in all aspects of life following the Covid-19 pandemic and the Ukraine war. Members considered that there was still a very strong desire among the public for a new modern swimming facility in the town and this was the scheme the Council needed to deliver to them.

The following decision was agreed by a majority vote.

**Decision**

That the revised funding strategy for the Highlight Leisure Facility, as set out in the report, be approved and that Council be recommended to approve the changes to the capital programme and the additional borrowing.

**27. Sale of Gladstone House** *(Executive Director of Development, Neighbourhoods and Regulatory Services)***Type of decision**

Key Decision.

**Purpose of report**

The report sought approval for the sale of Gladstone House, 46 Victoria Road, Hartlepool.

**Issue(s) for consideration**

The Executive Director of Development, Neighbourhoods and Regulatory Services reported that following the termination of the Addaction lease in 2020 the property was considered for various other uses by both the Council and the NHS, however it was not thought to be suitable for any of them and therefore the property was placed on the market for sale and to let in September 2022. A confirmed bid had now been received for the property and details of this were set out in the confidential appendix to the report. The appendix contained exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, paragraph 3, information relating to the financial or business affairs of any particular person (including the authority holding that information).

Members supported the sale but were concerned that the property would be used as a HMO, particularly as there were already a number in this area. The Managing Director stated that she understood the building would be used as offices but would confirm that with Members after the meeting.

**Decision**

That the sale of Gladstone House, 46 Victoria Road be approved in the terms set out in the confidential appendix to the report.

There was a short comfort break before the next item on the agenda.

The Managing Director withdrew from the meeting for the following item.

## 28. **Petition** *(Managing Director)*

### **Type of decision**

Non-Key Decision.

### **Purpose of report**

To inform Members of the receipt of a petition from the public

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

The Director of Legal, Governance and Human Resources reported that a petition has been submitted to the Council. The terms of the petition were, however, stated on two different forms though the lead petitioners have asked for them to be considered together –

1. “2022 REFERENDUM REQUEST REF. R/R BILL 40

This is from the public of Hartlepool to state that they have no confidence in the council in the way they deal with the public, Council Tax one of the highest in the country, debt, and vanity projects a waste of money. child poverty is a major problem, food banks are being used more & more, roads not been cleaned, main services being cut. Democracy being denied, freedom of being denied & legal rights ignored.”

2. “Hartlepool Council Residents “VOTE OF NO CONFIDENCE”

To: Residents of Hartlepool.

Hartlepool Council is not giving the support to the needs of its council taxpayers, 5% + £32 to empty brown bins.

Why is this important?

Residents of Hartlepool are not getting value for money, even though we pay one of the highest council tax country.

The two petitions together had been signed by a total of 3890 people.

In relation to the referendum element of the petition, The Director stated that it was not clear what specific question the public was to be asked.

Members questioned if there were any duplicate signatures between the two petitions. The Director stated that this had not been examined. There had been much confusion around the petition and the Director had met with the lead petitioners on a number of occasions clarifying the law around a petition for a change of governance model. However, neither element of the petition was worded to that effect. In response to Member questions, the Director stated that for a change of governance model referendum, a petition including the names of 5% of the total electorate for the town would need to be submitted and verified.

Members considered that without any real clarity as to what the petitions were asking the Council to do they should simply be noted at this time with no further action to be taken.

There was no dissent to the following decision.

### **Decision**

That the petition submitted be noted and that no further action be taken.

## **29. Developing the New Council Plan 2024-2029 – Proposed Timetable and First Stage Consultation Process** *(Managing Director)*

### **Type of decision**

Non-key Decision.

### **Purpose of report**

The purpose of the report was for Finance and Policy Committee to consider and agree the process for developing the new Council Plan 2024/25 – 2028/29 including a Borough-wide consultation and engagement exercise.

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

The Managing Director reported on the process and timetable for the production of a new Council Plan. The report outlined the extensive consultation process that would be undertaken with Members, staff and the public and the timetable for undertaking the consultation and reporting to Members on the draft and finalised plans.

Members welcomed the extensive consultation that was proposed for the development of the plan but noted that the Council's public consultation did not always produce much feedback and that every effort needed to be made to engage with as many elements of the community as possible understanding that many did not have access to digital services.

### **Decision**

That the process for developing the new Council Plan 2024/25 – 2028/29 including a Borough-wide consultation and engagement exercise as reported be approved.

### **30. Corporate Complaints Monitoring Report for 2022/23** (Monitoring Officer)

#### **Type of decision**

For information.

#### **Purpose of report**

The purpose of the report was to inform Finance and Policy Committee of the 2022/23 outturn position in relation to corporate complaints and those considered by the Local Government and Social Care Ombudsman (LGSCO).

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

The Director of Legal, Governance and Human Resources and Monitoring Officer reported that there had been a reduction in the number of corporate complaints received with 9 being received in 2022/23 down from 12 in the previous year. Of these, only 3 (33%) were either fully or partially upheld.

The LGSCO Annual Review 2023 Letter, received 19th July 2023 set out the annual statistics on complaints made to the LGSCO about Hartlepool Borough Council (HBC) for the year ending 31st March 2023. The data shows both the complaints and the enquiries that the LGSCO had recorded along with any decisions they have made.

In summary, in 2022/23 the LGSCO received 18 complaints or enquiries about HBC, which was a reduction of 6 on the previous year, and of those only 2 required detailed investigation and neither were upheld by the LGSCO.

Appendices to the report set out brief details of both the corporate complaints and those investigated by the LGSCO.

Members noted the report and questioned if details of the compliments the Council received for its services could be provided as a useful balance to the complaints statistics.

#### **Decision**

That the report be noted.

### **31. Corporate Procurement Quarterly Report on Contracts** (Executive Director of Development, Neighbourhoods and Regulatory Services)

#### **Type of decision**

For information.

**Purpose of report**

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

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

**Issue(s) for consideration**

The Executive Director of Development, Neighbourhoods and Regulatory Services provided the Committee with an update report on the Council's recent procurement activity. Appendix C to the report included commercial information in respect of the tenders received and any confidential information relating to Contract Procedure Rule exemptions or contract extensions. The appendix contained exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, (para 3) information relating to the financial or business affairs of any particular person (including the authority holding that information).

Members indicated a wish to discuss some of the issues set out in Appendix C and, therefore, moved the appropriate resolution to move into closed session.

**Decision**

That the meeting move into closed session.

**32. Local Government (Access to Information) (Variation Order) 2006**

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

Minute 33 – Corporate Procurement Quarterly Report on Contracts – This item contains exempt information under Schedule 12A Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) Order 2006 namely (para 3)

### **33. Corporate Procurement Quarterly Report on Contracts** *(Executive Director of Development, Neighbourhoods and Regulatory Services)*

This item contains exempt information under Schedule 12A Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) Order 2006 namely. para 3.

#### **Type of decision**

For information.

#### **Purpose of report**

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

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

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

Members highlighted a number of specific contracts and commented that some of the contract figures set out didn't match with the companies listed and that they didn't always correspond to the lowest price received. The Executive Director stated that (in accordance with the Constitution) the companies submitting tenders were listed alphabetically for each contract and the sums of the tenders submitted were listed in ascending price order (where this was the sole criteria for awarding the contract). This was to protect the commercial operation of the companies. Members asked for a clearer marking of the lowest tenders and tenderers on future reports.

#### **Decision**

That the report be noted.

The meeting returned to open session.

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

None.

The meeting concluded at 12.30 pm

**H MARTIN**

**DIRECTOR OF LEGAL, GOVERNANCE AND HUMAN RESOURCES**

**PUBLICATION DATE: 3 OCTOBER 2023**

# **SAFER HARTLEPOOL PARTNERSHIP**

## **MINUTES AND DECISION RECORD**

20 JUNE 2023

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

**Present:**

**Responsible Authority Members:**

Councillor Mike Young, Elected Member, Hartlepool Borough Council (Chair)  
Councillor Sue Little, Elected Member, Hartlepool Borough Council  
Tony Hanson, Executive Director of Development, Neighbourhoods and  
Regulatory Services, Hartlepool Borough Council  
Superintendent Martin Hopps, Community Safety, Cleveland Police  
Karen Hawkins, Director of Place, North East and North Cumbria Integrated  
Care Board  
Ann Powell, Head of Stockton and Hartlepool Probation Delivery Unit  
Carl Pattison, Cleveland Fire Authority

**Other Members:**

Craig Blundred, Director of Public Health, Hartlepool Borough Council  
Sarah Wilson, Commissioner's Officer for Consultation and Engagement,  
Office of Police and Crime Commissioner for Cleveland  
Sally Robinson, Executive Director of Children's and Joint Commissioning  
Services, Hartlepool Borough Council

**Also Present:**

John Graham, Head of Community Integration, Probation Service North East  
Gordon Bentley, Designated Nurse, Safeguarding Adults, North East and North  
Cumbria Integrated Care Board  
John Lovatt, Assistant Director, Adult Social Care (as substitute for Jill Harrison)  
Racheal Readman, Senior Trading Standards Officer (as substitute for Sylvia Pinkney)  
Councillor Tom Feeney.

**Hartlepool Borough Council Officers:**

Rachel Parker, Community Safety Team Leader  
Olivia Highley, Domestic Abuse Coordinator  
David Cosgrove, Democratic Services Team

## 1. Apologies for Absence

Denise McGuckin, Managing Director, Hartlepool Borough Council  
Jill Harrison, Executive Director of Adult and Community Based Services, Hartlepool Borough Council  
Sylvia Pinkney, Assistant Director, Regulatory Services, Hartlepool Borough Council

## 2. Declarations of Interest

None.

## 3. Minutes of the meeting held on 6 March 2023

Confirmed.

## 4. Domestic Abuse Strategy *(Executive Director, Children's and Joint Commissioning Services)*

### Purpose of report

To update members on the progress of the Domestic Abuse Local Strategic Partnership Board in delivering the Domestic Abuse Strategy in the last year 2022 – 2023 and to discuss the proposed delivery plan for 2023 – 2024.

### Issue(s) for consideration

The Executive Director, Children's and Joint Commissioning Services reported that the strategy had been approved by the Partnership and Finance and Policy Committee in March 2022 and implementation had been managed by the Local Domestic Abuse Strategic Partnership Board. The Board had been implementing an action plan (submitted as an appendix to the report) with a focus on the key strategic priorities within the Domestic Abuse Strategy.

The Domestic Abuse Coordinator gave a presentation to the Partnership setting out a review of the first year of the strategy's delivery and identifying key actions for 2023/24. The presentation gave detailed progress on each of the six strategic priorities for the partnership's information.

The Chair welcomed the report and the presentation and noted how much work was ongoing in this important area. A Member asked what arrangements were in place for male victims of abuse and if there were refuge places for them. The Domestic Abuse Coordinator stated that at present there were refuge places provided in the town by Harbour for women and children. The service was looking to strengthen its provision for

male victims of abuse and officers would look to what provision could be made available for a male victim when one came forward.

### **Decision**

That the progress of implementing the strategy be noted and the proposed delivery plan for 2023 – 2024 be approved.

## **5. Terrorism (Protection of Premises) Draft Bill** *(Executive Director of Development, Neighbourhoods and Regulatory Services)*

### **Purpose of report**

To provide the Partnership with an overview of the Terrorism (Protection of Premises) Draft Bill previously referred to as the Protect Duty and Martyn's Law.

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

The Senior Trading Standards Officer reported that an initial report had been presented to the Partnership in March 2022 detailing the Government's plans, and a further update was provided in March 2023. The report now submitted to the partnership provided greater insight on the details of the Draft Bill.

The report outlined the impact of the regulations around the protection of premises and indicated that an inspection and enforcement regime will be established to promote the requirements for each tier but there had been no indication of which agency would be given this responsibility. In the event of non-compliance, sanctions and ultimately penalties could be issued to premises.

A Member questioned if the Tall Ship event and the event being held on Seaton Sea Front this summer would be covered by these new regulations. The Senior Trading Standards Officer reported that the Safety Advisory Groups for the events had pilot groups looking at the application of these regulations for those events.

### **Decision**

That the report be noted.

## **6. Anti-Social Behaviour Action Plan Update – Presentation** *(Office of Cleveland Police and Crime Commissioner)*

### **Purpose of report**

To provide an update to the Partnership.

**Issue(s) for consideration**

The Commissioner's Officer for Consultation and Engagement reported that the Government's Anti-Social Behaviour (ASB) Action Plan had been published on 27 March 2023 and confirmed new funding and the launching of pilots across England and Wales to deliver Hotspot Policing and Immediate Justice. Cleveland was a pilot for both schemes.

The government was providing an additional £1m per year for 2 years with additional funding for monitoring and evaluation across the ten pilot forces undertaking Hotspot Policing. The intention was to have more uniformed patrols in ASB hotspots, though this was more likely to be local authority enforcement staff than Police Officers.

The government was also providing an additional £1m per year for 2 years with additional funding for monitoring and evaluation across the ten pilot forces undertaking Immediate Justice. The scheme aimed to have swift reparation, within 48 hours of offence disposal, the offenders being visible to the local community when undertaking any projects. The community would be able to input on schemes and locations and projects would be targeted to areas of high ASB. There were two distinct services in Immediate Justice, one led by the Probation Service for adults and a Youth Offending Service led scheme for 12 to 17 year olds. It was indicated that concerns had been expressed in relation to young people taking part in projects wearing hi-vis in the community so it had been agreed that their work would be marked differently.

The Commissioner's Officer outlined how the Cleveland model of Immediate Justice had been established and its key outcomes together with details of the other measures in the ASB Plan.

Members raised concerns around ASB issues during the school summer holidays and issues around Seaton Carew were highlighted, particularly fires being set on the sand dunes. The Cleveland Fire representative stated that these locations were a specific problem for crews to attend. The Brigade was undertaking high visibility patrols in known hotspot areas and had also started a new schools programme. The Senior Trading Standards Officer reported that there was a multi-agency officer group targeting deliberate fires. The Chair requested that an update from that group be reported to the next meeting.

**Decision**

That the report be noted.

## 7. **Police Update** (*Cleveland Police*)

### **Purpose of report**

To provide an update to the Partnership.

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

The Cleveland Police Superintendent reported that Cleveland Police had moved back to the four district policing model based on the four borough council areas. In his new position as the Superintendent for Hartlepool, the Police representative reported he would head the Response, Neighbourhood and Proactive teams in a similar model to the one that existed in 2012. The change from the previous north and south based model did mean that some of the crime data was now totally specific to Hartlepool but this would improve over the coming months.

In general 999 calls were up over 9% though the average wait time for a response was only 4 seconds. 101 calls were up 3% to over 18000 with an average wait time of just over 2 minutes. Officers in Hartlepool had responded to over 400 incidents (up 22.5%) in May so demand from the public was still very high. In terms of data recording, Cleveland was now being seen as a best practice force. Recorded crime for the year was up 3.6% with 10% of local crimes being solved.

Priorities for Hartlepool were tackling anti-social behaviour and disorder and serious crime. Across Cleveland personal robbery was up 43%, domestic robbery down 12% and residential theft up 54%.

Within Hartlepool, the Superintendent reported that Police and partners met each morning to discuss reports and intelligence and around 40 to 50 actions were arising each month from those meetings. There was now also a serious crime group for Hartlepool and action under operation Artemis had taken place this morning with 80 officers executing 6 warrants making 8 arrests. Visible action like this was intended to take place on a regular basis to build trust with the local community so residents could see action arising from their reports to the Police and Community safety Team.

Members welcomed the report and the reintroduction of the borough based policing model. There was concern expressed by a Member that a long serving PCSO had recently left the force leaving a patrol gap and a lack of PCSO attendance at youth clubs and Councillor ward surgeries. The Superintendent commented that there was a vacancy which was proving difficult to fill, though arrangements were in place to provide cover as far as possible. The Chair commented on the support for Police Officers and their wellbeing in their difficult role. The Superintendent commented that there was extensive staff support and wellbeing in place with psychological assessments for those that had been involved in traumatic incidents for example. The force was generally much more aware of the difficulties

officers faced on a daily basis and the use of body cameras was providing supporting evidence and reassurance for officers.

### **Decision**

That the report be noted.

## **8. Probation Service – Presentation** (*Stockton and Hartlepool Probation Service*)

### **Purpose of report**

To provide an update to the Partnership.

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

The Head of Community Integration, Probation Service North East gave a presentation providing details of the unpaid work that offenders could be required to undertake as part of a court order. This work could only be as a result of a court order and while it could be demanding and rehabilitative, it could not replace paid employment. The work must also assist with the offender's re-integration and be visible to the local community.

There had been a number of projects in Hartlepool including path edging and litter picking and there was a project currently underway painting the railings at the Hartlepool marina ahead of the Tall Ships event. The Probation Service worked closely with Hartlepool Officers to identify a programme of work. Any member of the public could also suggest potential projects through the Police and Crime Commissioner's website, though it was indicated that this was a much underused facility. It was acknowledged that better publicity around the nominating of potential projects was needed to build a better relationship with the public and also the Partnership.

The Commissioner's Officer for Consultation and Engagement commented that a communications package was being put together to promote this work with local councillors. It was, however, the case that the unpaid workers as a result of court orders could not cross with immediate justice workers at the same projects.

### **Decision**

That the report be noted.

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

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

## **10. Local Government (Access to Information) (Variation Order) 2006**

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

Minute 11 – Domestic Homicide Review – This item contains exempt information under Schedule 12A Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) Order 2006 namely (para. 1) Information relating to any individual, and (para. 2) information which is likely to reveal the identity of an individual

## **11. Domestic Homicide Review**

This item contains exempt information under Schedule 12A Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) Order 2006 namely (para. 1 and 2)

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

The Executive Director of Development, Neighbourhoods and Regulatory Services sought the Partnership's approval to commence a Domestic Homicide Review in relation to a death in Hartlepool earlier in the year. Authority was sought to engage a suitable Independent Reviewing Officer to undertake the review.

### **Decision**

That the Executive Director of Development, Neighbourhoods and Regulatory Services be authorised to commence a Domestic Homicide Review and engage an appropriate individual to act as Independent Reviewing Officer.

The meeting concluded at 11.20 am.

CHAIR

# HEALTH AND WELLBEING BOARD

## MINUTES AND DECISION RECORD

10 July 2023

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

Present:

Councillor Young , Leader of Council (In the Chair)

Prescribed Members:

Representative of North East and North Cumbria Integrated Care Board –  
Karen Hawkins

Elected Member, Hartlepool Borough Council – Councillor Allen

Director of Public Health, Hartlepool Borough Council – Craig Blundred

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

Representatives of Healthwatch – Christopher Akers-Belcher and Margaret  
Wrenn

Other Members:

Managing Director, Hartlepool Borough Council – Denise McGuckin

Assistant Director of Joint Commissioning, Hartlepool Borough Council – Danielle  
Swainston

Representative of Tees, Esk and Wear Valley NHS Trust – Patrick Scott (as  
permanent substitute for Brent Kilmurray)

Representatives of Hartlepool Voluntary and Community Sector – Carl  
Jorgeson

Representative of Headteachers – Sonia Black

Representative of North Tees and Hartlepool NHS Trust – Linda Hunter

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

Philippa Walters, Pharmacy Lead

Officers: Dr Catherine Guy, Public Health Registrar  
Dean Langstaff, Public Health Intelligence Analyst  
Claire Robinson, Public Health Principal  
Sue Leather, Advanced Public Health Practitioner  
Joan Stevens, Statutory Scrutiny Manager  
Denise Wimpenny, Democratic Services Team

## 44. Introductions

Following a round of introductions the Chair took the opportunity to report the positive feedback and success of the Tall Ships event and expressed his thanks and appreciation to all those involved.

## 45. Apologies for Absence

Councillor Harrison and V Nicholson, Hartlepool Borough Council  
Representative of North East and North Cumbria Integrated Care Board -  
– David Gallagher  
Director of Children's and Joint Commissioning Services, Hartlepool Borough Council – Sally Robinson

Representative of Cleveland Police – Superintendent Martin Hopps  
Representative of Hartlepool Voluntary and Community Sector – Christine Fewster  
Representative of GP Federation – Fiona Adamson.

## 46. Declarations of interest by Members

None.

## 47. Minutes

The minutes of the meeting held on 20 March 2023 were confirmed.

## 48. Smoking Needs Assessment Findings and Strategy Development *(Director of Public Health)*

The Board was advised that the Public Health team and partners had completed a substance misuse needs assessment, a copy of which was appended to the report. The needs assessment aimed to analyse the current need and identify any gaps in treatment and support services in Hartlepool by exploring previous and current data relating to the harms associated with smoking. A Tobacco Control Strategy and Plan – vision and priorities was being developed with partners informed by the needs assessment and also informed by a partnership event held in May, facilitated by FRESH and Public Health. A Tobacco Control Group would oversee the delivery of the action plan and report progress against the actions to this Board annually. Priority areas identified would also feed into other Hartlepool and Tees wide strategic groups.

In support of the report, a detailed and comprehensive presentation was provided which included smoking data as a comparator with neighbouring authorities as well as the national picture in terms of smoking prevalence in adults, children, smoking in pregnancy, smoking and health and smoking

related mortality. The presentation outlined salient issues arising from the needs assessment findings, activity to date, next steps and priorities.

Board Members debated at length issues arising from the report and presentation. The Public Health team responded to concerns expressed regarding the level of e-cigarette use in the town, the number of smoking related hospital admissions and outlined the measures in place to support these issues. The need to target schools and share good practice to reduce the number of young people using e-cigarettes was highlighted and emphasis was placed upon the need to reduce levels of smoking in pregnancy as well as ensuring support continued post delivery.

Clarification was provided in relation to future priorities which included extending training facilities and increasing behavioural support mechanisms, which would inform the production of the plan going forward. The Health Watch representative commented on the importance of prevention and early intervention in terms of supporting behavioural change as well as input from the Board in relation to priorities and developing actions. Clarification was sought around the links between the action plan, priorities, needs assessment and recommendations. The Director of Public Health advised that discussions and suggestions from today's meeting would be utilised to develop the final strategy and action plan.

### **Decision**

1. The Board considered the recommendations from the needs assessment and future strategy development and implications for the refresh of the Hartlepool Joint Health and Wellbeing Strategy.
2. That the comments/suggestions, as outlined above, be utilised to develop the final strategy and action plan.
3. The Board noted that the strategy and action plan will be brought to the Health and Wellbeing board annually to demonstrate actions against priorities.

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

The report updated the Board on a review of the process for approval and publication of Supplementary Statement(s) as part of the statutory maintenance of the Pharmaceutical Needs Assessment (PNA) 2022 and sought approval for changes to the PNA maintenance process. Approval was also sought to changes to pharmaceutical services notified by NHSE/ICB since the date of the last Health and Wellbeing Board and publication of any Supplementary Statement required as a consequence of those changes, details of which were provided. NHSE had provided notification of a change to supplementary hours for the Well Pharmacy located at 107 York Road, which removed the opening hours on a Sunday from 9.00 am to 1.00 pm. A draft supplementary statement outlining the change to opening hours was

appended to the report and approval sought for its publication, in accordance with legal requirements.

Clarification was provided in response to queries raised in relation to the process for changes to pharmaceutical services. There were some concerns around the impact of pharmacies reducing opening hours particularly at weekends and bank holidays, examples of which were shared with Board Members. The Pharmacist Lead stated that there were no requirements for pharmacies to open on bank holidays or to provide supplementary hours (unlike the contracted hours they are required to provide). Further concerns were raised that on a particular bank holiday in May there was no 'out of hours' pharmacy provision across the whole of the Tees Valley, the impact of which was discussed.

In terms of the provision of services Monday through Saturday, the impact of staffing pressures and contractual requirements were highlighted as influencing factors in the level of services provided. It was suggested that pharmacy provision generally be explored and that pharmacy services including opening hours be publicised.

### **Decision**

1. That the changes to the process for reporting maintenance of the PNA to the Health and Wellbeing Board be approved.
2. The amendments to delegated authority, as part of this issue, were approved.
3. That publication of a Supplementary Statement reporting the change to supplementary hours on Sundays at Well Pharmacy, York Road be approved.
4. It was noted that no other supplementary statements to the Hartlepool PNA 2022 had been issued since the last meeting of the Health and Wellbeing Board on 20 March 2023.
5. That the correction to the reported date of change of ownership referenced in Section 4.3 of the report be noted.
6. That pharmacy provision generally be explored and that pharmacy services including opening hours be publicised.

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

Board members were advised that performance reports were routinely submitted to NHS England on a quarterly basis however, reporting had been suspended over the past two years due to COVID19 and a single year end return had been required which followed a different format to previous returns. The year end return for 2022/23 had been submitted in May 2023 and had

confirmed that all national conditions continued to be achieved, as well as confirming that BCF contributions were in line with national guidance. The 2022/23 return had required local systems to submit performance data against a revised set of metrics and local areas had been asked to record their views regarding a number of statements and the responses provided for Hartlepool were set out in the report.

### **Decision**

The Board retrospectively approved the Hartlepool Better Care Fund 2022/23 return and the Better Care fund Plan for 2023-2025, both of which had been submitted in line with the national timescales.

## **51. Final Drug and Alcohol Strategy** *(Director of Public Health)*

The Board was advised that the final Drug and Alcohol Strategy had been produced, a copy of which was appended to the report. The strategy had been developed following a consultation event and engagement with service users through the local recovery groups. Theme areas had been identified through this process which included prevention and early intervention, reducing drug and alcohol related harms, supporting wider health needs, reducing drug and alcohol related crime and disorder. The strategy would inform the development of an action plan which would set out under each the detail of how we would deliver this priority area, who would deliver timescales and would be informed by indicators in order to measure success through an outcome framework.

### **Decision**

The Board noted the contents of the report and supported the implementation of the Drug and Alcohol Strategy.

## **52. Area SEND (Special Educational Needs and/or Disabilities) Inspection and Implementation Plan 2023-2024** *(Executive Director of Children's and Joint Commissioning Services)*

The report advised the Board of the findings from the inspection of the Local Area Arrangements for Children with Special Educational Needs and /or Disabilities (SEND) and approval was sought to approve the SEND implementation plan for 2023-24.

Board Members were referred to the report of the Hartlepool Local Area SEND Inspection appended to the report. The inspection judged that "the local area partnership arrangements typically lead to positive experiences and outcomes for children and young people with SEND. The local area partnership was taking action where improvements were needed." This is the highest judgement and means that the next inspection will be in five years.

The report made recommendations for three areas of improvement, details of which were provided, as set out in the report. An implementation plan was attached at Appendix B which sets out how the local area would implement the recommendations and other areas of development.

The Board debated issues arising from the report. The Assistant Director responded to clarification sought regarding funding issues in terms of monitoring arrangements and provided assurances that robust and rigorous processes were in place to ensure funding for SEND was spent appropriately, details of which were provided. In relation to concerns that whilst generally parents felt SEND provision was excellent, some parents had reported a need for more inclusion in relation to the process. The Assistant Director agreed to take these issues on board. In response to a query raised, Members were provided with details of the SEND assessment process and the circumstances in which an educational health care plan was required.

A Member requested that 6 monthly update reports on progress against actions be provided.

Board Members took the opportunity to place on record recognition and appreciation to the team for their combined efforts in achieving such a positive inspection and robust implementation plan.

### **Decision**

The Board noted the findings of the inspection of local area arrangements for children and young people with SEND and the positive outcomes achieved.

The Board approved the implementation plan 2023-2024 which responds to the recommendations in the inspection report.

That six monthly update reports on progress against actions be provided.

## **53. Health and Wellbeing Board Way of Working – Verbal** (Director of Public Health)

Board Members' views were sought as to whether current ways of working was meeting the current needs of the Board. Suggestions were made in relation to the benefits of working in smaller groups and increasing the frequency of meetings to facilitate a reduction in agenda items.

### **Decision**

That the comments of Board Members be noted and actioned as appropriate.

The meeting concluded at 11.20 a.m.

CHAIR

# FINANCE AND POLICY COMMITTEE

27<sup>TH</sup> NOVEMBER 2023



**Subject:** STRATEGIC FINANCIAL MANAGEMENT REPORT -  
AS AT 30TH SEPTEMBER 2023

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

**Decision Type:** Budget and Policy Framework

## 1. COUNCIL PLAN PRIORITY

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

## 2. PURPOSE OF REPORT

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

- i) Forecast General Fund outturn for 2023/24;
- ii) Forecast Housing Revenue Account outturn for 2023/24;
- iii) Corporate Income Collection Performance;
- iv) Capital Programme Monitoring 2023/24; and
- v) Reserves review, transfers and forecasts.

### **3. BACKGROUND AND FINANCIAL OUTLOOK**

- 3.1 The previous report to Finance and Policy Committee in September, highlighted the significant financial pressures being experienced by the Council from high general inflation, energy inflation, higher than anticipated pay awards and increased demand and significant cost rises for Children's Social Care external placements. These pressures have continued in to the second quarter of the 2023/24 financial year and are detailed further in this report.
- 3.2 General inflationary pressures have started to ease from the 10%+ levels experienced in 2022 and in to early 2023, but are remaining stubbornly high. CPI (Consumer Price Index – the government's key measure of inflation) saw a welcome drop to 4.6% in October down from 6.7% in September. Despite this, the Bank of England have continued to carefully consider its interest rates policy to allow the target 2% inflation level to be achieved as soon as possible.
- 3.3 The number of Councils issuing warnings on the sustainability of their financial position continues to grow, with many warning of S114 notices within the next 2 years. Reporting of in-year forecast deficits and further updates of worsening MTFS positions is a growing trend in the local government sector. Birmingham Council, the largest Council in Europe issued a S114 notice in September, prominently linked to Equal Pay liabilities. DLUHC financial officials continue to work very closely with a growing number of Councils flagging acute sustainability issues.
- 3.4 Ultimately, the lack of an urgently required funding injection into Councils, coupled with the delay in a Fair Funding review first mooted in 2016, is having a growing detrimental impact on the sustainability of local government finance. Whilst there is no certainty, the Council has a reasonable expectation of additional funding through the Fair Funding review, not least owing to our relative position on Business Rates.
- 3.5 The latest 2023/24 budget forecast position for the Council is outlined below.

### **4. FORECAST GENERAL FUND OUTTURN 2023/24**

- 4.1 The current forecast outturn position is summarised below and shows a forecast full year overspend of £4.228m as at the end of quarter 2. Should the in-year action not manage to mitigate this position, this will need to be funded from the Budget Support Fund. This will significantly reduce one off resources available to support future years budget planning and also reduce the overall financial resilience of the Council. The position is detailed on Appendices A to E, with summary detail set out below.

Q1 Forecast Outturn - Overspend/ (Underspend) £'000	Departmental Budget Area	Q2 Forecast Outturn - Overspend/ (Underspend) £'000
(300)	Adult & Community Based Services	(100)
3,390	Children's & Joint Commissioning	4,263
(50)	Finance, IT and Digital	(60)
40	Legal, Governance and HR	(20)
855	Development, Neighbourhoods & Regulatory Services	445
0	Corporate	(300)
<b>3,935</b>	<b>Total Forecast Budget Overspend</b>	<b>4,228</b>

### Adult and Community Based Services

- 4.2 The forecast net underspend has reduced since the first quarter review and consists of a projected £0.480m underspend within Adult Social Care partly offset by a £0.380m projected overspend within Preventative & Community Based Services.
- 4.3 The forecast underspend within Adult Social Care is based on current client numbers and costs, however it is still early in the year, with the winter period still to come, so these projections will be closely monitored and updated as the year progresses.
- 4.4 The forecast overspend within Preventative & Community Based Services mainly relates to a combination of historic income pressures across a number of areas e.g. Leisure Centres, CECA, Town Hall Theatre and Borough Hall.

### Children and Joint Commissioning Services

- 4.5 The forecast outturn overspend in this area has increased since the first quarter review, from £3.390m to £4.263m. The number of children in our care requiring external residential placement is expected to increase further during 2023, which has contributed to the increased forecast overspend. As previously reported, the increased complexity of children's needs and significant placement fee increases charged by external care providers, in an extremely high demand market, is leading to unprecedented budget pressures in this area. Budget pressures also continue in relation to independent fostering agency placements, Special Guardianship allowances, direct payments and Section 17 payments.
- 4.6 The social care staffing budget, namely the area of Social workers, is also forecast to overspend owing to the increased case load and also essential maternity and sickness cover requirements.

- 4.7 The Children's Social Care service area continues to be a significant risk for all councils owing to a range of external factors. The budget position will continue to be monitored closely during 2023/24 as demand and placement costs continue to increase. As such, at this stage, there is a real risk that the budget position could deteriorate further.
- 4.8 Budget pressures relating to children in our care have been included within the 2024/25 MTFS budget, with the latest MTFS update providing for the full budget increase now in 2024/25, as opposed to the prior approach which provided for a three year phased increase. In addition, officers continue to seek to identify lower cost provision which will include progressing further HBC owned and managed children's homes and seeking to increase foster carer numbers, to provide a placement solution where appropriate.

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

- 4.9 The projected outturn for the department has improved since the first quarter review owing to; actively managing budgets to offset pressures where possible, an improved settlement in relation to concessionary fares, and a positive uptake of the green waste subscription service. Although the position has improved, the current forecast outturn remains as an overspend of £0.445m. Factors creating the overspend include, inflationary pressures on goods, materials and fuel and shortfalls in fee income. More detail on the position is provided below.
- 4.10 Car parking income is showing an adverse variance of £0.290m as a result of reductions in car parking income reflecting parking concessions and the post pandemic impact of reduced visitor numbers and hybrid working. The reduction in car park usage is a national trend. This pressure is not currently reflected in the MTFS.
- 4.11 There is an adverse variance in relation to planning income of £0.345m, this is a volatile area and the number of higher fee planning applications, which are primarily linked to commercial developments, is down compared to previous years. This pressure is not currently reflected in the MTFS.
- 4.12 There is also a £0.210m adverse variance in the passenger transport service. This reflects a number of issues including an increase in demand led SEND referrals, which require out of town transport and inflationary pressures in relation to fuel and cost of external provision. This pressure is reflected in the MTFS.
- 4.13 Following a successful bid by the Community Safety Team a second year of Safer Streets funding has been secured totalling £0.333m. This will fund expenditure on improved street lighting, CCTV, alley gates, void property screening and anti-burglary and target hardening measures as well as additional staffing cost.
- 4.14 The Council has also recently been awarded Home Office grant funding of up to £0.180m via the Cleveland Police and Crime Commissioner as part of

one of the 'trailblazer' areas to receive the funding, which will target anti-social behaviour and fund uniformed patrols in the Victoria and Headland & Harbour wards.

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

- 4.15 The forecast outturn is an underspend of £0.060m. This has arisen owing to favourable variances from staffing vacancies and staff not being at the top of their grade, which is offsetting a pressure relating to housing benefit subsidy recovery.

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

- 4.16 The projected outturn for the department has improved since the first quarter review, as budgets have been actively managed to reduce pressures. A favourable variance of £0.020m is now predicted owing to increased income generation and staff not being at the top of their grade offsetting the additional cost of elections and other income shortfalls.

### **4.17 Corporate**

The forecast outturn is an underspend of £0.300m, which is an improvement from the first quarter review. This has been achieved through additional investment return income, owing to the continued higher rates of return available in the market. This additional income has also supported some contract pressures in the area.

### **Energy**

- 4.18 As set out in previous reports, the Council adopted a two-fold strategy to address the unprecedented increase in energy prices; increasing the revenue budget for anticipated long term prices, coupled with use of an energy reserve for the shorter term spike.
- 4.19 The Council purchases its energy via the regional North East Purchasing Organisation (NEPO), with a forward purchasing strategy in place where deemed prudent. Based on energy purchased to date and market forecasts, the energy base budget will be fully utilised and £0.800m drawn from the available Energy reserve.

### **National Pay Award**

- 4.20 The national pay offer for 2023/24 was agreed with the trades unions during November 2023. The agreed offer equates to £1,925 per employee regardless of grade up to spinal point 43. An offer of 3.5% for Chief Officers had previously been accepted. This overall pay award equates to a blended rate of approximately 6%. The Council had allowed for 5% resulting in an in-year shortfall for 2023/24 which can be met from temporary savings within corporate budgets.

### **Budget Savings Monitoring**

- 4.21 Progress in the implementation of the £1.707m approved savings plans for 2023/24 has continued. The position is positive for this stage of the financial year given the demands and pressures services are experiencing. Directors continue to take the necessary action to mitigate any delays in implementation and, as such, the position is expected to improve as the year progresses.
- £1.156m (68%) of the savings have been fully realised to date.
  - £0.491m (29%) of savings where good progress is being made, with a good prospect that full savings will be achieved.
  - £0.060m (3%) is in respect of areas where delays and issues have been encountered, and at this stage it is deemed unlikely they will be delivered in year. For budget monitoring purposes these are included as a forecast outturn pressure.
- 4.22 As reported to Finance and Policy in July, there has been a delay in the progression of the sale or asset transfer of the Hartlepool Enterprise Centre. As such the saving of £0.023m is on hold pending resolution, and is categorised as red in the above monitoring.
- 4.23 With regard to the saving associated with Post-16 SEND transport, work is on-going to confirm the exceptional circumstances whereby the Council would be required to provide such transport and any additional costs associated with independent travel training. Pending clarification, the saving of £0.037m is at risk and categorised as red in the above monitoring.
- 4.24 It should be noted that previous decisions on blue badge car parking charges and allotment charging are not included in the analysis at paragraph 4.21 given these are previous year and future year proposals respectively. The blue badge decision impact is included within the overall budget position for the year.

### **Dedicated School Grant**

- 4.25 Up until 2022/23, the Council had successfully managed High Needs Block (HNB) costs within the available annual grant allocation and HNB reserves. This has been achieved despite a significant increase in demands on this service, including the impacts arising from COVID-19. Demands on the service in 2023/24 are forecast to exceed the grant allocation of £18.6m by £2.7m – a deficit of 14.5%.
- 4.26 The increase in cost is considered necessary to invest in Hartlepool provision and so avoid placement of pupils with SEND outside the town wherever possible. In time, this approach will reduce costs for independent and out of town provision and provide an improved outcome for Hartlepool children. Schools Forum have agreed to develop an action plan during

2023/24 to address this projected deficit in order to bring DSG HNB spend back in line with the budget over the next three years.

- 4.27 The current outturn projection is an overspend of £2.7m, an increase of £0.5m from first review, owing to an increase in funding for children with SEND being educated in mainstream schools in Hartlepool.
- 4.28 The position on the High Needs Block remains a concern. Whilst the DSG is not core council funding, councils have a responsibility for ensuring it is spent in line with grant conditions and hold any surplus or deficit on its balance sheet. The position has been well managed by Hartlepool in the past, with this being the first year a forecast deficit on DSG reserves has arisen. A significant number of Local Authorities have run up substantial deficits in this area and are now in various stages of government intervention through the safety valve programme.

## **5. ACTIONS TO ADDRESS FORECAST OVERSPEND**

- 5.1 Members will recognise the position highlighted within section 4 continues to be of significant concern. Despite positive action being taken given the wider pressures and volatility of Children's Social Care in particular, there is a real risk that the outturn position could deteriorate even further this year.
- 5.2 The Council's financial position has been prudently managed over the years providing for a Budget Support Fund and other earmarked risk reserves. As a very last resort these can be called upon should the position require. As previously advised the Council is not in the realms of a S114 notice. However, as has been seen at other Local Authorities the position can deteriorate rapidly, and strong and continued action is required to reduce the overspend, protect available reserves to support the Medium Term Financial Strategy, and ensure the Council does not progress on the path to a S114 notice within the next 2 to 3 years.
- 5.3 As outlined in the first quarter 2023/24 budget update reporting to committee in September, a plan of action was developed with the aim of mitigating the financial pressures over the remainder of the financial year. The budget position reflects some of the early impact of these actions and this positive impact is anticipated to continue over the remainder of the year.
- 5.4 Actions are now being ramped up. Of significance is that staff have been provided with further instruction to curtail non-essential spend for the remainder of the year. To be clear this is not a formal S114 route, but puts in place some measures of a similar nature, allowing management to support budget managers in spending decisions over the remaining months of the year. It is not proposed to implement any recruitment freeze, so as to protect the capacity of the council going forward.
- 5.5 These immediate actions will be taken alongside the more strategic approach to developing longer term plans to increase the sustainability of the council's budget. These plans are on-going.

## 6. HOUSING REVENUE ACCOUNT (HRA)

6.1 There is currently a forecast favourable variance of £0.008m in relation to the HRA. The position is summarised below with details reported in Appendix F.

- Income is forecast to be higher than budgeted as a result of new Brenda Road units coming on-line sooner than originally anticipated;
- Borrowing costs are anticipated to be lower than originally budgeted owing to slippage on the capital programme. This has allowed an additional contribution to the Major Repairs Reserve to replenish reserves used to match fund the HUG decarbonisation scheme. This scheme will improve the carbon footprint and energy efficiency of a number of HRA properties; and
- There is also an anticipated adverse variance in relation to repairs as these are expected to increase in volume.

6.2 The HRA reserve is forecast to increase by £0.008m to £0.508m.

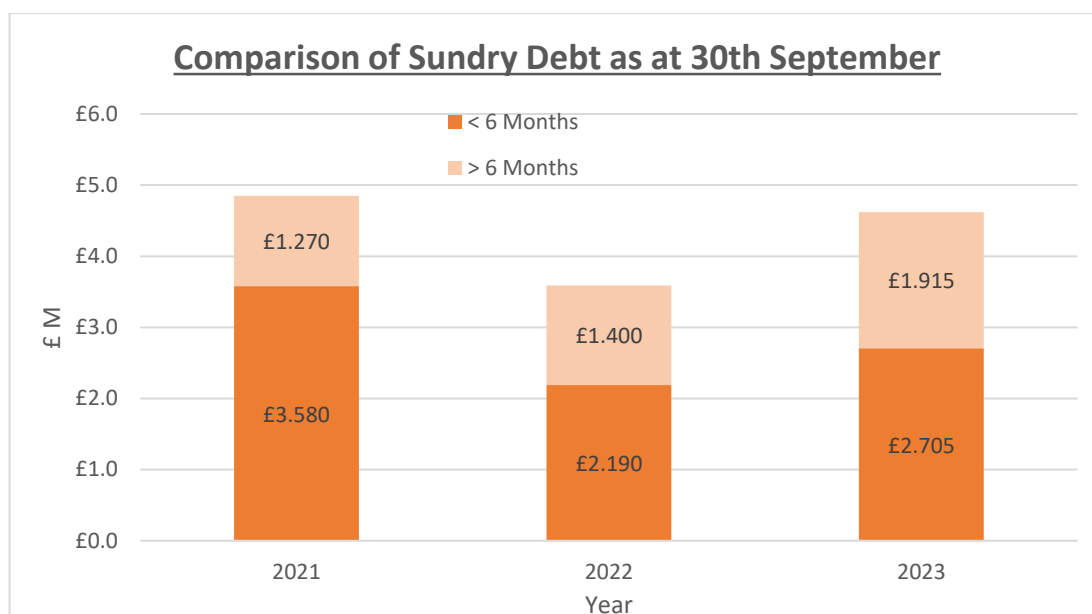
6.3 Appendix G provides an update on the Capital Programme activity specifically supporting the HRA.

## 7. INCOME COLLECTION AND COLLECTION FUND

### Sundry Debts

7.1 The Council collects significant Sundry Debts income for the payment of services provided by the Council. In total £18.110m sundry debts were raised in the first six months of 2023/24. As at 30th September 2023, £15.390m (85.0%) of this amount had been collected.

7.2 Robust procedures for collecting the remaining outstanding debt are in place. The following graph shows the comparable positions at 30<sup>th</sup> September for the last three years for long term debt and current debt which has been outstanding for less than six months.



- 7.3 Debtors totalled £4.620m as at 30<sup>th</sup> September 2023, of which £2.705m (58.5%) relates to current debts (less than 6 months old). Included within current debts (less than 6 months old) is debt where the customer has been invoiced for the whole of 2023/24 but payment is to be received in instalments throughout the year.
- 7.4 Debts greater than 6 months old total £1.915m. 96.4% (£1.846m) of this amount is under recovery action and 3.6% (£0.069m) is now considered unrecoverable and will be reported to Members for write off later in the year.

### **Council Tax**

- 7.5 Collection figures for Council Tax are showing recovery from the pandemic particularly with regard to arrears collection. The in-year performance to the end of September was slightly down on last year though the comparable figure to the end of September last year was distorted by the £150 Energy Rebate scheme being offset against accounts. As at the 30<sup>th</sup> September 2023 the Council had collected 52.14% of the 2023/24 liability, compared to 52.37% for the previous year. In addition close to £1.900m of arrears has been collected to the end of September, over £0.400m more than the comparable stage last year reflecting the on-going catch up, from Covid-19 pandemic and the suspension of enforcement activity, which will continue for a number of years.
- 7.6 As Cost of Living issues continue, there may be an increase in the number of households eligible for LCTS. As at the end of September the claimant count was 13,004 a small reduction from the first quarter. There were 8,566 working age claimants.
- 7.7 The Collection Fund in respect of Council Tax will continue to be closely monitored.

## Business Rates

- 7.8 The government has continued to support businesses into 2023/24 in response to the Covid-19 pandemic with extended Retail, Hospitality and Leisure reliefs in place for the year. This relief results in a significant reduction in collectable business rates, but with full compensation by Government via a Section 31 grant.
- 7.9 At the 30th September 2023 the Council had collected 52.67% of the 2023/24 liability. Whilst this is slightly lower than the comparable stage last year, business rate collection tends to be volatile during the year, and is also impacted by changes to liability for businesses.
- 7.10 The position continues to be closely monitored for signs of financial stress in the business sector. Where difficulties do arise, the team work with the business to tailor payments accordingly, whilst seeking to ensure full recovery of liability.

## 8. CAPITAL PROGRAMME MONITORING 2023/24

- 8.1 Individual schemes are detailed on Appendices H to L and in summary below:

Department	EXPENDITURE IN CURRENT YEAR					
	A	B	C	D	E	F
	2023/24 Budget £'000	2023/24 Actual as at 30/09/23 £'000	2023/24 Expenditure Remaining £'000	2023/24 Rephased into 2024/25 £'000	(B+C+D) 2023/24 Total Expenditure £'000	(E-A) 2023/24 Variance from Budget £'000
Major Regeneration Schemes	31,596	3,097	14,025	14,474	31,596	0
Adult & Community Based Services	4,137	1,135	2,102	950	4,187	50
Children's & Joint Commissioning Services	10,389	1,335	9,054	0	10,389	0
Development, Neighbourhoods & Regulatory Services	18,307	2,355	5,401	10,414	18,170	(137)
Corporate	1,141	11	1,130	0	1,141	0
<b>Total Capital Expenditure</b>	<b>65,570</b>	<b>7,933</b>	<b>31,712</b>	<b>25,838</b>	<b>65,483</b>	<b>(87)</b>

- 8.2 Actual expenditure to 30<sup>th</sup> September 2023 was £7.933m, compared to a 2023/24 budget of £65.570m, £25.838m has now been rephased to 2024/25 leaving £31.712m to be spent during the remainder of 2023/24. The rephased amount reflects the expected profile of expenditure to be incurred in future years and resources will be rephased accordingly.
- 8.3 The favourable variance of £0.087m reflects an underspend on the Development, Neighbourhoods and Regulatory Services capital programme

in relation to the completed EDM Seaton Additional Car Parking Facilities Scheme. This funding is no longer required. As this scheme was funded by Departmental Borrowing, the cost to the revenue budget will be lower than originally anticipated in the business case and reduce additional pressure on the Car Parking budget.

- 8.4 It is proposed that £0.050m funding in relation to the NIP – Stranton Cemetery Car Park Scheme is transferred to the main Stranton Crematorium Refurbishment Scheme within the Adults and Community Services Capital Programme. There is also a realignment of Thirteen funding from the NIP improvement to parks scheme to the former Hindpool Close Play Area Scheme pending the development of a new scheme at Brougham.
- 8.5 As with revenue the capital programme is anticipated to come under pressure from the current inflationary pressures. These will materialise at different stages in the year as individual projects progress, and will be escalated prior to progression if required. An update will be provided to Finance and Policy Committee for individual schemes as or when required.

### **Section 106 Developers Contributions**

- 8.6 The level of contributions for housing and non - housing service areas as at 30<sup>th</sup> September 2023 is included in Appendix M.

### **Capital Receipts**

- 8.7 Achievement of capital receipts target has continued to be challenging. There remains £0.204m outstanding in relation to the previous target. Land sales in the current year are expected to address this shortfall and Members will be updated at future finance reviews.

### **Arts Council England Grant Funding – Borough Hall Improvement and Wingfield Castle schemes**

- 8.8 The scheme within the approved Capital Programme to deliver improvement works at Borough Hall, was previously successful in securing Arts Council England (ACE) grant funding of £1.8m to support the total £3.0m budget. Due to the complexity of the scheme and prioritisation of works relating to the conditions survey, the scheme has not been able to progress as planned to date. Given the time limits associated with the drawdown of ACE grant, permission has been sought from ACE to transfer the £1.8m grant funding to another schemes within our Capital Programme, with similar cultural and heritage objectives. The Wingfield Castle scheme has been identified as meeting their objectives and timescale requirements, and ACE have indicated their support for the transfer. This change would free up existing prudential borrowing approvals assigned to the Wingfield Castle scheme which can be transferred to the Borough Hall scheme, allowing the total budgets for both schemes to remain unchanged.

- 8.9 To progress the above change, the Council will withdraw the Borough Hall improvement works grant application and replace this with an application relating to the Wingfield Castle scheme, which ACE have indicated they will support.

### **Sport England Strategic Facilities Fund Grant Award – Highlight**

- 8.10 Following two successful applications to Sport England Strategic Facilities Fund, the Council has been awarded a combined capital grant of £2.5m as a contribution to the development of the facility. Terms and conditions of award have been agreed between the Council's Legal team and Sport England colleagues. The grant will be drawn down on a quarterly basis up to 31/3/25, although Sport England will retain 3% (£75k) of their award until the completion of the project. This award is in line with the funding strategy for Highlight, approved at the September meeting of the committee.
- 8.11 Acceptance of the grant award by the Council is required, prior to allowing the contractor to proceed on site in January 2024.

## **9. RESERVES**

- 9.1 A full review of the Council's reserves has been carried out, to ensure reserves are prioritised appropriately given the MTFs position and to address the Tall Ships budget shortfall outlined elsewhere on today's agenda.
- 9.2 The current reserves position and the assumed movement in reserves by year is summarised in the table below, with more detailed analysis included at Appendix N. The reprioritisation of reserves is shown in the 'Transfers between reserves' column and provides for additional funding in to the Budget Support Fund reserve, an increase in the Business Rates risk reserve as well as addressing the Tall Ships budget shortfall.
- 9.3 In addition, the unearmarked general fund position has been increased. The unearmarked general fund is in effect the reserve of last resort, the balance of which reflects the risks and financial pressures a Council is exposed to. In light of the financial position set out in the report, as well as the wider financial sustainability concerns within Local Government over the short to medium term, the existing balance was not deemed sufficient.

Reserve Area	Balance as at 31/3/23	Transfers between Reserves	Update Current Reserves	Forecast Usage		Forecast Balance 31/3/27
				2023/24	2024/25 to 2026/27	
	£'000	£'000	£'000	£'000	£'000	£'000
Unearmarked General Fund	4,417	1,083	5,500	0	0	5,500
Budget Support Fund	6,418	1,153	7,571	(5,699)	0	1,872
Budget Support – Capacity & Cost Savings	3,111	(111)	3,000	(300)	(250)	2,450
Other Revenue Reserves	26,758	(2,125)	24,633	(6,761)	(6,782)	11,090
Other Capital Reserves	11,408	0	11,408	(3,419)	(4,483)	3,506
<b>TOTAL</b>	<b>52,112</b>	<b>0</b>	<b>52,112</b>	<b>(16,179)</b>	<b>(11,515)</b>	<b>24,418</b>

9.4 Members will note that, based on current forecasts, the Council expects to use 30% of its usable reserves during the current year, with over 50% usage over the period of the medium term financial plan. This is of significant concern.

9.5 Please note the information provided excludes any ring-fenced School and unusable reserves given their restricted nature.

## 10. CONCLUSION

10.1 The forecast outturn reflects the best estimates from budget monitoring as at the end of the second quarter of the financial year. The financial position outlined in the report is of serious concern, with a real risk of further deterioration.

10.2 The position will be closely monitored, in conjunction with actions agreed as part of an action plan to address the position and a further update will be provided at the third quarter review.

## 11. OTHER CONSIDERATIONS/IMPLICATIONS

<b>RISK IMPLICATIONS</b>	No relevant issues.
<b>FINANCIAL CONSIDERATIONS</b>	The financial implications are fully set out in the main body of the report.
<b>LEGAL CONSIDERATIONS</b>	No relevant issues.
<b>CHILD AND FAMILY POVERTY</b>	No relevant issues.
<b>EQUALITY AND DIVERSITY CONSIDERATIONS</b>	No relevant issues.

<b>STAFF CONSIDERATIONS</b>	No relevant issues.
<b>ASSET MANAGEMENT CONSIDERATIONS</b>	No relevant issues.
<b>ENVIRONMENT, SUSTAINABILITY AND CLIMATE CHANGE CONSIDERATIONS</b>	No relevant issues.
<b>CONSULTATION</b>	No consultation required.

## 12. RECOMMENDATIONS

12.1 It is recommended that Members:

- i) Note the forecast revenue outturn position and accompanying financial performance for the quarter;
- ii) Recognise the seriousness of the financial position and actions being progressed to mitigate this as far as possible as set out in Section 5;
- iii) Note the Housing Revenue Account position detailed within Section 6 of the report;
- iv) Note the forecast capital outturn position detailed within Section 8 of the report, including any budget realignments;
- v) Approve the reallocation of Arts Council England grant within the Capital Programme, as set out in Sections 8.8 and 8.9 of the report;
- vi) Approve the acceptance of the Sport England grant funding award as detailed in Sections 8.10 and 8.11 of the report; and
- vii) Note the reserves transfers within Section 9 of the report.

## 13. REASONS FOR RECOMMENDATIONS

13.1 To keep Finance and Policy Committee updated on the Council's 2023/24 financial position.

## 14. BACKGROUND PAPERS

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

Finance and Policy Committee – Strategic Financial Management Report – as at 30<sup>th</sup> June 2023 – 18<sup>th</sup> September 2023.

**15. CONTACT OFFICERS**

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Telephone: 01429 523093

Sign Off:-

Managing Director	Date: 16 November 2023
Director of Finance, IT and Digital	Date: 16 November 2023
Director of Legal, Governance and HR	Date: 16 November 2023

# ADULT & COMMUNITY BASED SERVICES

# 4.1 Appendix A

## REVENUE FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2023/24 as at September 30th 2023

Approved 2023/24 Budget £'000	Description of Service Area	Actual Adverse/ (Favourable) £'000	Director's Explanation of Variance
	<b>Adult Social Care</b>		
8	Carers & Assistive Technology	0	
2,202	Commissioning - Adults	(85)	Forecast underspend relates to a combination of one-off grant income, pay incremental drift and savings against non-pay budgets.
(111)	Departmental Running Costs	(15)	Minor variances.
425	Direct Care & Support Team	(95)	Forecast underspend relates to staff vacancies and pay incremental drift.
638	LD & Transition Social Work	(25)	Forecast underspend relates to pay incremental drift.
2,351	Locality & Safeguarding Team	(90)	Forecast underspend relates to staff vacancies and pay incremental drift.
1,081	Mental Health Services	0	
1,340	OT & Disability Equipment	(75)	Forecast underspend relates to staff vacancies and pay incremental drift.
27,382	Packages of Care	(20)	Packages of Care forecast outturns are based on current projections however the winter period is still to come so these projections will be closely monitored and updated as the year progresses.
1,261	Working Age Adult Day Services	(75)	Forecast underspend mainly relates to reduced transport and supplies and services costs.
<b>36,577</b>	<b>Adult Social Care - Sub -Total</b>	<b>(480)</b>	
	<b>Preventative &amp; Community Based Services</b>		
58	Adult Education	(60)	Forecast underspend mainly relates to a combination of one-off grant income and staff savings arising from secondments.
22	Archaeology	0	
(193)	Coast, Countryside, Heritage and Cemeteries & Crematoria	50	Forecast overspend mainly relates to a combination of increased maintenance expenditure across children's playgrounds and parks and reduced income from the outdoor markets.
1,232	Community Hubs	75	Forecast overspend mainly relates to the CECA which does not have a base budget and reduced income from room hire across all sites.
621	Cultural Services	145	Forecast overspend mainly relates to historic income pressures across the Town Hall and Borough Hall.
0	Employment & Skills	0	
79	General Allotments	30	Forecast overspend mainly relates to increased maintenance costs.
600	Sports, Leisure & Recreation Facilities	140	Forecast overspend mainly relates to income and other cost pressures across the leisure centres, Summerhill and Carlton.
<b>2,419</b>	<b>Preventative &amp; Community Based Services - Sub-Total</b>	<b>380</b>	
<b>38,996</b>	<b>Adult &amp; Community Based Services Total</b>	<b>(100)</b>	

## CHILDREN'S &amp; JOINT COMMISSIONING SERVICES

## 4.1 Appendix B

## REVENUE FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2023/24 as at September 30th 2023

Approved 2023/24 Budget £'000	Description of Service Area	Actual Adverse/ (Favourable) £'000	Director's Explanation of Variance
146	Access to Education	34	Pressure relates to reduced buyback income from schools.
157	Central Support Services	0	
2,888	Children & Families	710	Forecast overspend relates to increases in the number of children subject to Child Arrangement Orders, Special Guardianship Allowances or receiving a Direct Payment.
16,272	Children in our Care	3,600	Forecast overspend mainly relates to an increase in the number of children in our care requiring residential and independent fostering agency placements. This reflects the increasing complexity of their needs and the significant fees being charged by the external care market.
(63)	Early Intervention	(35)	Favourable variance on staffing and receipt of 'one-off' grants.
364	Housing, Hardship & Welfare	(435)	Forecast favourable variance mainly relates to the receipt of a number of 'one-off' grants.
487	Other School Related Expenditure	0	
10	Play & Care	35	Forecast overspend mainly relates to historic income pressures.
426	Raising Educational Achievement	(26)	Favourable variance on staffing - part year vacancies.
5,018	Safeguarding Children	440	Forecast overspend mainly relates to increased temporary staffing costs and Section 17 related spend on supporting children and families.
365	Special Needs Services	(30)	Salary savings as staff not at top of grade and additional income from provision of staff.
252	Standards, Engagement & Development	30	Adverse variance mainly relates to increased staffing and net spend on training.
1,625	Strategic Commissioning	(45)	Salary savings and reduced spend on supplies and services.
468	Strategic Management	0	
289	Youth Justice Service	0	
341	Youth Service	(15)	Savings from staff vacancies (seeking to appoint).
<b>29,045</b>	<b>Children's and Joint Commissioning Services</b>	<b>4,263</b>	
<b>Public Health Grant</b>			
4,080	Children's Services	(5)	Minor variances.
2,611	Substance Misuse Services	(40)	Forecast underspend mainly relates to staff vacancies and incremental drift.
1,642	General Public Health Support Services	(60)	Forecast underspend mainly relates to staff vacancies and incremental drift.
634	Sexual Health Services	70	Forecast overspend relates to planned additional expenditure relating to the Sexual Health contract which was originally to be funded from the Public Health reserve but will now be funded from the in-year outturn position.
308	Physical Activity	0	
173	Mental Health	0	
115	Health Checks	5	Minor variances.
102	Obesity	0	
(9,665)	Public Health Grant	0	
0	Contribution to Ring-Fenced Public Health	30	The underspend is transferred to the ring-fenced Public Health grant reserve.
<b>0</b>	<b>Public Health Grant</b>	<b>0</b>	
<b>29,045</b>	<b>Children's and Joint Commissioning Services Total (inc Public Health Grant)</b>	<b>4,263</b>	

CHILDREN'S & JOINT COMMISSIONING SERVICES

4.1 Appendix B

	Dedicated Schools Grant	Actual Adverse/ (Favourable)	
0	Early Years Block	0	Lower attendance for 3-4 year old settings compared to census funding is anticipated.
2,147	High Needs Block	2,702	Increased cost of supporting pupils with SEND in mainstream school settings
0	Schools Block	0	
2,147	TOTAL Dedicated Schools Grant	2,702	

## REVENUE FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2023/24 as at September 30th 2023

Approved 2023/24 Budget £'000	Description of Service Area	Actual Adverse/ (Favourable) £'000	Director's Explanation of Variance
(95)	Building Team Design	0	
(922)	Car Parking & Enforcement	290	The adverse variance is a result of a reduction in car parking income which reflects parking concessions and the residual impact of the pandemic, which has not only affected visitor numbers but also many workers who would have used the car parks but now work from home for part of the week. The reduction in car park usage is a national trend.
1,019	Community Safety & Engagement	(60)	Favourable variance is linked to vacancies and the service actively managing the budgets to offset pressures elsewhere.
146	Construction Team	100	Adverse variance reflects inflationary pressures, however new rates have been implemented to mitigate these costs and the service will continue to work to reduce this adverse variance.
401	Economic Growth	(60)	The favourable variance is a result of increased rental income owing to increased lets and some businesses coming to the end of their incubation period and now paying higher rents.
327	Engineering Services (including Coastal Protection and Contaminated Land)	0	
3,024	Environmental Services	0	
1,215	Facilities Management	105	The adverse variance reflects a shortfall in income in relation to building cleaning as SLAs had to be put in place prior to the pay award being confirmed and hence don't currently reflect the full cost of delivering the service along with cleaning at Middleton Grange and Bevan House offices continuing beyond anticipated closure date. Action has been taken to reduce staffing costs to mitigate the variance however an adverse variance is still anticipated.
210	Health & Safety	0	
2,726	Highways	(150)	Favourable variance is mainly owing to higher than anticipated grant funding and the service actively managing the budgets to offset pressures elsewhere.
1,879	Passenger Transport	210	The adverse variance reflects a number of issues including an increase in SEND referrals, which require out of town transport, inflationary pressures in relation to fuel and the cost of external provision which typically has increased by 10%. There is currently a national shortage of qualified drivers owing to new licence requirements, which has meant external operators are having to pay more to attract and retain staff. There are also cost pressures as a result of increased Fleet recharges following acquisition of new vehicles, which have increased in price.
285	Planning & Development	345	Reflects shortfall in planning income, higher fee planning applications have reduced significantly resulting in an adverse variance.
25	Procurement & Reprographics	0	
949	Public Protection	90	Adverse variance reflects shortfall in license fee income.
165	Road Safety	0	
(105)	Strategic Asset Management	75	Reflects shortfall in fee income in relation to capital receipts.
99	Strategic Development & Sustainability	0	
242	Strategic Management & Admin	0	
972	Street Lighting	150	Adverse variance reflects increased costs in materials and labour. Action will be taken to mitigate this issue and it is hoped that this variance will reduce later in the year.
2,449	Sustainable Transport	(400)	Reflects favourable contract negotiations in relation to concessionary fares by TVCA on behalf of the Council.
(94)	Vehicle Fleet	(100)	Savings on borrowing costs for vehicles owing to delays in acquiring new vehicles. At this stage maintenance costs are within budget but there is a high risk that these could increase over the year ahead and therefore this position will need to be closely monitored.
5,833	Waste Services	(150)	Favourable variance reflects positive uptake of the green waste subscription service.
20,750	Development, Neighbourhoods & Regulatory Services Total	445	

## FINANCE, IT &amp; DIGITAL

## 4.1 Appendix D

## REVENUE FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2023/24 as at September 30th 2023

Approved 2023/24 Budget £'000	Description of Service Area	Actual Adverse/ (Favourable) £'000	Director's Explanation of Variance
164	Benefits	(50)	Favourable variance owing to vacant posts and posts not being at the top of the grade.
(1,027)	Central Administration Recharges	0	
176	Communications and Marketing *	25	Adverse variance owing to additional costs for Hartbeat and the advertising contract.
1,194	Corporate Finance	(155)	Favourable variance owing to vacant posts and posts not being at the top of the grade.
267	Corporate ICT	0	
(143)	Housing Benefits Subsidy	200	The grant generates £24m in subsidy, but the grant is reducing along with the current transfer rate of claimants across to Universal Credit. The anticipated variance is based on the Mid Year Review submitted to DWP.
1,080	Customer and Support Services	(30)	Favourable variance owing to vacant posts and posts not being at the top of the grade.
250	Internal Audit	0	
(138)	Registration Services	20	The adverse variance is owing to a reduction in income generation on both birth and death registration resulting from services being transferred to North Tees Hospital.
1,061	Revenues	(30)	Favourable variance owing to vacant posts and posts not being at the top of the grade.
(678)	Revenue & Benefits Central	30	An adverse variance on Court Costs collected.
612	Shared Services	(55)	Favourable variance owing to vacant posts and posts not being at the top of the grade.
153	Public Consultation & Diversity *	0	
252	Corporate Management Running Expenses	(15)	The favourable variance is owing to savings on the Corporate subscriptions budget.
<b>3,223</b>	<b>Finance, IT &amp; Digital Total</b>	<b>(60)</b>	

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

## LEGAL, GOVERNANCE and HR

## 4.1 Appendix E

## REVENUE FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2023/24 as at September 30th 2023

Approved 2023/24 Budget £'000	Description of Service Area	Actual Adverse/ (Favourable) £'000	Director's Explanation of Variance
43	Civic Attendants	5	Minor variances.
168	Democratic	0	
467	Human Resources	0	
31	Trade Union	(15)	The favourable variance is owing to less staff time recharged against Union duties.
681	Legal Services	20	The adverse variance is owing to additional supplies and services costs and reduced income generation.
165	Municipal Elections and Registration of Electors	15	The adverse variance is owing to additional cost of elections.
1	Other Office Services	15	The adverse variance is owing to a reduction in income generated from Local Land Searches.
101	Scrutiny	0	
135	Support to Members	0	
2	Training & Equality	0	
190	Managing Director's Office	(60)	Favourable variance owing to vacant posts and posts not being at the top of the grade.
<b>1,984</b>	<b>Legal, Governance and HR Total</b>	<b>(20)</b>	

## HOUSING REVENUE ACCOUNT for 2023/24 as at 30th September 2023

## 4.1 Appendix F

2022/23 OUTTURN £'000		2023/24 BUDGET £'000	2023/24 FORECAST £'000	VARIANCE £'000	COMMENTS
	<b>Income</b>				
(1,399)	Dwelling Rents	(1,524)	(1,635)	(111)	Additional income from new Brenda Road units as a consequence of the scheme coming on-line sooner than originally budgeted. There is also a reduction in loss of income from void properties due to lease contracts negotiated in recent months.
(28)	Non-dwelling Rents - Other Income	(31)	(25)	6	
(5)	Charges for services and facilities	(3)	(2)	1	
<b>(1,432)</b>	<b>Income sub total</b>	<b>(1,558)</b>	<b>(1,662)</b>	<b>(104)</b>	
	<b>Expenditure</b>				
202	Repairs and maintenance	265	374	109	Adverse variance reflects expected increase in volume and type of repairs, and higher costs.
397	Supervision and management	411	435	24	
27	Rents, rates, taxes and other charges	22	22	0	Includes £27k additional costs relating to Golden Flatts.
45	Provision for bad or doubtful debts	20	0	(20)	
406	Depreciation (Major Repairs Allowance)	370	470	100	There is currently a high provision for bad debt and at present additional contributions are not required. This will be reviewed further at year end.
3	Discretionary Housing Payments	2	3	1	
10	Debt Management costs	12	12	0	Adverse variance reflects additional contribution to match fund the Social Housing decarbonisation scheme.
337	Net Interest payable	456	338	(118)	
<b>1,427</b>	<b>Expenditure sub total</b>	<b>1,558</b>	<b>1,654</b>	<b>96</b>	Favourable variance reflects revised profile of capital schemes and additional borrowing costs now profiled into future years.
<b>(5)</b>	<b>HRA (Surplus) / Deficit for the year</b>	<b>0</b>	<b>(8)</b>	<b>(8)</b>	
	<b>Movement on the HRA Reserve</b>				
(495)	HRA Reserve Opening Balance		(500)		
(5)	(Surplus)/Deficit for the year		(8)		
<b>(500)</b>	<b>HRA Reserve Closing Balance</b>		<b>(508)</b>		

## 4.1 APPENDIX G

## HRA CAPITAL MONITORING REPORT PERIOD ENDING 30th September 2023

Project Code	Scheme Title	A	B	C	D	E	F	G	Type of Financing	2023/24 COMMENTS
		Full Budget £'000	2023/24 Budget £'000	2023/24 Actual as at 30/09/23 £'000	2023/24 Expenditure Remaining £'000	Expenditure Rephased into 2024/25 £'000	(C+D+E) 2023/24 Total Expenditure £'000	(F-B) 2023/24 Variance from Budget £'000		
S106	Affordable Housing	996	996	0	100	896	996	0	GRANT	S106 Developer Contributions - see separate appendix M for further details and also schemes 7450 and 7726.
7182	Empty Homes - Phase 3	1,167	1,064	0	0	1,064	1,064	0	UDPB	Existing funding approval - individual business case approval required for scheme.
7450	Hill View Development	2,240	58	0	58	0	58	0	S106	Final account still to be confirmed. Funded from S106 contributions.
7620	Brenda Road - Phase 1	2,094	898	777	121	0	898	0	MIX	Expect scheme to complete by the end of 2023/24.
8106	New Build	693	692	0	0	692	692	0	UDPB	Existing funding approval - individual business case approval required for scheme.
8799	Major Repairs	210	210	10	200	0	210	0	MIX	Forecast expenditure as per Q2 September 2023 HRA requirement.
7726	Resettlement Accommodation	855	855	0	630	225	855	0	MIX	This budget represents grant allocation of around 50% towards the purchase and refurbishment of 9 (3 & 4 bedroom) properties. The remaining budget (to be finalised) is being funded from a combination of £225,000 S106 developer contributions already received, other grant income and a small proportion of prudential borrowing if required.
9294	HRA Adaptations	10	10	0	10	0	10	0	RCCO	No planned adaptations, forecast as per at Q2 September 2023 HRA requirement.
9317	Social Housing Decarbonisation	451	451	0	193	258	451	0	MIX	Profiled expenditure in line with latest multi-year scheme forecasts.
SOCIAL COUNCIL HOUSING - CAPITAL SCHEMES		8,716	5,234	787	1,312	3,135	5,234	0		
7220	Private Sector Housing Grants	48	48	2	16	30	48	0	GRANT	Self funded via recycled contributions.
7066	Avondene Student Accommodation	52	52	0	10	42	52	0	RCCO	Earmarked for major repairs.
CAPITAL SCHEMES - HOUSING		100	100	2	26	72	100	0		
DEVELOPMENT, NEIGHBOURHOODS & REGULATORY SERVICES, TOTAL HOUSING CAPITAL		8,816	5,334	789	1,338	3,207	5,334	0		

## MAJOR REGENERATION SCHEMES

## 4.1 APPENDIX H

### CAPITAL MONITORING REPORT PERIOD ENDING September 30th 2023

Project Code	Scheme Title	A Full Budget £'000	B 2023/24 Budget £'000	C 2023/24 Actual as at 30/09/23 £'000	D 2023/24 Expenditure Remaining £'000	E Expenditure Rephased into 2024/25 £'000	F (C+D+E) Total Expenditure £'000	G (F-B) Variance from Budget £'000	Type of Financing	2023/24 COMMENTS
8958	A19/ Elwick Road/ North Lane Junction and Elwick Road/Hartlepool Western Link Project	24,497	694	158	536	0	694	0	MIX	
7550	CIP - Highlight	34,650	4,747	165	4,582	0	4,747	0	MIX	
9101	CIP - Borough Hall Improvement	3,000	164	1	163	0	164	0	MIX	
9159	CIP - Wingfield Castle works	4,000	697	51	646	0	697	0	MIX	
9161	CIP - NMRN & Museum of Hartlepool	8,500	1,442	0	1,442	0	1,442	0	MIX	
7536	CIP - SEMH Free School Access Road	850	806	421	385	0	806	0	MIX	
9130	CIP - Business Park Investment	760	720	5	715	0	720	0	MIX	
TBC	CIP - Waterfront Public Art	780	0	0	0	0	0	0	MIX	Scheme reliant on securing external funding.
TBC	CIP - Business Loans Fund	500	0	0	0	0	0	0	MIX	Pending Mandate
TBC	CIP - Bowling Club Refurbishment	600	0	0	0	0	0	0	MIX	Pending Mandate
TBC	CIP - Brierton Sports Complex	700	0	0	0	0	0	0	MIX	Pending Mandate
TBC	CIP - Car Parking Facilities Match Funding	100	0	0	0	0	0	0	MIX	Pending Mandate
9165	Towns Fund - Middleton Grange	13,860	8,789	8	92	8,689	8,789	0	GRANT	Project on hold until wider ownership / leasehold of full site is resolved.
9231	Towns Fund - Waterfront Connectivity	6,200	2,061	319	1,742	0	2,061	0	GRANT	
7715	Towns Fund - Wesley Chapel	1,400	1,312	6	1,306	0	1,312	0	GRANT	
9234	Towns Fund - Health and Social Care Academy	1,250	1,164	4	1,160	0	1,164	0	GRANT	
9235	Towns Fund - Civil Academy	2,250	631	7	624	0	631	0	GRANT	
9247	Levelling Up - Screen Production Village	16,587	8,369	1,952	632	5,785	8,369	0	GRANT	The budget has been rephased to reflect the extended output milestones agreed with DLUHC.
<b>Major Regeneration Schemes</b>		<b>120,484</b>	<b>31,596</b>	<b>3,097</b>	<b>14,025</b>	<b>14,474</b>	<b>31,596</b>	<b>0</b>		

#### Key

RCCO Revenue Contribution towards Capital  
MIX Combination of Funding Types  
UCPB Unsupported Corporate Prudential Borrowing  
SCE Supported Capital Expenditure (Revenue)

GRANT Grant Funded  
CAP REC Capital Receipt  
UDPB Unsupported Departmental Prudential Borrowing  
CORP Corporate Resources

ADULT & COMMUNITY BASED SERVICES

4.1 APPENDIX I

CAPITAL MONITORING REPORT PERIOD ENDING 30th September 2023

Project Code	Scheme Title	A Full Budget £'000	B 2023/24 Budget £'000	C 2023/24 Actual as at 30/09/23 £'000	D 2023/24 Expenditure Remaining £'000	E Expenditure Rephased into 2024/25 £'000	F (C+D+E) Total Expenditure £'000	G (F-B) Variance from Budget £'000	Type of Financing	2023/24 COMMENTS
Adult & Community Based Services										
7212	Capital Grants to Care Homes	43	27	0	27	0	27	0	MIX	
7218	Disabled Facilities Grant	1,558	1,558	494	1,064	0	1,558	0	GRANT	
7522	Stranton Cemetery Flood Alleviation	600	93	71	22	0	93	0	MIX	
7576	Seascapes - Seaton High & Lowlight	128	118	102	16	0	118	0	MIX	
7711	Carlton Adventure Centre	434	434	7	27	400	434	0	UDPB	10 year lease now agreed by A&CBS committee. Condition surveys to inform scheme now complete. Scheme design now being progressed to enable delivery of scheme.
7716	Seaton Library refurbishment	255	255	18	237	0	255	0	MIX	Arts Council and LIF funding. Budget also includes provision for roof works.
7785	Burn Valley Garden Play Area 2022	29	2	1	1	0	2	0	MIX	
7811	Summerhill Cycle Hub	514	18	0	18	0	18	0	MIX	Balance of funding to support further cycling infrastructure improvements.
7831	Community Hub South - Internal Alterations	88	11	0	11	0	11	0	GRANT	
8108	Centre for Independent Living	50	50	0	0	50	50	0	UDPB	Funding retained as 'Sinking Fund' to maintain building.
8393	Stranton Cemetery Cremators	255	16	0	16	0	16	0	MIX	
9212	Relocate Cemetery Office	90	53	3	50	0	53	0	CAP REC	
8088	Community Hub South - Kitchen Replacement	41	36	0	36	0	36	0	MIX	
8088	Community Hub Central - Internal Alterations	61	27	0	27	0	27	0	RCCO	
8534	Church Street Townscape Heritage	437	416	416	0	0	416	0	GRANT	Work continuing on buildings, grant extended to December 2023.
9232	Playground Equipment - Levelling Up Parks Fund	92	71	14	57	0	71	0	GRANT	
9310	Changing Places - Summerhill	62	62	0	62	0	62	0	MIX	
9311	Changing Places - Community Hub Central	75	75	0	75	0	75	0	MIX	
NEW	Changing Places - Headland	25	25	0	25	0	25	0	MIX	
Allot	General Allotment Schemes	193	173	7	66	100	173	0	UDPB	Capital expenditure plan approved by A&CBS Committee 7th September 23
8700	Waverley Allotments - Adult Education Scheme	54	54	2	52	0	54	0	GRANT	
CR	Stranton Chapel Refurbishment	591	563	0	213	400	613	50	MIX	Unfavourable variance to be met from proposal to move the funds from Development, Neighbourhoods & Regulatory Services, 7436 NIP - Stranton Cemetery Car Park scheme.
Total Adult & Community Based Services		5,675	4,137	1,135	2,102	950	4,187	50		

Key		
RCCO	Revenue Contribution towards Capital	GRANT
MIX	Combination of Funding Types	Grant Funded
UCPB	Unsupported Corporate Prudential Borrowing	CAP REC
SCE	Supported Capital Expenditure (Revenue)	Capital Receipt
		UDPB
		Unsupported Departmental Prudential Borrowing
		CORP
		Corporate Resources

CAPITAL MONITORING REPORT PERIOD ENDING September 30th 2023

Project Code	Scheme Title	A Full Budget £'000	B 2023/24 Budget £'000	C 2023/24 Actual as at 30/09/23 £'000	D 2023/24 Expenditure Remaining £'000	E Expenditure Rephased into 2024/25 £'000	F (C+D+E) Total Expenditure £'000	G (F-B) Variance from Budget £'000	Type of Financing	2023/24 COMMENTS
Children's and Joint Commissioning Services										
7384	Devolved Schools Capital	293	209	46	163	0	209	0	GRANT	Includes £94k 23/24 allocation.
9238	Energy Efficiency Capital Funding	195	188	6	182	0	188	0	GRANT	22/23 additional capital funding carried forward for use in 23/24.
7355	CECA IT Infrastructure and Technology	42	24	0	24	0	24	0	GRANT	
7355	CECA TVCA Grant Unallocated	31	31	0	31	0	31	0	GRANT	
7142	Schools General - Fire Safety Modifications (Conditions)	53	53	0	53	0	53	0	GRANT	Schemes to be identified.
7142	Schools General - Fire Safety Modifications (Conditions) 23/24	418	418	0	418	0	418	0	GRANT	Schemes to be identified.
7142	Kingsley - Fire Safety Modifications	246	178	0	178	0	178	0	GRANT	Scheme on hold.
7142	Throston - Fire Safety Modifications	257	131	17	114	0	131	0	GRANT	
7474	High Tunstall 3G Pitch	23	1	0	1	0	1	0	UDPB	
7478	High Tunstall Grass Pitch	15	15	0	15	0	15	0	UDPB	
8906	Brierton Campus Windows	1	1	1	0	0	1	0	RCCO	Scheme works complete.
7521	Two Year Old FNE Capacity Funding	23	23	0	23	0	23	0	GRANT	
7770	St Helens Primary School Main Entrance Access	50	41	39	2	0	41	0	GRANT	Scheme works complete.
9148	Springwell Special School Increase Capacity	424	76	0	76	0	76	0	GRANT	Scheme works complete.
7661	Catcote Secondary Special School Alternative Provision 6th Form	306	270	229	41	0	270	0	GRANT	
9295	Clavering Primary School Refurbish Boys WC	47	47	33	14	0	47	0	GRANT	Scheme works complete.
	Clavering Primary School Roofing Works	13	13	0	13	0	13	0	GRANT	Works to commence October 23 (Half term).
9295	Fens Primary School Refurbish Boys WC	29	29	23	6	0	29	0	GRANT	Scheme works complete.
9311	Fens Primary School Rewire Ph4	99	99	5	94	0	99	0	GRANT	Scheme works complete.
9313	Golden Flatts Primary School Demolish Caretakers Bungalow	32	32	6	26	0	32	0	GRANT	Scheme approved. Awaiting start date.
9315	Horizons School Replace Roof Lights	5	5	4	1	0	5	0	GRANT	Scheme works complete.
9314	Horizons School Rewire	76	76	2	74	0	76	0	GRANT	Scheme works complete.
9295	Kingsley Primary School Refurbish Boys WC	26	26	21	5	0	26	0	GRANT	Scheme works complete.
9292	Kingsley Primary School Lighting Replacement	32	32	2	30	0	32	0	GRANT	Scheme approved. Awaiting Start Date.
7725	Kingsley Primary School Heating, DHW Boiler Plant Renewal	115	115	2	113	0	115	0	GRANT	Scheme approved. Works to commence October 2023 (Half Term).
	Lynnfield Primary School Roofing Works	50	50	19	31	0	50	0	GRANT	Tender package in process.
9310	Lynnfield Primary School Refurbish Boundary Wall	27	27	1	26	0	27	0	GRANT	Scheme approved. Works to commence October 2023.
9315	Lynnfield Primary School Heating Renewal	44	44	5	39	0	44	0	GRANT	Scheme approved. Awaiting Start Date.
	Rift House Primary School Heating, DHW Boiler Plant Renewal	94	94	5	89	0	94	0	GRANT	Scheme works complete.
9293	Rossmere Primary School Fire Doors	35	35	35	0	0	35	0	GRANT	Scheme works complete.
	Springwell Special School Oven and Hob Induction	13	13	5	8	0	13	0	GRANT	Scheme works complete.
	Throston Primary School Heating, Pipework, radiators and fan replacement	52	52	4	48	0	52	0	GRANT	Scheme approved. Works to commence February 2024 (Half Term).
	Throston Primary School Heat Source	25	25	0	25	0	25	0	GRANT	Scheme in design stage.
	Throston Primary School Emergency Boiler Replacement	24	24	0	24	0	24	0	GRANT	Emergency works, used contingency unallocated funding.
9243	Rossmere Youth Centre Refurbishment	1,270	1,270	17	1,253		1,270	0	GRANT	
7727	Throston Youth Project Centre Refurbishment	96	96	0	96		96	0	GRANT	Grant awarded August 2023.
9244	High Tunstall School MLD ARP	968	968	594	374	0	968	0	GRANT	
9004	Schools General - Conditions unallocated	57	57	0	57	0	57	0	GRANT	Funding to be used for 23/24 Condition schemes.
9004	Schools General - Contingency	66	66	0	66	0	66	0	GRANT	
9004	Schools General - Suitability Unallocated (SEMH)	743	743	0	743	0	743	0	RCCO	Use of funding is being considered in the High Needs Block review.
9004	Schools General - Special Provision	518	518	0	518	0	518	0	GRANT	
9004	Schools General - Basic Need	916	916	0	916	0	916	0	GRANT	
7149	New Children's Homes	238	97	92	5	0	97	0	UPDB	Additional RCCO funding provided to support minor cost pressure.
8072	Integrated Children's Services Case Management Improvement	37	37	0	37		37		MIX	
7768	Supporting Treatment and Recovery Together (START) – Hartlepool's Substance Misuse Service	3,027	3,027	100	2,927	0	3,027	0	UPDB	Public Health funding transferred from Stepping Stones project into this scheme (£0.027m).
9164	Youth Justice Vehicle	22	22	22	0	0	22	0	RCCO	
9246	Children's Centre Family Hub	75	75	0	75	0	75	0	GRANT	2022/23 and 2023/24 allocation of Capital expenditure to support the development of Family Hubs. Schemes currently in development to be delivered within grant timeframes.
Total Children's and Joint Commissioning Services		11,248	10,389	1,335	9,054	0	10,389	0		

Key			
RCCO	Revenue Contribution towards Capital	GRANT	Grant Funded
MIX	Combination of Funding Types	CAP REC	Capital Receipt
UCPB	Unsupported Corporate Prudential Borrowing	UDPB	Unsupported Departmental Prudential Borrowing
SCE	Supported Capital Expenditure (Revenue)	CORP	Corporate Resources

CAPITAL MONITORING REPORT PERIOD ENDING September 30th 2023

Project Code	Scheme Title	A Full Budget £'000	B 2023/24 Budget £'000	C 2023/24 Actual as at 30/09/23 £'000	D 2023/24 Expenditure Remaining £'000	E Expenditure Rephased into 2024/25 £'000	F (C+D+E) Total Expenditure £'000	G (F-B) Variance from Budget £'000	Type of Financing	2023/24 COMMENTS
Finance & Policy Committee										
8306	Schools - Kitchen Refurbishment	261	261	0	61	200	261	0	RCCO	Funds earmarked for replacement of equipment.
Finance & Policy Committee Sub Total		261	261	0	61	200	261	0		
Regeneration Committee										
S106	Developers Contribution Fund	4,462	4,462	14	183	4,265	4,462	0	GRANT	Further details are set out in Appendix M - also see schemes 7440.
Regeneration Committee Sub Total		4,462	4,462	14	183	4,265	4,462	0	GRANT	
7222	Sustainable Warmth LAD3	2,202	1,264	546	718	0	1,264	0	GRANT	Funding is for works on low income households heated by mains gas.
7272	Wheelie Bin Purchase	90	90	25	65	0	90	0	UDPB	Annual allocation
7344	NIP - Brougham (was Hindpool Close ) Play Area	39	36	1	73	0	74	38	UDPB	Scheme to be revised as remaining funding is Thirteen contribution. Unfavourable variance reflects proposal to transfer remaining Thirteen funds from 8996 Improvement to Parks scheme below.
7436	NIP - Stranton Cemetery Car Park	50	50	0	0	0	0	(50)	MIX	Favourable variance reflects the proposal to move these earmarked funds from this service area to the main Stranton Crematorium refurbishment scheme within Adults & Community Services.
7437	NIP - Sinking Fund	62	62		20	42	62	0	UDPB	Funds earmarked for replacement of play equipment.
7440	NIP - Central Park	120	91	89	2	0	91	0	MIX	S106 Funded - see appendix M
7553	Seaton Toilets	460	355	202	153	0	355	0	MIX	
7561	Green Homes Grant - LAD2	663	22	22	0	0	22	0	GRANT	
7878	Community Safety CCTV Upgrade	79	9	8	1	0	9	0	UDPB	
8996	NIP - Improvements to Parks	314	73	10	25	0	35	(38)	MIX	Favourable variance reflects transfer of Thirteen remaining contributions to Brougham Close Play Area scheme above.
9147	NIP - CCTV in parks, Support	34	25	0	25	0	25	0	GRANT	
9170	Sustainable Warmth HUG1	223	117	105	12	0	117	0	GRANT	
9233	SEASCAPES - Coast to Clavering route	22	22	3	19	0	22	0	GRANT	
NEW	Waste Transfer Station	200	200	0	200	0	200	0	GRANT	Funding from redemption of SITA shares transferred to capital to support future capital scheme.
NEW	Grounds Commuted sum	22	22	0	22	0	22	0	GRANT	
7333	EDM Seaton Additional Car Parking Facilities	87	87	0	0	0	0	(87)	UDPB	Scheme complete therefore remaining budget no longer required. As this scheme was funded by Departmental Borrowing, the cost to the revenue budget will be lower than originally anticipated in the business case.
7466	DSO Vehicle Purchase	11,111	6,832	139	1,401	5,292	6,832	0	UDPB	The expenditure remaining and rephased figures updated following a recent review.
7577	Hartlepool North NDIP Study	50	50	0	0	50	50	0	UDPB	Scheme pending announcement of additional funding.
7900	EDM Hartlepool Marina - North Pier	179	175	0	175	0	175	0	GRANT	Possible spend 2023/24, awaiting outcome of Environment Agency report.
7902	EDM Hartlepool Drainage Schemes	36	30	0	0	30	30	0	MIX	
8444	EDM Town Wall Strengthening	46	21	0	21	0	21	0	MIX	
8578	EDM Management Unit Study	28	28	0	0	28	28	0	GRANT	Potential for future spend if match funding identified for larger scheme.
LTP	Local Transport Plan (LTP) Schemes	4,176	3,923	1,191	2,225	507	3,923	0	GRANT	Various Highways & Traffic schemes.
Neighbourhoods Committee Sub Total		20,293	13,584	2,341	5,157	5,949	13,447	(137)		
Development, Neighbourhood & Regulatory Services Total		25,016	18,307	2,355	5,401	10,414	18,170	(137)		

Key			
RCCO	Revenue Contribution towards Capital	GRANT	Grant Funded
MIX	Combination of Funding Types	CAP REC	Capital Receipt
UCPB	Unsupported Corporate Prudential Borrowing	UDPB	Unsupported Departmental Prudential Borrowing
SCE	Supported Capital Expenditure (Revenue)	CORP	Corporate Resources

## CORPORATE

## 4.1 APPENDIX L

### CAPITAL MONITORING REPORT PERIOD ENDING September 30th 2023

Project Code	Scheme Title	A Full Budget £'000	B 2023/24 Budget £'000	C 2023/24 Actual as at 30/09/23 £'000	D 2023/24 Expenditure Remaining £'000	E Expenditure Rephased into 2024/25 £'000	F (C+D+E) Total Expenditure £'000	G (F-B) Variance from Budget £'000	Type of Financing	2023/24 COMMENTS
7036	Uncommitted Corporate Capital Fund	222	222	0	222	0	222	0	MIX	
7041	Corporate Capital Pot	475	475	0	475	0	475	0	RCCO	
7065	Fire Risk Assessments	100	85	0	85	0	85	0	MIX	
7200	Civic Centre Capital Project	75	62	0	62	0	62	0	UDPB	
8970	Historic Quay Dilapidation Work	97	97	0	97	0	97	0	RCCO	Budget relates to the lease to NMRM.
7771	Borough Hall - Lighting Replacement	60	45	11	34	0	45	0	RCCO	Scheme on-going.
NEW	Art Gallery - Roof Replacement	72	72	0	72	0	72	0	RCCO	Scheme not started yet.
NEW	Art Gallery - Drainage Replacement	33	33	0	33	0	33	0	RCCO	Scheme not started yet.
NEW	Exmoor Grove - Replace external windows and doors	50	50	0	50	0	50	0	RCCO	Scheme not started yet.
<b>Corporate Total</b>		<b>1,184</b>	<b>1,141</b>	<b>11</b>	<b>1,130</b>	<b>0</b>	<b>1,141</b>	<b>0</b>		

#### Key

RCCO Revenue Contribution towards Capital  
MIX Combination of Funding Types  
UCPB Unsupported Corporate Prudential Borrowing  
SCE Supported Capital Expenditure (Revenue)

GRANT Grant Funded  
CAP REC Capital Receipt  
UDPB Unsupported Departmental Prudential Borrowing  
CORP Corporate Resources

SECTION 106 DEVELOPERS CONTRIBUTIONS as at 30th September 2023

4.1 Appendix M

	Affordable Housing Contributions ****	Cycleway	Highways	Highways General	Bus Stop	Green Infrastructure	Maintenance	Play	Off Site Recreational **	Public Art	Sports	Ecological Mitigation *****	Traffic Calming	Education	Coastal	Health	Restoration - Security Bond ***	Other Service Areas Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Committed Balance brought forward (A+B-C) 1st April, 2023 *	1,269	732	1,320	0	0	178	0	132	154	5	139	124	9	1,275	38	41	100	4,247
Amounts Received in Year 2023/24 (B)																		
Wynyard	10																	0
Bellway, Upper Warren				15							79	14		425		49		582
Vistry Homes														470				470
Port Homes - Seaton															62			62
Keepmoat												30			29			59
Acland Homes						12					7			15				34
Miller Homes, Phase 1B - Upper Warren				11							56	10		303		34		414
Placefirst - Land at Rodney Street												3						3
Total income	10	0	0	26	0	12	0	0	0	0	142	57	0	1,213	91	83	0	1624
Sub Total - revised Balance	1,279	732	1,320	26	0	190	0	132	154	5	281	181	9	2,488	129	124	100	5,871
Actual & Forecast Expenditure as at 31st March 2024 (C)																		
Affordable Housing Schemes	1,279																	0
Central Park (NIP scheme)									91									91
Wynyard, Manorside								7										7
Wynyard, South Pentagon						44												44
Ward Jackson Park								2										2
Seaton								7										7
Golden Flatts						3		6										9
North West area														64				64
Persimmon, Britmag												13						13
Saltaire Terrace								4										4
Brougham								3										3
Merlin Way						24												24
Walking Links						8												8
Bridleway						3												3
Four Winds						6												6
Summerhill						3												3
Sub Total Expenditure	1,279	0	0	0	0	91	0	29	91	0	0	13	0	64	0	0	0	288
Forecast Committed Balance Remaining (A+B-C) 31st March, 2024 *	0	732	1,320	26	0	99	0	103	63	5	281	168	9	2,424	129	124	100	5,583

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

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

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

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

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

Off Site - part of these contributions are included in the Capital NIP scheme Budget Project 7440

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

## ALL RESERVES EXCLUDING SCHOOL BALANCES AND UNUSABLE RESERVES

## 4.1 APPENDIX N

	Balance as at 31st March 2023	Transfers between Reserves	Balance as at 31st March 2023 (Revised)	Planned Use of Reserves				Balance as at 31st March 2027
				2023/24	2024/25	2025/26	2026/27	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Unearmarked General Fund	4,417	1,083	5,500	0	0	0	0	5,500
Budget Support Fund 22/23 to 26/27	6,418	1,153	7,571	(5,699)	0	0	0	1,872
Budget Support Fund- Capacity to Delivery Savings	1,000	0	1,000	(300)	(250)	0	0	450
Budget Support Fund- Costs associated with Savings	2,000	0	2,000	0	0	0	0	2,000
Budget Support Fund- Invest to save	111	(111)	0	0	0	0	0	-
Investment Income	1,131	0	1,131	0	(631)	(500)	0	-
COVID 19 Recovery Reserve	1,000	(1,000)	0	0	0	0	0	-
Looked After Children Reserve	751	1,000	1,751	(655)	(655)	(441)	0	-
Revenue Grants Unapplied	6,482	(3,146)	3,336	(1,395)	(189)	(227)	(211)	1,314
Earmarked Revenue Reserves under £1m	4,911	(459)	4,452	(2,226)	(289)	(110)	(183)	1,644
Business Rates Risk Reserve	3,000	250	3,250	0	0	0	(1,100)	2,150
Treasury Management Risk Reserve	2,460	0	2,460	0	0	0	0	2,460
Insurance Fund Reserve	2,406	0	2,406	(50)	(50)	(50)	(50)	2,206
Energy Pressures Reserve	1,520	0	1,520	(800)	(720)	0	0	-
Events Reserve	55	1,230	1,285	(1,255)	(30)	0	0	-
Public Health Grant Reserve	1,346	0	1,346	0	(400)	(400)	(546)	-
Earmarked Revenue Reserves - Collection Fund	1,696	0	1,696	(380)	0	0	0	1,316
Earmarked Capital Reserves	11,408	0	11,408	(3,419)	(4,223)	(130)	(130)	3,506
<b>Total</b>	<b>52,112</b>	<b>0</b>	<b>52,112</b>	<b>(16,179)</b>	<b>(7,437)</b>	<b>(1,858)</b>	<b>(2,220)</b>	<b>24,418</b>

# FINANCE AND POLICY COMMITTEE

27<sup>TH</sup> NOVEMBER 2023



**Subject:** LOCAL COUNCIL TAX SUPPORT 2024/25

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

**Decision Type:** Budget and Policy Framework

## 1. COUNCIL PLAN PRIORITY

### Hartlepool will be a place:

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

## 2. PURPOSE OF REPORT

2.1 The purpose of the report is to:

- i) Provide Members with the results of the consultation exercise undertaken following agreement at September 2023 Finance and Policy Committee to consult on a simplified Local Council Tax Support (LCTS) Scheme; and
- ii) Agree a revised LCTS scheme for 2024/25 to be referred to full Council for approval

## 3. BACKGROUND

3.1 Finance and Policy Committee received a report to its September meeting setting out proposals for a simplified LCTS scheme. The report set out the issues with the current scheme, namely;

- The need to assist low-income households and assist in the collection of Council Tax;
- Council Tax Support and the roll out of Universal Credit; and
- The need for a simplified approach to the Council Tax Support Scheme.

- 3.2 Finance and Policy agreed to consult on the proposals for a new simplified scheme for 2024/25.

## 5. PROPOSAL FOR THE 2024/25 COUNCIL TAX SUPPORT SCHEME

- 5.1 In view of the problems being experienced with the current scheme, it was (and is) proposed that an alternative approach be taken from 2024/25. The approach has been to fundamentally redesign the scheme to address all of the issues with the current scheme and in particular:
- The level of support available to the poorest households;
  - The problems with the introduction of full-service Universal Credit; and
  - The significant increase in administration costs due to the high level of changes received in respect of Universal Credit;
- 5.2 Design and modelling work has been ongoing since early this year on a new scheme. This work has considered schemes operated elsewhere in the region, and has been supported by external expertise. If agreed by members, consultation needs to be undertaken with the public and the major precepting authorities. If accepted by the Council later in the year, the new scheme will take effect from 1<sup>st</sup> April 2024.
- 5.3 The proposed new scheme ensures that more support will be given to those working age households on the lowest of incomes than in the current scheme, based on the following simple income grid. Note the income grid would be updated for inflation each year from April 2025;

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

- It is proposed that the highest level of discount will be at a maximum level of liability (90%), Band 1. All current applicants that are in receipt of a 'passported benefit' such as Income Support, Jobseeker's Allowance (Income Based) and Employment and Support Allowance (Income Related) receive maximum discount;

- All other discount levels are based on the applicant's and partner's, (where they have one) net income;
- The scheme allows for variation in household size with the levels of income per band increasing where an applicant has a partner, and / or dependants;

5.4 For all of the above options, the following key features will apply:

- To encourage work, a standard £25 per week disregard will be provided against all earnings. This will take the place of the current standard disregards and additional earnings disregards;
- Disability benefits such as Disability Living Allowance and Personal Independence Allowance will continue to be disregarded;
- Where any applicant, their partner or any dependent child/children are disabled, a further disregard of £40 per week will be given, thereby maintaining the current level of support to those with disabilities;
- Carer's Allowance and the Support Component of Employment and Support Allowance will be disregarded;
- Child Benefit and Child Maintenance will be disregarded;
- The following elements of Universal Credit will also be disregarded:
  - An amount in respect of the Housing Element;
  - Limited Capability for Work and Work Related Activity Element;
  - Carer's Element; and
  - Disabled Child Element
- The total disregard on war pensions and war disablement pensions will continue (maintaining the Council's commitment to the Armed Forces Community Covenant);
- Extended payments will be removed;
- The capital limit will be reduced to £6,000 from £16,000 with no tariff (or assumed income) being applied; and
- With regard to non-dependents it was agreed that no non-dependent deduction is made.

5.5 In addition, and not explicitly set out in the September report, in order to align Council Tax Reduction with Universal Credit, the Council proposes to use a minimum level of income for those applicants who are self-employed. This would be in line with the National Living Wage for 35 hours worked per week. The income would not apply for a designated start-up period of one year from the start of the business and the Council would have the discretion to vary or waive the use of this facility in exceptional circumstances or where the Council considers that the applicant is unable to work that number of hours. Where the declared income is at or above the Minimum Income Floor, the declared income will be used in the calculation of Council Tax Reduction. This proposal was included in all of the costing assumptions of the model provided to September Finance and Policy and included as a specific question within the consultation.

## How the proposed scheme would address the current problems

5.6 With the simplicity of the proposed new scheme and by taking a more 'Council Tax discount approach', it will address the problems associated with the increased administration caused by failings in the current scheme and Universal Credit as follows:

- **The scheme will require a simplified claiming process.** All applicants will see a significant reduction in the complexity of the claiming process and, where possible, Council Tax Support will be awarded automatically. For Universal Credit applicants *any* Universal Credit data received from the Department for Work and Pensions (DWP) will be treated as a claim for Council Tax Support. Where information is received from DWP, the entitlement to Council Tax Support will be processed automatically without the need to request further information from the taxpayer. These changes will have the following distinct advantages namely:
  - **Speed of processing** – all claims will be able to be calculated promptly and largely automatically without the need to request further information which inevitably leads to delays (other than capital limits or if non-dependants reside at the property);
  - **Maximising entitlement to every applicant.** As there will no requirement for Universal Credit applicants to apply separately for Council Tax Support, and for all other applicants, the claiming process will be simplified significantly. Entitlement to Council Tax Support will be maximised with a reduced risk of loss of discount or the need for backdating. Note, it is proposed to increase backdating provision from 1 month to 1 year under the new scheme after the transition period;
  - **Maintenance of collection rates** – the new scheme will avoid constant changes in discount, the need for multiple changes in instalments and therefore assist in improving and increasing collection rates. The increased level of discount will also assist all those applicants on the lowest levels of income, again improving the overall collection rate;
- **The income bands are sufficiently wide to avoid constant changes in discount.** The current Council Tax Support scheme is very reactive and will alter even if the overall change to the person's liability is small. This is leading to constant changes in Council Tax liability, the need to recalculate monthly instalments and the requirement to issue a large number of Council Tax demands. The effect of this is that Council Tax collection is reduced. The new scheme, with its simplified income banding approach will have the following advantages:
  - Only significant changes in income will affect the level of discount awarded;
  - Council Taxpayers who receive Council Tax Support will not receive multiple Council Tax demands and adjustments to their instalments; and
  - The new scheme is designed to reflect a more modern approach, where any discount changes it will be effective from the day of the change rather than the Monday of the following week.

### The effect of the proposed scheme on individual households

- 5.7 The proposed changes will have a significant effect on households within the Council's area, especially those on the lowest of incomes. Current modelling allows us to project the likely outcomes for current households given their individual circumstances, as set out below. It should be noted that this is based on circumstances at the point in time the data extract was ran earlier in the summer. If recipients moved between income bands this could have either a further, and potentially significant favourable or detrimental impact. However, recipients will be better able to understand the impact of income fluctuations given a simpler scheme.

	<b>Claimants</b>
Increased Support	7,470 (87.5%)
Reduced Support	1,071 (12.5%)
	<b>8,541</b>

- 5.8 Inevitably, with any change in scheme, some households may lose out, although the proposed scheme has been designed to protect the most vulnerable and the vast majority of applicants. The numbers seeing a reduction in support based on circumstances at the time of data extract are shown below.

<b>Reduced Support</b>	<b>Claimants</b>
Less than £5 per week	281
£5.01 to £10 per week	556
£10.01 or more	234
	<b>1,071</b>

- 5.9 An examination of these cases show that the majority of these cases either will have capital in excess of the proposed new level, £6,000, or have large families where they will be affected by the limitation of dependants in the income-grid. It is therefore likely that the numbers receiving reduced support will reduce over time as capital levels fall. For information, the two dependant restriction is in line with other welfare benefits such as Housing Benefit, Universal Credit and Council Tax Support for Pension Age applicants.
- 5.10 In order to assist any household who may lose entitlement, the council will rely on its exceptional hardship scheme to protect individuals who experience exceptional hardship. Where any applicant is likely to experience exceptional hardship, they will be encouraged to apply for an exceptional hardship payment. The Council will consider all applications for exceptional hardship on an individual case-by-case basis, in line with the policy, taking into account available income and essential outgoings. Where appropriate further support will be given to the applicant.

- 5.11 This approach will enable individual applicants to be dealt with in a fair and equitable manner. The Exceptional Hardship Scheme will fall to be paid through the Collection Fund, so ensuring major preceptors fund their element of cost.

## 6. CONSULTATION OUTCOME

- 6.1 The Council opened its public consultation following Finance and Policy Committee in September with closure on 14 November 2023. As well as promoting through social media, efforts were also made to promote through local VCS partners, with hard copies of the questionnaire provided. Both the revenues and benefits team sought to promote during routine telephone contacts where applicable and the opportunity arose.
- 6.2 In total 235 responses were received, albeit not all questions were answered. Whilst this may appear low, the most recent local authority in the Tees Valley region to undertake such a consultation only received 45 completed questionnaires. The actual wording of the questionnaire can be found at **Appendix A**, with responses at **Appendix B**. Members of the public were invited to also provide additional open responses to each question and these ranged from feeling that the scheme / proposals were overly generous to a view that more support should be provided.
- 6.3 A summary of responses is provided below:

	Answered	Yes	No	Don't Know
Introducing an income-based banded discount scheme as described.	134	83 61.94%	27 20.15%	24 17.91%
Removal of Non-Dependent Deductions.	125	69 55.20%	32 25.60%	24 19.20%
Disregarding certain elements of Universal Credit.	120	84 70.00%	25 20.83%	11 9.17%
Replacing the current earnings disregards with a standard £25 per week disregard (irrespective of the number of hours worked).	118	80 67.80%	19 16.10%	19 16.10%
Continuing to protect families by disregarding Child Benefit and Child Maintenance	115	79 68.70%	24 20.87%	12 10.43%
Continuing to disregard disability benefits (Personal Independence Payments, Armed Forces Independence Payments, Disability Living Allowance) and providing additional disregards of £40 where the applicant, partner or dependent is disabled.	115	94 81.74%	17 14.78%	4 3.48%
Introducing a new disregard for the support component of Employment and Support Allowance and Carer's Allowance.	111	77 69.37%	21 18.92%	13 11.71%
Protecting War Pensioners by continuing to disregard War Pensions or War Disablement Pensions in full.	110	96 87.27%	8 7.27%	6 5.45%
Introducing a minimum income level (Minimum Income Floor) for those applicants who are self-employed for at least one year.	109	65 59.63%	19 17.43%	25 22.94%

Reducing the capital limit to £6,000.	108	56 51.85%	35 32.41%	17 15.74%
Removing the Extended Payment Provision.	106	72 67.92%	15 14.15%	19 17.92%
Backdating any discount (up to a maximum of 12 months from the date of the claim) where circumstances show that the applicant would have been continuously eligible for the period in question had they applied at that time.	105	86 81.90%	11 10.78%	8 7.62%

6.4 There were 3 questions where the favourable response rate fell below 60%:

**Reducing the capital limit to £6,000 (51.85%)**

Accompanying responses to open questions suggested that a number of respondents thought this was too low and discouraged saving, albeit it appeared that some thought this applied to pensioners, which is not the case. Members will recognise that for those whose income sits above LCTS thresholds, they have no such protection regarding use of savings. However, it is recommended that members revise this threshold from £6,000 to £10,000.

**Removal of Non-Dependents Income (55.20%)**

Members may recall this was an option put forward at September Finance and Policy meeting. A number of responses considered that non-dependents should contribute to household expenses and as such their income be taken into account, which is currently the case, the minimum value being £4.60 per week. On the back of the consultation it is recommended that we retain a non-dependent deduction and set this at £5 per week.

**Introducing a minimum income level (Minimum Income Floor) for those applicants who are self-employed for at least one year (59.63%)**

Generally the open comments were more in favour of this approach or reducing the grace period. The negative responses reflected the seasonal nature of self-employment as well as erratic peaks and troughs. This is still considered by officers to be a fair and reasonable approach to allow a start-up period, whilst providing a floor to prevent under declaration of income.

6.5 In addition to the public consultation, major preceptors were contacted. As at the time of writing no formal response has been received, although the Cleveland Fire Authority is considering at a meeting that will be held before Finance and Policy Committee. It is not expected that any negative responses will be received, however, members will be updated at committee should that be the case.

6.6 A response has also been received from the Royal British Legion and this is attached at **Appendix C**. Members will note that at 4.4 the Royal British Legion have expressed concern that the survey only refers to one form of military compensation. For clarity, this was written in the consultation as a general point and not to cover all specific types of military compensation. The council will continue to disregard all forms of military compensation in the new scheme.

## 7. FINANCIAL IMPLICATIONS

7.1 The current Council Tax Support scheme has a budgeted cost of £14.251m which is factored into the Base calculation each year. Costs are shared between the Council and the major precepting authorities in the following proportions for 2023/24:

- Hartlepool Borough Council (83.6%)
- Police and Crime Commissioner for Cleveland (12.6%)
- Cleveland Fire Brigade (3.8%)

7.2 Based on the proposals set out in Section 5 of the report, and using current caseload, the additional cost per option is as follows.

	<b>Claimants</b>
Increase in costs	£260,802
<b>Council Share</b>	<b>£218,030</b>

7.3 Should members choose to accept the above recommendations at 6.4, the cost to the council is neutral. The continuation of non-dependent deductions will reduce the level of increased support that a number of recipients will receive. However, the increase in savings limit will support a number of households and limit their potential reduction in support.

7.4 Whilst a new simplified scheme represents a cost to the council, the scheme will have financial benefits through;

- Sustaining current collection rates within the Collection fund;
- Avoidance of increased staffing and collection costs to manage the increasing complexity and volatility of the existing scheme given migration to Universal credit; and
- Printing and postage cost reduction that will be taking into account in the MTFS.

In addition, it is likely that costs of Council Tax Support overall will continue to reduce relative to budget as caseload, and specifically pensioner caseload, is on a general downward trend over a number of years.

7.5 The cost of the any revised scheme proposed has been factored into the Council Tax Base calculations.

## 8. OTHER CONSIDERATIONS/IMPLICATIONS

<b>RISK IMPLICATIONS</b>	No relevant issues.
<b>FINANCIAL CONSIDERATIONS</b>	The financial implications are fully set out in the main body of the report.

<b>LEGAL CONSIDERATIONS</b>	<p>Schedule 1A (3) of the Local Finance Act 1992, states that before making a scheme, the authority must:</p> <ul style="list-style-type: none"> <li>• consult any major precepting authority which has the power to issue a precept to it;</li> <li>• publish a draft scheme in such manner as it thinks fit; and</li> <li>• consult such other persons as it considers are likely to have an interest in the operation of the scheme.</li> </ul> <p>In addition to the statutory consultation, in order to set a new scheme, the Council is obliged to make resolution by 11<sup>th</sup> March of the year prior to the scheme coming into place.</p>
<b>CHILD AND FAMILY POVERTY</b>	An impact assessment is attached at <b>Appendix D</b>
<b>EQUALITY AND DIVERSITY CONSIDERATIONS</b>	An impact assessment is attached at <b>Appendix E</b>
<b>STAFF CONSIDERATIONS</b>	No relevant issues.
<b>ASSET MANAGEMENT CONSIDERATIONS</b>	No relevant issues.
<b>ENVIRONMENT, SUSTAINABILITY AND CLIMATE CHANGE CONSIDERATIONS</b>	No relevant issues.
<b>CONSULTATION</b>	Following an 8 week period of public consultation closed on the 10 <sup>th</sup> of November in addition to consulting with the two major precepting authorities.

## 9. RECOMMENDATIONS

### 9.1 It is recommended that Members:

- i) Agree the post consultation changes proposed to the LCTS scheme set out at paragraph 6.4; and
- ii) Agree the 2024/25 LCTS scheme as set out to be referred to full Council for approval.

**10. REASONS FOR RECOMMENDATIONS**

- 10.1 To amend the LCTS to a new income banded / grid scheme for working age applicants from 1<sup>st</sup> April 2024 to reduce the administrative burden placed on the Council by the introduction of Universal Credit, to increase the overall level of support for the lowest income families and to improve the level of Council Tax collection;

**10. BACKGROUND PAPERS**

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

Local Council Tax Support 2023/24 – Report to Finance and Policy Committee 26 September 2022.

**11. CONTACT OFFICERS**

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Sign Off:-

Managing Director	Date: 15 November 2023
Director of Finance, IT and Digital	Date: 15 November 2023
Director of Legal, Governance and HR	Date: 15 November 2023



# Hartlepool Borough Council - Council Tax Reduction Scheme 2024/25 Consultation

## 1. A new Council Tax Reduction Scheme for Hartlepool Borough Council

Each year Hartlepool Borough Council must decide whether to change the Council Tax Reduction scheme for **working age** applicants in its area. There are no changes for Pension Age applicants as they are part of the national scheme. This year the Council is deciding whether to significantly change the working age Council Tax Reduction Scheme.

We are legally required to consult on any proposed changes to the scheme and we're asking you to take part in this consultation to find out what you think about our proposed Council Tax Reduction Scheme, which would start from 1 April 2024. We want to:

make the scheme easier to understand and access;

provide up to 90% support for households on the lowest incomes;

make the scheme work better with the Universal Credit system;

support families and applicants who receive a disability benefit;

take away the need for constant changes in awards; and

make the scheme easier to manage.

**Thank you for taking the time to share your views. It should take around 10 minutes to fill in this consultation.**

## 2. Background to the Council Tax Reduction Scheme consultation

### What is Council Tax Reduction?

Council Tax Reduction is a discount that helps people on low incomes pay their Council Tax bill. The level of discount is based on the income of the household.

### Why are we making changes?

The current scheme has been in place since 2013 when Local Council Tax Reduction Schemes were first introduced. It is largely based on the previous Council Tax Benefit System that was delivered by the Government. There are a number of issues with the current scheme that need to be addressed to ensure it continues to provide effective support to low-income taxpayers and also to ensure that the Council is able to provide the service in an effective manner.

### What scheme is the Council proposing?

We are proposing an income banded scheme that is easier to understand and is more supportive for the people most in need.

### Who will this affect?

The changes to the Council Tax Reduction Scheme will affect **working age households** in the Hartlepool Borough Council area who will get Council Tax Reduction from 1 April 2024. Pension age households will not see any change as the scheme to support this group is set out by Central Government.

The areas we are consulting on are:

Introducing an income banded scheme for all working age applicants. This will provide up to 90% support for low income families **(Part 1)**;

Removing Non-Dependant charges. Non-dependants are other people living in an applicants household but are not dependant on them. **(Part 2)**;

Disregarding a number of elements of Universal Credit **(Part 3)**;

Replacing the current earnings disregards with a standard £25 per week disregard for any amount of earnings; **(Part 4)**;

Supporting families by continuing to disregard all Child Benefit and Child Maintenance **(Part 5)**;

Continuing to disregard disability benefits (Personal Independence Payments, Armed Forces Independence Payments, Disability Living Allowance) and providing an additional disregard of £40 per week where the applicant, partner or dependant is disabled **(Part 6)**;

Disregarding the support component of Employment and Support Allowance and Carer's Allowance **(Part 7)**;

Continuing to protect War Pensioners by disregarding War Pensions or War Disablement pensions in full **(Part 8)**;

Introducing a minimum income level (Minimum Income Floor) for those applicants who are self employed for at least one year **(Part 9)**;

Reducing the capital limit (maximum capital) to £6,000 **(Part 10)**; and

Removing the Extended Payment Provisions **(Part 11)**; and

To allow for the backdating of applications for a period of 12 months at the Council's discretion **(Part 12)**.

Across the Hartlepool Borough Council area, currently around 13,000 Council Tax payers receive Council Tax Reduction of which 8,500 are of working age. The gross cost of the scheme is spread across Hartlepool Borough Council (83.6%), the Police and Crime Commissioner for Cleveland (12.6%), and the Cleveland Fire Brigade (3.8%) in accordance with the proportion of Council Tax which each organisation levies (which is shown in brackets).

Currently, the total cost of the scheme is around £14.25m. The proposed scheme costs are estimated at £14.51m.

### **Are there any alternatives to changing the existing Council Tax Reduction Scheme?**

We have thought about other options but we do not think these are right for the reasons given below.

#### **Continuing with the current scheme**

The current scheme requires Council Tax Reduction to be recalculated multiple times throughout the year with every change in an applicant's income, often with little or no change to the level of support. This results in increased processing costs. The multiple changes in Universal Credit inevitably lead to multiple changes in Council Tax Reduction which also impact collection of the charge and uncertainty for those whose support is being recalculated.

#### **Support levels**

The Council is proposing a maximum of 90% support which is an increase in the maximum for most applicants under the current scheme (88%).

In addition, the proposed scheme will:

Provide additional assistance to disabled household, by providing additional income disregards;

Remove Non-Dependant Deductions; and

Limit reduction to those applicants with capital of no more than £6,000.

This significant package of changes will, the Council believes, provide more support overall and focus the most support to the most vulnerable households.

#### **Other income-banded scheme models**

The Council is of the opinion that the proposed income-banded scheme provides an easy to understand and simple to administer scheme.

**1. I have read the background information about the Council Tax Reduction Scheme:  
This question must be answered before you can continue. \***

☐ Yes

☐ No

## **Part 1 - Introducing an income banded scheme for all working age applicants which will provide up to 90% support.**

We are proposing a new Council Tax Reduction Scheme, which will be introduced from 1 April 2024 for all working age applicants. This is an income banded scheme based on household income. The proposed scheme will:

provide up to 90% support for **all** working age applicants on the lowest incomes;

be easy to understand;

make claiming easy; and

be simple to manage.

The scheme will work with the roll out of Universal Credit and will provide stability to Council Tax payers by making sure that minor changes in income won't affect entitlement.

We are proposing a simplified, income banded scheme. Table 1 shows the level of discount that will be available.

**Table 1**

Discount	Weekly Net Income (after disregards)					
	Single	Single with 1 dependant	Single with 2 dependants or more	Couples	Couple with 1 dependant	Couple with 2 dependants or more
<b>Band 1*</b> <b>90%</b>	£0 to £110.10	£0 to £176.16	£0 to £242.22	£0 to £154.14	£0 to £225.71	£0 to £286.26
<b>Band 2</b> <b>70%</b>	£110.11 to £198.18	£176.17 to £264.24	£242.23 to £324.80	£154.15 to £264.24	£225.72 to £309.38	£286.27 to £374.34
<b>Band 3</b> <b>40%</b>	£198.19 to £236.72	£264.25 to £280.76	£324.81 to £385.35	£264.25 to £319.29	£309.39 to £352.32	£374.35 to £440.40
<b>Band 4</b> <b>20%</b>	£236.73 to £280.76	£280.77 to £308.27	£385.36 to £495.44	£319.30 to £374.33	£352.33 to £407.36	£440.41 to £528.47
<b>Band 5</b> <b>0%</b>	£280.77+	£308.28+	£495.45+	£374.34+	£407.37+	£528.48+

### **Passported**

Where any applicant, or their partner are in receipt of Income Support, Job Seeker's Allowance (Income Based) or Employment and Support Allowance (Income Related), discount will be awarded as shown in Band 1.

Change can be unsettling, but most applicants will get the same support or will be better off. Where an applicant experiences exceptional hardship, they may be eligible for extra support through the Council's Exceptional Hardship Scheme should they apply.

### **The positives are:**

It provides up to 90% reduction to people on the lowest incomes;

It will protect the people who need support most;

It is simple and easy to understand;

It will save significant increases in administration costs due to the introduction of Universal Credit; and

It should provide greater stability to Council Tax Reduction recipients by reducing the number of Council Tax demands during the year, preventing multiple changes to monthly instalments.

**The negatives are:**

Some higher income households may receive less support, but they may be eligible for extra help through the Council's Exceptional Hardship Scheme should they apply.

**2. Do you agree with introducing an income-based banded discount scheme as shown above?**

- ☐ Yes
- ☐ No
- ☐ Don't Know

**3. If you disagree please explain why. You can also use this space to let us know if you have any alternative suggestions.**

## **Part 2 - Non Dependant Deductions will be removed**

Under the current Council Tax Reduction scheme, an applicant's entitlement to Council Tax Reduction can be reduced where other adults (non-dependants) live in the premises (other than the applicant or partner). The charges vary from £4.60 to £14.15 per week depending on the circumstances of the non-dependant.

The new scheme proposes to remove these deductions.

**The positives are:**

It will help households who have other adults living in the same premises; and

It will make the scheme easy to manage.

**The negatives are:**

Although the proposal could increase the cost of the scheme, there are no negatives for people who qualify for the Council Tax Reduction Scheme.

**4. Do you agree with this proposal?**

- ☐ Yes
- ☐ No
- ☐ Don't Know

**5. If you disagree please explain why. You can also use this space to let us know if you have any alternative suggestions.**

## **Part 3 - Disregarding certain elements of Universal Credit**

By moving to an income-banded scheme, it's important that certain benefits are disregarded from the calculation of income. To protect applicants who need support most we propose that any amount decided as being awarded for the following elements of Universal Credit is not counted when assessing a person's income:

Housing Element;

Disabled Child Element;

Carer's Element;

Limited Capability for Work and Limited Capability for Work & Work Related Activity Elements.

### **The positives are:**

It will help the people who need support most; and

The change is easy to put in place.

### **The negatives are:**

Although the proposal could increase the cost of the scheme, there are no negatives for the vast majority of people who qualify for the Council Tax Reduction Scheme and are in receipt of Universal Credit.

**6. Do you agree with this proposal?**

- ☐ Yes
- ☐ No
- ☐ Don't Know

**7. If you disagree please explain why. You can also use this space to let us know if you have any alternative suggestions.**

## **Part 4 - Replacing the current earnings disregards with a standard £25 per week disregard (irrespective of the number of hours worked)**

Currently the scheme provides for a variety of disregards from earnings. These range from £5 per week for a single person to £25 per week for a lone parent). The disregards apply when the applicant or partner engages in work of at least 16 hours per week.

The new scheme will provide a single standard disregard of up to £25 per week to any earnings of the applicant (or partner if they have one). The new scheme will not apply any other disregards to earnings (either additional earnings disregards or child care disregards). For those applicants who have dependants, the income levels allowed for in the scheme are higher to allow for any child care costs.

**The positives are:**

It will encourage work at any level or number of hours; and

It will make the scheme simple and easy to manage.

**The negatives are:**

The change may affect a limited number of applicants who have high child care costs.

**8. Do you agree with this proposal?**

- ☐ Yes
- ☐ No
- ☐ Don't Know

**9. If you disagree please explain why. You can also use this space to let us know if you have any alternative suggestions.**

## **Part 5 - Continuing to protect families by disregarding Child Benefit and Child Maintenance**

By moving to an income banded scheme, it's important that certain benefits and incomes are disregarded from the calculation of income. In order to protect families, we propose that Child Benefit and Child Maintenance are not counted when assessing a person's income.

**The positives are:**

It will continue to help and support families.

**The negatives are:**

Although the proposal could increase the cost of the scheme, there are no negatives for people who qualify for the Council Tax Reduction Scheme.

**10. Do you agree with this proposal?**

- ☐ Yes
- ☐ No
- ☐ Don't Know

**11. If you disagree please explain why. You can also use this space to let us know if you have any alternative suggestions.**

## **Part 6 - Continuing to disregard disability benefits (Personal Independence Payments, Armed Forces Independence Payments, Disability Living Allowance) and providing additional disregards of £40 where the applicant, partner or dependant is disabled**

In order to continue to protect the most vulnerable, the proposed Council Tax Reduction scheme will disregard the following disability benefits:

Personal Independence Payments;

Armed Forces Independence Payments; and

Disability Living Allowance.

In addition to disregarding disability benefits, the proposed scheme will provide a further £40 per week disregard where the applicant or partner is disabled. This disregard will also apply should any dependant be disabled.

### **The positives are:**

It will help and support the disabled.

### **The negatives are:**

Although the proposal could increase the cost of the scheme, there are no negatives for people who qualify for the Council Tax Reduction Scheme.

## **12. Do you agree with this proposal?**

☐ Yes

☐ No

☐ Don't know

**13. If you disagree please explain why. You can also use this space to let us know if you have any alternative suggestions.**

## **Part 7 - Introducing a new disregard for the support component of Employment and Support Allowance and Carer's Allowance**

In order to provide additional support for applicants (or their partner if they have one) who are unable to work and for those who provide care, the new scheme will fully disregard the following:

the support component of the Employment and Support Allowance; and

Carer's Allowance

This is an enhancement to the current scheme which treats both payments as income.

### **The positives are:**

It supports those applicants who are most vulnerable or are helping the most vulnerable; and

The change is easy to put in place.

### **The negatives are:**

Although the proposal could increase the cost of the scheme, there are no negatives for people who qualify for the Council Tax Reduction Scheme.

**14. Do you agree with this proposal?**

☐ Yes

☐ No

☐ Don't know

**15. If you disagree please explain why. You can also use this space to let us know if you have any alternative suggestions.**

## **Part 8 - Protecting War Pensioners by continuing to disregard War Pensions or War Disablement pensions in full**

The proposed scheme protects certain war pensioners by continuing to disregard the war pension or war disablement pension in full. This is a continuation of the existing provisions.

### **The positives are:**

It maintains the Council's commitment to the Armed Forces Covenant; and

The change is easy to put in place.

### **The negatives are:**

Although the proposal could increase the cost of the scheme, there are no negatives for people who qualify for the Council Tax Reduction Scheme.

### **16. Do you agree with this proposal?**

- ☐ Yes
- ☐ No
- ☐ Don't know

**17. If you disagree please explain why. You can also use this space to let us know if you have any alternative suggestions.**

## **Part 9 - Introducing a minimum income level (Minimum Income Floor) for those applicants who are self-employed for at least one year**

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

### **The positives of doing this are:**

The change is simple and administratively easy to incorporate within the scheme; and

The treatment of income for self-employed claimants for Council Tax Reduction will be brought broadly into line with those applicants who are self-employed and who are in receipt of Universal Credit.

### **The negatives of doing this are:**

Where a working age applicant is self-employed and continues to run a business where their income is below the national living wage level, the Council will assume they earn at least the minimum level (based on a 35-hour week, regardless of the hours they work).

### **18. Do you agree with this proposal?**

- ☐ Yes
- ☐ No
- ☐ Don't know

### **19. If you disagree please explain why. You can also use this space to let us know if you have any alternative suggestions.**

## Part 10 - Reducing the capital limit to £6,000

Currently, the capital limit is £16,000. Any capital held which is less than £6,000 is ignored. Where capital is held over £6,000, the Council currently calculates an assumed tariff income of £1 per week for every £250 or part thereof held

The Council is proposing to reduce the capital limit at £6,000. Where an applicant has less than £6,000 in capital, any amount held will be ignored. Where an applicant has capital above that limit, they will not be entitled to a reduction.

### The positives are:

The £6,000 limit still protects applicants with savings;

Any savings generated by this change will be used to protect those with the lowest resources.

### The negatives are:

Where applicants have more than £6,000 in capital, for example savings, no reduction in Council Tax will be given.

### 20. Do you agree with this proposal?

- ☐ Yes
- ☐ No
- ☐ Don't know

21. If you disagree please explain why. You can also use this space to let us know if you have any alternative suggestions.

## Part 11 - Removing the Extended Payment provision.

In certain cases, where applicants have been in receipt of prescribed benefits (such as Income Support, Jobseekers Allowance or Employment and Support Allowance) and move into work which ends their entitlement, Council Tax Reduction can be paid for an additional 4 weeks after commencing work or increasing their hours. Similar provisions do not exist for Universal Credit claimants. As Universal Credit is to replace those existing (legacy) benefits, the Council feels that these provisions are no longer appropriate.

**The positives of doing this are:**

It will treat all applicants in receipt of DWP benefits equally; and

The change is simple and administratively easy to incorporate within the scheme.

**The negatives of doing this are:**

Applicants who are still in receipt of legacy benefits and who move into work before being transferred to Universal Credit may lose any potential extended payment.

**22. Do you agree with this proposal?**

- ☐ Yes
- ☐ No
- ☐ Don't know

**23. If you disagree please explain why. You can also use this space to let us know if you have any alternative suggestions.**

**Part 12 - Backdating any discount (up to a maximum of 12 months from the date of claim) where circumstances show that the applicant would have been continuously eligible for the period in question had they applied at that time**

Some applicants do not make a claim for Council Tax Reduction at the appropriate time due to circumstances beyond their control. To protect those households, we propose that the scheme will allow for the backdating of support up to a maximum of 12 months from the date of claim.

**The positives are:**

It will protect low income households who can't make a claim for Council Tax Reduction at the appropriate time; and

It will make the scheme simple and easy to manage.

**The negatives are:**

There are no negatives to this option

**24. Do you agree with this proposal?**

- ☐ Yes
- ☐ No
- ☐ Don't know

**25. If you disagree please explain why. You can also use this space to let us know if you have any alternative suggestions.**

## **Your comments and suggestions on the proposed Council Tax Reduction Scheme**

The proposed scheme supports working age households by allowing awards up to 90%, encourages work and protects the people who need support most. The scheme is easier for people to understand and less complicated to manage.

**26. Please use this space to make any other comments on the proposed scheme or any alternative suggestions you have.**

## **About you**

We collect this information to help us understand the communities that we serve so that services and policies can be delivered to meet the needs of everybody. Please feel free to leave questions that you do not wish to answer. All of the information gathered in this questionnaire is confidential and anonymous.

**27. Are you completing this form on behalf of an organisation or group?**

☐ Yes

☐ No

**If yes, please tell us the name of the organisation/group and add any other comments you wish to make.**

## Questions for Individuals

Please answer the following questions.

**28. Do you live in the Hartlepool Borough Council area?**

☐ Yes

☐ No

**29. Do you pay Council Tax in Hartlepool?**

☐ Yes

☐ No

**30. Are you currently receiving Council Tax Reduction in Hartlepool?**

☐ Yes

☐ No

**31. How would you describe your gender?**

- ☐ Female
- ☐ Male
- ☐ I describe myself in another way
- ☐ I prefer not to say

**32. Which of the following age ranges do you fall into?**

- ☐ 16-24
- ☐ 25-34
- ☐ 35-44
- ☐ 45-59
- ☐ 60-74
- ☐ 75 or over
- ☐ Prefer not to say

**33. Which of the following best describes your ethnic group?**

- ☐ White
- ☐ Mixed / Multi ethnic groups
- ☐ Asian or Asian British
- ☐ Black African, Caribbean or Black British
- ☐ Other Ethnic group
- ☐ Prefer not to say

**34. Do you have any physical or mental conditions or illnesses lasting or expected to last 12 months or more?**

- ☐ Yes
- ☐ No
- ☐ Prefer not to say

**35. Do any of your conditions or illnesses reduce your ability to carry out day-to-day activities?**

- ☐ Yes a little
- ☐ Yes a lot
- ☐ No
- ☐ Prefer not to say

**36. What is your religion/belief?**

- ☐ Buddhist
- ☐ Christian (includes Church of England, Catholic, Protestant and all other Christian Denominations)
- ☐ Sikh
- ☐ Jewish
- ☐ Muslim
- ☐ Hindu
- ☐ Other
- ☐ No religion
- ☐ Prefer not to say

**37. Which of the following best describes your sexual orientation?**

- ☐ Bisexual
- ☐ Gay or lesbian
- ☐ Straight/Heterosexual
- ☐ I describe myself another way
- ☐ Prefer not to say

## **Next steps....**

Thank you for completing the questionnaire.

The consultation closes at midnight 14th November 2023.



We will listen carefully to what you tell us and take the responses into consideration when making a final decision on the 2024/25 scheme.

Following the decision, the full results from the consultation will be available on the Council's website.




Any new scheme will start on 1 April 2024. The Council will consider the impact of the scheme annually and consult again if it thinks further changes need to be made.

## Consultation Responses




### 2. Background to the Council Tax Reduction Scheme consultation

1. I have read the background information about the Council Tax Reduction Scheme: This question must be answered before you can continue.				
Answer Choices			Response Percent	Response Total
1	Yes		99.44%	176
2	No		0.56%	1
			answered	177
			skipped	58




### 3. Part 1 - Introducing an income banded scheme for all working age applicants which will provide up to 90% support

2. Do you agree with introducing an income-based banded discount scheme as shown above?				
Answer Choices			Response Percent	Response Total
1	Yes		61.94%	83
2	No		20.15%	27
3	Don't Know		17.91%	24
			answered	134
			skipped	101




### 4. Part 2 - Non Dependant Deductions will be removed

4. Do you agree with this proposal?				
Answer Choices			Response Percent	Response Total
1	Yes		55.20%	69
2	No		25.60%	32
3	Don't Know		19.20%	24
			answered	125
			skipped	110




## 5. Part 3 - Disregarding certain elements of Universal Credit

6. Do you agree with this proposal?				
Answer Choices			Response Percent	Response Total
1	Yes		70.00%	84
2	No		20.83%	25
3	Don't Know		9.17%	11
			answered	120
			skipped	115




## 6. Part 4 - Replacing the current earnings disregards with a standard £25 per week disregard (irrespective of the number of hours worked)

8. Do you agree with this proposal?				
Answer Choices			Response Percent	Response Total
1	Yes		67.80%	80
2	No		16.10%	19
3	Don't Know		16.10%	19
			answered	118
			skipped	117




## 7. Part 5 - Continuing to protect families by disregarding Child Benefit and Child Maintenance

10. Do you agree with this proposal?				
Answer Choices			Response Percent	Response Total
1	Yes		68.70%	79
2	No		20.87%	24
3	Don't Know		10.43%	12
			answered	115
			skipped	120




8. Part 6 - Continuing to disregard disability benefits (Personal Independence Payments, Armed Forces Independence Payments, Disability Living Allowance) and providing additional disregards of £40 where the applicant, partner or dependant is disabled

12. Do you agree with this proposal?				
Answer Choices			Response Percent	Response Total
1	Yes		81.74%	94
2	No		14.78%	17
3	Don't know		3.48%	4
			answered	115
			skipped	120




9. Part 7 - Introducing a new disregard for the support component of Employment and Support Allowance and Carer's Allowance

14. Do you agree with this proposal?				
Answer Choices			Response Percent	Response Total
1	Yes		69.37%	77
2	No		18.92%	21
3	Don't know		11.71%	13
			answered	111
			skipped	124




10. Part 8 - Protecting War Pensioners by continuing to disregard War Pensions or War Disablement pensions in full

16. Do you agree with this proposal?				
Answer Choices			Response Percent	Response Total
1	Yes		87.27%	96
2	No		7.27%	8
3	Don't know		5.45%	6
			answered	110
			skipped	125




## 11. Part 9 - Introducing a minimum income level (Minimum Income Floor) for those applicants who are self employed for at least one year

18. Do you agree with this proposal?				
Answer Choices			Response Percent	Response Total
1	Yes		59.63%	65
2	No		17.43%	19
3	Don't know		22.94%	25
			answered	109
			skipped	126




## 12. Part 10 - Reducing the capital limit to £6,000

20. Do you agree with this proposal?				
Answer Choices			Response Percent	Response Total
1	Yes		51.85%	56
2	No		32.41%	35
3	Don't know		15.74%	17
			answered	108
			skipped	127

## 13. Part 11 - Removing the Extended Payment provision.

22. Do you agree with this proposal?				
Answer Choices			Response Percent	Response Total
1	Yes		67.92%	72
2	No		14.15%	15
3	Don't know		17.92%	19
			answered	106
			skipped	129



14. Part 12 - Backdating any discount (up to a maximum of 12 months from the date of claim) where circumstances show that the applicant would have been continuously eligible for the period in question had they applied at that time

24. Do you agree with this proposal?				
Answer Choices			Response Percent	Response Total
1	Yes		81.90%	86
2	No		10.48%	11
3	Don't know		7.62%	8
			answered	105
			skipped	130



15. Your comments and suggestions on the proposed Council Tax Reduction Scheme



26. Please use this space to make any other comments on the proposed scheme or any alternative suggestions you have.				
Answer Choices			Response Percent	Response Total
1	Open-Ended Question		100.00%	36
			answered	36
			skipped	199



16. About you




27. Are you completing this form on behalf of an organisation or group?				
Answer Choices			Response Percent	Response Total
1	Yes		2.91%	3
2	No		97.09%	100
			answered	103
			skipped	132

## 17. Questions for Individuals







28. Do you live in the Hartlepool Borough Council area?				
Answer Choices			Response Percent	Response Total
1	Yes		94.00%	94
2	No		6.00%	6
			answered	100
			skipped	135

29. Do you pay Council Tax in Hartlepool?				
Answer Choices			Response Percent	Response Total
1	Yes		92.93%	92
2	No		7.07%	7
			answered	99
			skipped	136




30. Are you currently receiving Council Tax Reduction in Hartlepool?				
Answer Choices			Response Percent	Response Total
1	Yes		30.30%	30
2	No		69.70%	69
			answered	99
			skipped	136

31. How would you describe your gender?				
Answer Choices			Response Percent	Response Total
1	Female		55.00%	55
2	Male		37.00%	37
3	I describe myself in another way		0.00%	0
4	I prefer not to say		8.00%	8
			answered	100
			skipped	135




**32. Which of the following age ranges do you fall into?**

Answer Choices			Response Percent	Response Total
1	16-24		0.00%	0
2	25-34		12.00%	12
3	35-44		20.00%	20
4	45-59		33.00%	33
5	60-74		25.00%	25
6	75 or over		4.00%	4
7	Prefer not to say		6.00%	6
			answered	100
			skipped	135





**33. Which of the following best describes your ethnic group?**

Answer Choices			Response Percent	Response Total
1	White		94.00%	94
2	Mixed / Multi ethnic groups		2.00%	2
3	Asian or Asian British		0.00%	0
4	Black African, Caribbean or Black British		0.00%	0
5	Other Ethnic group		0.00%	0
6	Prefer not to say		4.00%	4
			answered	100
			skipped	135





**34. Do you have any physical or mental conditions or illnesses lasting or expected to last 12 months or more?**






Answer Choices			Response Percent	Response Total
1	Yes		34.00%	34
2	No		59.00%	59
3	Prefer not to say		7.00%	7
			answered	100
			skipped	135

## 18. Disability

35. Do any of your conditions or illnesses reduce your ability to carry out day-to-day activities?				
Answer Choices			Response Percent	Response Total
1	Yes a little		41.18%	14
2	Yes a lot		47.06%	16
3	No		8.82%	3
4	Prefer not to say		2.94%	1
			answered	34
			skipped	201

## 19. Questions for individuals

36. What is your religion/belief?				
Answer Choices			Response Percent	Response Total
1	Buddhist		0.00%	0
2	Christian (includes Church of England, Catholic, Protestant and all other Christian Denominations)		53.54%	53
3	Sikh		0.00%	0
4	Jewish		0.00%	0
5	Muslim		0.00%	0
6	Hindu		0.00%	0
7	Other		2.02%	2
8	No religion		31.31%	31
9	Prefer not to say		13.13%	13
			answered	99
			skipped	136

37. Which of the following best describes your sexual orientation?				
Answer Choices			Response Percent	Response Total
1	Bisexual		2.02%	2
2	Gay or lesbian		4.04%	4
3	Straight/Heterosexual		79.80%	79
4	I describe myself another way		2.02%	2
5	Prefer not to say		12.12%	12
			answered	99
			skipped	136



## Hartlepool Council Tax Reduction Scheme consultation

### The Royal British Legion response, November 2023

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#### 1. About Us

- 1.1. The Royal British Legion (RBL) is at the heart of a national network that supports our Armed Forces community through thick and thin – ensuring that their unique contribution is never forgotten. We were created as a unifying force for the military charity sector at the end of the First World War, and remain one of the UK's largest membership organisations. The RBL is the largest welfare provider in the Armed Forces charity sector, helping veterans young and old transition into civilian life. We help with employment, financial issues, respite, and recovery, through to lifelong care and independent living. For further information, please visit [www.britishlegion.org.uk](http://www.britishlegion.org.uk)
- 1.2. The RBL Benefits Debt and Money Advice (BDMA) Service provides free debt and money advice including advice on bankruptcy and debt relief, benefit checks and income maximisation, as well as benefit claims and challenging decisions up to and including the upper tribunal. The service works through England, Wales and Northern Ireland and has 33 advisers across the UK, 13 of which are based in our Contact Centre in Wales.

#### 2. General Comments

- 2.1. The RBL is pleased to have the opportunity to respond to Hartlepool Borough Council's call for comments and feedback on its new Council Tax Reduction Scheme for 2024/25.
- 2.2. We note the principles of the Armed Forces Covenant, to which Hartlepool Council is a signatory<sup>1</sup> that:

*Those who serve in the Armed Forces, whether Regular or Reserve, those who have served in the past, and their families, should face no disadvantage compared to other citizens in the provision of public and commercial services. Special consideration is appropriate in some cases, especially for those who have given most such as the injured and the bereaved.<sup>2</sup>*

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<sup>1</sup> Hartlepool Borough Council, [Armed Forces Support](#)

<sup>2</sup> Ministry of Defence, [Armed Forces Covenant](#), (2011)

2.3. As a charity providing welfare and support to the Armed Forces community in the UK, we have restricted our answers to the questions and themes where we can provide expertise and insight.

2.4. Hartlepool is home to 681 recipients of Armed Forces pensions or compensation.<sup>3</sup>

2.5. Serving Armed Forces personnel, ex-serving personnel and their families are also resident in Hartlepool. The 2021 census records 3844 individuals residing in Hartlepool as having previously served in any UK Armed Forces. This is made up of 3031 individuals who have previously served in the UK regular Armed Forces, 654 who previously served in the reserve Armed Forces, and 159 who previously served in both the regular and reserve Armed Forces.<sup>4</sup>

### 3. Identifying the Armed Forces community

3.1. The effective provision of appropriate, specialised advice and support to members of the Armed Forces community is reliant on early identification of ex-Service personnel and their families.

3.2. The RBL has long called on all public bodies to ‘ask the question’ at the first point of contact with members of the public. ‘Asking the question’ allows identified veterans and family members to be pointed to specialised routes of support and ensures they are given the most appropriate help in a timely manner. **Hartlepool Council should ensure that all residents approaching the Council Tax Reduction Scheme and other benefit services are asked a question that will identify:**

- **Former members of HM Armed Forces, Regular and Reserve**
- **Spouse or Partner of serving or former members of HM Armed Forces**
- **Widow(er)s of serving or former members of HM Armed Forces**
- **Dependent children of serving or former members of HM Armed Forces**
- **Recently divorced or separated spouses or partners of serving or former members of HM Armed Forces**

3.3. In 2017, research highlighted that more needs to be done to upskill frontline welfare staff in local authorities with regards to the Armed Forces Covenant. Over a third of all councils in England, Wales and Scotland have no mechanism in place for briefing staff on the Armed Forces Covenant (39%). Within the Armed Forces community only 4.5% felt that all councils had a good understanding of their needs.<sup>5</sup> **We recommend that Hartlepool Council assesses all intended staff training processes to ensure that all relevant staff are aware of the policies specific to the Armed Forces community and the Council’s commitment to the Armed Forces Covenant.**

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<sup>3</sup> Ministry of Defence (2023), *Supplementary tables: location of armed forces pension and compensation recipients as at 31 March 2023*, Table 3, available at [Location of armed forces pension and compensation recipients: 2023 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/location-of-armed-forces-pension-and-compensation-recipients-2023)

<sup>4</sup> Office for National Statistics, [UK armed forces veteran data, England and Wales: Census 2021](https://www.ons.gov.uk/peoplepopulationandcommunity/armedforces/veteransandexservicemenandwomen)

<sup>5</sup> Shared Intelligence et al, [Our Community - Our Covenant 2nd Edition](https://www.sharedintelligence.co.uk/our-community-our-covenant-2nd-edition/) (2017)

#### 4. Credit their Service Campaign

- 4.1. In July 2023, RBL launched a new campaign called [Credit their Service](#)<sup>6</sup>, which calls on the Government to end the unfair treatment of military compensation as income in means tests for welfare benefit, which results in veterans and their families missing out on thousands of pounds each year.
- 4.2. In the summer of 2022, RBL undertook an extensive Freedom of Information (FoI) request exercise of all local authorities in Great Britain to understand how each local authority treated military compensation in their means tested benefits, including Council Tax Reduction, Housing Benefit, Discretionary Housing Payments and Disabled Facilities Grants. Hartlepool responded to RBL's FoI request with the following information:

*\*Answers provided are displayed within the square brackets, i.e., [ ]*

*1. Does the Local Authority disregard all payments made under the Armed Forces Compensation Scheme (2005) as income, when assessing eligibility for:*

- a. Housing Benefit [Yes]*
- b. Council Tax Support/ Council Tax Reduction [Yes]*
- c. Discretionary Housing Payments [No]*
- d. Disabled Facilities Grants (England and Wales only) [Yes]*

*(Please answer YES/NO)*

*2. Does the Local Authority disregard all payments made under the War Pension scheme, as income, when assessing eligibility for:*

- a. Housing Benefit [Yes]*
- b. Council Tax Support/ Council Tax Reduction [Yes]*
- c. Discretionary Housing Payments [No]*
- d. Disabled Facilities Grants (England and Wales only) [Yes]*

*(Please answer YES/NO)*

*3. Does the Local Authority disregard a Service Invaliding Pension or Service Attributable Pension, paid under the Armed Forces Pension Scheme, as income, when assessing eligibility for:*

- a. Housing Benefit [Yes]*
- b. Council Tax Support/ Council Tax Reduction [Yes]*
- c. Discretionary Housing Payments [No]*
- d. Disabled Facilities Grants (England and Wales only) [No]*

*(Please answer YES/NO)*

- 4.3. We welcome that Hartlepool Council is already disregarding as income all payments made under the Armed Forces Compensation Scheme (2005), the War Pension Scheme, and

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<sup>6</sup> Royal British Legion, [Credit their Service Campaign](#)

Service Invaliding (SIP) and Service Attributable Pensions when assessing eligibility for Council Tax Reduction.

4.4. However, we note with concern that Part 8 of the consultation survey only refers to one form of military compensation, War Pensions. It is essential that all forms of military compensation, including War Pensions, Armed Forces Compensation Scheme, SIPs and SAPs are disregarded in full, and this is highlighted in relevant policy.

4.5. **RBL recommends that Hartlepool Council continues to fully disregard all forms of military compensation as income in assessments for Council Tax Reduction, and ensure that this is reflected within policy. RBL also recommends that the Council seeks to introduce these same disregards in relation to all other locally administered benefits.**

## 5. Survey Questions

5.1. RBL has no comment to make, either in support or objection, to other proposed aspects of the new Council Tax Reduction Scheme. We do not consider it will impact our beneficiary group in the Armed Forces community disproportionately to the general population.

## 6. Summary of Recommendations

6.1. Hartlepool Council should ensure that all residents approaching the Council Tax Reduction Scheme and other benefit services are asked a question that will identify:

- Former members of HM Armed Forces, Regular and Reserve
- Spouse or Partner of serving or former members of HM Armed Forces
- Widow(er)s of serving or former members of HM Armed Forces
- Dependent children of serving or former members of HM Armed Forces
- Recently divorced or separated spouses or partners of serving or former members of HM Armed Forces

6.2. We recommend that Hartlepool Council assesses all intended staff training processes to ensure that all relevant staff are aware of the policies specific to the Armed Forces community and the Council's commitment to the Armed Forces Covenant.

6.3. RBL recommends that Hartlepool Council continues to fully disregard all forms of military compensation as income in assessments for Council Tax Reduction, and ensure that this is reflected within policy. RBL also recommends that the Council seeks to introduce these same disregards in relation to all other locally administered benefits.

**For further information or to discuss, please contact Luke Lancaster, Public Affairs and Campaigns Officer (North) - [llancaster@britishlegion.org.uk](mailto:llancaster@britishlegion.org.uk)**

**November 2023**

## Poverty Impact Assessment Form

## Appendix D

<b>1. Is this decision a Budget &amp; Policy Framework or Key Decision? Yes</b> If YES please answer question 2 below				
<b>2. Will there be an impact of the decision requested in respect of Child and Family Poverty? YES</b> If YES please complete the matrix below				
GROUP	POSITIVE IMPACT	NEGATIVE IMPACT	NO IMPACT	REASON & EVIDENCE
Young working people aged 18 - 21	✓	✓	✓	The operation of a Local Council Tax Support Scheme means that those meeting the eligibility criteria will receive a reduction to Council Tax payable. The proposed changes will impact dependent on individual circumstances. The scheme may result in some significant changes for those at the margin of support bands if their income increases, however, it will be more transparent and understandable, and the Council has a hardship scheme in operation should individuals qualify for support.
Those who are disabled or suffer from illness / mental illness	✓	✓	✓	The operation of a Local Council Tax Support Scheme means that those meeting the eligibility criteria will receive a reduction to Council Tax payable. The proposed changes will impact dependent on individual circumstances. The scheme may result in some significant changes for those at the margin of support bands if their income increases, however, it will be more transparent and understandable, and the Council has a hardship scheme in operation should individuals qualify for support.
Those with low educational attainment	✓	✓	✓	The operation of a Local Council Tax Support Scheme means that those meeting the eligibility criteria will receive a reduction to Council Tax payable. The proposed changes will impact dependent on individual circumstances. The scheme may result in some significant changes for those at the margin of support bands if their income increases, however, it will be more transparent and understandable, and the Council has a hardship scheme in operation should individuals qualify for support.

<b>Those who are unemployed</b>	✓	✓	✓	The operation of a Local Council Tax Support Scheme means that those meeting the eligibility criteria will receive a reduction to Council Tax payable. The proposed changes will impact dependent on individual circumstances. The scheme may result in some significant changes for those at the margin of support bands if their income increases, however, it will be more transparent and understandable, and the Council has a hardship scheme in operation should individuals qualify for support.
<b>Those who are underemployed</b>	✓	✓	✓	The operation of a Local Council Tax Support Scheme means that those meeting the eligibility criteria will receive a reduction to Council Tax payable. The proposed changes will impact dependent on individual circumstances. The scheme may result in some significant changes for those at the margin of support bands if their income increases, however, it will be more transparent and understandable, and the Council has a hardship scheme in operation should individuals qualify for support.
<b>Children born into families in poverty</b>	✓	✓	✓	The operation of a Local Council Tax Support Scheme means that those meeting the eligibility criteria will receive a reduction to Council Tax payable. The proposed changes will impact dependent on individual circumstances. The scheme may result in some significant changes for those at the margin of support bands if their income increases, however, it will be more transparent and understandable, and the Council has a hardship scheme in operation should individuals qualify for support.
<b>Those who find difficulty in managing their finances</b>	✓	✓	✓	The operation of a Local Council Tax Support Scheme means that those meeting the eligibility criteria will receive a reduction to Council Tax payable. The proposed changes will impact dependent on individual circumstances. The scheme may result in some significant changes for those at the margin of support bands if their income increases, however, it will be more transparent and understandable, and the Council has a hardship scheme in operation should individuals qualify for support.

<b>Lone parents</b>	✓	✓	✓	The operation of a Local Council Tax Support Scheme means that those meeting the eligibility criteria will receive a reduction to Council Tax payable. The proposed changes will impact dependent on individual circumstances. The scheme may result in some significant changes for those at the margin of support bands if their income increases, however, it will be more transparent and understandable, and the Council has a hardship scheme in operation should individuals qualify for support.
<b>Those from minority ethnic backgrounds</b>	✓	✓	✓	The operation of a Local Council Tax Support Scheme means that those meeting the eligibility criteria will receive a reduction to Council Tax payable. The proposed changes will impact dependent on individual circumstances. The scheme may result in some significant changes for those at the margin of support bands if their income increases, however, it will be more transparent and understandable, and the Council has a hardship scheme in operation should individuals qualify for support.

Poverty is measured in different ways. Will the policy / decision have an impact on child and family poverty and in what way?				
Poverty Measure (examples of poverty measures appended overleaf)	POSITIVE IMPACT	NEGATIVE IMPACT	NO IMPACT	REASON & EVIDENCE
Low Income Individuals, Families and Households	Yes	Yes	Yes	<p>The operation of a Local Council Tax Support Scheme means that those meeting the eligibility criteria will receive a reduction to Council Tax payable. The proposed changes will impact dependent on individual circumstances. The scheme may result in some significant changes for those at the margin of support bands if their income increases, however, it will be more transparent and understandable, and the Council has a hardship scheme in operation should individuals qualify for support.</p> <p>Under the proposed changes, couples and lone parents with 2 or more children are combined into the same income level. This means that the income band is the same regardless of whether a claimant has 2 children or more. This will negatively impact on some claims, depending on their circumstances. However, this aligns the approach to other means tested Government benefits.</p> <p>This impact is a result of having a simplified scheme and the need to ensure costs are kept affordable.</p> <p>The Council has an exceptional hardship fund (Section 13a payments) for any claimant who experiences exceptional hardship and claims will be considered accordingly.</p>

Overall impact of Policy / Decision			
POSITIVE IMPACT	Yes	ADJUST / CHANGE POLICY / SERVICE	N/A
NO IMPACT / NO CHANGE	N/A	STOP / REMOVE POLICY / SERVICE	N/A
ADVERSE IMPACT BUT CONTINUE	N/A		
Examples of Indicators that impact of Child and Family Poverty.			
<b>Economic</b>			
Children in Low Income Families (%)			
Children in Working Households (%)			
Overall employment rate (%)			
Proportion of young people who are NEET			
Adults with Learning difficulties in employment			
<b>Education</b>			
Free School meals attainment gap (key stage 2 and key stage 4)			
Gap in progression to higher education FSM / Non FSM			
Achievement gap between disadvantaged pupils and all pupils (key stage 2 and key stage 4)			
<b>Housing</b>			
Average time taken to process Housing Benefit / Council tax benefit claims			
Number of affordable homes built			
<b>Health</b>			
Prevalence of underweight children in reception year			
Prevalence of obese children in reception year			
Prevalence of underweight children in year 6			
Prevalence of obese children in reception year 6			
Life expectancy			

## Equality Impact Assessment Form

## Appendix E

Department	Division	Section	Owner/Officer
Finance, IT and Digital	Customer Services and IT	Benefits	James Magog
Service, policy, practice being reviewed/changed or planned	Local Council Tax Support Scheme 2024/25		
Why are you making the change?	Subject to consultation: to reduce the administrative burden placed on the Council by the introduction of Universal Credit, to increase the overall level of support for the lowest income families and to improve the level of Council Tax collection		
How might this impact (positively/negatively) on people who share protected characteristics?			
		<i>Please tick</i>	
		<b>POSITIVELY</b>	<b>NEGATIVELY</b>
<b>Age</b>			
The Government considered the position of low income pensioners associated with the abolition of Council Tax Benefit and the introduction of LCTS. The Government determined that unlike most other groups, pensioners cannot reasonably be expected to seek paid employment to increase their income. Therefore the Government determined that as a specific vulnerable group, low income pensioners should be protected from any reduction in support as a result of this reform. The Government has not changed its position on this core principle for 2024/25. A <b>neutral</b> relative impact is therefore envisaged.			
<b>Disability</b>			
The proposed scheme continues with the core principle that every working age household should pay something towards Council Tax. The scheme does not provide protection of detriment to any specific working age group. A <b>neutral</b> relative impact is therefore envisaged.			
<b>Gender Re-assignment</b>			
The proposed scheme continues with the core principle that every working age household should pay something towards Council Tax. The scheme does not provide protection of detriment to any specific working age group. A <b>neutral</b> relative impact is therefore envisaged.			
<b>Race</b>			
The proposed scheme continues with the core principle that every working age household should pay something towards Council Tax. The scheme does not provide protection of detriment to any specific working age group. A <b>neutral</b> relative impact is therefore envisaged.			
<b>Religion</b>			
The proposed scheme continues with the core principle that every working age household should pay something towards Council Tax. The scheme does not provide protection of detriment to any specific working age group. A <b>neutral</b> relative impact is therefore envisaged.			
<b>Gender</b>			
The proposed scheme continues with the core principle that every working age household should pay something towards Council Tax. The scheme does not provide protection of detriment to any specific working age group. A <b>neutral</b> relative impact is therefore envisaged.			

<b>Sexual Orientation</b>			
The proposed scheme continues with the core principle that every working age household should pay something towards Council Tax. The scheme does not provide protection of detriment to any specific working age group. A <b>neutral</b> relative impact is therefore envisaged.			
<b>Marriage &amp; Civil Partnership</b>			
The proposed scheme continues with the core principle that every working age household should pay something towards Council Tax. The scheme does not provide protection of detriment to any specific working age group. A <b>neutral</b> relative impact is therefore envisaged.			
<b>Pregnancy &amp; Maternity</b>			
The proposed scheme continues with the core principle that every working age household should pay something towards Council Tax. The scheme does not provide protection of detriment to any specific working age group. A <b>neutral</b> relative impact is therefore envisaged.			
Has there been consultation /is consultation planned with people who will be affected by this policy? How has this affected your decision making?		The proposed scheme will be consulted upon prior to any implementation.	
As a result of your decision how can you mitigate negative/maximise positive outcomes and foster good relationships?		By applying the scheme fairly and consistently across all households within Hartlepool.	
Describe how you will address and monitor the impact		<b>1. No Impact - No Major Change</b>	
		No new specific impact expected.	
		<b>2. Adjust/Change Policy</b>	
		N/A	
		<b>3. Adverse Impact but Continue as is</b>	
		N/A	
		<b>4. Stop/Remove Policy/Proposal</b>	
		N/A	
Initial Assessment	04/09/23	Reviewed	
Completed	14/11/23	Published	

# FINANCE AND POLICY COMMITTEE

27 NOVEMBER 2023



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

**Subject:** COUNCIL TAX BASE 2024/25

**Decision Type:** Budget and Policy Framework

## 1. COUNCIL PLAN PRIORITY

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

## 2. PURPOSE OF REPORT

- 2.1 The report seeks member approval, as required by statutory regulations, of a calculated Council Tax Base for 2024/25 which will be used for Council Tax billing purposes.

## 3. BACKGROUND

- 3.1 The Council is required by law to calculate its Council Tax Base for the forthcoming year, and inform the major precepting authorities, Police and Crime Commissioner for Cleveland and Cleveland Fire Authority, and local precepting authorities (Parish Councils), before 31 January

2023. The Council Tax Base is expressed as the number of Band D equivalent properties.

- 3.2 The amount of Council Tax levied on each Band D property located in the Borough of Hartlepool is calculated by dividing the total amount of the precepts determined by this Council, the Police and Crime Commissioner for Cleveland and Cleveland Fire Authority on the Collection Fund in 2024/25, by the Council Tax Base. The amount of Council Tax payable for other bands is determined by applying a fixed proportion of the Band D amount. A separate report on the statutory calculation of the amount of Council Tax payable for each band for 2024/25 will be submitted to Council as part of the budget process.

#### **4. LEGISLATIVE IMPACT AND DEVELOPMENTS**

##### **Local Council Tax Support**

- 4.1 Councils are required to determine and operate their own local schemes for providing support with Council Tax. Under these arrangements, there is a requirement to adjust the Council Tax Base to reflect the impact of the Local Council Tax Support (LCTS) scheme. Finance and Policy Committee on 18 September 2023 agreed to consult on a proposed simplified scheme, the outcome of this consultation being reported elsewhere on today's agenda for approval. The calculated Council Tax Base reflects the proposed simplified scheme.

##### **Long-Term Empty (Unfurnished) Dwellings Premiums**

- 4.2 The Rating (Property in Common Occupation) and Council Tax (empty Dwellings) Act 2018 received Royal assent in November 2018. This allowed Councils to increase the Council Tax long term empty and unfurnished home premium to 100% (previously 50%) from 1 April 2019 for properties that have been empty more than 2 years. The Council adopted this approach from 1 April 2020.
- 4.3 The Act also provided that from April 2020 the premium could be increased to 200% for any properties empty between 5 and 10 years and from April 2021 a 300% premium can be charged on any properties empty for more than 10 years. The Council has not implemented this additional power.
- 4.4 The Levelling Up and Regeneration Act received Royal Assent on the 26 October 2023. This Act allows that from 1 April 2024, the empty home premium to be introduced after 1 year instead of 2 years as is currently the case. It also requires the council to consider exemptions from the premium for the following;
- Genuine attempts to sell or rent;

- Continuing renovation to bring the property back into a fit state for occupation; and
- Legal or technical issues preventing sale or letting (e.g. the property left in a will).

4.5 The Council already grants temporary exemption for properties left in a will. However, the introduction of the additional exemptions will require additional resources to inspect properties and confirm exemptions i.e. what is a genuine attempt at renovation, rent or sale. Note, this additional resource will likely be required regardless of whether the changes to premiums are adopted by the Council.

4.6 Taking both of these measures, the number of additional premiums charges that could arise are as follows:

- Applying the 100% empty premium after 1 year – 106
- Applying the 200% empty premium after 5 years - 129

4.7 Applying the differing banding mix of the current empty properties and reflecting a prudent 50% reduction in the numbers due to either exemptions or bringing the properties back into use quicker, the financial impact on the Council of making these changes is as follows:

	A	B	C	D	E	F	G	H	Total
Premiums	161	30	19	12	7	3	3	0	235
Band D equivalent	107	23	17	12	9	4	5	0	177
Exemption Impact (50%)	54	11	9	6	5	2	2	0	89
<b>Band D Impact</b>	<b>53</b>	<b>12</b>	<b>8</b>	<b>6</b>	<b>4</b>	<b>2</b>	<b>3</b>	<b>0</b>	<b>88</b>
Current Band D									£1,927
Additional Income									£169,576
Less Additional Resource									(£39,174)
Impact on Council Budget									£130,402

4.8 Making these changes will therefore have a positive impact on the Council's budgetary position, protect households who are making a genuine effort to renovate, rent or sell, whilst also encouraging action on those making no attempts to bring properties into use to do so. If the council agreed to amend these premiums, we would seek to advertise as such through social media and also via advert in a local newspaper.

4.9 It is further recommended to introduce the 300% premium from 1 April 2025, providing a one year grace period before this higher charge is applied. Based on current caseload, 39 properties would be subject to this increased charge.

### Second (Furnished) Dwellings Premium

4.10 In addition to changes to empty properties, the Levelling Up and Regeneration Act also allows a second home premium of 100% after 1 year to be charged on homes that are unoccupied but furnished from 1

April 2025. These “dwellings occupied periodically” are often classed in the media as holiday homes and are a particular concern for areas of the country with a high visitor footfall e.g. Cornwall, where the local population are often priced out of the market. The council area currently has 132 empty but furnished properties, 96 of which would currently be eligible for the premium.

- 4.11 It is recommended that the Council introduce this second home premium with effect from 1 April 2025, which is the earliest date allowable under the regulations. This premium will be built into base calculations as required for the 2025/26 financial year.

## 5. CALCULATION OF TAX BASE

- 5.1 The calculation of the Council Tax Base is a complex calculation and includes converting the number of properties in the eight Council Tax Bands into a Band D equivalent. To complete the Tax Base it is necessary to:

- (a) Calculate Item A - "the relevant amount" for the year for each valuation band in the valuation list. For each band this represents the estimated full year equivalent of each chargeable dwelling in that band, taking into account entitlement to, exemptions, disability reductions, discounts, premiums and the forecast Local Council Tax Support.

The relevant amount for each band are expressed in terms of Band D equivalents and are set out at **Appendix 1**.

- (b) Calculate the collection rate for the Council (Item B).
- (c) The relevant amounts for each band (Item A) are then multiplied by the collection rate (Item B) to calculate the Tax Base.

- 5.2. The calculation for the Parish Councils follows the same calculation as that of the billing authority except that for item A, the calculation only relates to the area covered by that Parish.

## 6. PROPOSED TAX BASE

- 6.1 The proposed Tax Base for the Council area for 2024/25 is **25,780**. This is an increase of 438 (1.7 %) from the current base. The forecasts includes a best estimate of the anticipated number of households eligible for LCTS.

- 6.2 The Band D make-up of the base position is summarised in the table below, together with a comparison against previous year.

2023/24		2024/25
34,983	Chargeable Dwellings (after disregards / disability adjust)	35,455
-3,290	Less Discounts and Premiums	-3,289
-6,185	Less Local Council Tax Support Estimate	-6,261
220	Add forecast growth of chargeable dwellings	268
25,728	Item A	26,173
98.5%	Item B - Collectability (%)	98.5%
<b>25,342</b>	<b>Council Tax Base</b>	<b>25,780</b>

- 6.3 The proposed Council Tax Base has been reflected within the MTFS reported elsewhere on today's agenda.

## 7. RISK IMPLICATIONS

- 7.1. The Tax Base for 2024/25 and in the subsequent years is subject to the following main risks, all of which have been potentially increased given the prevailing economic conditions;
- The proposed council tax base includes a best estimate of average LCTS claimants. There is a potential risk that claimants may increase due to the economic uncertainty. This is mitigated by consideration of economic forecasts for future years and allowance of a small headroom in the calculation;
  - Less growth in housebuilding. This is mitigated by understanding both developments in progress and planned developments in order to factor in the latest position in timing and value of house builds planned. Progress is monitored closely in year and over the Medium Term Financial Strategy period; and
  - Reduced collection rate. The pandemic saw a significant dip in the in-year collection rate. On-going recovery and strong collection of arrears mitigates the risk that the collection rate should be reduced to lower than 98.5%. Regular management reporting is in place to ensure that collection rate is maintained.

## 8. FINANCIAL CONSIDERATIONS

- 8.1. The Council must budget to avoid a deficit on its statutory Collection Fund. In determining the 2024/25 Council Tax Base a number of underlying assumptions have been made. As part of the Council's Financial Governance Framework, throughout 2024/25 programmed

monitoring reviews of Collection Fund Council Tax performance will be undertaken and reported to Finance and Policy Committee.

- 8.2 Growth in the 2024/25 tax base had already been anticipated in the Medium Term Financial Strategy (MTFS). The actual tax base to be set is 238 higher than forecast and this will provide increased Council Tax income of £0.459m, which will help reduce the 2024/25 budget deficit. This additional recurring income is reflected in the updated MTFS report on the agenda.

## 9. LEGAL CONSIDERATIONS

- 9.1. To comply with statutory responsibilities as set out in the Local Government Finance Act 1992 the Council must determine the Council Tax Base for the forthcoming financial year by 31<sup>st</sup> January. This report ensures this responsibility is discharged.
- 9.2 Variations to Council Tax premiums is a matter reserved for full council as stipulated in the Local Government Finance Act 1992.

## 10. OTHER CONSIDERATIONS

Child / Poverty considerations	No relevant issues
Equality and Diversity considerations	No relevant issues
Staff Considerations	No relevant issues
Asset Management considerations	No relevant issues
Environment, sustainability and climate change considerations	No relevant issues
Consultation	No relevant issues

## 11. RECOMMENDATIONS

- 11.1 It is recommended that Members:

- a) Approve a Hartlepool BC Council Tax Base for 2024/25 of 25,780 as detailed in **Appendix 1**.
- b) Approve a Council Tax Base for 2024/25 for Parishes who may levy a precept upon the Council's Collection Fund as follows:

Brierton	14.7
Claxton	14.5
Dalton Piercy	134.8
Elwick	239.6
Greatham	283.6
Hart	404.9
Headland	800.5
Newton Bewley	34.2
Wynyard	977.2

- 11.2 Recommend the implementation of the additional premiums allowable under relevant legislation as set out in Section 4 of the report be referred to Full Council for approval.

## 12. REASON FOR RECOMMENDATIONS

- 12.1 To enable the Council to discharge its statutory responsibilities.

## 13. BACKGROUND PAPERS

- 13.1 None.

## 14. CONTACT OFFICER

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Telephone: 01429 523093

Sign Off:-

Managing Director	Date: 7 November 2023
Director of Finance, IT and Digital	Date: 7 November 2023
Director of Legal, Governance and HR	Date: 7 November 2023

Council Tax Base - Hartlepool Borough Council

4.3 Appendix 1

	Band (A)	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total	Band D Equivalents
Chargeable Dwellings	130.00	23,261.00	7,508.00	6,465.00	3,451.00	1,889.00	862.00	660.00	92.00	44,318.00	35,455
Total Discount	(16.25)	(2,979.75)	(804.25)	(508.25)	(206.50)	(92.00)	(36.00)	(25.25)	(4.00)	(4,672.25)	(3,494)
Premium Factor	0.00	253.00	17.00	7.00	3.00	4.00	0.00	3.00	2.00	289.00	205
Council Tax Support Estimate	(40.84)	(7,272.43)	(1,128.56)	(384.33)	(103.70)	(36.48)	(10.53)	(3.57)	(0.70)	(8,981.14)	(6,261)
<b>Net Forecast Chargeable Dwellings</b>	<b>72.91</b>	<b>13,261.82</b>	<b>5,592.19</b>	<b>5,579.42</b>	<b>3,143.80</b>	<b>1,764.52</b>	<b>815.47</b>	<b>634.18</b>	<b>89.30</b>	<b>30,953.61</b>	<b>25,905</b>
Prescribed Proportions for each band	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9		9/9
<b>Band D Equivalent Properties</b>	<b>40.51</b>	<b>8,841.21</b>	<b>4,349.48</b>	<b>4,959.48</b>	<b>3,143.80</b>	<b>2,156.64</b>	<b>1,177.90</b>	<b>1,056.97</b>	<b>178.60</b>	<b>25,904.59</b>	<b>25,905</b>
Band D Forecast Growth (Housing)										180.00	180
Band D Forecast Growth (Premiums)										88.00	88
<b>Total Forecast Band D Equivalents - Item A</b>										<b>26,172.59</b>	<b>26,173</b>
<b>Estimated Collection Rate - Item B</b>										<b>98.5%</b>	<b>98.5%</b>
<b>Tax Base 2024/25</b>										<b>25,780.00</b>	<b>25,780</b>

# FINANCE AND POLICY COMMITTEE

## 27 NOVEMBER 2023



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

**Subject:** MEDIUM TERM FINANCIAL STRATEGY (MTFS)  
2024/25 TO 2026/27

**Decision Type:** Budget and Policy Framework

### 1. COUNCIL PLAN PRIORITY

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

### 2. PURPOSE OF REPORT

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

### 3. BACKGROUND

- 3.1 A comprehensive MTFS update report was presented to the Finance and Policy Committee at its meeting in July 2023. The MTFS does not stand still and continuously evolves based on latest information, intelligence and changing circumstances, including the current years forecast budget outturn position.

- 3.2 The updated MTFS position presented in this report continues to cover the three year position, 2024/25 to 2026/27, although it is important to recognise that the Council needs to be sustainable beyond this 3 year period and in to the longer term.
- 3.3 Speeches and presentations from government ministers and officials over recent months provide no indication that additional funding is forthcoming to Council's to support growing budget gaps. Key messaging is around the need for Councils to be transforming how they deliver services to balance their budgets and therefore not planning for government funding to fill the financial void.
- 3.4 Whilst a general election will take place during the next 14 months, there is similarly no promise of additional funds from the current opposition, should they be elected.
- 3.5 Whilst we do continue to make the case to government ministers and officials for additional funding, it is looking increasingly unlikely that funding allocations will increase in the short to medium term. The long awaited 'Fair Funding' review, which is likely to benefit Hartlepool, continues to be stalled. Fundamentally, the financial position is exceptionally challenging and is likely to remain so.
- 3.6 As included in the last MTFS update report in July, information on the historical context to the financial challenges facing the Council is included at **Appendix A**. This includes the change in the Council's funding since 2013/14 when the current funding system was implemented, the Council Tax Base position and our Council Tax relative to others in the region. This information continues to be appended to ensure members and readers are aware of the overall financial environment and constraints the Council operates under.

#### 4. BUDGET PRESSURES

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

	2024/25 £m	2025/26 £m	2026/27 £m	Total £m
<b>Spending Pressures</b>				
Pay and Price Inflation	5.776	3.937	3.081	12.794
Energy	0.000	0.000	0.000	0.000
Childrens Social Care	3.000	0.500	0.500	4.000
Waste Disposal	0.000	1.500	0.500	2.000
SEND Passenger Transport	0.200	0.000	0.000	0.200
Capital Financing	0.250	0.250	0.250	0.750
<b>Total Spending Pressures</b>	<b>9.226</b>	<b>6.187</b>	<b>4.331</b>	<b>19.744</b>

**Pay and Prices - Pay Award**

- 4.2 The national pay offer for 2023/24 was agreed with the trades unions during November 2023. The agreed offer equates to £1,925 per employee regardless of grade up to spinal point 43. An offer of 3.5% for Chief Officers had previously been accepted. This overall pay award equates to a blended rate of approximately 6%. The Council had allowed for 5% resulting in an in-year shortfall for 2023/24 which has been factored in to the 2023/24 in-year budget position and also permanently addressed in 2024/25 budget plans.
- 4.3 In addition to addressing the 2023/24 gap as set out above, the MTFS allows for the pay awards reflecting an assumption of a return to longer term normal inflation levels and accompanying pay demands. Since the July update, an increased allowance of 3.5% (previously 3%) has been included for 2024/25, given inflation and in particular wage inflation remains higher than previously forecast. The assumption of 2% pay awards remain for subsequent years in line with the government's inflation target. These assumptions will be kept under review.

**Pay and Prices - Audit Fees**

- 4.4 Due to significant difficulties and failings in recent years within the Public Audit sector, a significant uplift in fees nationally has been trailed by the body responsible for managing the appointments process, Public Sector Audit Appointments (PSAA). The body have now confirmed that audit fee rates to be applied from 2023/24 will be 151% higher than 2022/23.
- 4.5 The PSAA recognises “the significant financial pressures on all types of local government bodies and understand that any further cost pressure is unwelcome. However, the level at which we are proposing to set the 2023/24 fee scale is determined by the audit work needed to deliver audits compliant with the requirements of the Code of Audit Practice, and market rates”.
- 4.6 This increase creates an in-year shortfall for 2023/24 which is factored in to the 2023/24 in-year budget position and also permanently addressed in 2024/25 budget plans.

**Pay and Price – Income**

- 4.7 For budget planning it is assumed that all discretionary fees and charges will increase in line with the inflation each year. For 2024/25 an uplift in line with September 2023 CPI (6.7%) is proposed. Areas with existing income budget shortfalls will still action an increase in charges in April 2024 where appropriate, but prudently the overall income budget target will not be increased, allowing the price increase to address the existing gap.

### Energy Inflation

- 4.8 The unprecedented increase in energy prices experienced over recent years has had a significant impact on residents, businesses and public bodies alike. Responding to this challenge, the Council progressed a twofold strategy of increasing the revenue budget for anticipated long term prices coupled with use of an energy reserve for the expected shorter term spike. This approach served the Council well during 2022/23 with £0.300m being drawn down from the reserve. The reserve is also supporting the 2023/24 budget position.
- 4.9 The Council purchases its energy via the regional North East Purchasing Organisation (NEPO), with a forward purchasing strategy in place where it is deemed prudent. At present, one third of the energy requirement for 2024/25 has been purchased.
- 4.10 Although energy prices are still forecast to reduce in 2024/25, a number of factors are placing more uncertainty in to the global energy markets. The on-going Russia/Ukraine conflict and more recent Middle East conflict are driving a significant amount of the uncertainty. In addition, the proximity of the Middle Eastern conflict to the Suez Canal and also the Australian strike action in the sector are further causes for concern, creating more price volatility.
- 4.11 At this stage it is too early to firm up the position in relation to the MTFS period. Whilst there is the potential for a reduction in prices in 2024/25, this may only result in the removal of reliance on the temporary energy reserve rather than leading to savings in the base budget. The position will continue to be closely monitored and updates provided in future reports.

### Children's Social Care

- 4.12 The number of children in our care within external placements has increased over the past few years and continues to grow. More fundamentally from a financial perspective, the increasing complexity of children's needs and finite capacity in the residential market is leading to ever increasing prices being charged for accommodation. The average weekly cost of a placement has increased by over 45% over the last three years. Our highest external placement cost is currently £11,000 per week.
- 4.13 The Council continues to mitigate this pressure where possible through the promotion of in-house fostering, working with partner organisations in the sector and the opening of new Local Authority run homes within Hartlepool. However, these actions can have a long lead in time. Despite this approach, the budget is currently forecasting a significant and worsening overspend position as reported in more detail within the 'Strategic Financial Management Report - as at 30th September 2023' update elsewhere on the agenda.

- 4.14 The previous MTFS update in July provided for an additional provision of £3m in to the Children's Social Care budget, phased over a three year period. Given the severity of the cost pressures being encountered within Children's Social Care, this has been accelerated, with the full £3m additional provision now being provided in the 2023/24 financial year, with a further £1m added to the position over subsequent years. Notwithstanding this acceleration, it is not clear whether this increase will be sufficient given the challenging market conditions, although cost mitigation strategies as noted in 4.13 are being progressed as quickly as possible. The position will be kept under review and any required amendments to the budget provision will be reported in the next budget planning report to committee in January 2024.

### **Waste Disposal**

- 4.15 As reported in the last MTFS update report in July, Hartlepool has entered into a partnership with six other Local Authorities in the region to procure a new Energy from Waste facility. The procurement process is on-going, with an anticipated go-live date during 2026. The Council has benefitted from very competitive gate fees with the current incumbent, however, these fees are forecast to step up significantly for the 2025/26 year as part of the contract extension arrangement.
- 4.16 The financial due diligence work continues in relation to the above. The forecast budget impact from £2m remains within the MTFS period, but the latest understanding of the phasing of this impact has been updated accordingly.

### **Capital Financing**

- 4.17 A capital financing pressure of £0.150m per annum was previous introduced in the MTFS in recognition of a future reduction in Minimum Revenue Provision (MRP) savings and also the need for temporary borrowing for the Elwick Road scheme. This pressure has been increased to £0.250m to reflect the increase in borrowing required to fund Highlight leisure facility as approved by Finance and Policy, and subsequently Council, in September.

## **5. GOVERNMENT FUNDING**

- 5.1 The Local Government Finance Settlement for 2024/25 is expected to be another one-year settlement for councils, continuing the trend of recent years. Current indications are that the provisional settlement will be published during the week commencing 18<sup>th</sup> December. The continuation of one year settlements continues to hamper financial planning and sustainability.

- 5.2 As previously reported, the government have confirmed that the long awaited fair funding review and a reset of the business rates retention system will not now take place for at least two years. This review was first promised in 2016 and is envisaged to create a fairer formula for the allocation of government funding. Whilst there is no certainty, the Council has a reasonable expectation of additional funding through this review, not least due to our relative position on Business Rates.
- 5.3 A key safeguard in the Business Rate system is that any accumulated growth in the system should have been redistributed into a new baseline funding position for each Council. Councils that are significantly above the current baseline will lose funding to be redistributed to those councils closer to the baseline or below the baseline. Hartlepool is one of a small number of Councils below our baseline position, in part due to the reduced valuation of the Nuclear Power Station since the business rates system was introduced.
- 5.4 Until a baseline reset is undertaken accumulated business rates growth and therefore funding resides with those authorities generating the growth rather than it being redistributed to Councils based on need, such as ours.

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

- 5.5 The government has indicated that this grant will increase by September 2023 CPI. Following the publishing of the September CPI rate of 6.7%, the MTFS forecast for this grant has been adjusted accordingly.

#### **Social Care Funding**

- 5.6 The final local government settlement 2023/24 provided for additional social care funding. These grants will continue in 2024/25 and although no individual authority allocations have been announced the national funding totals have increased for 2024/25. Estimated grant levels for 2024/25 have been calculated pro-rata using the 2023/24 distribution methodology.
- 5.7 The improved Better Care Fund has no increase applied in the budget model as per the current year and government indications.

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

- 5.8 As with the previous year, the 2023/24 New Homes Bonus grant included no legacy year payments, reflecting an anticipation that government will phase this grant out. The government had indicated their intention to consult on NHB during the year, but this has not been progressed. A number of Local Authorities have taken the prudent view to remove NHB from budget planning. At this stage it remains in our MTFS at £0.447m. Recent publications from government have now referred to New Homes Bonus for 2024/25, providing positive indications that the grant will continue. Confirmation of the position will not be fully confirmed until the settlement release at the end of December.

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

- 5.9 The Business Rates multiplier and Top Up grants have historically increased in line with September CPI inflation. Following the publishing of the September CPI rate of 6.7%, the MTFS forecasts have been adjusted accordingly.

### **‘Simpler Recycling’ reforms and Extended Producer Responsibility for Packaging (EPRP) Funding**

- 5.10 Following recent consultation, the Government published, in October, its response on planned ‘Simpler Recycling’ reforms. This has confirmed that the required changes to waste collection arrangements have been delayed to April 2026 and also provide councils with greater flexibility over the number of bins they collect and also allowing charges for garden waste collections to continue.
- 5.11 In respect of EPRP, the government will fund councils according to a formula using information gathered from councils and other factors such as variations in cost of collection. The total cost will be collected as a levy by DEFRA on suppliers. For the delivery of other changes around food waste collections and recycling separation, the government will provide new burdens funding to support councils.
- 5.12 Pending further details, no new income is included within the MTFS in relation to the EPRP initiative. Also, the costs of the new collection requirements from April 2026 are assumed to be neutral, given the confirmation of new burdens grant funding. The position will continue to be monitored.

## **6. LOCAL FUNDING**

### **Business Rates**

- 6.1 Under the current Business Rates funding regime, the Council retains locally 49% of Business Rate income. Inherent in the system is an annual uplift usually based on September CPI and this has been factored into the position. All other assumptions impacting Business Rates have remained unchanged i.e. provision for Appeals, uncollectable debt and discretionary reliefs will remain broadly consistent.
- 6.2 The government has recently consulted on technical changes to business rates retention system in response to the Non-Domestic Ratings Act. The main impact will be the potential for de-coupling of the standard and small business rates multiplier, which will give government more flexibility in the future on how this is set. At this stage it is anticipated that this change will have a cost to the Council of up to £0.100m, however until the outcome of the consultation and the exact details are confirmed this has not been built into the budget position.

- 6.3 Generally, the impact of inflationary cost pressures and reduced consumer demand may impact on the collectability of business rates. The position will be kept under review and adjusted should the need arise.

### **Council Tax**

- 6.4 The Council has a track record of Council Tax base growth in recent years. Whilst new build homes numbers continue to be positive, the base position is coming under increasing pressure from exemptions and discounts, including the Single Person Discount (SPD). Hartlepool is not unique in facing these pressures. Regarding SPD, the Council is currently undertaking an enhanced review to support efforts to reduce any fraud or error in the system.
- 6.5 Elsewhere on today's agenda is the Council Tax Base report. These calculations suggest an increase of 438 properties to the Band D base position. An increase of 200 had already been allowed for in the budget model for 2024/25, therefore this further increase of 238, has now been factored into the budget position. An increase of 300 per year remains for 2025/26 and 2026/27
- 6.6 Current understanding is that the same Council Tax and Adult Social Care (ASC) referendum limits (5% total increase) for 2023/24 will apply for 2024/25, although this requires an annual decision by government. Local Council Tax decisions will be made later in the budget process.

## **7. RESERVES**

- 7.1 The Council holds reserves for a variety of purposes, including those allocated for known commitments and risks, including capital schemes, the MTFS budget position, our insurance fund and business rates appeals risks. The reserve position has been volatile in recent years given the covid-19 pandemic and the significant inflationary and demand pressures currently being experienced. The only unallocated reserve is our general fund reserve, which serves as a reserve of last resort.
- 7.2 As detailed in the 'Strategic Financial Management Report - as at 30th September 2023' update elsewhere on the agenda, a review of reserves has been carried out to redirect resources to priority areas including bolstering the General Fund and Budget Support Fund given the on-going pressures.
- 7.3 It is important to note that the use of one-off reserves to balance the on-going revenue budget position is not a financially sustainable basis to set our budget. The Budget Support Fund was created to smooth the budget deficits over a number of years, whilst the Council transforms to be able to deliver within its available budget. The fund will also meet one-off costs associated with generating the on-going efficiencies to achieve this.

- 7.4 For the 2023/24 budget setting, £2.471m of balances were used to support the overall budget position. The one-off nature of balances means that the budget position is detrimentally hit in subsequent years as their use unwinds. The £2.471m unwinds as per the table below.

	2024/25 £m	2025/26 £m	2026/27 £m	Total £
Temporary Use of Reserves (BSF)	1.471	0.000	0.000	1.471
Temporary Use of Investment Income*	0.000	0.500	0.500	1.000
<b>Budget Impact of Use of Reserves</b>	<b>1.471</b>	<b>0.500</b>	<b>0.500</b>	<b>2.471</b>

\*the current budget is predicated on use of £1m investment income in 2023/24 and 2024/25, £0.500m in 2025/26 and £nil in 2026/27.

## 8. STRATEGY FOR BALANCING THE BUDGET POSITION

- 8.1 Based on the position outlined in sections 3 to 7 above, the updated budget position over the 3 year MTFS period is shown in the table below.
- 8.2 As Council Tax decisions will be made at a later date, the table shows the 'Gap to be addressed before Council tax increase'. This highlights a gap of £5.583m should no increase be applied for 2024/25 rising to £13.708m over the MTFS period. For every 1% Council Tax not applied, the Council loses circa £0.500m of income.
- 8.3 The gap for 2024/25 has increased significantly, which is predominantly due to the acceleration of additional Children's Social Care resource outlined in 4.14 above. The overall 3 year forecast gap has also increased as a result of the forecast changes outlined in sections 4 to 6. .

	2024/25 £m	2025/26 £m	2026/27 £m	Total £m
<b>Spending Pressures</b>				
Pay and Price Inflation	5.776	3.937	3.081	12.794
Energy	0.000	0.000	0.000	0.000
Childrens Social Care	3.000	0.500	0.500	4.000
Waste Disposal	0.000	1.500	0.500	2.000
SEND Passenger Transport	0.200	0.000	0.000	0.200
Capital Financing	0.250	0.250	0.250	0.750
<b>Total Spending Pressures</b>	<b>9.226</b>	<b>6.187</b>	<b>4.331</b>	<b>19.744</b>
Government Grant Changes	(2.855)	(0.648)	(0.660)	(4.163)
<b>Gap Before Local Funding</b>	<b>6.371</b>	<b>5.538</b>	<b>3.671</b>	<b>15.581</b>
Business Rates	(1.443)	(0.460)	(0.469)	(2.371)
Council Tax - Base Increase	(0.844)	(0.578)	(0.578)	(2.000)
Collection Fund (Surplus)/Deficit	0.028	0.000	0.000	0.028
<b>Gap Before Current Use of Reserves</b>	<b>4.112</b>	<b>4.501</b>	<b>2.624</b>	<b>11.237</b>
Temporary Use of Budget Support Fund (reversal)	1.471	0.000	0.000	1.471
Temporary Use of Investment Income (reversal)	0.000	0.500	0.500	1.000
<b>Bottom Line Gap to be Addressed (before Council Tax increases)</b>	<b>5.583</b>	<b>5.001</b>	<b>3.124</b>	<b>13.708</b>
<b>Cumulative Gap (before Council Tax increases)</b>	<b>5.583</b>	<b>10.584</b>	<b>13.708</b>	

- 8.4 Given the Government's position, the current assumption for the purposes of this update is that the maximum allowable Council Tax increase will be applied i.e. for 2024/25 a 2.99% core council tax rise and 2% ASC precept rise, leading to a total rise of 4.99%. The table below shows the budget gap after assumed council tax increase over the MTFS period.

	2024/25 £m	2025/26 £m	2026/27 £m	Total £m
<b>Gap to be Addressed (before Council Tax increases)</b>	<b>5.583</b>	<b>5.001</b>	<b>3.124</b>	<b>13.708</b>
Council Tax - Increase (3% / 3% / 3%)	(1.441)	(1.557)	(1.637)	(4.635)
Adult Social Care Precept - Increase (2% / 0% / 0%)	(0.993)	0.000	0.000	(0.993)
<b>Bottom Line Gap to be Addressed (after Council Tax increases)</b>	<b>3.149</b>	<b>3.444</b>	<b>1.487</b>	<b>8.080</b>
<b>Cumulative Gap</b>	<b>3.149</b>	<b>6.593</b>	<b>8.080</b>	

- 8.5 The position presented continues to have an element of uncertainty and risk given both the current global and national economic uncertainty, but also the medium term duration. **Appendix B** provides greater detail of the main risks and associated sensitivities impacting on the position.
- 8.6 As noted in the previous MTFS update report, the recent peer review highlighted the need for a more medium term strategic and transformational approach to financial planning and not an annual "salami-slicing" exercise. Inevitably there are challenges to adopting such an approach, not least the need to identify and confirm savings for the 2024/25 budget i.e. before transformation will be delivered, but also the capacity to deliver such a programme across the organisation.

### Savings Proposals

- 8.7 Balancing the need for a more strategic approach, with the need for immediate savings, savings aligned to the below four workstream themes have been developed by Chief Officers.
- **Nuts and Bolts** – getting the basics right. Including proposals focussing on procurement, IT, Energy and Use of Property and Assets.
  - **Digital** - ever increasing acceptance and embracing of digital and on-line solutions. Building on our strong track record of promoting digital services and channel shift it is proposed to develop a Council Wide digital strategy, promoting a digital first mind-set, and a push to streamline data input by customers through to back office systems. Promoting high use of O365 functionality and intelligent use of data should also support this work stream.
  - **Service Reviews** - programme of activity to review front line and back office service provision, ensuring that it aligns to the priorities set out in the Council Plan and is provided in the most appropriate way.

- **Commercial** - working towards ensuring a consistent, corporate approach across the Council to maximise income opportunities and push forward greater commercialism where there is a clear rationale and business case to do so.

The Council has seen positive Council Tax Base growth and this looks set to continue. The Council, working with partners as required, will also continue to promote inward investment to support regeneration and economic development in order to also drive Business Rate growth.

- 8.8 A summary of the proposed savings by workstream is shown in the table below. Proactively, savings have been developed beyond 2024/25 to assist MTFS planning. Savings proposals of £1.792m for 2024/25 and £2.792m in total of the MTFS period have been developed. **Appendix C** provides the detailed proposals along with information on staffing and equality impacts.

	2024/25 £m	2025/26 £m	2026/27 £m	Total £m
Nuts and Bolts	0.465	0.285	0.250	1.000
Digital	0.010	0.030	0.030	0.070
Service Reviews	0.636	0.000	0.000	0.636
Commercial	0.681	0.405	0.000	1.086
<b>TOTAL</b>	<b>1.792</b>	<b>0.720</b>	<b>0.280</b>	<b>2.792</b>

\* Note, a proposal to introduce charges for Assistive Technology has already been approved by the Adults and Community Based Services Committee on the 9<sup>th</sup> of November and as such is not included in the **Appendix C**.

- 8.9 In addition to the quantified savings proposals noted above, 'Pipeline Savings Proposals' are being developed by Directors or as part of cross cutting themes, and will be discussed with relevant policy leads during their development. These proposals will be developed and considered over the coming year, with the potential of these being implemented during 2024/25 where possible. The aim of this approach is to limit the use of reserves during 2024/25 and over the period
- 8.10 The table below shows the overall MTFS position taking in to account the proposed savings proposals.

	2024/25 £m	2025/26 £m	2026/27 £m	Total £m
Bottom Line Gap to be Addressed (after assumed Council tax increases)	3.149	3.444	1.487	8.080
Savings Proposals	(1.792)	(0.720)	(0.280)	(2.792)
<b>Bottom Line Gap to be Addressed (after assumed Council tax increases and proposed Savings)</b>	<b>1.357</b>	<b>2.724</b>	<b>1.207</b>	<b>5.288</b>
<b>Cumulative Gap</b>	<b>1.357</b>	<b>4.081</b>	<b>5.288</b>	

## Use of Reserves

- 8.11 As previously noted, the use of one-off reserves to balance the on-going revenue budget position is not a sustainable approach to setting the budget. Whilst it shunts the budget gap back a year, it presents a danger that the Council simply utilises one-off money on delaying decisions. In addition this approach reduces the scope for the Council to invest and innovate in order to generate recurring savings. However, the budget position, coupled with high inflationary pressures and future uncertainty on government funding will necessitate some use of reserves over the period.
- 8.12 The aim of setting the Council's budget is that it should be sustainable over the medium term period, with recurring spend funded by recurring income. Decisions on use of reserves should be made consistent with that aim. As such it continues to be proposed that any use of reserves should be done on a diminishing basis over the period so that by year 4 of the current cycle the budget is sustainable.
- 8.13 The Council's Budget Support Fund helps to smooth the budget position over the MTFS period as well as meeting any one off costs associated with budget reductions e.g. redundancies. The current position of the Budget Support Fund is set out in the table below. The position reflects the need to use £1.471m to balance the 2023/24 budget position, addressing the 2023/24 forecast overspend and use of Interest on Balances over the period as agreed as part of the annual budget setting process. The current forecast overspend for 2023/24 reported elsewhere on today's agenda will also need to be funded from this reserve and is included accordingly.

	Core £m	Interest £m
Balance as at 31 March 2023	9.418	1.131
Add		
Interest on balances earned over period (forecast)	0.000	1.369
Funding allocated to BSF as part of Reserve Review	1.153	0.000
Less		
Use of reserve to support 2023/24 budget	(1.471)	(1.000)
Use of reserve to support 2023/24 forecast overspend	(4.228)	0.000
Use of reserve to support 2024/25 budget	0.000	(1.000)
Use of reserve to support 2025/26 budget	0.000	(0.500)
Use of reserve to fund capacity to deliver savings	(1.000)	0.000
Use of reserve to fund costs associated with savings	(2.000)	0.000
<b>Forecast uncommitted balance over the period</b>	<b>1.872</b>	<b>0.000</b>

- 8.14 As approved as part of the July 23 MTFS update report, reserves of £3m funded from the Budget Support Fund have been earmarked for the following purposes:
- Capacity to Deliver Savings - £1.000m  
The transformational approach outlined within the report will undoubtedly require capacity to deliver, including one off improvement

spend. Earmarking this sum over the period will allow flexibility to support this agenda. Use will require a clear rationale connected to transformation or a sound business case for any invest to save spend. The savings proposals at Appendix C set out where allocations against this reserve have been made.

- **Costs Associated with Savings - £2.000m**  
Over the period there may be redundancy or other one off costs associated with proposed savings, where staffing levels are reduced. Whilst the aim will always be to manage this through workforce planning this is not always possible. A pay-back period of 3 years will continue to be in place. Holding a prudent sum back will ensure these can be funded should the need arise.

- 8.15 Following the earmarking of funding outlined above, there is £1.872m remaining in the Budget Support Fund to support the MTFS position over the medium term and beyond. At present the forecast reserve level is sufficient to meet the indicated 2024/25 gap of £1.357m

### **Conclusion**

- 8.16 The updated position set out in this report represents the latest understanding of cost pressures and funding assumptions impacting the Council. The changing position will continue to be monitored over the coming months and will be impacted by a number of areas, notably; in-year budget forecasts, inflation movements, the Chancellors Autumn Statement and significantly the Provisional Local Government Finance Settlement at the end of December. A further update and detailed budget recommendations will be presented to the Committee in January 2024.

## **10. LEGAL CONSIDERATIONS**

- 10.1 The following issues are relevant in relation to this report:

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

## 11. EQUALITY AND DIVERSITY

- 11.1 The savings proposals put forward will impact on the delivery of frontline services or service users to varying degrees. There are some proposals which simply by the nature of the service area that they cover will impact on those with protected characteristics. However, owing to the financial challenges facing the Council there is no choice but to change, redesign and potentially close services to reduce costs. Where this occurs the council will aim to minimise the impact on those with protected characteristics and will focus on securing services for those who are the most vulnerable within those protected characteristics.
- 11.2 Members are aware from previous MTFS reports that in making financial decisions the Council is required to demonstrate that those decisions are made in a fair, transparent and accountable way, considering the needs and the rights of different members of the community. This is achieved through assessing the impact that changes to policies, procedures and practices could have on different equality groups.
- 11.3 An initial analysis has undertaken to determine the potential impact of the proposals put forward and these are detailed in the table in **Appendix D**.
- 11.4 Further analysis will be undertaken to incorporate feedback from the planned consultation process and this will be presented to Members in the next MTFS report. An overall central assessment will also be undertaken to determine the cumulative impact of the savings proposals on each individual protected characteristics.

## 12. CHILD AND FAMILY POVERTY

- 12.1 The initial analysis that has undertaken to determine the potential impact of the proposals put forward as detailed in the table in **Appendix D** also considers the impact on those living in poverty and disadvantage.
- 12.2 Further analysis will be undertaken to incorporate feedback from the planned consultation process and this will be presented to Members in the next MTFS report. An overall central assessment will also be undertaken to determine the cumulative impact of the savings proposals on child and family poverty.

## 13. OTHER CONSIDERATIONS

Risk Implications	Risk Implications are outlined in <b>Appendix B</b> and will be further considered, as required, as part of future budget setting reports.
Financial Considerations	As set out in the main body of the report

Child / Family Poverty Considerations	As set out in the main body of the report
Equality and Diversity Considerations	As set out in the main body of the report
Staff Considerations	Potential staffing implications of the proposed savings are included within the Savings detailed in <b>Appendix C</b> .
Asset Management Considerations	Asset Management implications of the proposed savings are included, where appropriate, within the Savings detailed in <b>Appendix C</b> .
Environment, Sustainability and Climate Change Considerations	Environmental, Sustainability and Climate Change considerations of the proposed savings are included, where appropriate, within the Savings detailed in <b>Appendix C</b> .
Consultation	<p>Savings proposals as outlined in this report will be referred to individual Policy Committees.</p> <p>Public consultation on the 2024/25 budget and MTFS has been developed and a draft of the proposed consultation documentation is included at <b>Appendices E(a) and E(b)</b>.</p> <p>Consultation with local business representatives and Trades Unions will be carried out during December.</p>

## 14. RECOMMENDATIONS

### 14.1 It is recommended that Members:

- i) Note the report;
- ii) Note the assessment of the forecast budget gap and proposed approach to address this gap in Section 8;
- iii) Refers the savings proposals to individual policy committees and instructs them to identify replacement savings if these proposals are not supported; and
- iv) Note the risks and scenarios outlined in the report which may impact upon the financial position presented as part of future MTFS updates.

**15. REASON FOR RECOMMENDATIONS**

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

**16. BACKGROUND PAPERS**

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

- Finance and Policy Committee - Medium Term Financial Strategy (MTFS) 2023/24 to 2025/26 – 23<sup>rd</sup> January 2023;
- Council - Medium Term Financial Strategy (MTFS) 2023/24 Statutory Budget and Council Tax determination – 23<sup>rd</sup> February 2023.
- Finance and Policy Committee - Medium Term Financial Strategy (MTFS) 2024/25 to 2026/27 – 3<sup>rd</sup> July 2023;

**17. CONTACT OFFICER**

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 Director of Finance, IT and Digital  
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 Telephone: 01429 523093

Sign Off:-

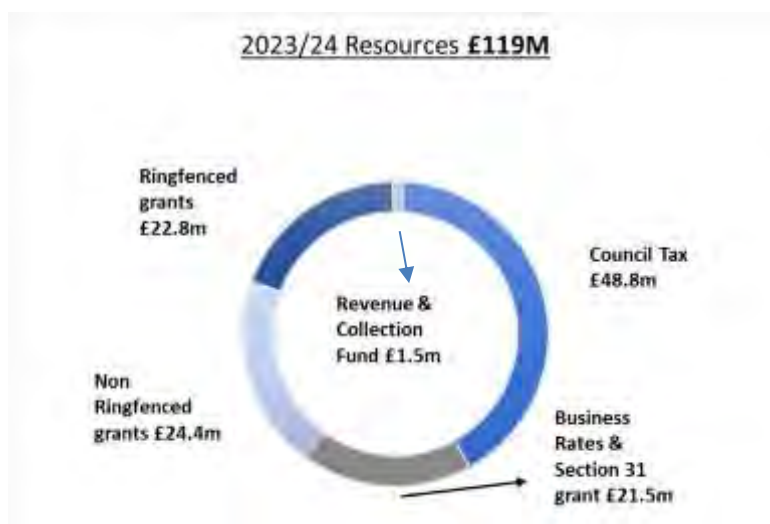
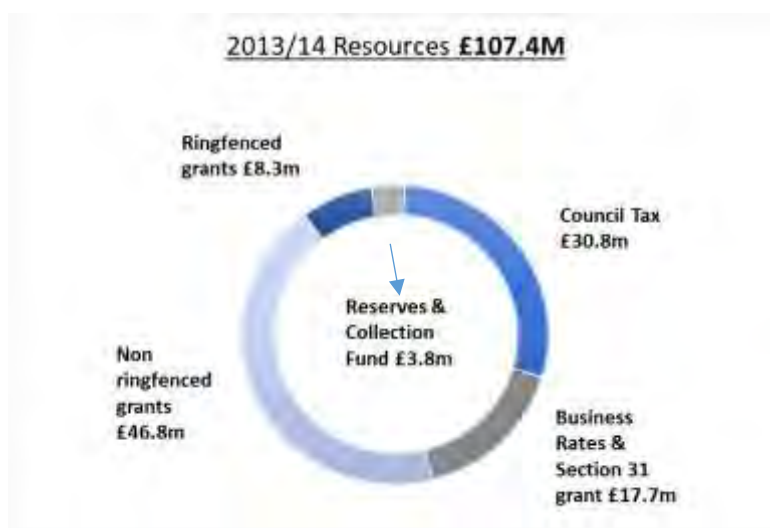
Managing Director	Date: 16 November 2023
Director of Finance, IT and Digital	Date: 16 November 2023
Director of Legal, Governance and HR	Date: 16 November 2023

## Funding Changes since 2013/14

1.1 Since 2013/14 the national funding regime has seen three key changes:

- A significant reduction in Government non ring-fenced Grants (i.e. Revenue Support Grant and Top Up grant);
- An increase in Government ring-fenced Grants, including the transfer of Public Health responsibilities and funding and various Adult Social Care grants; and
- Increased reliance on Council Tax to fund local services, which includes the introduction of the Adult Social Care (ASC) precept in 2016/17 and annual increases in this funding source up to and including 2022/23.

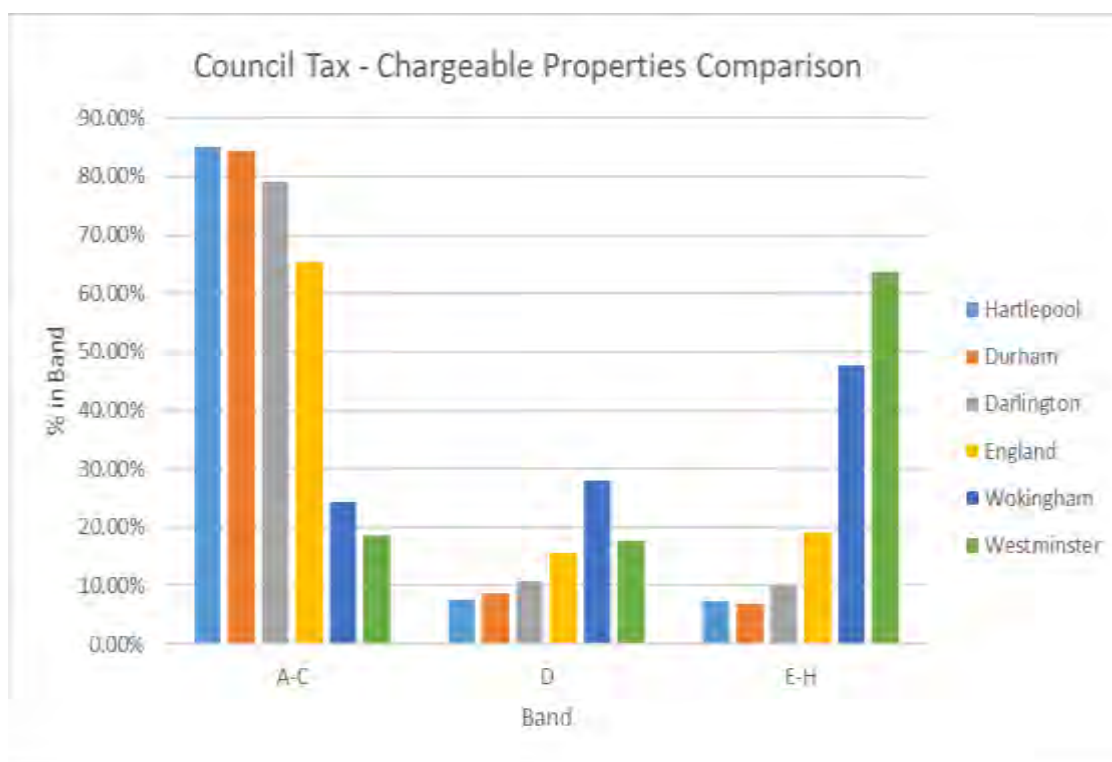
1.2 The impact on Hartlepool funding is summarised below:



## 1.3 Increasing reliance on Council Tax is a doubled edged sword as it means:

- Areas with a low council tax base (i.e. higher than average proportion of properties in Council Tax bands A and B – which includes Hartlepool and the other North East councils) raise less additional income for each 1% Council Tax increase than areas with a higher tax base – with lower demands on services. This means Council Tax increases offset less of Government funding reductions in areas with a low Council Tax base than is the case in more affluent areas;
- As a result councils with a low Council Tax base have to make greater service reductions and it becomes increasingly difficult for the public to understand the services Council Tax pays for.

## 1.4 In order to demonstrate the “low tax base” conundrum, comparison with two high base Local Authorities, two neighbouring Local Authorities and the English average is shown in the graph below. The graph clearly demonstrates the extent of shift required to equalise the tax base position with the national average, but also the sheer differential with more prosperous Local Authorities.



## 1.5 Whilst current and planned developments within Hartlepool are expected to continue the recent strong growth in Band E to H properties, it is clear that Hartlepool will continue to be a low tax base authority for the foreseeable future. Given since 2010 central government funding has moved away from needs based funding, there is less compensation funding for Hartlepool despite its low tax base.

- 1.6 The funding changes and low tax base have contributed to Hartlepool having a Council Tax level that sits slightly above the regional average, when parish councils are included as shown below.

Council Area	Band A* £	Impact of individual Parishes
Northumberland	1,386	*Within a number of Council areas, including County Durham, parish councils provide a number of services that are provided by Hartlepool Borough Council. Whilst the Band A rate shown here is an average for the area, there are often large variations dependent on the parish precept levied. As an example, the following Band A is paid in these County Durham areas: £1,473 Horden £1,453 Peterlee
Gateshead	1,381	
Durham	1,297	
Hartlepool	1,286	
Newcastle	1,280	
<b>Average</b>	<b>1,257</b>	
Middlesbrough	1,255	
Stockton-on-Tees	1,245	
North Tyneside	1,234	
South Tyneside	1,220	
Redcar and Cleveland	1,216	
Darlington	1,189	
Sunderland	1,092	

**MTFS 2024/25 to 2026/27 Initial Risk Assessment**

Key risks or issues that may impact on assumptions made and impact 2024/25.

Issue and Risk	Reasonable Upside Scenario 2024/25	Reasonable Downside Scenario 2024/25	Rationale
Inflation proves stubborn and reduces at a slower rate than anticipated.	£nil	£1.000m	Reasonable assumptions based on latest forecasts have been made for inflation during the period. There is no upside scenario likely, whereby inflation fell more rapidly. Downside scenario based on additional inflation risk on general and ASC inflation.
Pay Awards are higher than assumed	£nil	£1.000m	Provision included in the MTFS based on pay offer and historic norms. No contingency is built in for higher award. The reasonable downside scenario assumes an extra 2% for 2024/25.
Energy prices do not reduce as anticipated	£0.250m	£1.000m	The approach to the energy price crisis was to provide a longer term increase to the base budget supported by a specific energy reserve for the shorter term exceptional price level period. New and emerging global events are placing further pressure on energy markets.
Interest Rates	£0.500m	£nil	Should interest rates remain high and borrowing decisions can be delayed on the approved capital programme, there may be an opportunity to generate additional temporary Treasury Management returns.
Government Grant Changes - NHB	£nil	£0.447	Latest indications are that NHB will continue. Whilst this is good news, the allocation is yet to be confirmed nor any intelligence received as to its likely value.
Collection Fund	£nil	£0.500m	The wider economic conditions may have a detrimental impact on collection of both Council Tax and Business Rate.
Income Budget	£nil	£0.500m	The wider economic conditions and the recovery from the Covic-19 pandemic has created uncertainty over the achievability of key income budgets, including car parking.
Capital Programme Borrowing Costs	£nil	£nil (2024/25, but may impact later years)	Increased cost and/or interest rates may impact on borrowing costs. The impact is mitigated by pro-active Treasury management strategy and planned delay in borrowing decisions.
Social Care Charging Reform	£nil	£nil	Risk as to how this reform is now funded when government introduce the reform.

Savings Planning - Nuts and Bolts Proposals

4.4 Appendix C

Category	Cttee	Budget Reduction Heading	Lead Officer	Budget Reduction 2024/25 £000	Indicative Budget Reduction 2025/26 £000	Indicative Budget Reduction 2026/27 £000	Total Budget Reduction £000	Verified by Finance (Yes/No)	Potential Staff impact over three years (indicative)	Equality & poverty impact	Description of proposed savings
Nuts and Bolts - Procurement	F&P	Procurement review	Beverley Bearne (AD - Development and Growth)	400	250	250	900	Yes	2	N/A	<p>Review of council wide procurement arrangements to ensure procurements are on-contract, are consistent council wide and represent full value for money. The review will also cover the differing procurement avenues, including purchasing cards and wider collaboration, including ensuring best use of NEPO contracts.</p> <p>The overall target for the project is £1m spread over 3 years, but with a front loaded profile. A £100,000 topslice in year one is proposed in order to provide the existing small team (1.6fte) with increased capacity to further develop the procurement function and consolidate procurement savings going forward.</p> <p>A sum of £150,000 has been earmarked from the MTFS Investment Reserve to support capacity work.</p>
Nuts and Bolts - Property and Assets	F&P	Asset Review	James Magog (Director - Finance, IT and Digital)	65	35	0	100	Yes	0	N/A	<p>Savings based on consolidating Bevan House and Windsor Offices staff into civic centre - savings realigned to latest estimate.</p> <p>A sum of £200,000 has been earmarked from the MTFS Investment Reserve to support his project. This project also allows other savings to materialise.</p>
Total				465	285	250	1,000				

Key - Equality & Poverty Impact

- A
- B
- C
- D
- E
- F
- G
- H
- I
- J
- K
- L
- Age
- Disability
- Gender Reassignment
- Marriage and Civil Partnership
- Pregnancy and Maternity
- Race
- Religion and Belief
- Sex
- Sexual Orientation
- Poverty
- Care Leavers
- Armed Forces Community

Category	Cttee	Budget Reduction Heading	Lead Officer	Budget Reduction 2024/25 £000	Indicative Budget Reduction 2025/26 £000	Indicative Budget Reduction 2026/27 £000	Total Budget Reduction £000	Verified by Finance (Yes/No)	Potential Staff impact over three years (indicative)	Equality & poverty impact	Description of proposed savings
Revs and Bens	F&P	Revenues and Benefits on-line gateway	James Magog (Director - Finance, IT and Digital)	10	30	30	70	Yes	0	N/A	Improved on-line portal for Council Tax billing, with the aim of 60% sign up over 3 years. Automated integration to back office system from customer updates (i.e. eliminate double keying of information). Savings are net of software costs and will accrue with reduced printing and postage, with staff processing savings anticipated in future years.  No staffing reductions are anticipated. Indicative savings in 2025/26 and 2026/27 may arise from staff savings, but this is likely to be cost avoidance (i.e. not increasing staff numbers to cope with increased council tax base) or overtime reduction.  A sum of £50,000 has been earmarked from the MTFS Investment Reserve to support his project.
		Total		10	30	30	70				

Key - Equality & Poverty Impact

- A
- Age
- B
- Disability
- C
- Gender Reassignment
- D
- Marriage and Civil Partnership
- E
- Pregnancy and Maternity
- F
- Race
- G
- Religion and Belief
- H
- Sex
- I
- Sexual Orientation
- J
- Poverty
- K
- Care Leavers
- L
- Armed Forces Community

Category	Cttee	Budget Reduction Heading	Lead Officer	Budget Reduction 2024/25 £000	Indicative Budget Reduction 2025/26 £000	Indicative Budget Reduction 2026/27 £000	Total Budget Reduction £000	Verified by Finance (Yes/No)	Potential Staff impact over three years (indicative)	Equality & poverty impact	Description of proposed savings
Service Reviews	ACBS	Remodelling of beach lifeguard service	Gemma Ptak (AD - Preventative and Community Based Services)	25	0	0	25	Yes	TBC - casual staff	A	It is proposed to remodel the lifeguard service to prioritise areas of highest footfall. A reduced service has been operating over the last two summers due to challenges recruiting seasonal lifeguards despite training and development opportunities being provided. Impact assessments (including reviews of incidents reported) highlight that areas such as the paddling pool, water play area and fish sands typically see staff dealing with slips, trips and falls rather than water related incidents. As a result Seaton Beach (where footfall is highest and incidents are more likely to occur) has been prioritised to make best use of the available staffing resource. Increased water safety work, has been undertaken linked to periods of good weather and multi agency engagement to educate the community. This has a positive impact outside of lifeguards being present at all coastal locations. The RNLI and Coastguard will always respond in an emergency at all beaches, including those not supported by lifeguards because of the risk of rip tides or inadequate bathing conditions. A reduced service would include lifeguards at Seaton only during the summer months with a key focus on prevention. An annual water safety campaign would be implemented from May onwards and lifeguards would support exceptional events/activities with increased risk.
Service Reviews	CS	Activities for Children in Care	Jane Young (AD - Children and Families)	27	0	0	27	Yes	0	A / J	This budget supports improving outcomes for children in care which is called upon to fund extra curricular activities, trips, equipment etc. for children in care so they can enjoy and achieve. It is proposed to remove the full budget.
Service Reviews	CS	Local Welfare Support	Danielle Swainston (AD - Joint Commissioning)	129	0	0	129	Yes	0	B / F / K / J	Cease to deliver Local Welfare Support funding as financial safety net. In 2022 it was proposed to reduce funding by £86,000, this was accepted but decision taken to defer savings for 12 months. A report was taken to Finance and Policy Committee on 20 June 2022 outlining a new model for delivery of LWS and this was approved. Landscape of local welfare support has changed over recent years since this funding was delegated to local authorities. There is no longer a statutory duty to provide these services but they are a significant safety net for those in crisis. In recent years additional financial assistance and support has been provided through schemes such as Local Council Tax Support Scheme, Holiday Activities and Food Programme and Household Support Fund (HSF). HSF will be remodelled to increase application process as per the grant requirements and requests for essential financial support.
Service Reviews	CS	Childrens Homes - Block booking provision	Jane Young (AD - Children and Families)	312	0	0	312	Yes	0	N/A	Work in partnership with other children's homes providers who are coming into the market in Hartlepool and block purchasing provision at agreed cost. One house (3 children) currently securing Ofsted registration, another organisation at earlier stages, may be up to 12 months before this comes on line so opportunity to test model. Block purchase price has been negotiated and when comparing this price to spot purchase price for child with similar level of need, weekly cost is substantially less. Block purchasing will mean increased placement capacity within Hartlepool where children's needs can be met and allowing for continuity of school, health, family and social relationships etc. This will reduce reliance in spot purchasing from independent sector where demands outstrips supply and as such, providers demand very high cost for placements which are not linked to quality or expertise of provision.
Service Reviews	CS	Pupil Premium	Amanda Whithead (AD - Education)	68	0	0	68	Yes	0	A / J	Pupil premium is paid to the local authority for children in our care. This funds the virtual school and a proportion is provided to schools to support child in school setting. Current split is 40% retained and 60% paid to schools. No funding is retained in local authority to pay for back office costs associated with support to Virtual School for example finance, HR, ICT etc. Proposal is to amend the pupil premium split with 50% paid to school and 50% retained within LA. Schools Forum will be consulted on this proposal.

Category	Cttee	Budget Reduction Heading	Lead Officer	Budget Reduction 2024/25 £000	Indicative Budget Reduction 2025/26 £000	Indicative Budget Reduction 2026/27 £000	Total Budget Reduction £000	Verified by Finance (Yes/No)	Potential Staff impact over three years (indicative)	Equality & poverty impact	Description of proposed savings
Service Reviews	NS	Waste Services Restructure	Kieran Bostock (AD - Neighbourhoods)	30	0	0	30	Yes	-1	N/A	Restructure within waste services and subsequent realignment of duties to remaining staff.  This reduction will be managed within vacant posts.
Service Reviews	NS	CCTV	Sylvia Pinkney (AD - Regulatory Services)	30	0	0	30	Yes	0	J	<p>The council is currently responsible for providing public space CCTV monitoring. The service is delivered on a 24/7/365 basis. The system has cameras located around the borough.</p> <p>The centre also operates as a 24/7 single point of contract for all alarm companies to inform the council that a building alarm has been activated, as well as appropriate follow up action including site visits.</p> <p>It also acts as the councils emergency out of hours contact centre.</p> <p>It is proposed to reduce the time the centre is manned from the existing 24/7 to weekends, bank holidays and nights on weekdays. For the remaining time the cameras would be recording at their at rest positions.</p> <p>Weekday night shifts would be 5pm to 9am (16hrs) producing a 33% reduction in weekly hours, providing a staffing saving of £30,000.</p> <p>This proposal would not affect the majority of other out of hours service that the centre provides. There may be some areas where alternative arrangements would need to be made, but these would be during the working day.</p> <p>The reduction of this service may impact on crime and disorder.</p> <p>Whilst the service employs 5 people currently, 4 are agency and as such there are no established posts impact.</p>
Service Reviews	F&P	PA review	Hayley Martin (Director of Legal, Governance and Human Resources)	15	0	0	15	Yes	-0.5	N/A	A review of PA support arrangements has enabled a consolidation of two teams supporting the Managing Director, Development, Neighbourhoods and Regulatory Services, Legal Governance and Human Resources, and Finance, IT and Digital. This will enable a vacant 0.5FTE post to be removed from the structure.
Total				636	0	0	636				

Key - Equality & Poverty Impact

- A
- Age
- B
- Disability
- C
- Gender Reassignment
- D
- Marriage and Civil Partnership
- E
- Pregnancy and Maternity
- F
- Race
- G
- Religion and Belief
- H
- Sex
- I
- Sexual Orientation
- J
- Poverty
- K
- Care Leavers
- L
- Armed Forces Community

## Savings Planning - Commercial Proposals

## 4.4 Appendix C

Category	Cttee	Budget Reduction Heading	Lead Officer	Budget Reduction 2024/25 £000	Indicative Budget Reduction 2025/26 £000	Indicative Budget Reduction 2026/27 £000	Total Budget Reduction £000	Verified by Finance (Yes/No)	Potential Staff impact over three years (indicative)	Equality & poverty impact	Description of proposed savings
Commercial	NS	Bus Shelter Advertising Contract	Kieran Bostock (AD - Neighbourhoods)	21	5	0	26	Yes	0	N/A	The new Tees Valley wide bus shelter contract will return advertising income with some of the income being used to fund the Connect Tees Valley service, currently funded from existing budgets.  There is a risk that advertising revenue does not reach the levels anticipated, but this will be actively monitored.
Commercial	F&P	Social Value Discounts	Beverley Bearne (AD - Development and Growth)	10	0	0	10	Yes	0	A / J	The Council has traditionally granted Social Value Discounts (SVD) on rents charged on certain properties in its estate that qualify in line with the published policy. The percentage discount varies between 25% and 75% of the headline rental and is technically assessed each year by reference to the tenants' accounts, memorandum and articles of association/constitution and evidence of good governance, etc. As to be expected such SVD does contribute to the continued operation of laudable uses. However, there are regular questions between qualifying organisations as to fellow recipient's discount amounts and more generally as whether such operations do indeed need the discount to survive. Moreover, in granting such discounts, the Council forgoes much needed rental income.  It is proposed that all tenants currently in receipt of this discount continue to only receive 25% discount - effectively two entities receiving 75% discount would become consistent with others that receive 25%.  There is an alternative option to remove the discount altogether - this would produce a further £16k of saving. However, this is not proposed at this stage.  Few councils provide SVDs by way of a strict policy in the way the council does. Removal of the policy does not prevent concessionary rental deals being done where the Council wishes to make a specific differentiation.
Commercial	F&P / All	Fees and Charges Increase in line with September CPI	James Magog (Director - Finance, IT and Digital)	250	0	0	250	Yes	0	J	September CPI is used by government as a basis for Business Rate increases and also grant settlements. It is proposed to use this date a basis for fees and charges going forward. All fees and charges not subject to statutory levels would be expected to increase by this amount, unless agreed by ELT otherwise.  A number of budget areas currently experiencing income shortfalls will not have their income budget increased.
<b>Total</b>				<b>281</b>	<b>5</b>	<b>0</b>	<b>286</b>				

## Key - Equality &amp; Poverty Impact

A	Age
B	Disability
C	Gender Reassignment
D	Marriage and Civil Partnership
E	Pregnancy and Maternity
F	Race
G	Religion and Belief
H	Sex
I	Sexual Orientation
J	Poverty
K	Care Leavers
L	Armed Forces Community

**Equality and Child and Family Poverty Impact Assessment of the 2024/25 Budget Saving Proposals**

<b>Category</b>	<b>Budget Reduction Heading</b>	<b>Lead Officer</b>	<b>Equality &amp; poverty Impact</b>	<b>Impact Assessment</b>
Nuts and Bolts	Procurement review	Assistant Director – Development and Growth	N/A	There is no anticipated impact.
Nuts and Bolts	Asset review	Director – Finance, IT and Digital	N/A	There is no anticipated impact.
Digital	Revenues and Benefits on-line gateway	Director – Finance, IT and Digital	N/A	The move to digitalise Council Tax billing could potentially impact negatively on certain age demographics and those in poverty who have limited digital access. However, the impact has been mitigated as the existing service will continue to be delivered in parallel with the online approach. Therefore no overall impact has been identified.
Service Reviews	Remodelling of beach lifeguard service	Assistant Director – Preventative and Community Based Services	A	The beach lifeguard service responds to anyone who finds themselves in difficulty in the water however it is recognised that this may more likely be children. Following a review of incidents reported to the service the proposal is to prioritise providing the lifeguard service at Seaton beach, alongside delivering an annual water safety campaign and providing support to exceptional events / activities with increased risk, which aims to mitigate the impact on potential service users.

Category	Budget Reduction Heading	Lead Officer	Equality & poverty Impact	Impact Assessment
Service Reviews	Activities for children in care	Assistant Director – Children and Families	A / J	This proposal relates to children in care. However, it is not anticipated that there will be a significant negative impact for individual service users from this proposal.
Service Reviews	Local Welfare Support	Assistant Director – Joint Commissioning	B / F / K / J	Local Welfare Support (LWS) is a limited discretionary fund to help vulnerable residents with essential household goods and appliances to be able stay in or return to their community. There is no statutory duty to provide the LWS but it provides a safety net for those in crisis. It is intended that financial assistance and support provided through the Local Council Tax Support Scheme, Holiday Activities and Food Programme and Household Support Fund (HSF) will mitigate some of the impact of removing the LWS nevertheless the removal of LWS will have a negative impact on child and family poverty.
Service Reviews	Children's Homes – block booking provision	Assistant Director – Children and Families	N/A	This proposal relates to children's social care and aims to reduce the costs associated with the provision of accommodation for children in the care of the Council. There is no negative impact identified for individual service users from this proposal.
Service Reviews	Pupil premium	Assistant Director – Education	A / J	This proposal would see a change in the distribution of pupil premium funding relating to children in the care of the Council to increase the percentage retained by the Council. It is not anticipated that there will be a significant negative impact identified for individual service users from this proposal.

Category	Budget Reduction Heading	Lead Officer	Equality & poverty Impact	Impact Assessment
Service Reviews	Waste Services Restructure	Assistant Director – Neighbourhoods	N/A	There is no anticipated impact.
Service Reviews	CCTV	Assistant Director – Regulatory Services	J	The proposal is to reduce the staffed CCTV monitoring service to nights on weekdays, weekends and bank holidays only. Monday to Friday during the day cameras will record at their rest positions. It has been identified that this change may impact on crime and disorder which can link to poverty and disadvantage. However, the intention to retain the out of hours service will mitigate against some of this risk.
Service Reviews	PA Review	Director – Legal, Governance and Human Resources	N/A	There is no anticipated impact.
Commercial	Bus Shelter Advertising Contract	Assistant Director – Neighbourhoods	N/A	There is no anticipated impact.
Commercial	Social Value Discounts	Assistant Director – Development and Growth	A / J	This proposal would see a change to the Social Value Discount on rents charged on certain properties in the Council's estate limiting the discount to 25%. This would have an impact on two current tenants who provide services related to children and young people, adults of working age, older people and parents / carers.

Category	Budget Reduction Heading	Lead Officer	Equality & poverty Impact	Impact Assessment
Commercial	Fees and charges increase in line with September CPI	Director – Finance, IT and Digital	J	The proposal to increase fees and charges may have an impact on those living in poverty and disadvantage making it less affordable for them to access paid for services. A number of fee charging areas have reduced fee charging arrangements for those in receipt of certain benefits and these will remain reducing the potential impact of this proposal.

### Key - Equality & Poverty Impact

- A Age
- B Disability
- C Gender Reassignment
- D Marriage and Civil Partnership
- E Pregnancy and Maternity
- F Race
- G Religion and Belief
- H Sex
- I Sexual Orientation
- J Poverty and Disadvantage
- K Care Leavers
- L Armed Forces Community



# Balancing Hartlepool's Budget 2024-2025

Every February, Hartlepool Borough Council sets a budget for the year ahead which outlines how much money we will be able to spend on each of the services we provide. The Council is responsible for lots of different services. Some of these we do ourselves, some we work with others to do and some we pay other people to do for us. These services include giving children the best start in life and safeguarding those vulnerable to harm, providing adult social care, maintaining roads and pavements and providing leisure and cultural services.

We also support business investment and drive forward developments such as Highlight, screen production village, train station improvements and the exciting Town Deal projects, to ensure a prosperous future for the borough. There are some services that we have to provide by law. These are known as statutory services and include looking after children in care, supporting adults with care needs and collecting household waste. There are others that we choose to provide because they are nice things to have available to our residents. Although we have to provide statutory services we do not always have to provide them in a particular way and we could choose to do them differently in the future.

This year we have continued to see large increases in our costs as things become more expensive to buy. We also have higher costs because more people need our services, particularly in Adults and Children's social care. As an example, costs for placing a child into care outside of the Council have increased by 45% over the last three years. The average cost of providing this service is now approximately £5,000 per week, and some placements can cost more than £11,000 per week for one child.

As a result of these challenges we have an expected budget gap of £5.6m for 2024/25. That is the difference between what we expect to receive in income and the cost of continuing to provide all of our services at the current level. Over the period 2024/25 to 2026/27 this budget gap increases to £13.7m. We continue to lobby national government for a fairer share of funding but in the meantime we have a legal responsibility, as a council, to set a balanced budget.

We are not alone in facing such a challenging position, many other Councils are having difficulty balancing their budgets and you may have seen on the news that some Councils have even required the government to step in and effectively take control of their Council.

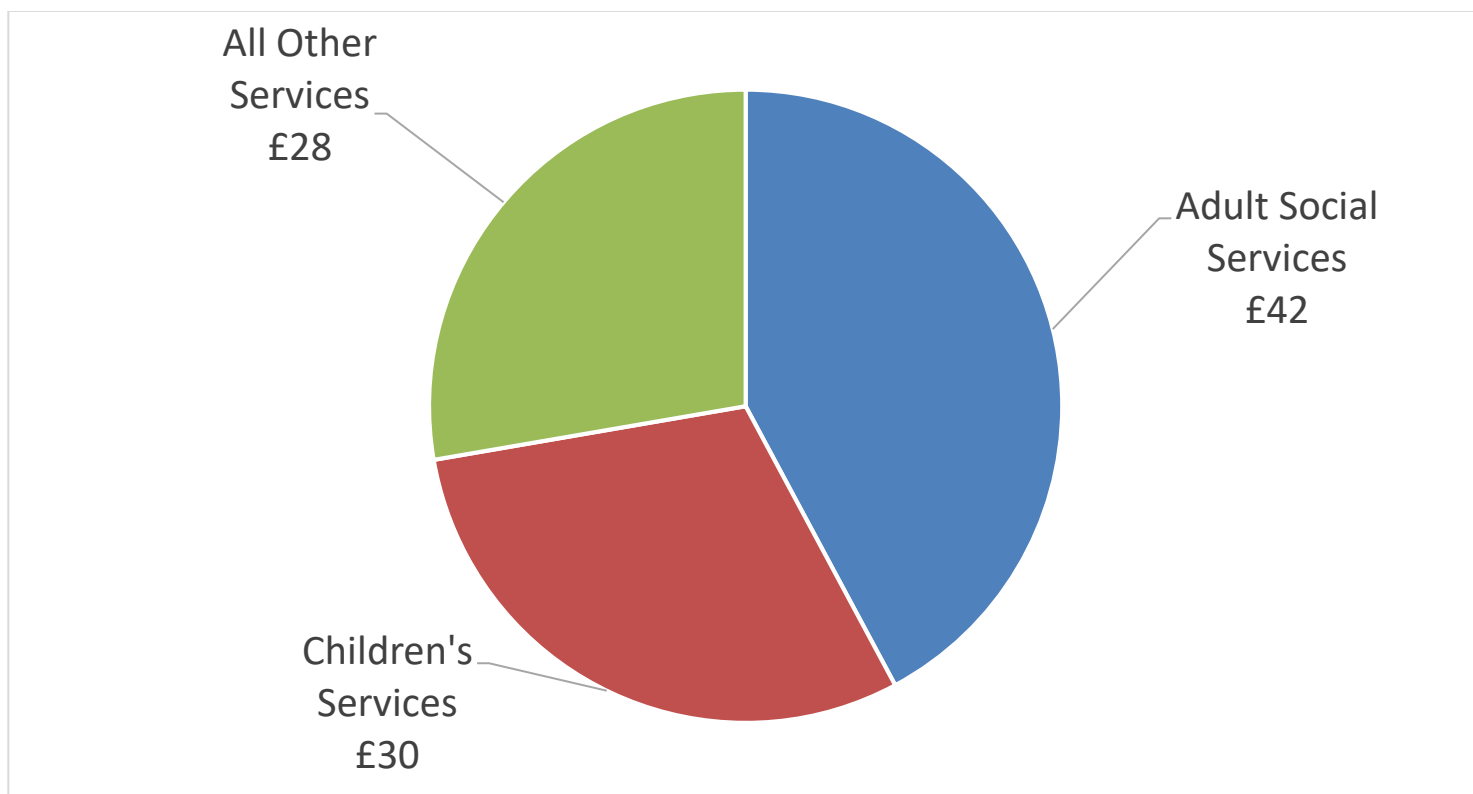
### How has the 2024/25 budget gap arisen?

Pay and Price Inflation	£6.2m
Children's Social Care Pressures	£3.0m
Previous use of one-off reserves	£1.5m
Government Grant Increases	(£2.9m)
Business Rate Increases	(£1.4m)
Council Tax Base increases (housing growth)	(£0.8m)
<b>Total Pressure</b>	<b>£5.6m</b>

### Where do we get our money from?

Council tax does not fund all of your council services. We also raise money locally through business rates and fees and charges for services but we also receive a large amount of money from national government through grants.

**For every £100 we receive to fund services, we spend:**



## How we plan to bridge the gap

The Council has adopted a four themed strategy to reduce pressures and address the budget gap over the next 3 years;

- **Nuts and Bolts.** This focuses on getting the basic things right. This will include a particular focus on;
  - Procurement – getting best value on the things we buy;
  - Information Technology (IT) – using IT and online systems to improve how we deliver services;
  - Energy – move towards achieving our net zero ambitions by minimizing our energy use and making sure we are getting value for money; and
  - Best Use of Property and Assets – looking at our buildings now that more staff work at home or hybrid work as well as looking at the land and properties that council owns to see if they can be sold or used for other things.
- **Digital.** Developing and promoting more council services to be online to make it easier for residents to contact the Council when and where it suits them. However the Council does recognise that some customers do prefer and need to have in person contact in some instances.
- **Service Reviews.** Reviewing public facing and back office services that the Council provides to make sure it is still appropriate to provide the service and that we are doing it in the most appropriate and cost effective way.
- **Commercial.** We need to make sure that we are getting the best deal for the Council when we are trading with other companies and organisations. We will also encourage business to come to Hartlepool, help local Hartlepool business to grow and support the regeneration of the town.

## Will we need to increase Council Tax?

Subject to confirmation from the government in December, they are likely to expect councils to raise Council Tax by 5%. In other towns where the government has effectively taken control of the Council they have allowed them to raise Council Tax by a larger amount to help balance the budget. For example Croydon were permitted to increase by 15%, Slough 10% and Thurrock Council 10% in 2023/24.

No decisions have been made on Council Tax. However, for every 1% Council Tax rise, this generates an additional half a million pounds for Hartlepool Borough Council. The Council has a legal duty to balance its budget.

If we do not increase council tax, services will need to be cut further.

## **But Council Tax is thought by many to be unfair**

Council Tax was introduced in 1992. We know it is an unpopular tax and is widely considered to be unfair. However, unless central government change the funding system for Councils, we have no choice but to charge our residents.

The council does operate a Local Council Tax Support scheme to help support those most unable to pay. More details can be found on the [Councils website](#).

## **Isn't Council Tax high in Hartlepool?**

Council Tax is certainly higher than we would like. Unfortunately, the local government funding system means for councils like ourselves Council Tax will always likely be high. That is why we continue to lobby for a fairer funding system. The earliest a new funding system can be introduced is now 2025/26.

To help you understand we know that our Band A Council Tax is £29 a year higher than the regional average. However taking into account services provided by parish councils it is lower than the average in Northumberland, Gateshead and Durham Local Authorities. If you lived in Horden, for example, your Band A Council Tax would be £187 a year higher than on average in Hartlepool for 2023/24.

## **Your views**

As we look to set our budget for 2024/25, we want to hear your views on our budget proposals by completing the survey that accompanies this booklet.

The survey will remain open until **1st January 2024** and should take around 5 minutes to complete.

Paper surveys will be available in the Community Hubs and the Civic Centre with pre-paid envelopes for returning the survey.

If you would like to complete the survey online then you can do so by using the following link or scanning the QR code:

<https://yoursay.hartlepool.gov.uk/balancing-the-budget-2024-25>



If you have any questions or would like further information then please e-mail:  
[yoursay@hartlepool.gov.uk](mailto:yoursay@hartlepool.gov.uk)

**Thank you for participating in this consultation – your views are really important to us!**



## Have your say on our budget proposals

In our 'Balancing the Budget' booklet (LINK) we have set out the financial challenge we face and have shared with you how we propose to balance our budget. We have explained why increasing Council Tax is an option we must consider, including that the Government expects us to do so.

Further detail can be found in the report taken to November's Finance and Policy Committee [here](#).

Now it is your opportunity to tell us what you think about our budget proposals. We want you to share any suggestions that you may have for other ways that you think the Council can make savings or generate more money.

### About the survey...

We are keen to understand who has responded to this consultation and to be able to break the answers down to see if different groups respond in different ways. In order to do this we will ask you to identify some information about yourself including your home postcode. This will not allow any individuals to be identified but will help us understand your views and to ensure we have received responses from a wide range of people. We have provided "prefer not to say" options for each question if you do not feel comfortable answering these questions.

### What happens with the information you provide...

The data from this survey will be considered when decisions about the budget are made.

The survey will remain open until **1<sup>st</sup> January 2024** and should take around 5 minutes to complete.

If you would like to complete the survey online then you can do so by using the following link or scanning the QR code:

<https://yoursay.hartlepool.gov.uk/balancing-the-budget-2024-25>



If you have any questions or would like further information then please e-mail:

[yoursay@hartlepool.gov.uk](mailto:yoursay@hartlepool.gov.uk)

**Thank you for participating in this consultation – your views are really important to us!**

- 1. Do you understand the financial pressure Hartlepool Borough Council is experiencing in the face of significantly higher costs and rising demands for services?**

Yes	<input type="checkbox"/> 1
No	<input type="checkbox"/> 2
Don't know / Not sure	<input type="checkbox"/> 3

- 2. Do you understand that the Council has a requirement to look after the most vulnerable in society, and that the significant increases in costs, is resulting in funding for other services being squeezed?**

Yes	<input type="checkbox"/> 1
No	<input type="checkbox"/> 2
Don't know / Not sure	<input type="checkbox"/> 3

- 3. The government recognised that the current local government finance system was not fit for purpose in 2016 when it began a review, known as "Fair Funding". The council has the expectation of significant additional funding following such a review. Unfortunately the Fair Funding work has been paused. Do you agree that the council should continue to lobby for fair funding for Hartlepool?**

Yes	<input type="checkbox"/> 1
No	<input type="checkbox"/> 2
Don't know / Not sure	<input type="checkbox"/> 3

- 4. A number of councils have got into financial difficulty and have issued what is known as Section 114 notices. Effectively declaring themselves bankrupt and stopping all non-statutory spending. This has led to government intervention, significant service cuts and in some cases exceptional increases to Council Tax. Do you agree the council should make every effort to avoid such an outcome?**

Yes	<input type="checkbox"/> 1
No	<input type="checkbox"/> 2
Don't know / Not sure	<input type="checkbox"/> 3

- 5. Do you think our four themed approach to balancing the budget gap is appropriate and strikes the right balance between inward looking savings, income generation and potential service impact?**

Yes	<input type="checkbox"/> 1
No	<input type="checkbox"/> 2
Don't know / Not sure	<input type="checkbox"/> 3

6. To help us prioritise where to make budget reductions, please select three service areas to target for savings. Please select three options only.

<b>Services for older people</b> (including home and day care services, etc.)	<input type="checkbox"/> 1
<b>Services for people with a physical disability, learning disability or mental health need</b>	<input type="checkbox"/> 2
<b>Support for carers</b>	<input type="checkbox"/> 3
<b>Public health services</b> (including smoking cessation, weight management and drug and alcohol misuse services)	<input type="checkbox"/> 4
<b>Children's social care</b> (including welfare, fostering and adoption, and child protection)	<input type="checkbox"/> 5
<b>Education and child care</b> (including in nurseries and local authority schools)	<input type="checkbox"/> 6
<b>Home to school transport</b> provided by the Council	<input type="checkbox"/> 7
<b>Services for children with special educational needs and disabilities (SEND)</b>	<input type="checkbox"/> 8
<b>Support for young people not in education, employment or training (NEET)</b>	<input type="checkbox"/> 9
<b>Community hubs and libraries</b>	<input type="checkbox"/> 10
<b>Parks and other outdoor spaces</b> (including Summerhill Country Park and public Rights of Way)	<input type="checkbox"/> 11
<b>School meals</b>	<input type="checkbox"/> 12
<b>Registration services</b> (births, marriages and deaths)	<input type="checkbox"/> 13
<b>Regulatory Services</b> (including community safety, anti-social behaviour, environmental health and trading standards)	<input type="checkbox"/> 14
<b>Economic development</b> (supporting the local economy)	<input type="checkbox"/> 15
<b>Highways</b> (including street lighting, highways maintenance, footpaths and cycle ways)	<input type="checkbox"/> 16
<b>Concessionary bus travel</b>	<input type="checkbox"/> 17
<b>Waste services</b> (including household refuse and recycling collections, trade waste collections and the household waste recycling centre)	<input type="checkbox"/> 18
<b>Leisure services</b> (including leisure centres, sports and recreation facilities and activities)	<input type="checkbox"/> 19
<b>Planning and Building Control</b>	<input type="checkbox"/> 20
<b>Other services not listed here</b> (please specify)	<input type="checkbox"/> 21

**7. Do you understand that a Council Tax increase is one of the few options councils have to raise income to support the increasing cost of giving children the best start in life and safeguarding those vulnerable to harm, and providing adult social to our vulnerable residents?**

Yes	<input type="checkbox"/> 1
No	<input type="checkbox"/> 2
Don't know / Not sure	<input type="checkbox"/> 3

**8. Do you agree we should increase Council Tax by the amount allowed in order to protect vital services?**

Yes	<input type="checkbox"/> 1
No	<input type="checkbox"/> 2
Don't know / Not sure	<input type="checkbox"/> 3

**9. If you have comments on any of the specific schemes that we have included within our savings and income generation proposals or have any suggestions or comments as to how we can balance the budget, then please use the space below to tell us about them:**

## And finally...

We are now going to ask some details about you – your answers will help us to understand some of your earlier responses. We will use this information to see if the responses given to earlier questions vary based on some of these details. It will also help us to ensure that we get responses from a wide range of people.

This information will not be used to identify individuals and won't be shared. You do not need to complete this section if you do not want to or you can choose to answer some but not all of the questions. In some questions there is space provided if you wish to self-identify. Please note that these questions are from the 2021 Census so we are able to compare our responses against the population of Hartlepool.

### 10. Which of the following best describes you?

A resident of Hartlepool	<input type="checkbox"/> 1
Not a resident but working in Hartlepool	<input type="checkbox"/> 2
Not a resident but studying in Hartlepool	<input type="checkbox"/> 3
Other (please specify)	<input type="checkbox"/> 4

### 11. If you live in Hartlepool please tell us the first part of your postcode.

TS22	<input type="checkbox"/> 1
TS23	<input type="checkbox"/> 2
TS24	<input type="checkbox"/> 3
TS25	<input type="checkbox"/> 4
TS26	<input type="checkbox"/> 5
TS27	<input type="checkbox"/> 6
Other (please specify)	<input type="checkbox"/> 7

**12. Please tell us which of the following services, provided by Hartlepool Borough Council, you or the people in your household have used in the past 12 months.**  
(Please select all that apply).

<b>Services for older people</b> (including home and day care services, etc.)	<input type="checkbox"/> 1
<b>Services for people with a physical disability, learning disability or mental health need</b>	<input type="checkbox"/> 2
<b>Support for carers</b>	<input type="checkbox"/> 3
<b>Public health services</b> (including smoking cessation, weight management and drug and alcohol misuse services)	<input type="checkbox"/> 4
<b>Children's social care</b> (including welfare, fostering and adoption, and child protection)	<input type="checkbox"/> 5
<b>Education and child care</b> (including in nurseries and local authority schools)	<input type="checkbox"/> 6
<b>Home to school transport</b> provided by the Council	<input type="checkbox"/> 7
<b>Services for children with special educational needs and disabilities (SEND)</b>	<input type="checkbox"/> 8
<b>Support for young people not in education, employment or training (NEET)</b>	<input type="checkbox"/> 9
<b>Community hubs and libraries</b>	<input type="checkbox"/> 10
<b>Parks and other outdoor spaces</b> (including Summerhill Country Park and public Rights of Way)	<input type="checkbox"/> 11
<b>School meals</b>	<input type="checkbox"/> 12
<b>Registration services</b> (births, marriages and deaths)	<input type="checkbox"/> 13
<b>Regulatory Services</b> (including community safety, anti-social behaviour, environmental health and trading standards)	<input type="checkbox"/> 14
<b>Economic development</b> (supporting the local economy)	<input type="checkbox"/> 15
<b>Highways</b> (including street lighting, highways maintenance, footpaths and cycle ways)	<input type="checkbox"/> 16
<b>Concessionary bus travel</b>	<input type="checkbox"/> 17
<b>Waste services</b> (including household refuse and recycling collections, trade waste collections and the household waste recycling centre)	<input type="checkbox"/> 18
<b>Leisure services</b> (including leisure centres, sports and recreation facilities and activities)	<input type="checkbox"/> 19
<b>Planning and Building Control</b>	<input type="checkbox"/> 20
<b>Neither me nor anyone in my household have used any services in the past 12 months</b>	<input type="checkbox"/> 21
<b>Other services not listed here</b> (please specify)	<input type="checkbox"/> 22

**13. Which Council Tax Band is your home in?**

Band A	<input type="checkbox"/> 1
Band B	<input type="checkbox"/> 2
Band C	<input type="checkbox"/> 3
Band D	<input type="checkbox"/> 4
Band E	<input type="checkbox"/> 5
Band F	<input type="checkbox"/> 6
Band G	<input type="checkbox"/> 7
Band H	<input type="checkbox"/> 8
Don't know	<input type="checkbox"/> 9
Prefer not to say	<input type="checkbox"/> 10

**14. Are you....?**

Female	<input type="checkbox"/> 1
Male	<input type="checkbox"/> 2
Prefer not to say	<input type="checkbox"/> 3
Self-identify:	<input type="checkbox"/> 4

**15. What is your age?**

Under 16	<input type="checkbox"/> 1
16-25	<input type="checkbox"/> 2
26-35	<input type="checkbox"/> 3
36-45	<input type="checkbox"/> 4
46-55	<input type="checkbox"/> 5
56-65	<input type="checkbox"/> 6
66+	<input type="checkbox"/> 7
Prefer not to say	<input type="checkbox"/> 8

**16. What is your ethnic origin?**

Asian or Asian British	<input type="checkbox"/> 1
Black African, Caribbean or Black British	<input type="checkbox"/> 2
Mixed / Multiple ethnic groups	<input type="checkbox"/> 3
White	<input type="checkbox"/> 4
Other ethnic group (please specify)	<input type="checkbox"/> 5
Prefer not to say	<input type="checkbox"/> 6

**17. Are you...?**

Bisexual	<input type="checkbox"/> 1
Gay or lesbian	<input type="checkbox"/> 2
Straight / heterosexual	<input type="checkbox"/> 3
Prefer not to say	<input type="checkbox"/> 4
Self-identify:	<input type="checkbox"/> 5

**18. Do you have any physical or mental health conditions expected to last 12 months or more?**

Yes	<input type="checkbox"/> 1
No	<input type="checkbox"/> 2
Prefer not to say	<input type="checkbox"/> 3

**19. Do any of your conditions reduce your ability to carry out day-to-day activities?**

Yes, a little	<input type="checkbox"/> 1
Yes, a lot	<input type="checkbox"/> 2
No	<input type="checkbox"/> 3
Prefer not to say	<input type="checkbox"/> 4

**20. Are you, or have you been, in the care of the Local Authority as a child or young person?**

Yes, I am a care leaver	<input type="checkbox"/> <sub>1</sub>
Yes, I am currently in care	<input type="checkbox"/> <sub>2</sub>
No	<input type="checkbox"/> <sub>3</sub>
Prefer not to say	<input type="checkbox"/> <sub>4</sub>

**21. Please tell us if you, or your spouse / partner are currently serving or have previously served in the UK armed forces. Please tick all that apply**

I have previously served in the Regular or Reserve Armed Forces	<input type="checkbox"/> <sub>1</sub>
I am currently serving in the Regular, Reserve or Territorial Armed Forces	<input type="checkbox"/> <sub>2</sub>
My Spouse / partner is currently serving in the Regular, Reserve or Territorial Armed Forces	<input type="checkbox"/> <sub>3</sub>
My Spouse / partner has previously served in the Regular or Reserve Armed Forces	<input type="checkbox"/> <sub>4</sub>
Not applicable	<input type="checkbox"/> <sub>5</sub>
Prefer not to say	<input type="checkbox"/> <sub>6</sub>

**Thank you for completing the survey your views are important to us!**

By completing this questionnaire you give Hartlepool Borough Council the authority to collect and retain information about you. The information collected about you will be held securely and will be processed to produce statistical reports. No personal data will be disclosed. Hartlepool Borough Council is the Data Controller for the purposes of the Data Protection Act.

Please place completed surveys in the box provided or return to:

Your Say,  
Hartlepool Borough Council,  
Civic Centre,  
Victoria Road,  
Hartlepool,  
TS24 8AY

The closing date is **Monday 1<sup>st</sup> January 2024.**

<https://yoursay.hartlepool.gov.uk/balancing-the-budget-2024-25>



# FINANCE AND POLICY COMMITTEE

27 NOVEMBER 2023



**Subject:** NET ZERO STRATEGY AND ACTION PLAN

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

**Decision Type:** Key Decision (Test ii applies) Forward Plan DNRS 09/23

## 1. COUNCIL PLAN PRIORITY

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

## 2. PURPOSE OF REPORT

- 2.1 To present the Council's first Net Zero Strategy and Action Plan on carbon reduction, climate change adaptation and renewable energy, in order to set out objectives and targets for further reducing greenhouse gas emissions and better preparing for future changes in climate and extreme weather.
- 2.2 To note the introduction of new targets set out in the strategy, which include:
- (a) Achieve 'net zero' for all Council operations by 2050 through carbon reduction initiatives and offsetting; and
  - (b) 30% reductions in emissions every 5 years.

### 3. BACKGROUND

#### 3.1 Climate Change

- 3.1.1 In its most recent annual report, the 6<sup>th</sup> Synthesis Report on Climate Change, the Intergovernmental Panel on Climate Change (IPCC), the world's most authoritative body on climate science, evidenced that some future changes are now unavoidable and / or irreversible but can be limited by deep, rapid and sustained global greenhouse gas emissions reduction.
- 3.1.2 Climate change mitigation efforts are crucial to avoid extreme dangerous climate change in the latter half of this century. There are wide ranging global and national drivers for action on climate change mitigation such as the UK Climate Change Act 2008 and the prominent and recent agreements at the UN Climate Conference of Parties (COP). The 'net zero target' refers to a Government commitment to ensure the UK reduces its greenhouse gas emissions by 100% from 1990 levels by 2050. It also introduced a long-term framework for managing emissions through a system of national carbon budgets: caps on the total quantity of greenhouse gases permitted in the UK over a specified time.

#### 3.2 Council Response

- 3.2.1 The Council has a responsibility to contribute locally to the UK's Net Zero Strategy in reducing greenhouse gas emissions from our estate and operations, and better preparing for extreme future weather events, and we have a strong track record in both mitigation (reducing emissions) and adaptation (protecting from extreme events). Our Council Plan sets out the objectives of delivering our 'Green Vision' of a low carbon economy and improving resilience to extreme weather events, and this strategy aims to contribute significantly to both these commitments.
- 3.2.2 The Council has already taken important steps over the past few years to the work of reducing emissions across the Borough such as publishing our 'Climate Pledge' in 2021, delivering significant housing retrofit programmes in 2022 and contributing to the Tees Valley Net Zero Strategy in 2023. However a long term, comprehensive plan of action is required across a range of operations and services to deliver a pathway to net zero emissions.

#### 3.3 Council Emissions and Reporting

- 3.3.1 The provisional figure for the Council's carbon emissions for the financial year 2022/23 was 5,503 tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e) across all estate, activity and operations, which was 4.8% lower than in 2021/22, and a reduction of 2.1% compared with the baseline year of 2018/19.
- 3.3.2 For 2022/23, the Council's land and building assets made up for 44% (3,817tCO<sub>2</sub>e) of our total carbon footprint, with approximately 64.4% (2,457.5 tCO<sub>2</sub>e of 3,817 tCO<sub>2</sub>e) of this figure alone resulting from the heating of buildings, making it the largest contributor of emissions.

- 3.3.3 The Council's fleet emissions was the second largest contributor, making up for 25.5% (1,402tCO<sub>2</sub>e) of our total emissions, closely followed by electricity use at 24.7% (1,360tCO<sub>2</sub>e). Staff business travel claims only made up for 2.7% of total emissions, but when expressed in mileage terms, this equates to 542,578 miles. Emissions from electricity transmission and distribution (2.3%) and waste generated from our own operations (0.2%) make up for the remaining emissions.
- 3.3.4 As with standard carbon reporting, the Council monitors and reports on what are known as Scope 1 and 2 emissions which are direct carbon emissions from the use of fossil fuels, as well as indirect emission sources from gas and electricity. Some Scope 3 emissions are also included in the carbon reporting, which include indirect emissions from business travel, transmission and distribution losses in electricity, and waste generated from our own operations. However much of Scope 3 emissions are either outside of the authority's control, the data is not currently available, or a combination of both, resulting in any calculations being based on assumptions and as a result those have not been included in our first baseline report.
- 3.3.5 It is intended that our Scope 3 emissions reporting is expanded in future calculations and methodologies are being developed to gather emissions data through procurement processes and new software, which can provide a more accurate picture of the Council's wider carbon footprint.
- 3.3.6 In line with our Climate Pledge the Council is now publically declaring its emissions inventory, and is using the internationally recognised CDP-ICLEI Track system, the world's leading climate reporting platform, alongside 62 other Local Authorities in the UK and over 1,100 municipalities globally. This platform and the support of CDP has provided the Council with an ability to gather new data and analysis, and will be a 'one system' tool for all our reporting responsibilities.
- 3.4 Net Zero Strategy and Action Plan
- 3.4.1 The strategy at **Appendix 1** sets out to reduce emissions from the Council's estate, operations and services by 30% every 5 years, with an overall goal of reaching 'net zero' by 2050 through carbon reductions and offsetting. In line with our 'Climate Pledge', the strategy is intended to lead from the front ahead of the development of a borough wide response in later years. An executive summary version in the form of a visual, accessible leaflet and web version is attached at **Appendix 2** and intended to be used as a means of engaging a wide range of audiences on our climate response.
- 3.4.2 In addition to tackling mitigation and reducing emissions, the strategy and plan aim to improve preparedness for future extreme events through a series of adaptation activities. As a result, this strategy aims to address the challenge of meeting our CO<sub>2</sub> reduction targets, ensure that we are better prepared for future extreme events and minimise the impacts when they occur, and to meet our climate obligations.

3.4.3 The actions are presented under a series of thematic areas within four overarching principles, which are:

- (1) Carbon management;
- (2) Resource efficiency;
- (3) Sustainable warmth; and
- (4) Climate resilience.

3.4.4 The five thematic aims underpinning the strategy are:

- (1) Reduce local CO<sub>2</sub> emissions – addressing the Council's assets and fleet emissions;
- (2) Resource maximisation and waste reduction – maximising the use of the Council's existing resources and the sustainable procurement of goods and services;
- (3) Domestic energy and sustainable warmth – by addressing the Council's own housing stock and positively influencing the private housing sector;
- (4) The natural environment – maintaining good air quality, protecting and enhancing natural habitats and increasing tree cover; and
- (5) Climate resilience and adaptation – adapting the built and natural environment to current and future climate change impacts and working towards sustainable development.

3.4.5 The plan contains 44 actions to deliver, all of which have been assessed and scored against a range of factors including cost and financial savings, carbon reduction, 'impact / ease of implementation, value for money, availability of funding and resource, lasting impact, the likelihood of success and how well it addresses the aims and vision of the Council Plan.

## 4. PROPOSALS/OPTIONS FOR CONSIDERATION

4.1 There are three proposed options associated with the Council's response to climate change:

1. **Do nothing:** At present, there are no statutory duties that require Local Authorities to develop a climate change response, report emissions data or deliver actions to tackle mitigation and adaptation despite the presence of a legally binding national target. However, the latest IPCC report demonstrates that if global society fails to limit global warming to 1.5°C above pre-industrial levels, extreme climatic events will become more frequent and fiercer, and the climate will reach a tipping point. The Council has a moral responsibility to respond, has publically committed to reduce its impact and pursuing sustainable development has significant benefits for our communities, our place and the Council's financial position.

2. **Adopt a Council Net Zero Strategy and Action Plan:** The Council has committed through a 'Climate Pledge', in November 2021, to develop and deliver a strategy and action plan that focuses on mitigating the Council's emissions from estate, operations and services, and adapts our services to future weather events. By 'getting our house in order' and reducing our impact year on year, we are better placed to support communities and the wider borough in tackling climate change. It also contributes to our wider policy goals including improving health and well-being, financial sustainability, resilient communities and being a Council that is fit for purpose.
  3. **Adopt a Borough wide Net Zero Plan:** Developing and delivering a climate strategy across multiple sectors and the geography of the Borough is a significant challenge and requires strong foundations, particularly in accessing data and information on emissions and climate impacts. As a place leader, the Council needs to ensure that it has a strong baseline, inventory and plan embedded before embarking on encouraging and working with other place organisations to tackle climate change, and ensure adequate resources are in place to do so.
- 4.2 The recommended option is to adopt a **Council Net Zero Strategy and Action Plan**, as our first major step to tackling climate change in the Borough

## 5. OTHER CONSIDERATIONS/IMPLICATIONS

<b>RISK IMPLICATIONS</b>	The principal risk of adopting a strategy is that actions to meet the objectives are not delivered, and no improvement is gained in performance. This could lead to a reputational risk and the Council perceived as signing up to commitments and not following through. However, we have a strong track record of success in this area, evidenced by the emission savings achieved as a result of the works carried out funded by our previously successful Public Sector Decarbonisation Scheme bid, possess detailed action plans and are delivering measurable improvement. The risk of inaction would be far greater particularly from a public relations perspective.
<b>FINANCIAL CONSIDERATIONS</b>	Delivery of some measures within the action plan will have financial implications, however there are existing resources available such as the Public Sector Decarbonisation Scheme. The adoption of this strategy will also assist us in accessing external funding for specific schemes and we will continue to seek resources to do so, generating our own electricity for consumption and potential income from renewables. Furthermore, there are efficiencies and potential savings to be made by implementing the Net Zero Strategy, for example, improving energy efficiency.

<b>LEGAL CONSIDERATIONS</b>	The Climate Change Act 2008 established a UK commitment to reduce greenhouse gas emissions by 80% by 2050 from 1990 levels. This act was amended in 2019 to legislate a target to reach net-zero GHG emissions, by 2050. The UK is a signatory of the Paris Agreement, which is a legally binding treaty that aims to limit the increase in global average temperature to well below 2 degrees Celsius above pre-industrial levels, with an aspiration to limit it to 1.5 degrees Celsius.
<b>CHILD AND FAMILY POVERTY</b>	See attached <b>Appendix 3</b> .
<b>EQUALITY AND DIVERSITY CONSIDERATIONS</b>	See attached <b>Appendix 4</b> .
<b>STAFF CONSIDERATIONS</b>	The strategy will have implications for all staff, not just responsible officers. Senior management and action leads will play significant roles in delivering the actions identified in the plan.
<b>ASSET MANAGEMENT CONSIDERATIONS</b>	Key Council assets will benefit from the actions in the plan through retrofit works such as energy efficiency improvements, renewable energy, and better considerations for any new properties. Asset rationalisation will allow greater attention to be focused on key Council buildings.
<b>ENVIRONMENT, SUSTAINABILITY AND CLIMATE CHANGE CONSIDERATIONS</b>	The strategy aims to reduce our carbon emissions, thereby our contribution to climate change. It also takes into account a consideration for the future climate. It will also become an integral part to delivering on Council's climate pledge.
<b>CONSULTATION</b>	<ul style="list-style-type: none"> <li>• An internal staff survey was undertaken on the YourSay platform</li> <li>• A consultation with action leads was undertaken</li> <li>• A consultation with the SMT was undertaken</li> <li>• A consultation with DMT was undertaken</li> <li>• A consultation with ELT was undertaken</li> </ul>

**14. RECOMMENDATIONS**

14.1 Finance and Policy Committee is recommended to:

- a) Note the report including the carbon audit and emissions inventory;
- b) Adopt the Net Zero Strategy and Action Plan and its associated targets;
- c) Monitor the delivery of the strategy and action plan through an annual review of progress.

**15. REASONS FOR RECOMMENDATIONS**

- 15.1 The Council has committed to adopting a Net Zero Strategy through the adoption of our 'Climate Pledge' in 2021.
- 15.2 The UK has a legal obligation to achieve net zero emissions by 2050 (Climate Change Act 2008), and the Council has a role to play in achieving this target.

**16. BACKGROUND PAPERS**

16.1 There are no Background Papers associated with the report.

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Sign Off:-

Managing Director	Date: 30 October 2023
Director of Finance, IT and Digital	Date: 30 October 2023
Director of Legal, Governance and HR	Date: 30 October 2023

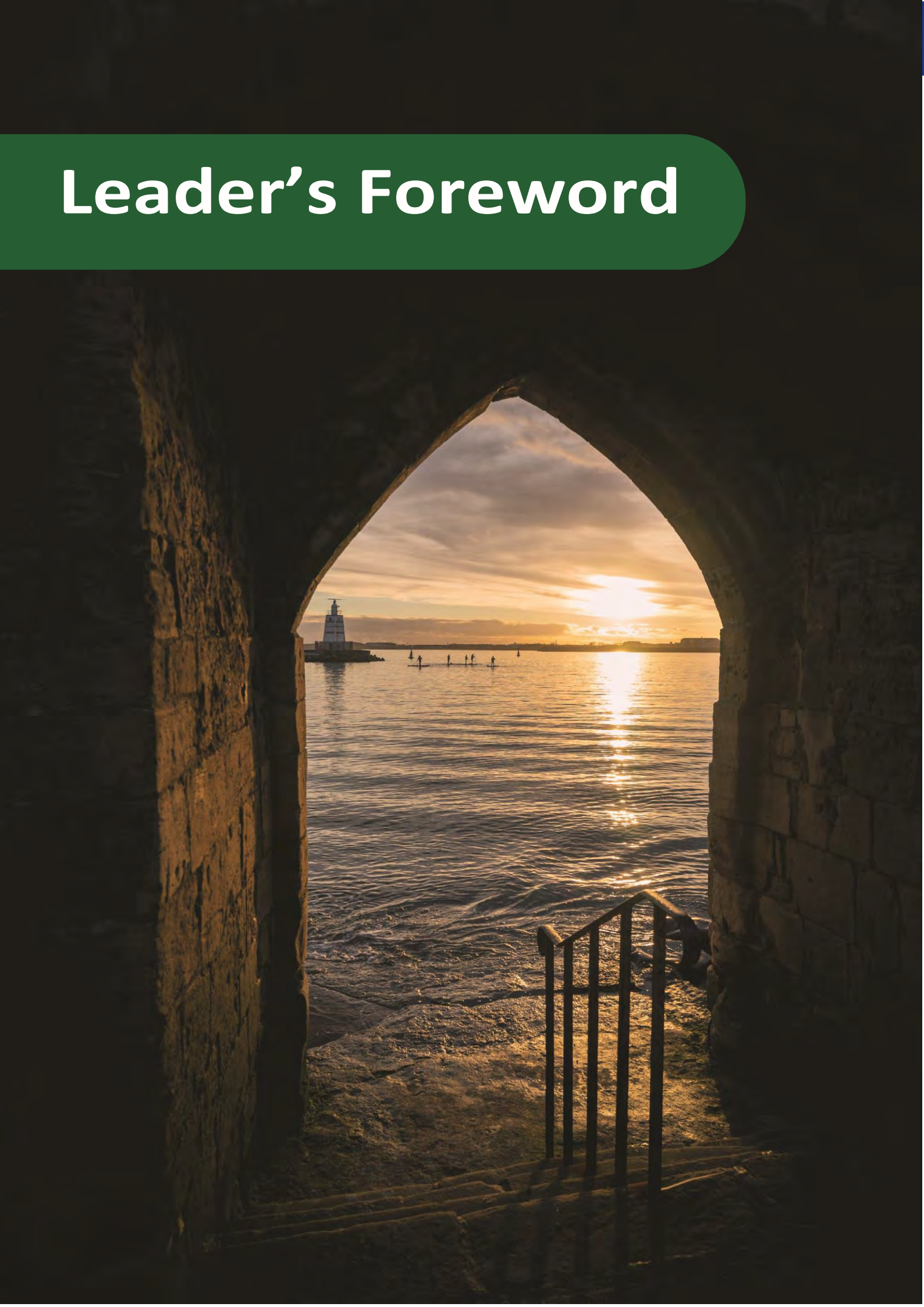
# Net Zero Strategy and Action Plan



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# Leader's Foreword



## 1 Leader's Foreword – 2023 Climate Change Response and Net Zero

There is a point we reach at which we must reconcile the things we see as notional and those we know to be based in fact and firm reasoning.

The issue of climate change gets bounced around with some saying that we are part of the natural ebb and flow of a constantly altering, natural ecological cycle that will just 'happen to us anyway'. Some will say that this may be absolutely true, and that many wider factors impact the flow of climate change, but that this process is being ever quickened by the continuous industrial impact of fossil fuels, wider carbon generating sectors including agriculture but also the direct impacts of the way we live as individuals day by day making choices over the way we consume energy, the efficiency of our homes and places of work generally and even the way we choose to travel.

Regardless of the many factors that go in to making and baking the cake that is climate change, there is a response that we can all agree on – we can do our part to be efficient.

Efficient in our consumption, efficient in our day to day travel and adventure – even efficient in the way we consume our food! The most important part in my opinion, in being efficient, is choosing to learn about the many ways we can be efficient in all areas of our lives to the continued betterment of the planet.

Many talk about sustainability. To me, sustainability is a bit of a cop out. We can easily be sustainable by shaving off a bit here and a bit there. However, these acts of sustainability will be varied, different dependent on the time of day, the place we find ourselves or indeed the way we feel. Efficiency requires a more measured, methodical, deliberate and purpose driven set of aims – even values – to change our habits, our beliefs and our respect for our planet and therefore each other.

So, my huge wish is for you to read this response to Climate Change and Net Zero in a grounded, deliberate and purpose driven way – a way that looks at the solutions you might come up with within your own life and the life of your loved ones and friends. I want this document to be one that allows you to reflect and consider how your everyday habits impact on our world – a bit grand I know – but I mean it because without that focus and determination, the whole meaning and direction of this document loses any authority in the collective responsibility we have to take care of our place.

Hartlepool is extremely important to me. The people who read this are incredibly important to those who have spent many days, weeks and months putting this strategy together. And it is together that we will look to work on the solutions, changes and positive opportunities in order

that we might all take seriously our part in our place for the environment that we so desperately need to take better care of.

My vision of 2023 – 2033 is quite large. Some say too large. But I see a Hartlepool that grows in efficient ways using innovative materials and energy saving software and energy storing devices in order to deliver on a social housing strategy that sees individuals and families benefit from lower bills as their inbuilt PV linked storage allows them to come off grid at certain points in a week, and that the home that they are living in has been built with Modern Methods of Construction (MMC) so as to allow them to be heat efficient all year round – remembering to inform people that airflow is an important part of an MMC home. I see us taking our place in ensuring businesses and wider homes can benefit from the Home Energy Management Systems and Business Energy Management Systems as we each look to move our homes and places of work into a new energy and cost efficient future that protects us from the kind of cost of living crisis we have seen since the end of 2021 and continue to suffer from in 2023.

In closing, I wish to give thanks to the contributors, wider council officer team and you who are reading this document. Collectively we care about our place. Collectively we can respond to this strategy. But only as individuals can we take the much needed responsibility to make the kind of positive impact that can change our climate for the better.



**Councillor Mike Young**

Leader of Hartlepool Borough Council

## 2 Executive Summary

The need for taking immediate and radical action on climate change and its impacts is being increasingly recognised by businesses, governments, and the public. In recognising the amount of action and the speed at which this must be done, the UK has since ratified the Paris Agreement to keeping global warming to well below 2°C, and pursuing efforts to limit the temperature increase to 1.5°C. On this notion, the UK officially declared a climate emergency in 2019. Hartlepool Borough Council has acknowledged our role in the need to act and to play our part to support the nation in achieving our national commitments. In response, Hartlepool Borough Council declared our own climate pledge in 2021 and have passed a motion to develop a strategy to achieve net zero carbon emissions.

The Climate Change Response and Net Zero Strategy for Hartlepool Borough Council sets out the framework for the council to become a net zero emissions local authority by 2050. While this is indeed an ambitious target, by proactively tackling our carbon emissions and adapting to climate change, we can anticipate numerous positive outcomes for our environment, economy, and the overall health and wellness of our communities. We do not have all the solutions yet, but this represents a significant initial stride in the long journey toward establishing a prosperous, green, and low-carbon Hartlepool.

This strategy serves as a roadmap to achieving net zero emissions from our operations, outlining the specific measures and initiatives required to attain the ambitious target of net-zero emissions by 2050. The strategy encompasses a wide range of actions under five key aims:

- Aim 1: Reduction of local authority CO<sub>2</sub> emissions
- Aim 2: Resource maximisation and waste reduction
- Aim 3: Domestic energy and sustainable warmth
- Aim 4: The natural environment
- Aim 5: Climate resilience and adaptation

The themes and the proposed actions within them were guided based on the evidence gathered on the sources of carbon emissions and from our engagement with Hartlepool Borough Council staff.

This marks only the beginning of a remarkable transformation, and the proposed actions will continually evolve. In essence, this strategy is designed to remain dynamic, serving as a living document where actions are regularly monitored and reviewed as we learn from early implementation, improve our evidence database, and broaden our engagement with other stakeholders as we seek to extend the net zero target for the wider borough.

# Introduction

## Setting the Scene



### 3 Introduction - Setting the Scene

#### The Context of Climate Change

##### The Difference Between 'Weather' and 'Climate'

It can sometimes get quite confusing when trying to understand the unique differences between weather, seasons and climates. Weather refers to the short-term changes in conditions of a particular place, such as the temperature, precipitation, cloudiness, brightness, wind conditions, and atmospheric pressure. The season is a concept closer related to climate but is usually referred to as a period of the year distinguished by certain climatic conditions. Climate, however, is the average state of the atmosphere of a specific location and describes the changes in weather patterns over a prolonged period of time and space, typically spanning decades or longer. Throughout its entire 4.5 billion years of existence, the Earth has experienced many cycles of colder and warmer periods, each cycle taking place over many thousands or even millions of years. It is correct in saying that changes to the Earth's climate is a natural phenomenon and occurs due to a variety of reasons which may include fluctuations in solar radiation from the sun, widespread volcanic activity, and even small changes to the orbit of the Earth around the sun. Climate change, therefore, refers to '*a change in the state of the climate that can be identified by changes in the mean and/or the variability of its properties and that persists for an extended period*'.<sup>1</sup>



## 1.04°C

Average rise in global land and sea temperatures since the late 19<sup>th</sup> Century

What is most worrying though, is the current rate of climate change – in particular since the beginning of the Industrial Revolution. Records show that change is happening at an unprecedented rate, never before seen, and much too fast to be attributed to natural causes alone. The scientific evidence is clear. Greenhouse gas (GHG) levels, mainly carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O) and ozone (O<sub>3</sub>), in the atmosphere have been increasing rapidly, and there is unequivocal evidence that human activity has been the main driving force behind today's climate change. This type of climate change is referred to as *anthropogenic* climate change. Recognising that the rate of today's climate change is human-induced is key.

<sup>1</sup> IPCC, 2018: [Annex I](#): Glossary [Matthews, J.B.R. (ed.)]. In: Global Warming of 1.5°C. An IPCC Special Report on the impacts of global warming of 1.5°C above pre-industrial levels and related global greenhouse gas emission pathways, in the context of strengthening the global response to the threat of climate change, sustainable development, and efforts to eradicate poverty [Masson-Delmotte, V., P. Zhai, H.-O. Pörtner, D. Roberts, J. Skea, P.R. Shukla, A. Pirani, W. Moufouma-Okia, C. Péan, R. Pidcock, S. Connors, J.B.R. Matthews, Y. Chen, X. Zhou, M.I. Gomis, E. Lonnoy, T. Maycock, M. Tignor, and T. Waterfield (eds.)]. Cambridge University Press, Cambridge, UK and New York, NY, USA, pp. 541-562. <https://doi.org/10.1017/9781009157940.008>.

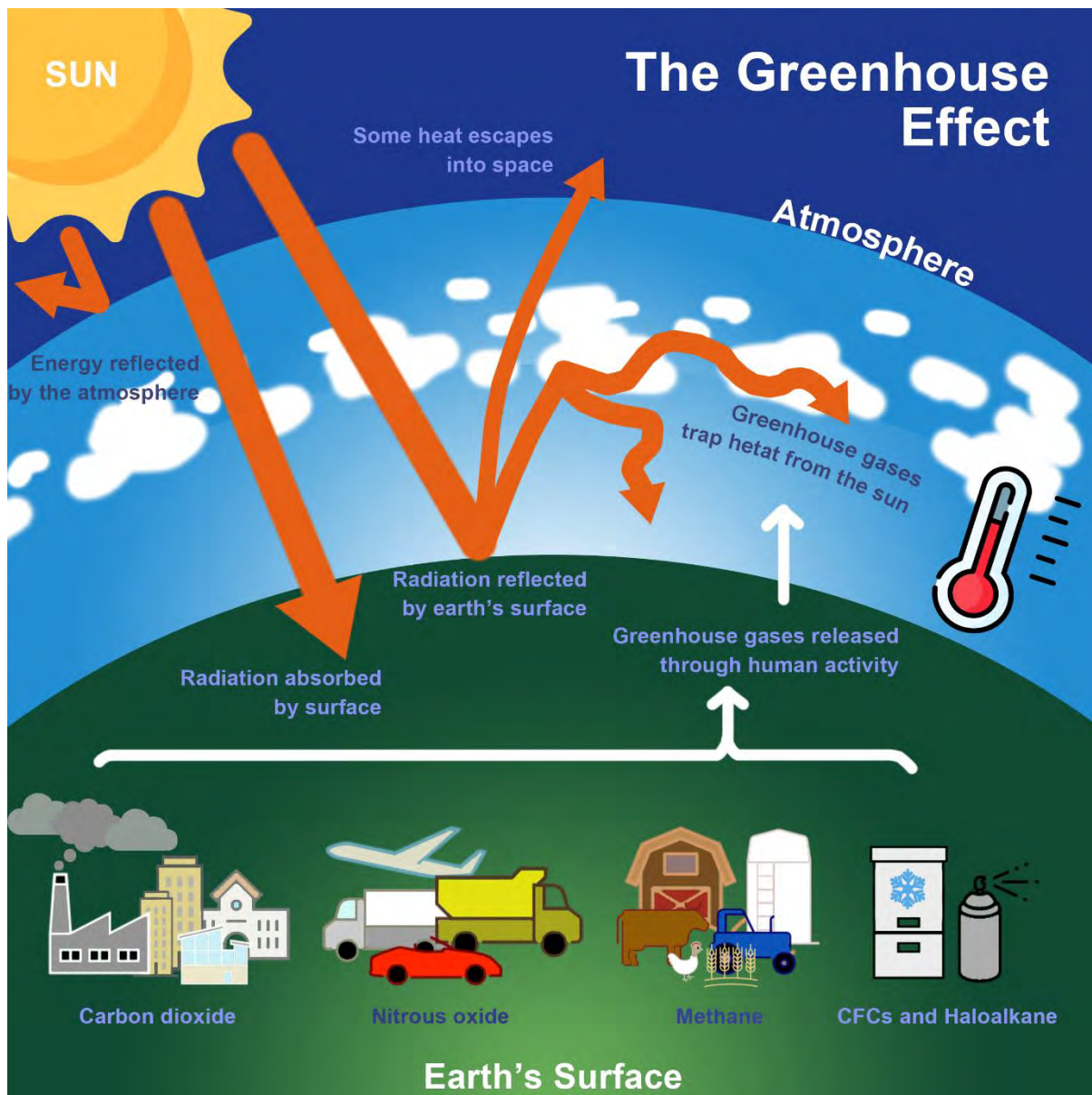


Figure 1 Diagram of Greenhouse Effect

There is a very delicate relationship linking the climate, ecosystems, biodiversity and human society where changes to one affects all other aspects. Climate change is an all-encompassing issue that affects not just the environment but also socio-economic factors. The current rate of anthropogenic climate change and the compound stresses and events related to it pose a real challenge for people, habitats, and species across the world to adapt to these sudden changes. It has affected every aspect of our lives and the effects are all interrelated. Climate change does not only mean rising global average temperatures. It also poses a wide range of global threats that have far-reaching implications for both natural ecosystems and human societies. A summary of the observed changes of mean climate across climate system components and their attribution to human influence can be found in Figure 2. A more detailed explanation of the greenhouse gas effect and the risks posed by climate change can be found in Appendix B – The Causes and Impacts of Climate Change.

Figure 2 The assessment of observed changes of mean climate across climate system components, and their attribution to human influence<sup>2</sup>

Change in indicator		Observed change assessment	Human contribution assessment
<b>Atmosphere and water cycle</b>	Warming of global mean surface air temperature since 1850-1900		likely range of human contribution ((0.8-1.3°C)) encompasses the very likely range of observed warming ((0.9-1.2°C))
	Warming of the troposphere since 1979		Main driver
	Cooling of the lower stratosphere since the mid-20th century		Main driver 1979 - mid-1990s
	Large-scale precipitation and upper troposphere humidity changes since 1979		
	Expansion of the zonal mean Hadley Circulation since the 1980s		Southern Hemisphere
<b>Ocean</b>	Ocean heat content increase since the 1970s		Main driver
	Salinity changes since the mid-20th century		
	Global mean sea level rise since 1970		Main driver
<b>Cryosphere</b>	Arctic sea ice loss since 1979		Main driver
	Reduction in Northern Hemisphere springtime snow cover since 1950		
	Greenland ice sheet mass loss since 1990s		
	Antarctic ice sheet mass loss since 1990s		Limited evidence & medium agreement
	Retreat of glaciers		Main driver
<b>Carbon cycle</b>	Increased amplitude of the seasonal cycle of atmospheric CO <sub>2</sub> since the early 1960s		Main driver
	Acidification of the global surface ocean		Main driver
<b>Land climate</b>	Mean surface air temperature over land (about 40% larger than global mean warming)		Main driver
<b>Synthesis</b>	Warming of the global climate system since preindustrial times		

Key					
	medium confidence	likely / high confidence	very likely	extremely likely	virtually certain
					fact

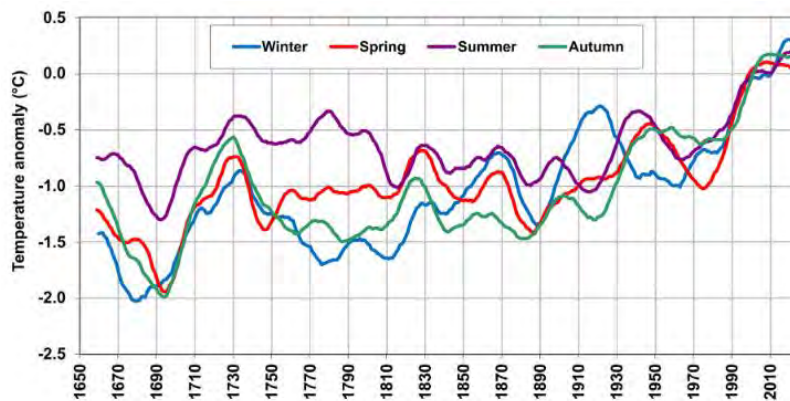
## In the UK

The UK faces just as much of a change as anywhere else in the world. We will see increasingly warmer temperatures with the greatest increase during the summer season in addition to greater frequency and intensity of extreme weather events. According to the UK Met Office all of the top ten warmest years occurred this century, and on average the UK was 1°C warmer between 2012 and 2021 when compared to the average for 1961-1990.<sup>3</sup> Heatwaves like the one experienced in 2018 are now thirty times more likely to happen.

<sup>2</sup> IPCC, 2023: Climate Change 2023: Synthesis Report. Contribution of Working Groups I, II and III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change [Core Writing Team, H. Lee and J. Romero (eds.)]. IPCC, Geneva, Switzerland, 184 pp.

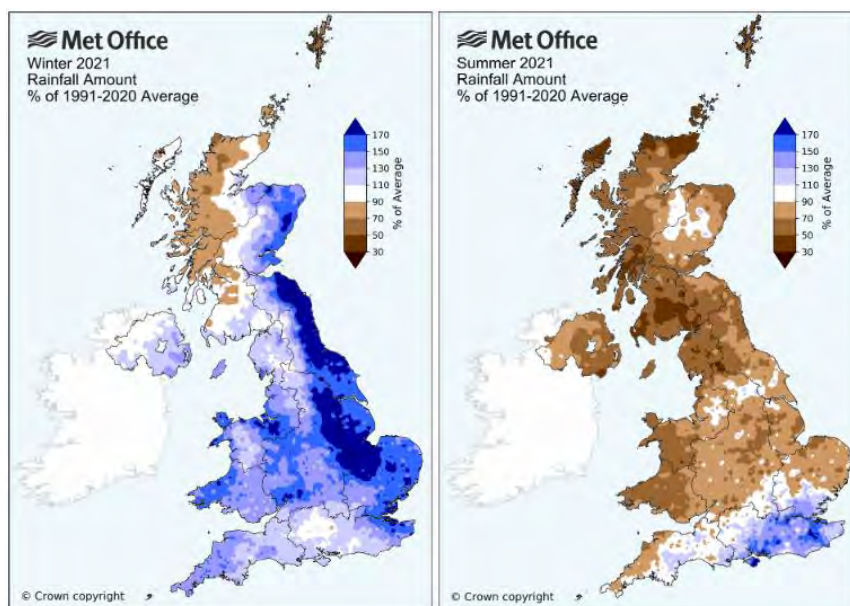
<sup>3</sup> Climate Change Explained, UK GOV, 2023. Available at: [Climate Change Explained](#)

Figure 3 Rising temperatures by season between 1659–2021, expressed as anomalies relative to 1991–2020 average<sup>4</sup>



The most up-to-date UK Climate Change Projections (UKCP18) were launched in November 2018, by the Department for Environment, Food and Rural Affairs, illustrating a range of future climate scenarios over the 21<sup>st</sup> century.<sup>5</sup> Both the projections and scientific data available from the Met Office indicate that over the next century, the North East will experience greater uneven temporal distribution of precipitation with wetter winters and drier summers as depicted in Figure 4. Despite the overall trend of drier summers, it is highly likely that heavy summer rainfall events will see an increase in intensity.

Figure 4 Rainfall anomalies (%) for seasons of 2021. Winter refers to the period December 2020–February 2021<sup>6</sup>



Climate change impacts on the UK will be more place-specific, meaning that impacts are unique to a particular geographical location or area. Flooding, storms and extreme heat will put added pressure and disruption to critical infrastructure including buildings, transport networks energy, healthcare systems and emergency response services. More frequent, intense rainfall events and rising mean sea levels will mean an increased threat of flooding,

<sup>4</sup> Kendon, M., McCarthy, M., Jevrejeva, S., Matthews, A., Sparks, T., Garforth, J., & Kennedy, J. (2022). State of the UK Climate 2021. International Journal of Climatology, 42(Suppl. 1)( S1), 1– 80. <https://doi.org/10.1002/joc.7787>

<sup>5</sup> UK Climate Projections (UKCP), Met Office. Available at: [UK Climate Projections \(UKCP\)](https://www.metoffice.gov.uk/research/ukcp)

<sup>6</sup> Kendon, M., McCarthy, M., Jevrejeva, S., Matthews, A., Sparks, T., Garforth, J., & Kennedy, J. (2022). State of the UK Climate 2021. International Journal of Climatology, 42(Suppl. 1)( S1), 1– 80. <https://doi.org/10.1002/joc.7787>

particularly in coastal cities and low-lying regions.<sup>7</sup> A recent study found that between 994 and 1,180 miles (~ 30%) of England's shoreline will see increasing pressure to realign, impacting 120,000 – 160,000 residential and non-residential properties by the 2050s if global mean surface temperatures rose by between 2 and 4°C by 2100.<sup>8</sup>

Our farming practices may change due to climate change. On the plus side, warmer weather and higher levels of CO<sub>2</sub> will be conducive for crop growth and may allow us to explore the production of other vegetable crops which would previously be limited to warmer climates. On the other hand, crops that we grow today may be unsuited to higher temperatures. Furthermore, concerns arise regarding access to water resources in the face of drier summers and a surge in drought occurrences, rendering farming seasons more erratic and food security an ever-mounting concern. Additionally, the rising temperatures could create a more hospitable environment for pests, pathogens, and invasive non-native species compounding the challenges faced by our agricultural systems.

***In addressing the changing climate, there are two major elements that warrant concerted action***

- *Climate adaptation: hand-in-hand with sustainable development, proactive adaptation is essential for communities and environments to strengthen climate resilience and to reduce the near, mid and long term climate risks*
- *Climate mitigation: reducing further emissions of greenhouse gases, and enhancing "sinks" of these gases*

All these changes will have significant impacts on the environment, critical infrastructure, human health and wellbeing, and key economic sectors and local businesses, making it essential to set in place robust measures to reduce emission levels and adapt to the changing climate. Climate change is one of the greatest long-term challenges humanity has had to face, and the need for urgent action has never been clearer.



**426.5 million**

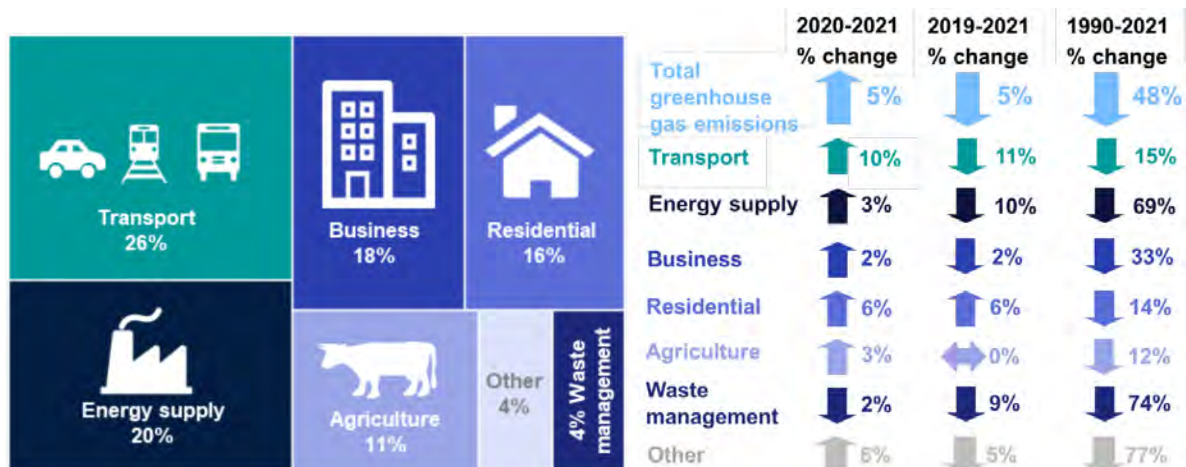
Tonnes of CO<sub>2</sub> equivalent greenhouse gas emissions in UK in 2021

One of the easiest and most widely adopted methods to understand our contributions to climate change is by examining our carbon emissions. In 2021, the UK greenhouse gas emissions data published by the Department for Business, Energy and Industrial Strategy (BEIS) was estimated to be 426.5 million tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e), a significant reduction of 46.7% since 1990. Despite the coronavirus (COVID-19) pandemic, this was still an increase of 5% from the 2020 figure of 406.3 million tCO<sub>2</sub>e. In fact, GHG emissions from the transport sector rose by 10.3% in 2021, accounting for over half of the overall increase from 2020 (*Figure 5*).

<sup>7</sup> Flood and Coastal Erosion Risk Management Research Programme: Exploratory sea level projections for the UK to 2300, 2019. Available at: [Exploratory sea level projections for the UK to 2300](#)

<sup>8</sup> Responding to climate change around England's coast - The scale of the transformational challenge, Sayers et al., 2022. Available at: [Responding to climate change around England's coast - The scale of the transformational challenge](#)

Figure 5 Transport was the largest emitting sector of UK GHG emissions in 2021, while waste management was the only sector that had a reduction in emissions from 2020 to 2021.<sup>9,10</sup>

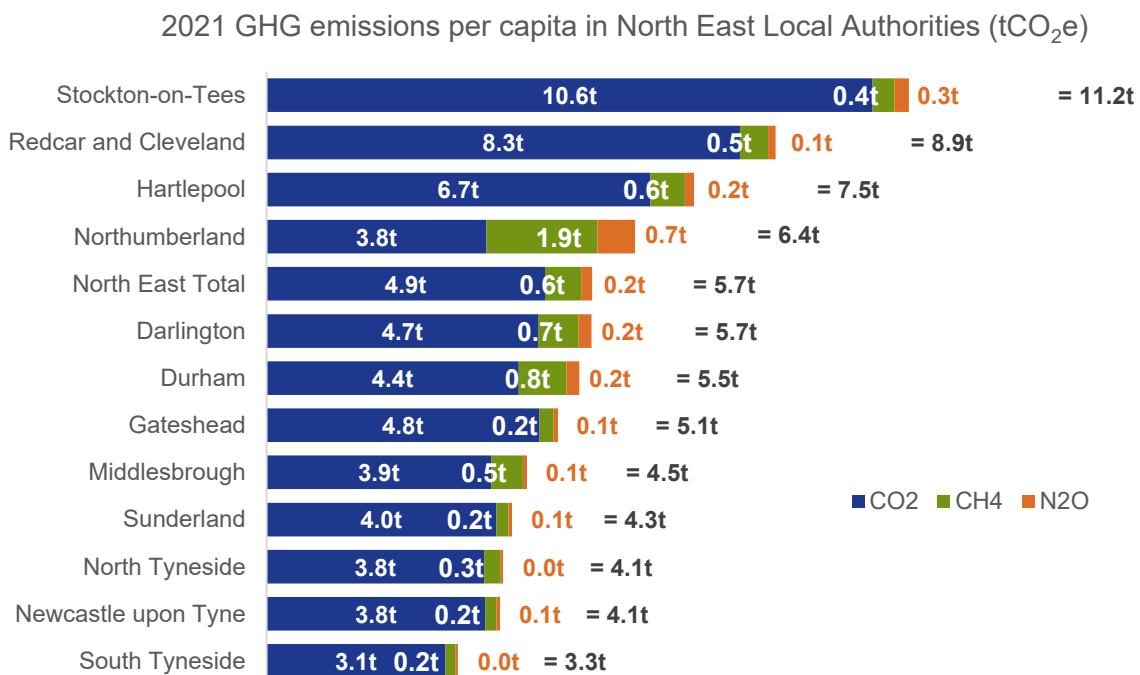


### Borough-wide Emissions

In 2023, the Department for Energy Security and Net Zero, formally a part of the Department for Business, Energy and Industrial Strategy (BEIS), released the latest available dataset for UK local authority and regional greenhouse gas emissions covering the years 2005 through to 2021.

Taking a closer look at the North East of England, Figure 6 shows how Hartlepool performs when compared to other local authorities in the North East, expressed as GHG emissions per capita. Hartlepool ranked third in the region at 7.5 tCO<sub>2</sub>e per capita, with CO<sub>2</sub> making up for 92% of the all emissions.<sup>11</sup>

Figure 6 GHG emissions per capita in the North East



<sup>9</sup> BEIS, 2023. [2021 UK Greenhouse Gas Emissions](#).

<sup>10</sup> BEIS, 2023. [2021 UK Greenhouse Gas Emissions](#).

<sup>11</sup> UK local authority and regional greenhouse gas emissions national statistics, 2005 to 2021, Department for Energy Security and Net Zero, 2023. Available at: [UK local authority and regional greenhouse gas emissions national statistics, 2005 to 2021, Department for Energy Security and Net Zero](#)

The latest carbon emissions data estimates published by the Department for Energy Security and Net Zero showed that in 2021, a grand total of 691.2 ktCO<sub>2</sub>e (kilotonnes of carbon dioxide equivalent) were emitted in Hartlepool, with greatest contributions from industrial, domestic and transport related sources. The public sector emissions, which includes education, health and local government bodies, contributed 5% of Hartlepool's borough-wide emissions.



## 3<sup>rd</sup> Highest

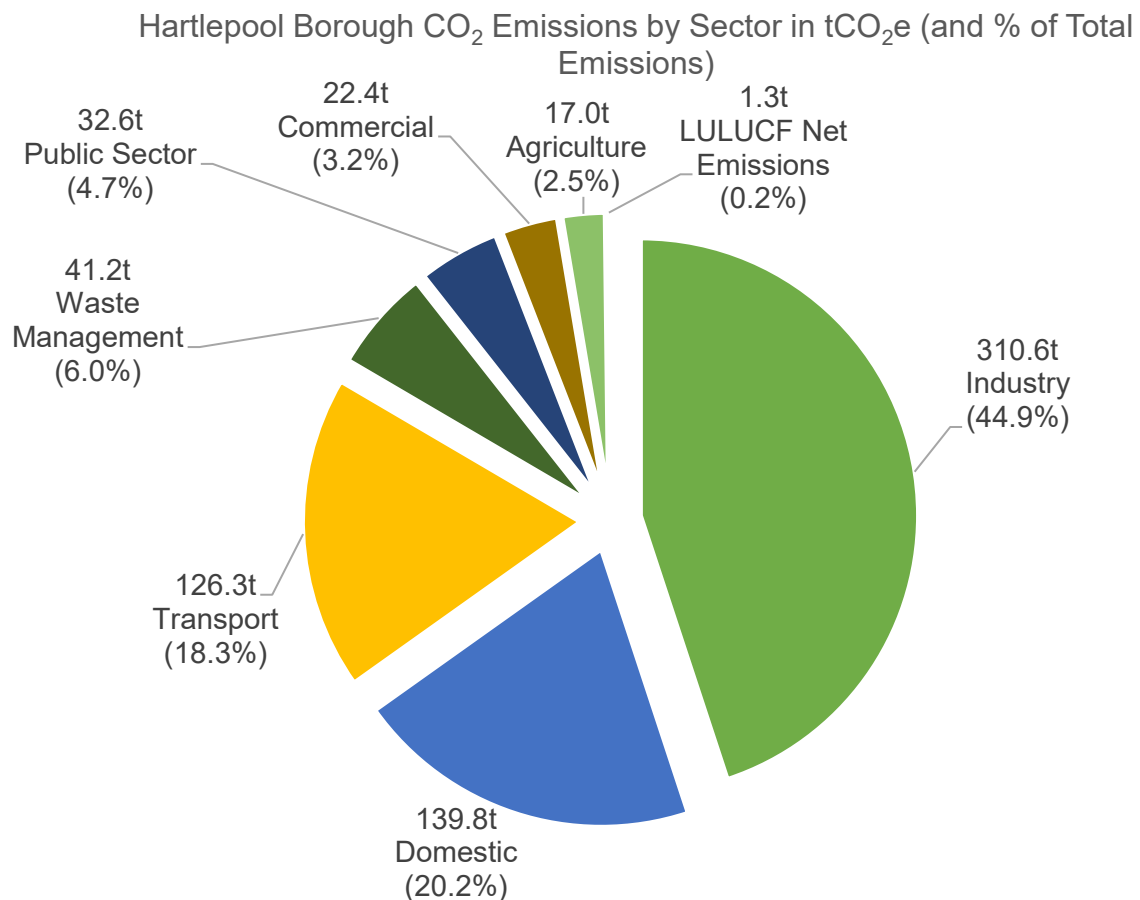
Hartlepool's rank out of 12 North East Local Authorities for GHG emissions per capita

**Hartlepool Borough Total Emissions** 691.2 ktCO<sub>2</sub>e

**Per Capita Emissions** 7.5 tCO<sub>2</sub>e

Figure 7 shows a full breakdown of Hartlepool's emissions by sector. The largest amount of CO<sub>2</sub>e generated by sector within Hartlepool were produced from industrial processes (45%) with a further 20% produced from the domestic sector and 18% by the transport sector.

Figure 7 Breakdown of Hartlepool's emissions by sector



# Key Drivers for Action



## 4 Key Drivers for Action

There was a global response to the threats of climate change, whereby nearly 200 Parties adopted the Paris Agreement in 2015, a legally binding international treaty on climate change, to keep global temperature rise this century to below 2°C compared to pre-industrial levels and to further pursue a goal of limiting temperature rise to 1.5°C only. With the emissions expected to be released over the next few decades on top of the emissions already in our atmosphere, the global average surface temperature is anticipated to exceed the 1.5°C limit within the first half of the 2030s, posing climate related risks to human health, the environment and economic prosperity



# 1.5°C

Limit to global warming goal / target  
of the Paris Climate Agreement

Following on these commitments, the UK became the first major economy to set in law a climate goal by adopting the Climate Change Act 2008 that set out the legal framework for the UK to reduce greenhouse gas emissions by 100% of 1990 levels by 2050. More recently, the UK was the place where nations doubled down on their commitment to climate action and keeping the 1.5°C target by signing the Glasgow Climate Pact during the 2021 United Nations Climate Change Conference (COP26).

### International

#### Intergovernmental Panel on Climate Change

- The Intergovernmental Panel on Climate Change (IPCC) was established in 1988, providing detailed scientific research and reporting on climate change, its impacts and setting targets for mitigation

#### Rio Earth Summit

- The Rio Earth Summit took place in 1992, whereby the first United Nations Framework Convention on Climate Change (UNFCCC) was agreed by member states to stabilise atmospheric GHG concentrations, becoming the foundational treaty to key climate-related agreements today

#### Kyoto Protocol

- 1995 saw the establishment of the annual United Nations Conference of the Parties (COP) leading to the adoption of the Kyoto Protocol in 1997

#### Paris Agreement

- 2015 Paris Agreement – building on the Kyoto Protocol, 196 countries committed to adopt legally binding carbon reduction targets to keep the increase in global average temperatures to below 2°C above pre-industrialised levels, with an aspirational target of 1.5°C

#### IPCC AR6

- The IPCC AR6 Synthesis Report: Climate Change 2023 found that temperature will increase by 1.5°C in the first half of the 2030s and will become very difficult to control temperature increase to 2.0°C towards the end of 21st century. COP26 which took place in Glasgow in 2021 aimed to accelerate action towards the goals of the Paris Agreement

#### UN SDGs

- The United Nations Sustainable Development Goals (SDGs) include several relevant actions: Affordable and Clean Energy, Sustainable Cities and Communities, Responsible Consumption and Production, and Climate Action

As a member of the G7 (Group of Seven) and the G20 (Group of Twenty), the UK participates in discussions and agreements related to climate change and sustainable development

### National

#### Climate Change Act 2008

- The Climate Change Act was passed in 2008, initially making it a legal duty for the UK to reduce greenhouse gas emissions by 80% by 2050 compared to 1990 levels. The UK Committee on Climate Change (CCC) was formed in the same year
- The UK revised its target of 80% reduction to a 'net zero' target for GHG emissions by 2050 through the Climate Change Act 2008 (2050 Target Amendment) Order 2019

#### Environment Act 2021

- The Environment Act allowed the UK to enshrine some environmental protection into law, offering new powers to set new binding targets for air quality, water, biodiversity net gain, and waste reduction

#### Build Back Greener

- The Government's main climate change policy document is the Net Zero Strategy (Build Back Greener), first published on 19 October 2021 and updated in April 2022. It set out policies and proposals for decarbonising all sectors of the UK economy to meet the Government's net zero target by 2050

#### Powering Up Britain

- Powering Up Britain and the Net Zero Growth Plan which sets out how the Government will enhance the country's energy security and deliver on our net zero commitments

### Local

- Hartlepool Borough Council committed to a climate pledge in 2021, to take a leading role and work with all stakeholders across the borough to take action against climate change
- The council's Net Zero Plan supports the delivery of outcomes under our climate pledge

In support of the Government's Net Zero 2050 target, many Local Authorities across the country have declared climate pledges and set out their own ambitious roadmaps to deliver on net zero locally. In 2021, Hartlepool Borough Council (HBC) committed to taking a leading role and working with everyone across the borough to act on the causes and impacts of climate change by making our own climate pledge. Hartlepool Borough Council is fully committed to reducing the council's GHG emissions in delivering its services, and limit its contribution to the climate crisis. We set a target of reaching net zero across all council operations by 2050, in keeping with the national target.



## 2050

Target year for Net Zero HBC emissions  
and legally binding target for reduction to  
zero of UK GHG emission

### **Net zero – what does it mean?**

*The UK is committed to reaching net zero GHG emissions by 2050. The term 'net zero' refers to the absolute balance between the inputs and outputs of something. When applied to the context of GHG emissions, this refers to the balance of emissions produced and the emissions sequestered. Therefore, achieving net zero GHG emissions allows for unavoidable emissions to be emitted into the atmosphere, but this must be negated by the absorption of the equivalent amount of emissions from the atmosphere by means of afforestation, other nature-based solutions or new sequestration technologies.*

It needs to be recognised that with less funding and smaller cash flows, tighter resources, lower purchasing power, and older building assets and infrastructure, smaller and rural councils such as HBC have a slight disadvantage on their journey to net zero when compared to larger councils. Despite these challenges, HBC is determined to achieve its targets. The steps and interventions that we will take in order to reach net zero by 2050 are set out in this document.



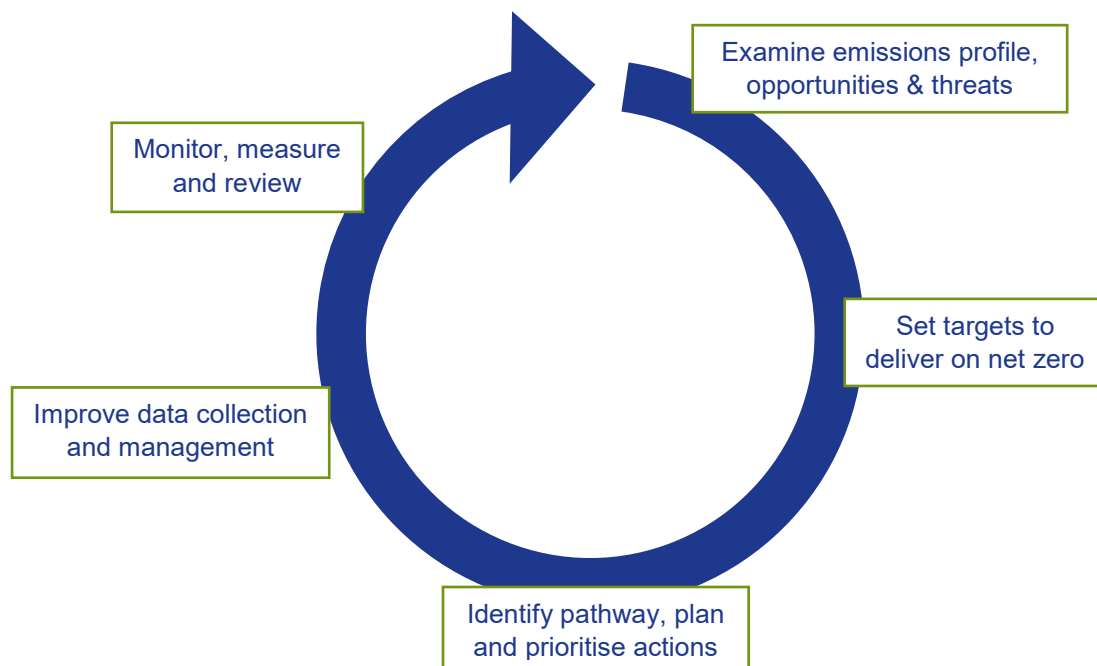
# Approach to the Framework



## 5 Approach to the Framework

This report draws together the current findings from three key strands of data: a carbon accounting exercise, consultation with Lead Officers, and a wider internal staff survey. We gathered data on our emissions, climate risks and developed an understanding of the current situation, the barriers and opportunities for change. Our approach initially looked at our emissions profile to establish a baseline detailing an inventory of emission sources, providing a reference point to track our changing emissions over time. This was supported by an internal staff survey and the examination of existing policies, projects and programmes. It enabled us to understand what climate change meant to HBC colleagues and provided valuable information that helped us to identify strategic focus areas for action. While the consultation with our Lead Officers allowed us to plan and prioritise the actions to target the areas with the most significant sources of emissions. Ongoing review and monitoring will track our progress on delivering on these actions – a great opportunity for us to understand our successes and identify the areas where more action is needed to deliver on our targets. The 2023 approved plan will be reviewed and updated after five years. Each subsequent updated plan will undergo the same process of revision and publication. Greater detail of the monitoring and reporting procedures will be discussed in the Governance Framework section.

Figure 8 – Framework overview



# Our Current Carbon Footprint



## 6 Our Current Carbon Footprint

An essential step to evaluate our contribution to climate change and develop an action plan is to understand the sources of our emissions and how much is emitted. This is known as a carbon footprint; the total amount of GHGs produced as a result of our activities.

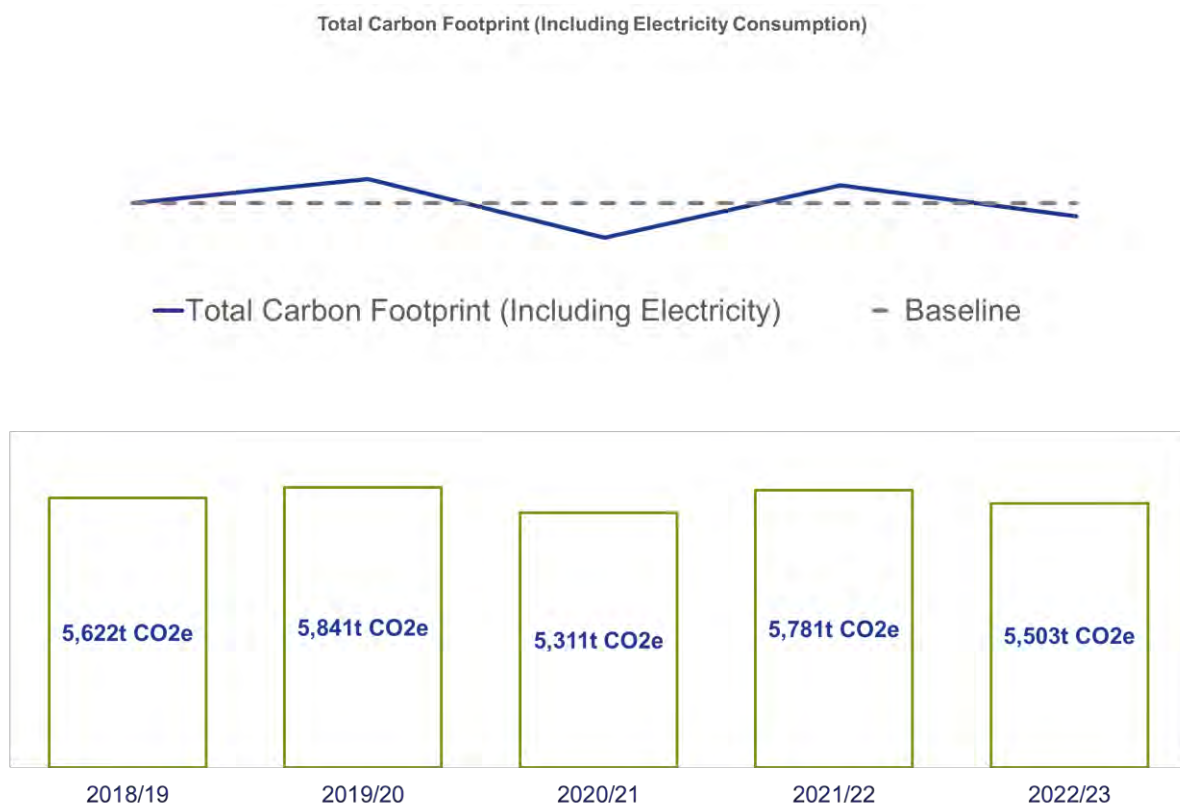


# 5,503 tCO<sub>2</sub>e

Hartlepool Borough Council  
emissions in 2022/23

As this is our first climate emergency response and net zero strategy, we conducted carbon audits for the financial years from 2018/19 through to 2022/23, setting the 2018/19 period as our baseline year. The financial year 2018/19 was chosen as the baseline year as it was the earliest date with complete and comparable data. This measure will allow us to track, monitor and compare progress on our corporate CO<sub>2</sub>e emissions over time. Figure 9 shows a column chart and a line chart compared to baseline emissions providing a visual description of our changing emissions throughout the years.

Figure 9 Total carbon emissions equivalent for each year, including electricity

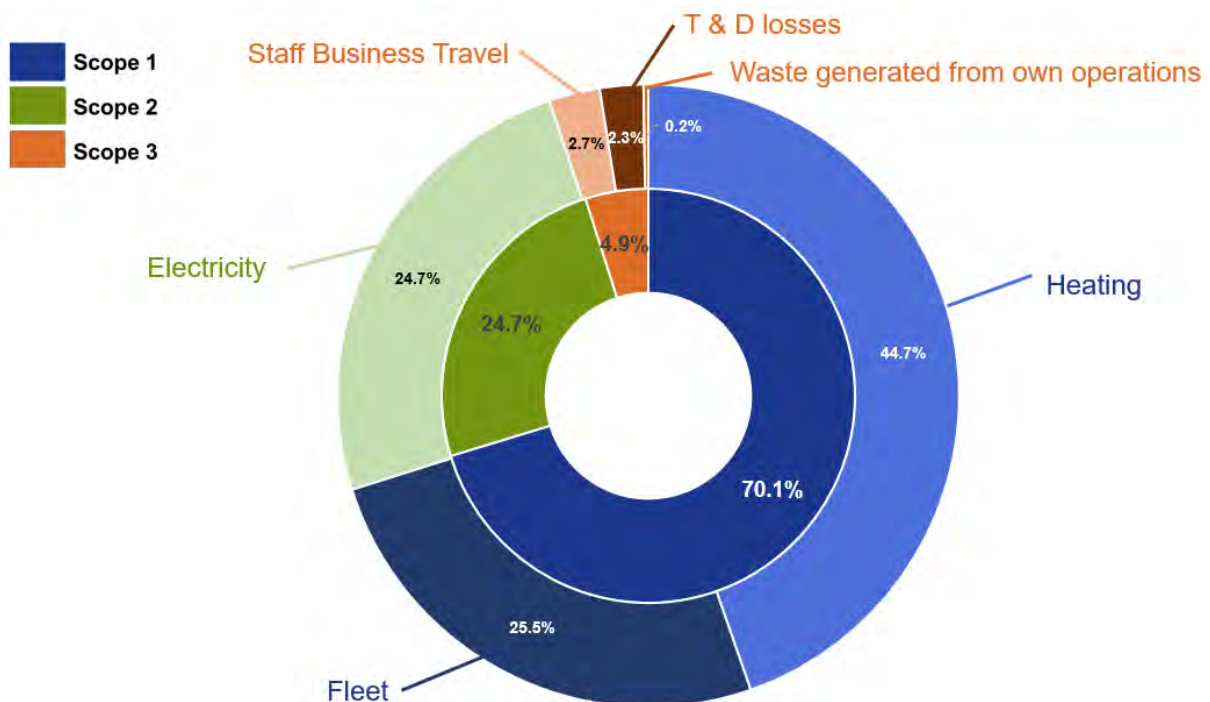


Carbon audits allow organisations to understand their carbon footprint, identify key opportunities to reduce emissions, set robust targets, and to develop the best strategic approach to achieve them. Greenhouse gases can be categorised into three scopes when conducting a carbon audit. These are:

<b>Scope 1</b> Direct emissions – a result of direct fuel combustion by the organisation through activities such as heating and the use of fuel in fleet vehicles	<b>Scope 2</b> Indirect emissions - purchased energy such as electricity and steam	<b>Scope 3</b> Emissions that are not produced by the organisation but are those that it is indirectly responsible for – examples include business travel, waste disposal, and purchased goods and services
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Taking a look at Figure 9, not much of a trend can be established as emissions fluctuate from year to year. In order to provide a better picture of how we are doing, we decided to include emissions data for 2022/23 within this report, though readers should keep in mind that this data is a provisional figure at the moment. The most recent emissions total of 5,503 tCO<sub>2</sub>e for 2022/23 is 4.8% lower than the previous year and 2.1% lower than the baseline year of 2018/19. A breakdown of emissions by activity for 2022/23 is set out in Figure 10. Overall, CO<sub>2</sub>e emissions from the council's land and building assets in 2022/23 were 3,817tCO<sub>2</sub>e, with approximately 64.4% of emissions resulting from the heating of buildings, the largest contributor of emissions (Figure 10). The council's next biggest source of emissions is its fleet, contributing to 25.5% of total emissions.

Figure 10 - HBC 2022/23 Emissions Profile



Currently, Scope 3 emissions only account for staff business travel, electricity transmission and distribution losses, and the amount of waste generated from HBC operations. It is important to note that a large portion of our Scope 3 emissions is not included in HBC's overall footprint, which when calculated would significantly alter the emissions profile. The calculation of these emissions are omitted due to the complexity in accounting for these emissions. Moving forward, HBC will seek to expand on its accounting of these upstream and downstream emission sources for a more holistic understanding of HBC's carbon footprint.



## 2,457 tCO<sub>2</sub>e

Emissions from gas heating council buildings  
in 2022/23 (44.7% of total emissions)



## 1,402 tCO<sub>2</sub>e

Emissions from the council's fleet of vehicles  
in 2022/23 (25.5% of total emissions)

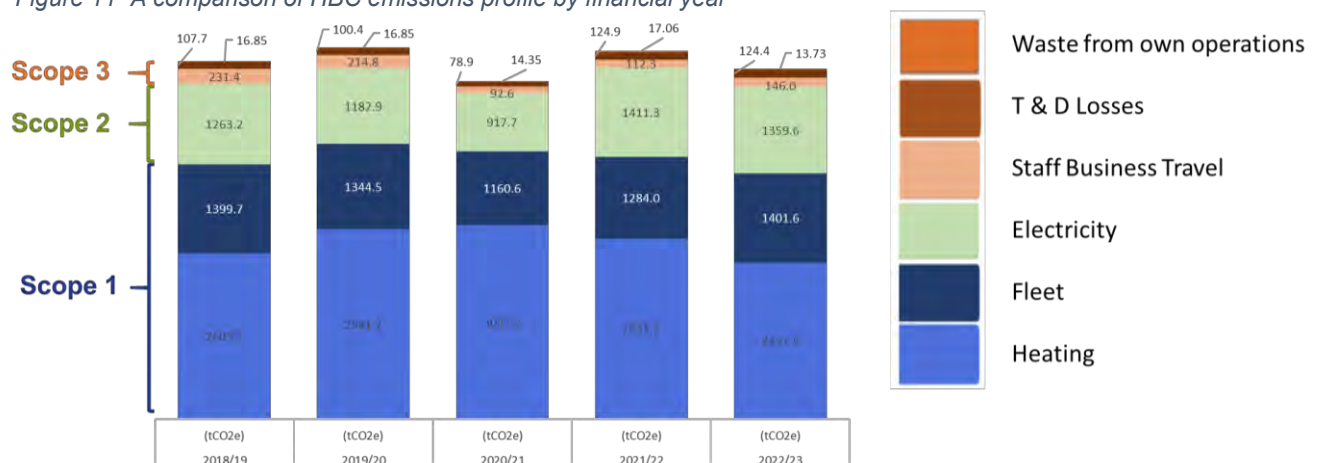


## 1,360 tCO<sub>2</sub>e

Emissions from electricity in council buildings and  
street lighting in 2022/23 (24.7% of total emissions)

Compared to the baseline year, emissions from gas heating dropped by 5.6% and electricity consumption increased by 7.6%, while staff business travel emissions reduced by 36.9%. Figure 11 below shows the changes to the proportion of emissions sources between 2018/19 and 2022/23.

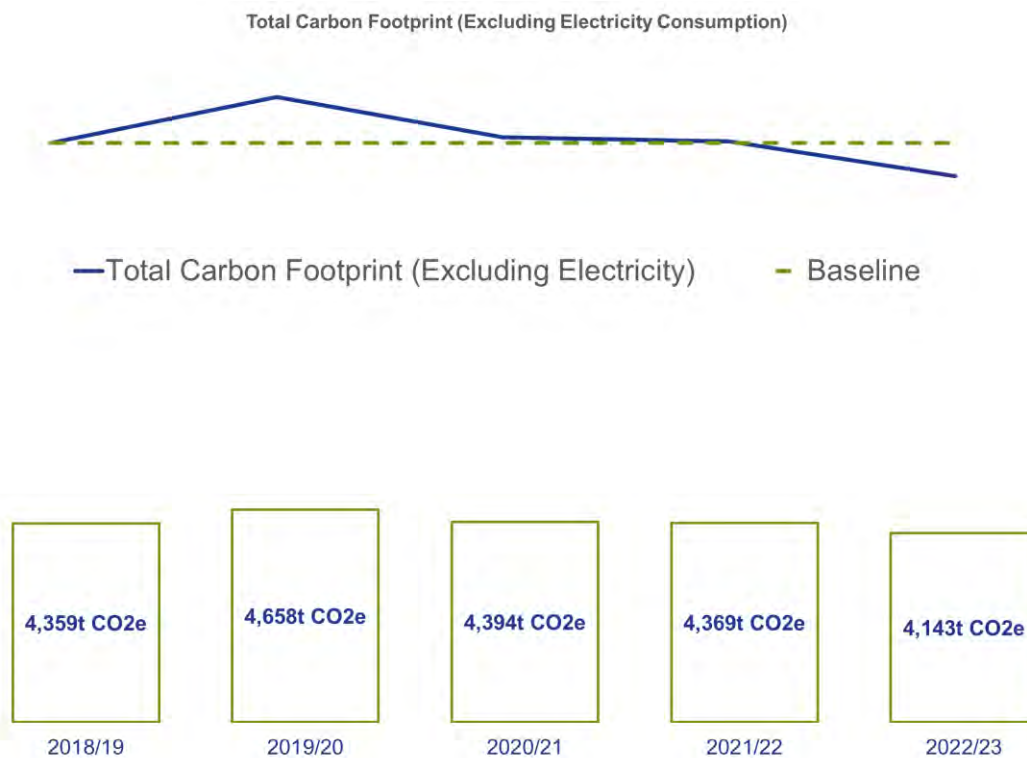
Figure 11 A comparison of HBC emissions profile by financial year



## Exclusion of Scope 2 Emissions

The council began purchasing low carbon electricity since April 2019 for all of its buildings and on-site electric vehicle charging, supplied wholly by renewable sources as verified by The Carbon Trust and backed by Renewable Energy Guarantees Origin (REGO) certificates.<sup>12</sup> This opens the opportunity to consider the offsetting of emissions produced through HBC's electricity use. The carbon footprint of purchased electricity still uses the emission conversion factors for transmission and distribution as provided by the Department of Energy Security and Net Zero for reporting purposes as the electricity still travels through the national grid. To see how this affects HBC's carbon footprint, a revised trend line and column chart is provided below in Figure 12, with Scope 2 emissions excluded. Transmission and distribution emissions remain.

Figure 12 Total carbon emissions equivalent for each year, excluding scope 2 emissions



When Scope 2 emissions are excluded, the total emissions from council activity rose in the 2019/20 financial year and have since fallen year on year. The 2020/21 emissions were similar to but slightly higher than the 2018/19 baseline though this year was likely to be heavily impacted by the Covid-19 pandemic. 2021/22 saw a small reduction and levels remained similar to the 2018/19 baseline. The latest figures show a 5.2% annual reduction in emissions which is equivalent to 223 tCO<sub>2</sub>e.

<sup>12</sup> NEPO extends award-winning Electricity framework for a further two years, NEPO, 2022. Available at: [NEPO extends award-winning Electricity framework for a further two years](#)

**5.2%**

Reduction in 2022/23 HBC carbon footprint compared to previous year (4.8% if electricity included)

It is important to remember that even though the council's purchased electricity is low carbon, it does not mean that it can be used indiscriminately. During times of peak demand for electricity the amount of low or zero-carbon electricity supplied may not meet the increased demand, meaning excess electricity demand will have to be met by other means, namely, fossil fuels. It is therefore essential that HBC continues to work on improving energy efficiency and increasing renewable generation.



# Our Achievements



## 7 Our Achievements

Hartlepool Borough Council has already been delivering important actions to decarbonise our operations and tackle the climate crisis.

<b>Hartlepool Local Plan</b>
<ul style="list-style-type: none"> <li>Adopted the Local Plan in 2018</li> <li>The Local Plan covers topics on climate mitigation and adaptation, sustainable transport networks, the natural environment, green infrastructure and ecological networks</li> </ul>
<b>Climate Pledge</b>
<ul style="list-style-type: none"> <li>Adopted our first Climate Pledge in December 2021, committing to deliver on 7 key priorities including setting out a clear timetable in our Net Zero Plan and to become a net zero emissions local authority</li> </ul>
<b>Sustainable Warmth Scheme</b>
<ul style="list-style-type: none"> <li>Council of the Year - North East Regional Energy Efficiency Awards 2021 and 2022</li> <li>Secured a combined total of £2,476,000 in funding to deliver on home energy efficiency improvements</li> <li>Processed over 600 applications</li> <li>Delivered on over 140 homes with over 244 improvement measures</li> </ul>
<b>Public Sector Decarbonisation Scheme</b>
<ul style="list-style-type: none"> <li>£272,500 funding secured for energy efficiency improvements to four buildings: Civic Centre, Town Hall Theatre, Brierton site, and Masefield Centre</li> <li>LED lighting improvements across the project buildings</li> <li>Installation of an air source heat pump (ASHP) at the Masefield Centre</li> <li>Experienced CO<sub>2</sub> reductions of 28.9 tCO<sub>2</sub> and over 410,000kWh in energy savings. Carbon savings are expected to increase to 48.6tCO<sub>2</sub> as we await data results to come in</li> </ul>
<b>Biodiversity</b>
<ul style="list-style-type: none"> <li>Enhancing biodiversity, in particular invertebrates, within our parks</li> <li>Creation of green corridors, wildflower meadows and herbicide-free zones</li> <li>Previous works together with the Environment Agency on the re-naturalisation of Burn Valley Beck in 2010</li> </ul>
<b>Air Quality</b>
<ul style="list-style-type: none"> <li>No exceedance of any air quality objectives in Hartlepool</li> <li>New actions to improve air quality set out in the 2022 Air Quality Annual Status Report</li> <li>Added 5 additional non-automatic nitrogen dioxide (NO<sub>2</sub>) monitoring sites in 2022</li> </ul>
<b>In the wider Tees Valley</b>
<ul style="list-style-type: none"> <li>Trees on Tees Woodland Creation Partnership</li> <li>Together with Darlington, Middlesbrough, Redcar and Cleveland, and Stockton-on-Tees, formed an umbrella body known as the Tees Valley Combined Authority, targeting for Net Zero by 2050</li> <li>One of only two locations chosen to build on local innovation strengths - pilot hydrogen production and carbon capture, utilisation and storage (CCUS)</li> <li>Tees Valley hosting the National Hydrogen Transport Hub</li> </ul>



# £2,476,000

Secured in funding to deliver home energy efficiency improvements

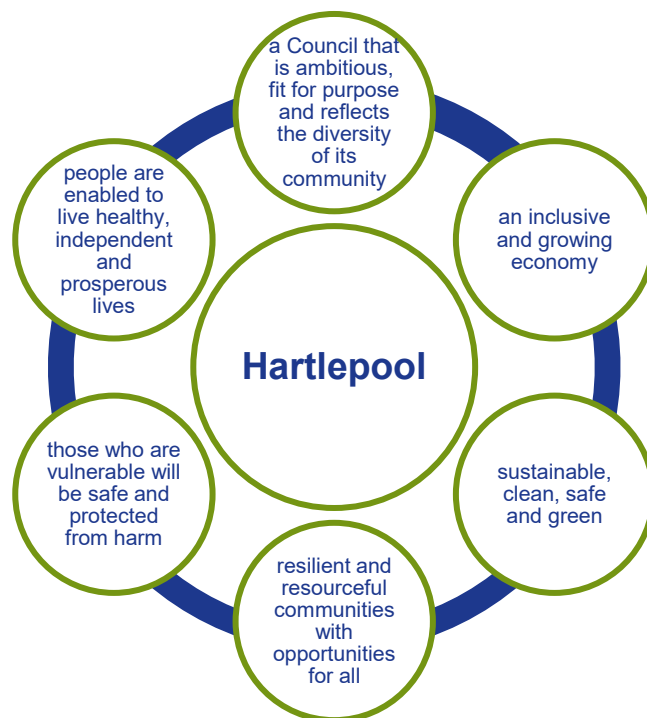
# Our Vision for a Low Carbon Future



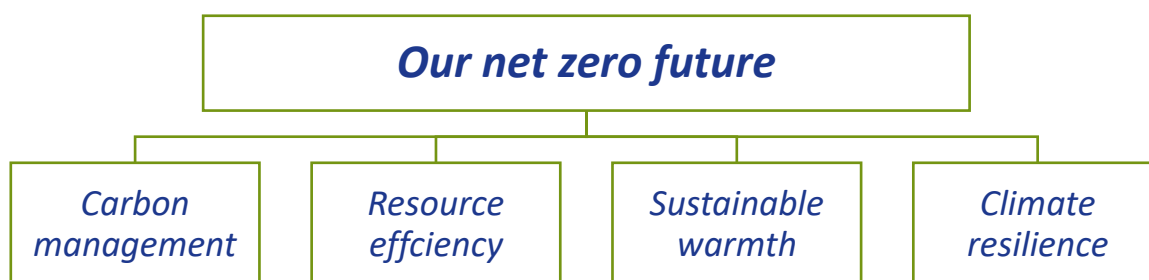
## 8 Our Vision for a Low Carbon Future

The authority formally adopted a new Council Plan covering the period up to 2023/24 setting out our vision for Hartlepool.

Figure 13 Hartlepool Borough Council - Council Plan 2021-24



Our ambition is for Hartlepool to be a thriving, green and low-carbon neighbourhood and economy. We will endeavour to support the Central Government on the UK's journey towards Net Zero by 2050. We will lead by example by tackling our own emissions and decarbonise our operations. The council's net zero strategy is guided by the following overarching vision for effective carbon management, resource efficiency, sustainable warmth and climate resilience.



As we work towards achieving our emission goals, the council will ensure that efforts to reduce emissions will not undermine the delivery of the essential services that we provide to the residents of the borough. Armed with a climate strategy, we aim to make Hartlepool a greener and healthier place to live. The strategy is designed to keep in line with our overall vision outlined in the Local Plan, and to ensure the efficient allocation of resources directed to the right areas within the authority to create the biggest impact. It will also touch on areas further afield where the council may have the ability to influence change.

## Our Goal

Our goal is for Hartlepool Borough Council to stop all contributions to climate change by 2050 and demonstrate leadership to other places in the UK and globally. Our climate pledge has paved the way to net zero by 2050 and we are now taking the steps to deliver on this. There is no quick fix for climate change and it is a process that will take time; however, we are aware that immediate action is needed. Our primary focus is to address CO<sub>2</sub> emissions as this GHG can persist in the atmosphere for hundreds of years after being released. Alongside reducing emissions, we will also make the borough more resilient to the impacts of climate change we are already experiencing. The next step in this journey will be to expand this boundary to include the wider jurisdiction's emissions by working together with all stakeholders across the borough.

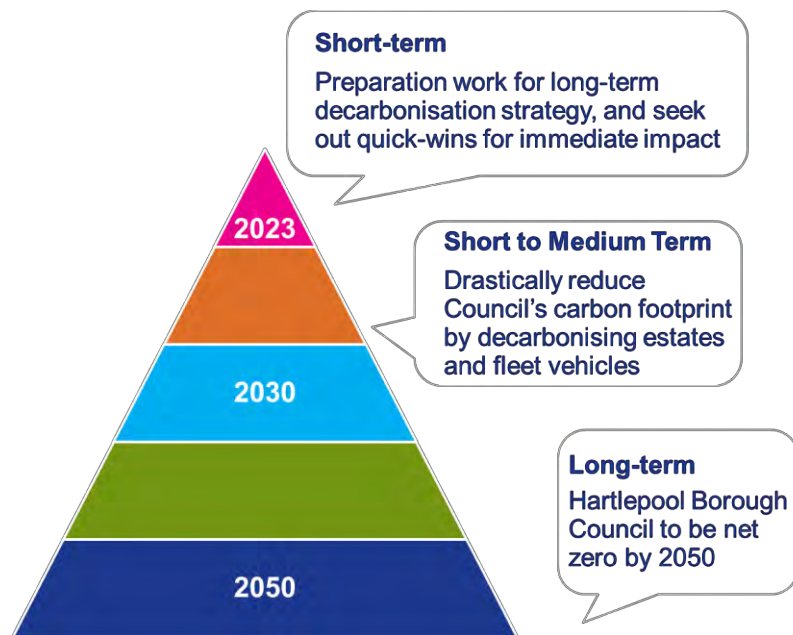


Figure 14 - Our goals for the short, medium and long term

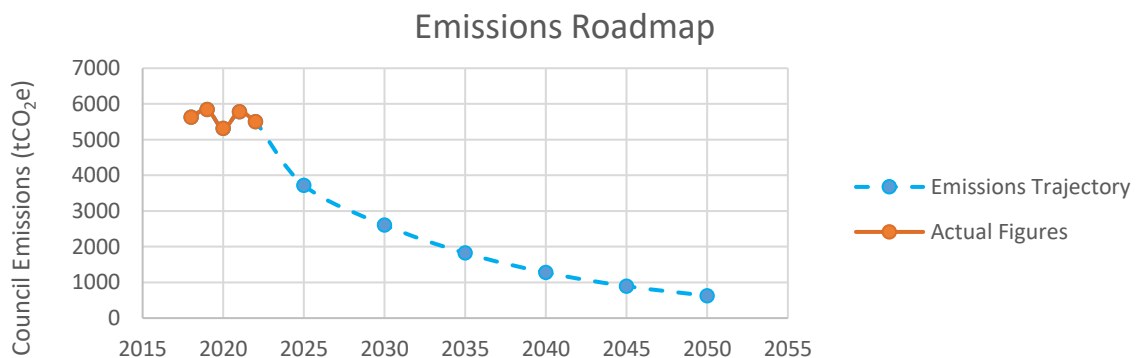


# 30%

Targeted reduction in GHG emissions every 5 years

We are targeting a trajectory of 30% emission reductions for every 5 years. That would mean a 54% reduction by 2030 compared to our baseline year of 2018. This would leave us with a small amount of remaining emissions to be offset in 2050.

Figure 15 Current and future potential emissions trajectory for Hartlepool Borough Council



The strategy is based on five aims for carbon reduction and sustainability encompassing a series of objectives that identify the actions we need to take in order to realise them. Although broken down into separate categories, these aims and objectives are by no means independent of each other, meaning that there will be instances where an aim or objective may be cross-cutting across between areas and can have a synergistic effect.

### **Reduction of local authority CO<sub>2</sub> emissions**

- Reduce energy demand and improve energy efficiency
- Increase sustainable energy capacity
- Reduce fleet emissions
- Work with people to inspire change

### **Resource maximisation & waste reduction**

- Improve waste management to maximise use of existing resources
- Sustainable purchasing and procurement of goods and services

### **Domestic energy and sustainable warmth**

- Improve domestic energy efficiency to reduce energy demand
- Support shift towards sustainable energy in the domestic sector

### **The natural environment**

- Maintain good local air quality
- Protect existing natural habitats
- Expand and connect natural habitats and increase tree cover

### **Climate resilience and adaptation**

- Adapt the built and natural environment to current and future climate change impacts
- Review our progress on net zero
- Work towards sustainable development

## Strategy Aims and Objectives

The council has identified five key areas of action to tackle climate change. In this section, we set out the context for the strategy to deliver the council's own Net Zero 2050 target and touch on how we may be able to guide, influence and support wider emission reductions within Hartlepool. A full list of potential actions are set out in the Climate Emergency Response and Net Zero Action Plan in Appendix A.

### Reduction of Local Authority CO2 Emissions

- Reduce energy demand and improve energy efficiency
- Increase sustainable energy capacity
- Reduce fleet emissions
- Work with people to inspire change

The council recognises that reducing our own carbon footprint is a crucial step for local authorities in their efforts to play their part to combat climate change. As part of the council's strategy to decarbonise the delivery of its services, we will seek to tackle this challenge head on, taking multiple approaches from practical steps to reviewing new policies in order to ensure that both climate change and our carbon footprint are always considered at all levels of the decision-making process. We aim to build on all the hard work our colleagues have already put into this front.

#### ***What is a 'carbon budget'?***

*A carbon budget is the permitted and cumulative total amount of carbon dioxide that can be released over a specific period of time. It stands as a cap on the total greenhouse gas emissions, which should not be exceeded, to meet emissions reduction commitments. Carbon budgets have become a core component for analysing the potential implications of our actions in a carbon-constrained future and can help with developing a decarbonisation plan.*

*Carbon budgets can be applied to at various scales from individual corporations to a national level.*

We have chosen to adopt the carbon management hierarchy as our framework for streamlining the way we handle our greenhouse gas emissions.<sup>13</sup> This hierarchy will serve as our compass, directing us in the best course of action to manage these emissions effectively. It comprises four key steps, each with its distinct purpose, aimed at reducing our environmental footprint; firstly, avoiding any activities that generate high levels of emissions where possible, secondly reducing carbon-intensive activities, thirdly substituting energy sources for sustainable ones and finally, compensating any unavoidable emissions.

Figure 16 The carbon management hierarchy

#### Eliminate

prevent GHG emissions across the entire lifecycle and avoid activities that generate high levels of emissions

#### Reduce

Optimise processes to increase operational efficiencies to reduce energy demands and carbon emissions

#### Substitute

Adopt renewables or low-carbon technologies to reduce carbon intensity

#### Compensate

Compensate for 'unavoidable' residual emissions through carbon offsets, removals, or credits

Firstly, we will make every effort to avoid engaging in activities that result in high levels of emissions whenever possible. This means we will be proactive in identifying and curtailing practices that contribute significantly to GHG emissions. Secondly, we are committed to minimizing carbon-intensive activities within our operations. This involves a systematic review of our processes and practices to identify areas where we can reduce our carbon footprint, thus lessening our impact on the environment. Thirdly, we will substitute our existing energy sources with sustainable alternatives where possible to further diminish our reliance on carbon-intensive power generation. Lastly, as part of our comprehensive approach, we recognise that there may be unavoidable emissions that we cannot eliminate entirely. In these cases, we will take responsibility for our carbon footprint by implementing measures to compensate for these emissions. This could involve investing in carbon offset projects or other similar initiatives.



<sup>13</sup> GHG Management Hierarchy updated for net-zero, IEMA, 2020. Available at: [GHG Management Hierarchy updated for net-zero](#).

## Building Assets

### Our Purchased Electricity

In 2019, Hartlepool Borough Council made the switch to low carbon electricity. Through the NEPO framework, all of the council's buildings and on-site electric vehicle charging points are supplied by EDF's 100% zero carbon and renewable energy as verified by The Carbon Trust and backed by REGO (Renewable Energy Guarantees Origin) certificates.<sup>14</sup> The zero carbon electricity purchased is still however, supplied via the National Grid network. This means that customers, such as ourselves, receive electricity via the National Grid and not directly from zero carbon electricity generators and therefore the transmission and distribution of electricity still incurs a carbon cost. It must also be noted that during periods of peak demand the amount of low or zero carbon electricity supplied may not meet the increased demand. This means that excess electricity demand will have to be met by other means, primarily, fossil fuels. We are, however, moving in the right direction by supporting low and zero carbon electricity generation with the grid currently in a transitional state as we slowly shift towards sustainable energy altogether. With the policies and proposals set out in the government's Build Back Greener strategy, the UK's power system will hopefully be fully decarbonised by 2035.<sup>15</sup>



# 100%

Of HBC's electricity purchased is  
from renewable sources

### Our Gas Consumption

As illustrated in Figure 10 heating of our buildings make up for the majority of our emissions, but this also offers the biggest opportunity for carbon savings. We will continue to reduce our reliance on fossil fuels as the main energy source for our buildings and increase our own decentralised electricity generation capacity. Some of the works that we have already carried out on our properties include upgraded LED lighting to a number of our buildings including the Civic Centre, a replaced gas boiler with a low carbon air source heat pump at an office-cum-community centre, and a combined 88kWp of solar panels installed across a number of our buildings.



# 26.3%

Of council gas heating emissions  
are from Mill House Leisure Centre

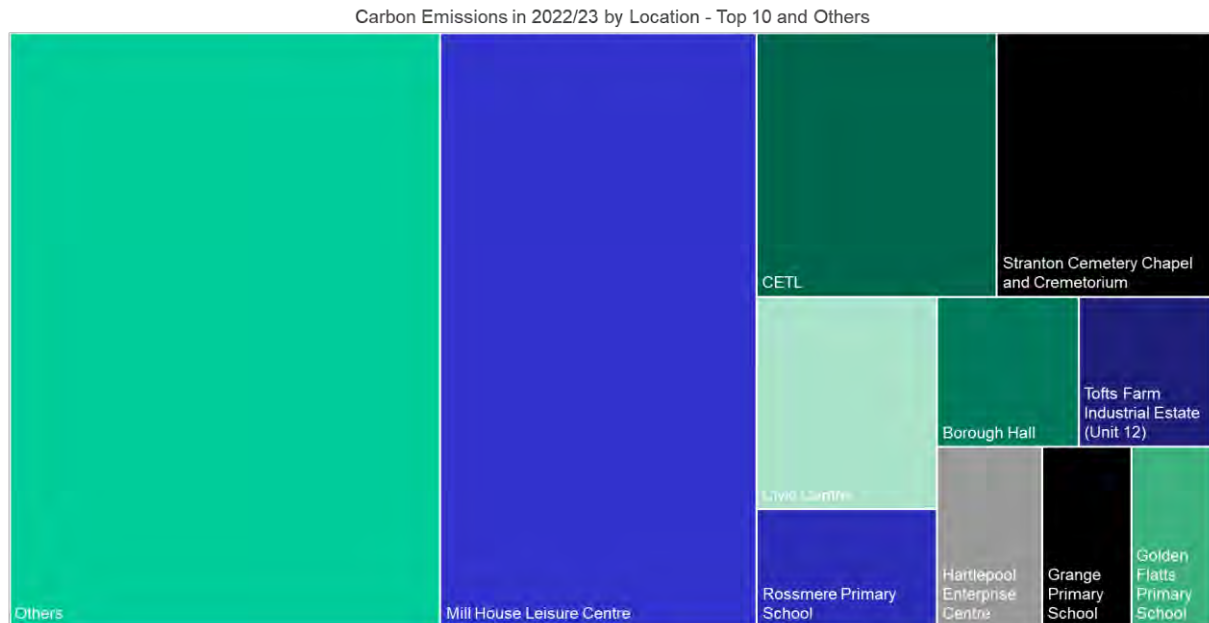
In 2022/23, 64% of our asset emissions derived from the burning of gas used for heating, equivalent to 2,458tCO<sub>2</sub>e. Mill House Leisure Centre was the location with the highest emissions followed by the Centre for Excellence in Teaching and Learning (CETL) and

<sup>14</sup> NEPO extends award-winning Electricity framework for a further two years, NEPO, 2022. Available at: [NEPO extends award-winning Electricity framework for a further two years](#)

<sup>15</sup> Net Zero Strategy: Build Back Greener, UK GOV, 2022. Available at: [Net Zero Strategy: Build Back Greener](#)

Stranton Cemetery and Crematorium. These 3 assets alone contributed to over two-fifths (43.1%) of total emissions from gas. Civic Centre, Rossmere Primary School, Borough Hall, Tofts Farm Industrial Estate, Grange Primary School, Hartlepool Enterprise Centre and Golden Flatts Primary School complete the top 10 list of single highest emitters by gas use. Together, these top 10 assets make up for almost 65% of the emissions from gas consumption. This information is illustrated in Figure 17 below. This data highlights the assets that need attention to decrease gas consumption and achieve the most substantial contributions to carbon reduction.

Figure 17 Carbon emissions from gas heating in 2022/23 by location

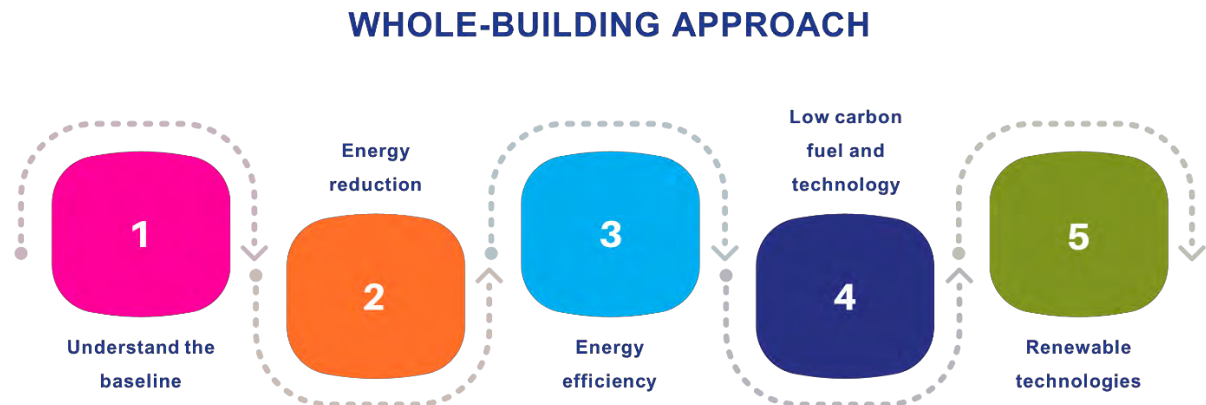


### Taking the whole-building approach

We will continue to invest in retrofitting and decarbonising our buildings by taking the whole-building approach. The whole-building approach is a pragmatic approach towards a net zero future. It applies the logic of reducing energy demand by as much as possible before considerations are made for cleaner sources of fuel, and finally renewables, to offset consumption.

- (1) Gather energy information about each building, including energy consumption, financial costs and carbon emissions. This will become a reference point (baseline) for the comparison of the impacts of interventions
- (2) Investigate low-cost measures that are quick and easy to implement to reduce consumption and the amount of energy demand. This could include simple measures such as setting the thermostat 1°C lower
- (3) Upgrade inefficient technology with newer, more energy efficient replacements to reduce energy consumption and ensure that energy is used as efficiently as possible. This stage might look at improvements to building equipment such as low carbon heating and cooling, or fabric insulation upgrades
- (4) Utilise low carbon fuel and technologies to make a shift away from the use of fossil fuels which are often used for heating and hot water
- (5) Finally, consider renewable energy technologies such as solar panels to generate electricity locally to reduce the dependency on grid electricity. This also builds resilience to any potential energy shortages and price hikes

Figure 18 Taking the whole-building approach to reduce overall emissions



*By implementing the whole-building approach, we will also be applying the GHG management hierarchy<sup>16</sup> of emissions management which prioritises those actions which have the greatest impact by:*

- *Eliminating unnecessary emissions by avoiding activities that generate high levels of emissions*
- *Reduce emissions where possible by increasing efficiency and optimising approaches*
- *Substitute carbon intensive activities with low carbon alternatives*
- *Compensate for any remaining unavoidable emissions through emission removals, offsets and carbon credits*

In today's economic climate, many organisations are continually challenged to optimise resources, streamline operations, and maximise efficiency. Public sector organisations are under increasing pressure to identify significant savings yet deliver more with fewer resources. One of the key aspects that can significantly influence an organisation's performance is in its estate management. This is a strategic approach to maximising the space efficiency of an organisation's property portfolio, ensuring that all assets, including land and property, are utilised optimally.

With the increased prevalence of hybrid and remote working models, estate rationalisation has become even more critical for us in adapting to the evolving needs of the organisation. One potential course of action that we can consider to address this challenge involves adopting a phased approach to rationalise our assets. This approach entails a comprehensive review of the usage and reduction of our property assets, with a particular emphasis on optimising the utilisation of our headquarter buildings. In doing so, this can lead to multiple benefits including reduced associated maintenance costs, energy use and carbon emissions and therefore contribute to delivering revenue savings across all properties in 2023/24 and beyond.

When it comes to new construction projects and acquisitions, we intend to adopt a somewhat different approach. Our goal is for long-term capital initiatives to not only deliver on short-term advantages but also to strategically minimise carbon footprints while enhancing the

<sup>16</sup> GHG Management Hierarchy updated for net-zero, IEMA, 2020. Available at: [GHG Management Hierarchy updated for net-zero](#).

performance in the long run. To achieve this, we will take the following steps into consideration:

1. We will assess the presence of locked-in or embedded carbon by exploring innovative technologies, materials, and construction methods. This proactive approach will help us prevent potential issues in the future that may necessitate costly retrofitting and decarbonisation efforts
2. We will advocate for Central Government to establish higher, mandatory national standards for the development sector. Furthermore, we will support these standards through the implementation of our planning policy framework
3. Our future builds will prioritise designs aimed at reducing carbon emissions and ensuring adaptability to the changing climate and its associated impacts
4. We will optimise the utilisation of decentralised renewable energy systems and low-carbon technologies, especially in large-scale developments



## Streetlights

All of Hartlepool Borough Council's streetlights have already been converted to energy-efficient LEDs which, at the time, cut electricity consumption by almost half. As previously mentioned, despite being powered by renewable sources it is still important that we reduce our use of electricity by as much as possible, thus we will continue to strive to reduce the overall amount of electricity we use for street lighting. Streetlights in public carparks, promenades, and gardens are switched off between the hours of 12am and 5am, and streetlights are armed with in-built photocells/photosensors which act as light sensors and make the lamps light up only when it is dark. At the moment, HBC are trialling ten solar-powered streetlights across the town. Streetlights that harness solar power have the capability to transform solar energy into electrical energy, which is subsequently stored within an integrated battery. This stored energy is then utilised to operate the streetlight's illumination from dusk to dawn.

**100%**

Of HBC street lighting uses energy efficient LED bulbs

Illuminated road signs, bollards, and traffic signals draw power from the same electrical source that provides energy to our streetlights. In areas where it has been deemed safe and appropriate, we have undertaken de-illumination efforts to lower our electricity consumption. To achieve even greater reductions in our electricity usage, we will persist in extending the de-illumination of road signs and bollard lighting units. Furthermore, we remain committed to exploring the feasibility of innovative solutions that can further reduce our energy consumption for street lighting purposes.

## Fleet

All emissions from HBC's own fleet vehicles fall under Scope 1. These fleet emissions constitute a substantial 25.5% of our total emissions, highlighting the urgent need for action to align with our net-zero target. Our fleet vehicles serve essential functions across multiple teams within the council, including Environmental Services, Highways and Engineering, Cleansing, and Horticulture teams. Currently, the majority of HBC's fleet relies on diesel fuel.

Point 4 of the UK Government's Ten Point Plan for a Green Industrial Revolution, titled "Accelerating the Shift to Zero Emission Vehicles," underscores the government's commitment to transitioning to electric vehicles (EVs) as a means to create job opportunities, reduce emissions, and bolster the British industry while ensuring continued mobility. Additionally, the UK Government's Transport Decarbonisation Plan (TDP) outlines a comprehensive vision for achieving net-zero transportation by 2050, emphasizing increased active travel, adoption of zero-emission vehicles, and decarbonisation across rail, maritime, and aviation sectors.<sup>17</sup>

**34.7%**

Of Fleet Emissions are from waste-management vehicles

Electrifying an entire fleet all at once can be prohibitively expensive and impractical, particularly for heavy-duty vehicles like refuse trucks. In the near term, we are exploring alternative fuels, such as hydrotreated vegetable oil (HVO). HVO is a biofuel derived from various sources, including plants, algae, or animal remains. Unlike traditional liquid fuels like

<sup>17</sup> Decarbonising transport: a better, greener Britain, Department for Transport, 2021. Available at: [Decarbonising Transport – A Better, Greener Britain \(publishing.service.gov.uk\)](https://www.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/92111/Decarbonising_Transport_-_A_Better_Greener_Britain.pdf)

petrol and diesel, biofuels like HVO are considered green and renewable energy sources due to their replenishable nature. One key advantage of HVO is its compatibility with diesel-powered vehicles, requiring no adjustments or modifications to diesel engines, ensuring a seamless transition. As a sustainable fuel, HVO offers a significant opportunity to dramatically reduce emissions in the short term, serving as an excellent transitional fuel. By replacing and consuming the same quantity of HVO as diesel in 2022/23, we could have avoided a staggering 98.6% of fleet carbon emissions. Furthermore, HVO may yield benefits in fuel efficiency and reduced maintenance and repair costs. It's essential to note that while HVO presents numerous advantages, it typically comes at a higher cost than traditional diesel, may necessitate changes to existing storage and refuelling infrastructure, and, despite supply chain improvements, may occasionally experience volatility. Nevertheless, HBC is committed to exploring this opportunity and plans to trial HVO fuel with our fleet vehicles as a transitional solution, following the lead of other local authorities like Redcar and Cleveland<sup>18</sup>. Building on our robust collaborations with other local authorities, we will work closely to share knowledge and advice regarding this technology.

Looking ahead, our long-term objective is to operate a fleet powered by alternative fuels by the mid-2030s, significantly reducing HBC's carbon footprint over this period. Two viable options for achieving this goal are electric vehicles and hydrogen-powered vehicles. Hartlepool's Local Transport Plan (LTP3) for 2011-2026 underscores our commitment to expanding electric car provision within the council and establishing an extensive charging infrastructure accessible to residents, visitors, and businesses alike<sup>19</sup>. Furthermore, we are actively collaborating with fellow local authorities under the Tees Valley Combined Authority (TVCA) to spearhead the Electric Vehicle Charging Infrastructure Project for our region, ensuring its successful development and implementation.

While hydrogen power is another promising avenue, its large-scale rollout is still in its nascent stages compared to electric vehicles. The UK Hydrogen Strategy, published in 2021 and updated in December 2022, outlines the approach to developing the UK's low-carbon hydrogen sector, with a goal of achieving 10GW of low-carbon hydrogen production capacity by 2030. TVCA's net-zero strategy also highlights the creation of a National Hydrogen Transport Hub<sup>20</sup> as a top priority. Moreover, plans are underway to generate over 4GW of energy from hydrogen in Tees Valley by 2030. Given our advantageous location within the Tees Valley, we have the option to consider both electric and hydrogen-powered vehicles.



## 4 Gigawatts

Of energy from hydrogen planned to be produced in the Tees Valley by 2030

As public sector authorities, we have a duty to promote the adoption of clean and energy-efficient vehicles. When procuring or leasing vehicles, we will explore modifications to technical specifications related to energy consumption and environmental performance ratings throughout their entire lifespan to fulfil this obligation.

<sup>18</sup> Two North East local authorities trial HVO in diesel engines, NEPO, 2023. Available at: [Two North East local authorities trial HVO in diesel engines](#)

<sup>19</sup> Hartlepool Local Transport Plan (LTP3) 2011-2026, Hartlepool Borough Council, 2011. Available at: [Hartlepool's Local Transport Plan \(LTP3\) – Hartlepool Borough Council](#).

<sup>20</sup> The UK Hydrogen Strategy (2021) Available at: [UK hydrogen strategy - GOV.UK \(www.gov.uk\)](#)

## Paying for Net Zero – Invest to Save, Invest to Generate

Although every study shows that the cost of inaction on climate would be far greater than the cost of action, we still need to develop a funding scheme to deliver on net zero not to the detriment of delivering on our core services to the community.<sup>21,22,23</sup> At the moment, it is not clear what the full cost of achieving net zero will be. We have a rough idea of the financial cost for each specific action but further information on the detailed costs associated with each action will need to be developed as each action is addressed over the lifetime of the plan. To reach net zero domestically will require a wide range of investments in new assets such as electric cars, windfarms and heat pumps. We will explore investing in large scale off-site renewable energy projects such as solar and wind farms as well as retrofit works to incorporate decentralised electricity generation on suitable assets such as Tofts Farm, our fleet vehicle depot. In the long run these changes should lead to savings, meaning some of our low-carbon investments could ultimately pay for themselves, or even become a revenue stream.

### ***Funding sources for net zero***

- *Hartlepool Borough Council Budget on a case-by-case basis*
- *Government funding schemes, such as the Public Sector Decarbonisation Scheme (PSDS), Public Sector Low Carbon Skills Fund, workplace charging scheme,*
- *Review of new and innovative private and public funding sources, such as green bonds, crowd funding*

## A Concerted Effort

Awareness, training and behavioural change are critical aspects to reaching net zero emissions as they influence how individuals, organisations and communities interact with energy, resources and the environment. We will ensure that all relevant senior management receive carbon literacy training to raise climate awareness and help them better understand how their services impact on our carbon emissions. Changing individual and collective behaviour and mind-sets also play an important role in reducing energy use by consumers, typically in everyday life, which tackle excessive or wasteful energy consumption. Actions as simple as communication campaigns can increase awareness and influence behavioural change. Through the application of the carbon management hierarchy, we aim to promote practices that help our staff reduce emissions when carrying out their work. This includes embracing advanced digital technologies for meetings rather than in-person gatherings. In-person meetings however, give participants the ability to engage more fluidly with one another, encouraging greater collaboration, participation and teamwork. Thus, when in-person meetings are necessary, group together in-person meetings that occur within a single geographic area to avoid excessive trips and maximise travel efficiency. We will also thoroughly explore every opportunity available to us to reduce the number of business miles travelled in a private car, and encourage employees to opt for low-carbon transport options, such as walking or cycling, and using public transportation when feasible. In fact, HBC provides a fleet of bicycles that employees can borrow for both short and long-term use, complemented by induction courses on basic cycle training. We intend to enhance communication of these resources to encourage employee uptake for commuting to and from on-site meetings within the Borough and nearby locations.

<sup>21</sup> Adapt Now: a global call for leadership on climate resilience, Global Commission on Adaptation, 2019. Available at: [Adapt Now: a global call for leadership on climate resilience](#)

<sup>22</sup> The human cost of disasters: an overview of the last 20 years (2000-2019), United Nations Office for Disaster Risk Reduction, 2020. Available at: [The human cost of disasters: an overview of the last 20 years \(2000-2019\)](#)

<sup>23</sup> The economic consequences of climate change, OECD, 2015. Available at: [The economic consequences of climate change](#)

## Council's Resource Maximisation & Waste Reduction

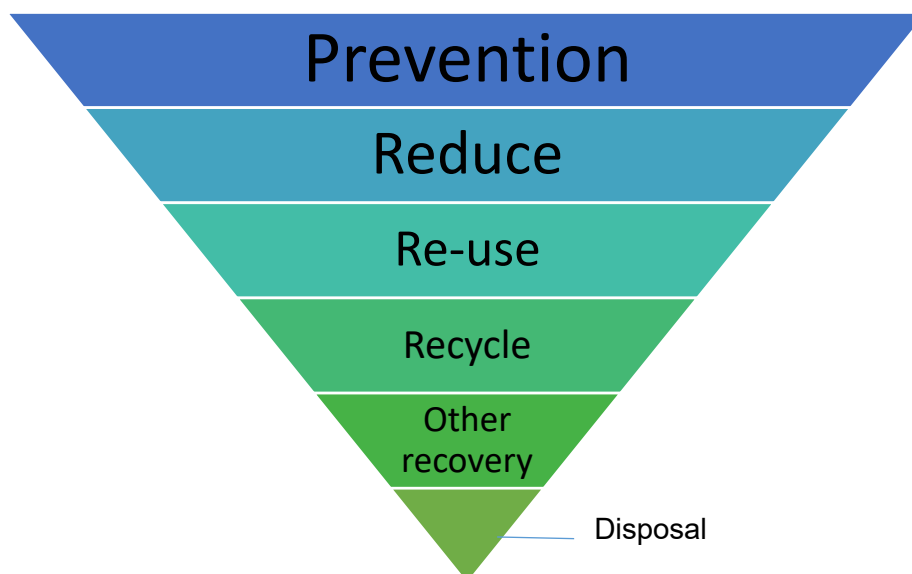
- Improve waste management to maximise use of existing resources
- Sustainable purchasing and procurement of goods and services

### Resource efficiency and waste minimisation

The concept of a linear economy is evidently unsustainable. It is imperative that we alter our perspective on waste, viewing it not as a problem but as a valuable resource. Recognising waste as a resource highlights the importance of transitioning to a 'circular' economy, where we strive to keep resources in use for as long as possible, extracting their maximum value.

By embracing the principles of the circular economy and adhering to the waste management hierarchy (Figure 19), our aim is to recover and regenerate products and materials whenever feasible, thereby prolonging their useful life. This shift in behaviour becomes crucial once again, prompting us to launch a recycling communications campaign across all council services. This campaign will disseminate key messages that encourage resourcefulness, waste reduction, and steps we can take to decrease our carbon footprint.

Figure 19 Waste management hierarchy



We will additionally explore the potential for launching a pay-as-you-throw pilot scheme based for council departments. This initiative is aimed at discouraging waste generation within our facilities and fostering enduring changes in behaviour. We anticipate that implementing such a program can lead to a reduction in waste production while incentivising departments to prioritise waste reduction, reuse, and recycling.

*'If you can't measure it, you can't manage it'*

Currently, our calculations regarding the quantity of waste generated by our own operations are based on estimates. However, we will soon be in a position to collect actual waste data, and we will commence this data recording as soon as we are fully prepared to do so.

Further afield, we are actively supporting the TVCA's comprehensive Waste Management Strategy, which is being designed to optimise the utilisation of waste resources. Our collaborative efforts with partners throughout the Tees Valley will focus on harnessing the full potential of the region's waste resources. These resources will serve as a valuable biogenic feedstock for the production of both low-carbon fuels and industrial energy, aligning with the objectives outlined in the TVCA Net Zero Strategy.



### Green and Sustainable Procurement

Hartlepool Borough Council is dedicated to integrating sustainable principles across all facets of our operations, including our procurement endeavours. Our commitment to social value is deeply ingrained in the core of Hartlepool Borough Council's procurement strategy. An essential aspect of this commitment is enhancing environmental well-being through our procurement processes. As part of our ongoing efforts, a reform to our public procurement law at the time of writing is progressing. The government is aiming for a more transparent and simple process following the move from EU to UK law post-Brexit. A main objective of the Procurement Bill is an opportunity to make it easier for SME's to do business with the public sector and ensure contract requirements are proportionate. The new regulations should enable suppliers to provide information in an efficient manner through the new supplier registration system. This will in theory allow suppliers to tell us, the client, only once, what information suppliers need to be kept up to date. This data will likely include net zero and carbon reduction type data that will be required to support the delivery of contracts.

Hartlepool Borough Council will also be able to look outwards to key suppliers in its supply chain to learn and support their net zero ambitions. This learning approach can also be replicated through Hartlepool working with other local government colleagues, regional organisations (such as NEPO) and the wider public sector to help shape, develop and create good practice.

## Domestic Energy and Sustainable Warmth

- Improve domestic energy efficiency to reduce energy demand
- Support shift towards sustainable energy in the domestic sector

The compounding consequences of rising energy, food and fuel prices, high inflation, COVID-19 pandemic, the energy crisis and climate change are putting additional strain on families and economies. Consequently, this worsens the socioeconomic factors that are essential for human health and overall well-being.

Last year marked the 30<sup>th</sup> anniversary of the UNFCCC, an international treaty signed by 198 parties with the objective to stabilise the greenhouse gas concentrations in the atmosphere. Unfortunately, there has been little significant progress made towards achieving these goals. Since the establishment of the UNFCCC, the carbon intensity of the worldwide energy system has experienced only a slight decrease of less than 1%. Fossil fuels still hold a dominant position in global electricity production, while renewable energy sources only account for a mere 8.2% of the total global energy production.<sup>24</sup>



# 21%

Of total territorial GHG emissions in Hartlepool are from the domestic sector

Energy use in buildings is a significant contributor to carbon emissions. In terms of consumption, the UK's domestic sector (32%) is the second largest consumer of energy following the transport sector (34%).<sup>25</sup> As an end-user the domestic sector contributed 16% of the UK's total GHG emissions, ranking 4<sup>th</sup> largest source out of nine different sectors.<sup>26</sup> It is a slightly different story for the borough of Hartlepool with the domestic sector being the second largest source, contributing to 20.2% of total territorial GHG emissions, behind the industrial sector at 44.9%.<sup>27</sup>

Embracing the holistic whole-building approach entails a strategic focus on minimising energy demand before delving into discussions around cleaner fuel sources and renewable energy. This approach underscores the imperative for a multifaceted approach that encompasses:

- **Enhanced Energy Efficiency:** The paramount importance of enhancing energy efficiency across the board. This involves adopting measures to reduce energy consumption and wastage in all aspects of building operation and design.

<sup>24</sup> Romanello M et al., 2022. The 2022 report of the Lancet Countdown on health and climate change: health at the mercy of fossil fuels. Lancet. Countdown Vol. 400(10363):1619-1654.

<sup>25</sup> Energy consumption in the UK 2021, BEIS, 2022. Available at: [Energy consumption in the UK 2021](#)

<sup>26</sup> 2021 UK Greenhouse Gas Emissions, BEIS, 2021. Available at: [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1134663/emissions-statistics-summary-2021.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1134663/emissions-statistics-summary-2021.pdf)

<sup>27</sup> UK local authority and regional greenhouse gas emissions national statistics, 2005 to 2021, Department for Energy Security and Net Zero, 2023. Available at: [UK local authority and regional greenhouse gas emissions national statistics, 2005 to 2021, Department for Energy Security and Net Zero](#)

- **Enhanced Insulation:** The imperative to bolster insulation standards, ensuring that homes are tightly sealed and well-insulated. This not only conserves energy but also contributes to the creation of more comfortable living environments.
- **Affordable Warmth Initiatives:** Implementing measures to ensure that households have access to affordable warmth, especially during the winter months. This includes programmes to assist vulnerable populations in heating their homes efficiently and comfortably.
- **Protection from Extreme Heat:** Recognising the increasing challenges posed by extreme heat during the summer season and the necessity to protect communities from its adverse effects. Strategies for cooling and climate resilience are pivotal aspects of this approach.

By addressing these key components, the whole-building approach lays the groundwork for sustainable, energy-efficient, and resilient structures that contribute to a more environmentally conscious and comfortable living environment.



**0.73%**

325 of the 44,650 residential properties  
in Hartlepool are owned by HBC

Of the 44,650 dwellings in the Borough, only 0.73% of the properties are directly controlled by the council. In order to make a meaningful impact, it is necessary to work together with homeowners and landlords to make insulation upgrades and transition to sustainable heating systems such as ground and air source heat pumps. One approach we can take to accomplish this goal is to lead the way and showcase the advantages of these upgrades with our own housing inventory. We remain committed to advancing our efforts in collaboration with registered housing providers to incrementally enhance the energy efficiency of the council's housing portfolio. This ongoing partnership underscores our dedication to making our housing stock more environmentally sustainable and cost-effective for residents.

In addition to our work with housing providers, we will actively engage with registered landlords and homeowners and the private rental sector. Through these engagements, we aim to influence and elevate standards in private rental properties, with a strong emphasis on minimising the environmental footprint of these buildings. This approach not only benefits tenants and homeowners but also contributes to our broader environmental objectives. Hartlepool Borough Council has already made strides towards this shift. We have reached out to almost 2,000 homes in the community to spread the word and through the Sustainable Warmth Scheme, we have delivered upgrades to over 140 homes with more than 244 improvement measures. Looking forward, we will continue to push on with the Sustainable Warmth Scheme and support homeowners to meet PAS2035 standards for building retrofits, while with new builds we will lobby for central government to raise national housing standards.

We will encourage and promote the integration of cutting-edge renewable technologies in future housing development projects through the planning process. By encouraging developers to incorporate these sustainable solutions into their designs, we will foster the creation of homes that not only meet modern living needs but also align with our commitment to a greener and more sustainable future.

Additionally, the authority has established targets pertaining to domestic energy:

- Addressing fuel poverty through local leadership
- Consistent with national policy, our aspiration is that by 2035, the sale or installation of new gas boilers will be discontinued
- Advocating for improved sealing and insulation of homes as a cost-effective approach to reducing heating expenses and promoting a healthier indoor environment for residents.

## The Natural Environment

- Maintain good local air quality
- Protect existing natural habitats
- Expand and connect natural habitats and increase tree cover

## Air Quality

Data from the Lancet Countdown estimated that exposure to air pollution, in particular to particulate matter 2.5 (PM2.5) which contributed to 4.7 million deaths globally in 2020, of which 3.7 were attributable to anthropogenic emissions, and 1.3 million were directly related to fossil fuel combustion.<sup>28</sup> Recent studies have suggested that PM2.5 pollution can have harmful effects on human health. The Environmental Targets (Fine Particulate Matter) (England) Regulations 2023 require that in England by the end of 2040, an annual average of 10 µg/m<sup>3</sup> for PM2.5 is not exceeded at any monitoring station.<sup>29</sup> Air quality recommendations published by the WHO in 2021 go a step further by making the recommendation to keeping annual average concentrations of PM2.5 to a maximum of 5µm/m<sup>3</sup>.<sup>30</sup> Maintaining good air quality is remains vital, as it has a direct influence on human health and overall well-being. Ultimately, prioritising good air quality enhances the quality of life and contributes to the long-term sustainability of our planet.



# 4.5%

Fraction of mortality attributable to particulate air pollution in Hartlepool in 2021  
(North East = 4.8%, England = 5.5%)

We are fully committed to implementing national policies on air quality to safeguard the health of the public and the environment. These policies aim to reduce the levels of harmful air pollutants such as particulate matter (PM10 and PM2.5), nitrogen dioxide (NO<sub>2</sub>) and sulphur dioxide (SO<sub>2</sub>), which can have detrimental effects on respiratory health and cardiovascular function, with children, the elderly and those with underlying health conditions being the most vulnerable.<sup>31</sup> Hartlepool enjoys relatively good air quality in areas where the public are regularly exposed to air pollution, with levels sitting well within acceptable limits set by the Government.<sup>32</sup> Additionally, in the year 2021, the mortality rate in Hartlepool attributed to fine particulate PM2.5 air pollution was notably lower at 4.5% compared to the regional average of 4.8% in the North East and the broader national average of 5.5% for England. This suggests that the town's air quality measures have contributed to a lower health risk associated with air pollution compared to other areas in the region and the country as a whole.

<sup>28</sup> Policy brief for the UK, British Medical Association, 2022. Available at: [Policy brief for the UK](#).

<sup>29</sup> The Environmental Targets (Fine Particulate Matter) (England) Regulations 2023, GOV UK, 2023. Available at: [The Environmental Targets \(Fine Particulate Matter\) \(England\) Regulations 2023](#)

<sup>30</sup> WHO Air Quality Guidelines, World Health Organisation, 2021. Available at: [WHO Air Quality Guidelines](#).

<sup>31</sup> Clean Air Strategy 2019, Department for Environment, Food & Rural Affairs. Available at: [Clean Air Strategy 2019](#).

<sup>32</sup> Air Quality Annual Status Report 2022, Hartlepool Borough Council, 2022. Available at: [Air Quality Annual Status Report 2022](#)

Presently, our Borough is equipped with two air quality monitoring stations. Over the past year, we made the decision to enhance our existing automatic air quality monitoring stations. Additionally, we expanded our monitoring efforts by establishing five new non-automatic monitoring sites specifically focused on tracking NO<sub>2</sub> levels. This expansion aims to provide more comprehensive data on pollutant levels and enhance our understanding of areas where action is needed to mitigate NO<sub>2</sub> levels effectively.

We will aim to launch a new initiative this year to monitor Particulate Matter (PM<sub>2.5</sub>) as a crucial component of our commitment to the environment, human health and wellbeing. Alongside this, we are embarking on a comprehensive overhaul of our Air Quality Strategy and Action Plan to ensure it aligns with the most current and effective approaches for safeguarding our air quality. Moreover, in our mission to combat air pollution we will foster close collaboration with local industries and businesses. By working together, we aim to reduce pollution levels and enhance the overall air quality within our community. We will expand on our collaborative efforts by strengthening partnerships with external organisations. This broader engagement will allow us to extend our reach and make a positive impact on air quality in areas beyond our immediate jurisdiction

In addition to our proactive measures, we are dedicated to raising local awareness about the critical issue of air pollution. It is essential that our community understands the significance of this challenge and recognises the pivotal role that the council plays in both maintaining and enhancing air quality. Through education and outreach, we aim to inspire collective action and a shared commitment to cleaner, healthier air for all.

## Natural and Semi-natural Green Spaces

Natural and semi-natural green spaces such as parks and forests play a vital role in urban environments by providing a safe haven for biodiversity and promoting physical and mental wellbeing for the people living in the town. These green areas serve as essential components of sustainable urban planning, enhancing biodiversity conservation, ecological resilience, and the quality of life of Hartlepool residents. We will adopt a blended approach for safeguarding and restoring natural spaces for our local biodiversity and species numbers, tailoring our actions on a case by case basis. This approach is designed not only to protect our native species and habitats but also to increase their resilience with a more diverse species population that is well-suited to the ongoing shifts in climate. In our efforts to improve the green infrastructure of the borough, we will employ suitable management techniques to maintain and enhance the quality and significance of our current green spaces. Additionally, as we evaluate our forthcoming Local Plan, we will place increased emphasis on incorporating public green spaces into future development projects. We aim to elevate the quality of our parks dotted across the town, including Ward Jackson Park and Burn Valley Gardens, by implementing the strategies detailed in our newly established parks and open spaces management documents. Furthermore, we will adopt a tailored fit-for-purpose maintenance approach suited to the specific needs of our open spaces and roadside verges. This approach will not only be advantageous for our local biodiversity and wildlife but will also create more opportunities for people to connect and engage with nature.

Where feasible, we will investigate the potential of nature-based solutions, which in a broad sense, yield various advantages depending on the specific solution adopted. These advantages may encompass climate change mitigation, the preservation of biodiversity, the management of floods and stormwater, enhanced air and water quality, economic benefits, and the enhancement of social value. These solutions leverage the inherent potential of nature to address environmental challenges, all the while fostering wellbeing and ecological conservation.



# 5.7%

Tree canopy cover in Hartlepool  
(Bottom 20 local authority areas)

With only 5.7% tree canopy cover, Hartlepool falls within the bottom 20 local authority areas for tree cover.<sup>33</sup> The regulations laid out in the Environmental Targets (Woodland and Trees Outside Woodland) (England) Regulations 2022 create a legally binding target across all of England to increase the combined canopy cover of woodlands and trees outside woodlands to 16.5% by 31 December 2050.<sup>34</sup> This leaves a significant opportunity for Hartlepool to make its contribution and enhance its efforts. At present, we have the Hartlepool Tree Strategy 2020-2030 which sets out the long-term vision for the treescape we want to see in the Borough.<sup>35</sup>



We are employing various methods to boost our tree canopy coverage. Presently, a tree survey is in progress, furnishing us with valuable insights into the composition of our canopy mix, the health of our trees, and recommendations for effective tree management. Once this is complete, we will work on our new tree strategy to lay out the long-term strategy for climate resilience and adaptation. We will look to introduce a tree replacement standard to increase tree canopy cover in the borough, countering development-induced tree loss and in accordance with The Environmental Targets (Woodland and Trees Outside Woodland) (England) Regulations 2023. Additionally, through the funding and collaboration with neighbouring local authorities on the Trees on Tees project, we are aiming to plant 1 million trees, or 500ha, by 2035 on both public and private land across the Tees Valley.<sup>36</sup>

<sup>33</sup> Mapping English tree cover: results, ranking and methodology, Friends of the Earth, 2023. Available at: [Mapping English tree cover](#)

<sup>34</sup> The Environmental Targets (Woodland and Trees Outside Woodland) (England) Regulations 2022, 2022.GOV.UK. Available at: [The Environmental Targets \(woodland and Trees Outside Woodland\) \(England\) Regulations 2022](#).

<sup>35</sup> Hartlepool Tree Strategy 2020-30, Hartlepool Borough Council. Available at: [Hartlepool Tree Strategy 2020-30](#)

<sup>36</sup> Trees on Tees, Tees Valley Combined Authority. Available at: [Trees on Tees](#)

## Climate Change Resilience and Adaptation

- Adapt the built and natural environment to current and future climate change impacts
- Review our progress on net zero
- Work towards sustainable development

Climate change is a present reality, and its repercussions are already evident on a global scale with significant impacts on humans, economies and the environment worldwide. Climate change resilience and adaptation are two crucial concepts in addition to climate change mitigation. Beyond doing everything to cut down on GHG emissions, we must take action to prepare and adjust to both the current and projected consequences of climate change.

Rapidly rising temperatures and extreme heat exacerbate the knock-on health impacts including cardiovascular disease, respiratory disease, heat-stroke, and worsening of mental health. Vulnerable populations (those over 65 years of age and children under one year of age) now face greater exposure to extreme heat. Globally, heat-related deaths increased by 68% between 2000-2004 and 2017-2021 with the confluence of the COVID-19 pandemic significantly contributing to this death toll.<sup>37</sup> The changing climate affects the spread of climate-sensitive infectious diseases such as Lyme disease and dengue fever, as conditions become more suitable for their emergence and transmission, putting populations at much higher risk of emerging diseases. The impacts of climate change are also rapidly aggravating and worsening the effects of other coexisting crises such as air pollution, food insecurity, the energy crisis and the rising cost-of-living.



# 68%

Increase globally in heat-related deaths  
between 2000-2004 and 2017-2021

### Climate resilience and adaptation, what do they mean?

Climate resilience refers to our capacity or ability to anticipate, cope with shocks and bounce back in a timely and efficient manner from the challenges posed by a changing climate. It involves implementing strategies and policies to minimise vulnerability and ensure that communities, ecosystems, and economies can better withstand climate-related shocks. Adaptation, on the other hand, can be defined as the process taken to '*adjust to the actual or expected climate and its effects*' and thrive in a changing climate.<sup>38</sup> Both require planning and implementing actions to reduce the risks and seizing the opportunities presented to us by a warming climate. Both resilience and adaptation are vital components of our response to climate change, helping us to protect lives, livelihoods, and the environment.

<sup>37</sup> The 2022 report of the Lancet Countdown on health and climate change: health at the mercy of fossil fuels, The Lancet, 2022. Available at: [The 2022 report of the Lancet Countdown on health and climate change: health at the mercy of fossil fuels](#)

<sup>38</sup> SYRAR5 Glossary, Intergovernmental Panel on Climate Change, 2019. Available at: [SYRAR5](#).

A multifaceted approach is required, encompassing several key components for effective climate action. To begin with, we will undertake a revision of our Local Plan, ensuring that our planning policies remain consistently aligned with both mitigation and adaptation measures as stipulated by the Climate Change Act. This will mean that climate-related considerations will be more effectively incorporated into all aspects of future planning and policy developments. Moreover, we will place greater attention on detailed methodologies on specific items within the planning policy such as embodied carbon, resource efficiency, and the allocation of land for improved resilience measures. We will seek to enable local and multi-agency collaboration and delivery of adaptation and mitigation strategies at appropriate scales and across all decision-making levels. Lastly, a critical aspect of building climate resilience is to increase the wealth of knowledge, awareness, and capacity amongst stakeholders within the planning system.<sup>39</sup> This is something that we will strive for to foster a collective commitment to effectively address the challenges posed by climate change.

In our upcoming initiatives, we have outlined the following actions that will guide our efforts towards climate resilience. First and foremost, we are committed to thoroughly investigating flood mitigation and flood management strategies. Our aim is to develop comprehensive plans that address the challenges posed by flooding and ensure the safety and resilience of our communities.

As part of our approach, we will be implementing hard landscape schemes that take into account various elements. These schemes will incorporate solutions such as permeable pavements, carefully chosen materials, sustainable drainage systems (SuDS), and the utilisation of nature-based solutions. These measures are integral to alleviating the potential impacts of future flood and drought events, helping to safeguard our environment and key infrastructure.

Furthermore, we are dedicated to adopting a fabric-first approach for future urban planning schemes. This approach involves a holistic perspective, emphasising the importance of the entire building in urban development schemes. By considering the fabric of the buildings themselves as a fundamental aspect of our planning, we can create urban environments that are more sustainable, resilient, and better equipped to address the challenges of the future.

## Inclusivity

It is particularly important to ensure a just transition towards sustainable development and we are committed to ending our contribution to climate change in a way that is fair and creates a better future for everyone. Planning ahead and taking action against climate change presents rare opportunity to better the collective wellbeing of the people of Hartlepool. By directing our efforts towards reducing emissions and addressing current inequalities, we can create an economy and society that prioritises these values.

In July 2023, HBC partnered with the Institute for Community Studies to imagine what a just transition to net zero might look like in Hartlepool. Through a participatory policy development process together with members of the public, voluntary, community and social enterprise

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<sup>39</sup> CSE & TCPA, 2023. Spatial Planning for Climate Resilience & Net Zero – Barriers & opportunities for delivering net zero and climate resilience through the local planning system.

organisations and officers from HBC, we worked together to identify challenges and develop policy asks that respond to the unique assets, strengths and challenges in Hartlepool.

**Principles identified for a just transition in Hartlepool**

- Protect the vulnerable
- Improve quality of life
- Offer new opportunities
- Inclusive and accessible
- Hope
- Share responsibilities
- Set a positive example



There were a number of key challenges identified through this exercise but there were two specific topics which drew particular attention from the participants: deprivation, and political disengagement. This brought around two emerging policy asks:

1. Empowering residents with food autonomy through the support of local community organisations in order to reduce financial costs and carbon emissions, and to reap the health benefits of a healthy diet
2. To understand the priorities and challenges of different communities within the town through better engagement with the community, to facilitate greater political engagement of residents and provide easy ways for them to contribute their opinion, and to ensure that any information on the transition to net zero is easily accessible



We are committed to delivering a just transition by working with local communities and businesses to deliver on our net zero future. We have launched the Your Say, Our Future platform, an engagement platform offering residents the opportunity to get involved and shape the future of Hartlepool. It is a chance for the community to have their say on the issues that matter to them.



**YOUR SAY**  
**OUR FUTURE**



Skills are a fundamental enabler of net zero and a fair transition to net zero will rely on every element of the skills system. The transition to net zero represents a huge opportunity to secure livelihoods and grow new industries in the town, enhance social equality, and improve overall health and wellbeing. These opportunities are not guaranteed and if we are to reach net zero and secure this brighter future, a rapid and well-managed shift in the skills of the UK workforce is required. Through the net zero transition, an estimated 135,000 to 725,000 new jobs could be created in the UK in low carbon sectors, such as building retrofits, renewable energy generation, low-carbon hydrogen production, CCUS, the manufacturing of electric vehicles and in the area of circular-based waste management.<sup>40 41</sup>



## £2.25 million

Value of Civil Engineering Academy project supporting net zero jobs and featuring roof top solar panels and EV charging points

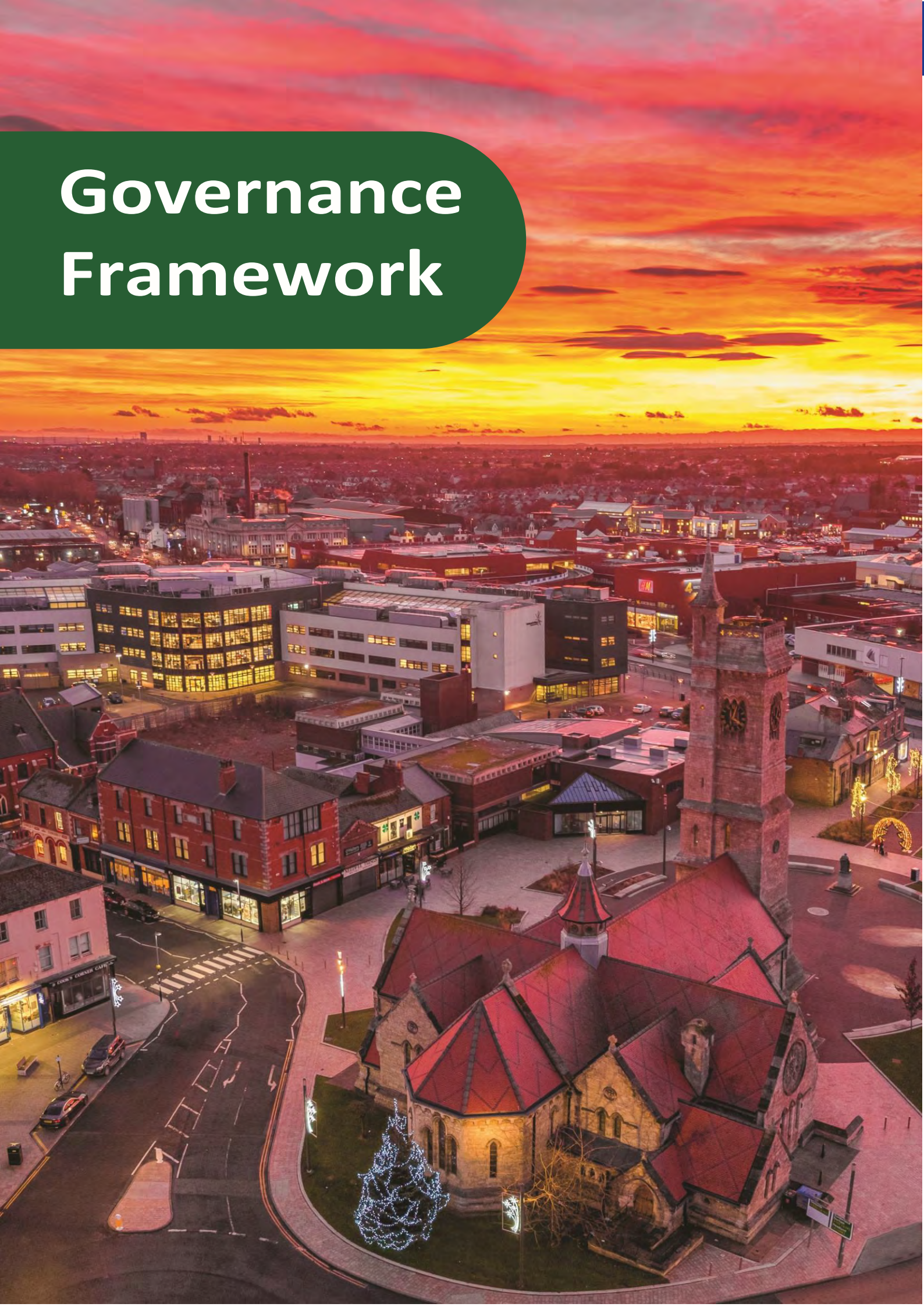
Through the Town Deal Fund, HBC together with Seymours and the Hartlepool College of Further Education will be bringing a £2.25m Civil Engineering Skills Academy to the town with an expected completion date in 2024. The Civil Engineering Academy building will boast roof-top solar panels and electric vehicle charging points. The training centre will provide a wide range of accredited and bespoke construction and civil engineering training to meet the future skills and workforce needs of key economic sectors such as construction, energy and transport. It will expand the access to skills and qualifications, offering the local community a chance to upskill, reskill and retrain in order make the most of the future demand for net zero jobs.



<sup>40</sup> A Net Zero Workforce, Climate Change Committee, 2023. Available at: [A Net Zero Workforce](#)

<sup>41</sup> Skills and Net Zero, Professor Dave Reay, 2023. Available at: [Skills and Net Zero](#)

# Governance Framework



## 9 Governance Framework

### Governance

There are standard governance arrangements in place within the council, both at an officer and member level, to oversee both key decisions as well as any significant actions. These mechanisms already present an opportunity to monitor and review our actions and arrangements within this strategy.

Hartlepool Borough Council recognises that good governance leads to good management and the attainment of good performance. Establishing a strong and robust governance framework is therefore a critical factor for success to realise our goals. The transformation required to achieve net zero will be both substantial in scale and complex in execution, and would require the overall responsibility to sit at the level of the Senior Leadership Team or above, with the delivery of the actions being driven by relevant Lead Officers across the various services of the council to reduce their own department's carbon footprint.

Additionally, through public engagement and empowerment this should ultimately lead to beneficial outcomes for citizens and service users. Good governance enables local authorities to pursue their visions in an effective and responsive manner, as well as underpinning their visions through appropriate mechanisms for control and effective management of risk. For this reason, all future reports around climate change and net zero will be submitted to the Finance and Policy Committee, which is open to the public, for review and feedback. We will also continue to explore new and innovative ways of participation and channels for communication to provide residents the opportunity to consult and influence any changes and new measures adopted in our Climate Change Response and Net Zero Strategy.

### Monitoring, Measuring and Reporting

The plan is intended to be a live document, and will change and develop as we continue to build on our understanding of the emission sources, and the most effective solutions to bring them down. We will continually monitor and evaluate the progress of this strategy and action plan against its intended outcomes, and review and refine as we go based on the lessons learnt.

To date, we have adopted a mixture of data sources, tools, and manual processes to calculate our emissions and carbon footprint, enabling us to combine disparate information flows. We intend to implement improved data management processes to accurately record, track and monitor our future emissions to empower us to make well-informed decisions with data-driven knowledge. We expect that data management processes will be constantly improved however, we aim to have that new system in place come the next carbon audit.

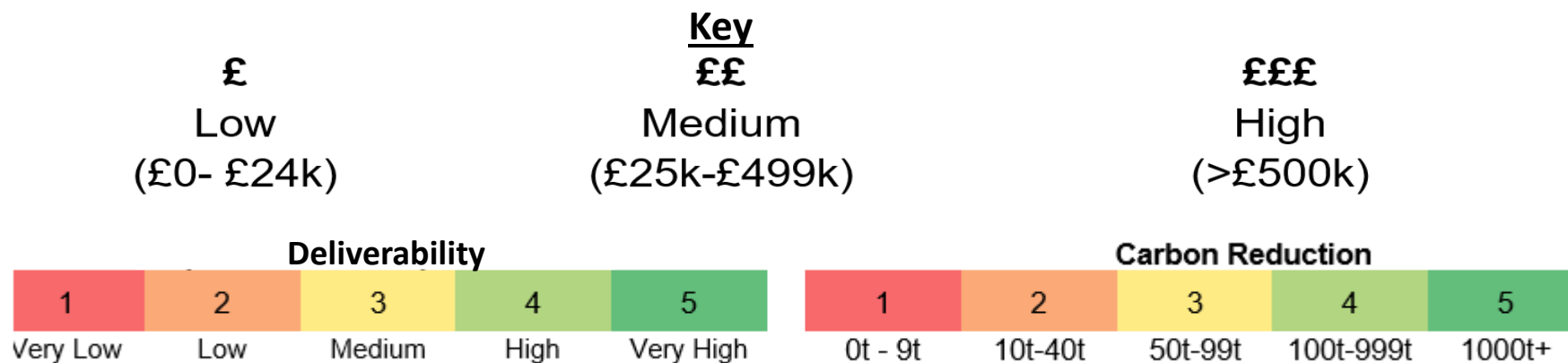
Performance monitoring updates on the action plan and our carbon emissions will take place yearly to track our progress against the outlined actions and performance, while a full review will be conducted after every 5 years.

To ensure transparency, reports on our organisational emissions profile will be made publicly available each year on our website, and reported using the Local Government Association and Local Partnerships' Greenhouse Gas Accounting Toolkit reporting methodology.

## 10 Appendices

### Appendix A – Climate Change Response and Net Zero Action Plan

As part of the Strategy development, an initial Action Plan has been developed to identify the various types of actions that will need to be taken to deliver on our goals. As the document focuses primarily on council emissions, most of the items relate to actions that we can take to address our own carbon footprint and environmental impact. Some actions, however, include varying levels of influence on external stakeholders; whether we action, enable, influence or lobby others for change. The Climate Emergency Strategy Action Plan outlines the actions for climate change adaptation and mitigation progress. The actions are grouped into 5 key aims (1) reducing local authority CO<sub>2</sub> emissions, (2) resource maximisation and waste reduction, (3) domestic energy and sustainable warmth, (4) the natural environment and (5) climate change resilience and adaptation. Some of the actions detailed here are projects that have already secured funding while others may require feasibility studies to develop projects and business cases over time. The proposed actions in this document are not final – it will be subject to change over time and is not a definitive and exhaustive list; neither should it be considered that all of the proposed actions detailed here will be delivered. The key below explains the scoring method. 'Deliverability' considers all factors on the ease of implementation of the action and how it addresses the aim it sits under. 'Carbon reduction' estimates the potential carbon savings/reductions in the long term. 'Cost' looks at the estimated expected financial cost the action is likely to incur. Work will be carried out to continue to assess the expected impact of actions and each project will, in time, be costed and prioritised. The actions will be reviewed annually to assess our progress.



## Aim: Reduction of Local Authority CO2 Emissions

### Objective 1 - Reduce energy demand and improve energy efficiency

Ref	Action	Target Date	Deliverability	Carbon Reduction	Cost	Action Owner
1.01	Climate Impact Assessment tool to be required on all future capital project developments	2024	3	4	£	Strategic Development
1.02	Decarbonisation and emissions reductions targets to be embedded in the Strategic Asset Management Strategy to rationalise assets and reduce carbon emissions	2025	5	4	££	Estates and Asset Management
1.03	For Council Assets anticipated to serve 10 years or longer - undertake feasibility studies on assets and develop investment plans for energy efficiency improvements including retrofit works and low-carbon technologies with a target of 20% carbon emissions savings of current emissions	2028	4	5	££	Estates and Asset Management
1.04	Review existing Heat Decarbonisation Plan and identify priority assets that require immediate retrofit works to achieve 10% savings on current carbon emissions	In progress	5	4	££	Estates and Asset Management
1.05	Evaluate potential financial investments for invest-to-save projects on a case-by-case basis	In progress	4	5	££	Finance
1.06	Expand the de-illumination of road signs and bollard lighting units	2030	1	1	£££	Highways and Engineering
1.07	Continue to investigate the feasibility of other solutions to further reduce street light energy consumption	In progress	1	2	£	Highways and Engineering

'Deliverability' considers all factors on the ease of implementation of the action and how it addresses the aim it sits under. 'Carbon reduction' estimates the potential carbon savings/reductions in the long term. 'Cost' looks at the estimated expected financial cost the action is likely to incur.

## Aim: Reduction of Local Authority CO2 Emissions

### Objective 2 - Increase sustainable energy capacity

Ref	Action	Target Date	Deliverability	Carbon Reduction	Cost	Action Owner
1.08	All future new developments mandated in the Capital Programme to investigate, and where feasible, install appropriate renewable energy systems providing at least 50% of the building's anticipated energy demand	In progress	5	4	£££	Estates and Asset Management/ Strategic Development
1.09	For existing Council Assets, investigate feasibility of introducing renewable energy systems to provide at least 15% of building electricity demand	2025	4	5	££	Estates and Asset Management
1.10	Undertake technical feasibility for off-site renewable energy projects, such as solar or wind farms, and maintain a live database of development opportunities for investment	2025	4	2	£££	Estates and Asset Management
1.11	Construct a 147.9kWp solar PV and battery storage system at the Tofts Farm Fleet Vehicle Depot and MOT facility to reduce electricity demand from grid and prepare for future expansion of battery electric vehicle (BEV) fleet	2026	5	3	£££	Estates and Asset Management

'Deliverability' considers all factors on the ease of implementation of the action and how it addresses the aim it sits under. 'Carbon reduction' estimates the potential carbon savings/reductions in the long term. 'Cost' looks at the estimated expected financial cost the action is likely to incur.

## Aim: Reduction of Local Authority CO2 Emissions

### Objective 3 - Reduce fleet emissions

Ref	Action	Target Date	Deliverability	Carbon Reduction	Cost	Action Owner
1.12	Identify and install EV charging infrastructure at suitable Council owned and operated sites and support the Tees Valley Combined Authority (TVCA) to roll out EV charging infrastructure improvements	In progress	2	2	£££	Highways and Engineering
1.13	Trial the use of hydrogenated/hydrotreated vegetable oil (HVO) as a low-carbon transition fuel for fleet vehicles, and monitor and report progress annually	2025	5	5	£	Environmental Services
1.14	Develop and deliver long-term fleet strategy to replace fleet vehicles with BEVs, or other low emission vehicles such as hydrogen-powered vehicles	2030	4	5	££	Environmental Services/Strategic Development

### Objective 4 – Work with people to inspire change

Ref	Action	Target Date	Deliverability	Carbon Reduction	Cost	Action Owner
1.15	Investigate available options to reduce staff business travel miles by car by 10% per annum, and to encourage sustainable forms of travel (active travel, public transport, carpool, hybrid vehicles, BEVs)	2024	2	2	££	Human Resources
1.16	Ensure that all senior management (CEs, DCEs, Directors, HoS) and Councillors receive Carbon Literacy Training to increase climate awareness and dissemination of information	2024	5	1	£	Strategic Development
1.17	Climate Communications Campaign to roll out in 2024 to encourage positive behaviour change	2024	5	2	£	Strategic Development
1.18	Establish a network of Climate Champions across all departments	2024	3	1	£	Strategic Development

'Deliverability' considers all factors on the ease of implementation of the action and how it addresses the aim it sits under. 'Carbon reduction' estimates the potential carbon savings/reductions in the long term. 'Cost' looks at the estimated expected financial cost the action is likely to incur.

## Aim: Resource Maximisation and Waste Reduction

### Objective 5 - Improve waste management to maximise use of existing resources

Ref	Action	Target Date	Deliverability	Carbon Reduction	Cost	Action Owner
2.01	Support TVCA's wider Waste Management Strategy for the Tees Valley which aims to better utilise waste resources	2050	4	2	£££	Environmental Services
2.02	Record actual data for the Council's waste collection and report annually	2024	2	1	£	Environmental Services
2.03	Develop a recycling guide for all Council services and promote key messages through Communications Strategy	2024	3	1	£	Environmental Services
2.04	Investigate the feasibility of a pay-by-weight scheme for Council departments' waste removal	2025	2	1	££	Environmental Services

### Objective 6 – Sustainable purchasing and procurement of goods and services

Ref	Action	Target Date	Deliverability	Carbon Reduction	Cost	Action Owner
2.05	Put in place a new procurement strategy and framework which will seek to assist our supply chain in reducing and monitoring emissions	2024	5	5	££	Procurement

'Deliverability' considers all factors on the ease of implementation of the action and how it addresses the aim it sits under. 'Carbon reduction' estimates the potential carbon savings/reductions in the long term. 'Cost' looks at the estimated expected financial cost the action is likely to incur.

## Aim: Domestic Energy and Sustainable Warmth

### Objective 7 - Improve domestic energy efficiency to reduce energy demand

Ref	Action	Target Date	Deliverability	Carbon Reduction	Cost	Action Owner
3.01	Deliver Affordable Warmth Strategy, promote and support residents to improve energy efficiency and reduce energy consumption of their homes through communication campaigns, energy advice partnership projects, voluntary sector partners, guidance schemes and funding schemes such as HUG/LAD3	In progress	4	2	£££	Public Protection
3.02	Continue to work with registered housing providers to progressively increase the energy efficiency of the Council's housing stock	In progress	2	2	£	Housing Services
3.03	Engage with registered Landlords in the private rental sector to improve EPC ratings and adhere to the Minimum Energy Efficiency Standards (MEES)	TBC	3	2	££	Public Protection

### Objective 8 – Support shift towards sustainable energy in the domestic sector

Ref	Action	Target Date	Deliverability	Carbon Reduction	Cost	Action Owner
3.04	Under current policy CC1, continue to encourage developments to incorporate renewable energy systems in their designs and where feasible, require 10% of their energy supply from decentralised and renewable or low carbon sources	In progress	3	2	£	Planning Services

'Deliverability' considers all factors on the ease of implementation of the action and how it addresses the aim it sits under. 'Carbon reduction' estimates the potential carbon savings/reductions in the long term. 'Cost' looks at the estimated expected financial cost the action is likely to incur.

## Aim: The Natural Environment

### Objective 9 - Maintain good local air quality

Ref	Action	Target Date	Deliverability	Carbon Reduction	Cost	Action Owner
4.01	Publish the new Air Quality Strategy and continue to update annual Air Quality Status Reports on the Council website	In progress	3	1	£	Environmental Protection
4.02	Implement the actions outlined in the updated Air Quality Strategy, paying particular attention to working closely with local industry and businesses to reduce pollution and to improve air quality	In progress	4	1	£	Environmental Protection

### Objective 10 – Protect existing natural habitats

Ref	Action	Target Date	Deliverability	Carbon Reduction	Cost	Action Owner
4.03	Implement the Place-based Management Plans, monitor and track progress annually	In progress	3	1	£	Heritage, Parks and Open Spaces
4.04	Take a fit-for-purpose approach to maintenance regimes of open spaces and roadside verges to benefit local wildlife	In progress	3	1	£	Environmental Services

'Deliverability' considers all factors on the ease of implementation of the action and how it addresses the aim it sits under. 'Carbon reduction' estimates the potential carbon savings/reductions in the long term. 'Cost' looks at the estimated expected financial cost the action is likely to incur.

## Aim: The Natural Environment

### Objective 11 - Expand and connect natural habitats and increase tree cover

Ref	Action	Target Date	Deliverability	Carbon Reduction	Cost	Action Owner
4.05	Enhance the quality and value of existing green spaces	In progress	4	1	££	Heritage, Parks and Open Spaces
4.06	Complete a tree survey to better understand the condition of the trees across the Borough	2024	3	1	£	Planning Services
4.07	Revise the Tree Strategy to enhance and protect our native tree species with the supplementary introduction of warmer-climate tree species for a more diverse canopy that is better adapted to a warming climate	2026	4	1	£	Planning Services
4.08	Introduce a tree replacement standard to increase tree canopy cover in the borough, countering development-induced tree loss and in accordance with The Environmental Targets (Woodland and Trees Outside Woodland) (England) Regulations 2023	2026	4	1	£	Planning Services
4.09	Ensure that soft landscaping covers 13.8% of the total site area of the new Highlight Leisure Centre, consisting of grassed areas and tree cover	2025	1	1	££	Architects & Landscape
4.10	Together with Tees Valley and other local authorities, deliver on Trees on Tees programme to create woodland and deliver on planting projects	2035	5	5	££	Heritage, Parks and Open Spaces

'Deliverability' considers all factors on the ease of implementation of the action and how it addresses the aim it sits under. 'Carbon reduction' estimates the potential carbon savings/reductions in the long term. 'Cost' looks at the estimated expected financial cost the action is likely to incur.

## Aim: Climate Change Resilience and Adaptation

### Objective 12 - Review progress on net zero

Ref	Action	Target Date	Deliverability	Carbon Reduction	Cost	Action Owner
5.01	Annual reporting and review of GHG emissions and climate strategy	In progress	5	1	£	Strategic Development

### Objective 13 - Adapt the built and natural environment to current and future climate change impacts

Ref	Action	Target Date	Deliverability	Carbon Reduction	Cost	Action Owner
5.02	Evaluate and establish a climate risk register for the Borough	TBC	5	1	£	Emergency Planning & Net Zero Officer
5.03	Review Borough's flood risk management strategy	In progress	5	1	£	Emergency Planning/Flood and Coastal Risk
5.04	Investigate the feasibility of improving drainage systems and look to incorporate sustainable drainage systems (SuDS) in future urban planning schemes, conforming to policy CC1 and CC2 of Local Plan 2018	2025	4	1	£	Architects & Landscape
5.05	Take a fabric-first approach with material considerations in future urban planning schemes	2024	4	5	£	Architects & Landscape

### Objective 14 – Work towards sustainable development

Ref	Action	Target Date	Deliverability	Carbon Reduction	Cost	Action Owner
5.06	Review the active travel infrastructure within the Borough and identify future requirements for a well-connected active travel network	2027	2	1	£££	Highways and Engineering
5.07	Monitor, prepare for and submit grant and other funding applications to deliver on the aims set out in this Net Zero Plan with a specific focus on GHG emissions, waste and resources, the natural habitat and climate adaptation	In progress	5	3	£	All responsible parties

'Deliverability' considers all factors on the ease of implementation of the action and how it addresses the aim it sits under. 'Carbon reduction' estimates the potential carbon savings/reductions in the long term. 'Cost' looks at the estimated expected financial cost the action is likely to incur.

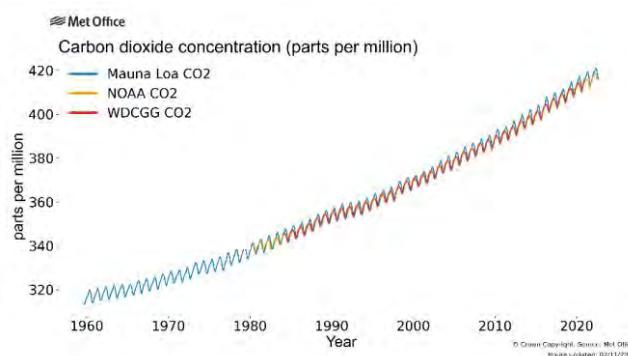
## Appendix B – The Causes and Impacts of Climate Change

### Causes of Climate Change

The term ‘greenhouse effect’ is used to describe how heat is trapped close to the Earth’s surface by the atmospheric layer of greenhouse gases (GHGs). These gases in the atmosphere allow the sun’s light to reach the Earth’s surface but absorb infrared radiation from the Sun in the form of heat, which is circulated in the atmosphere and eventually lost to space. Greenhouse gases include carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), ozone (O<sub>3</sub>) and fluorinated gases. There are other GHGs such as water vapour, but the ones listed above are the main gases of concern. Essentially, these gases act as a “blanket” wrapped around the Earth to keep the planet warm. Without this layer of heat-trapping gases, the earth would be frozen and life on the planet as we know today would not exist. On the other hand when too much GHGs are expelled into the atmosphere the “blanket” becomes too thick and traps too much heat, raising the Earth’s average temperature.

There are many natural sources of GHGs such as volcanic activity, forest fires, melting permafrost, the release of methane from wetlands and swamps, and even the respiration of animals and plants. Worryingly, the amount of GHGs in the atmosphere today, in particular CO<sub>2</sub>, far exceed the naturally occurring range of the past million years or so. We now know that the raised levels of GHGs in the atmosphere are a result of human activity, which over the years has continued unabated and is undoubtedly the root cause for today’s warming trend.

Figure 20 Atmospheric CO<sub>2</sub> concentrations dating back to 1958, from the NOAA (National Oceanic and Atmospheric Administration) and WDCGG (World Data Centre for Greenhouse Gases).<sup>42</sup>

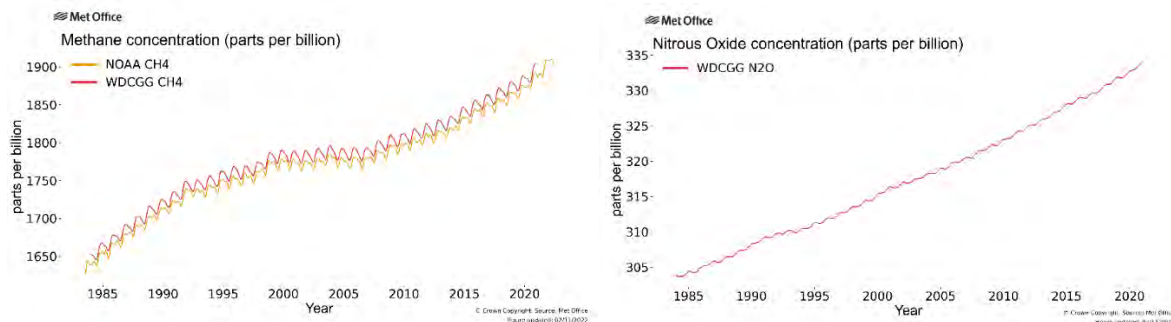


Carbon dioxide is the most dominant GHG and the majority of anthropogenic CO<sub>2</sub> released into the atmosphere is from the extraction and burning fossil fuels. We currently rely heavily on fossil fuels to heat our homes, run our vehicles, generate electricity, and to power industry and manufacturing. Meanwhile, carbon sinks such as the ocean, soil and forests are being continually exploited, meaning that we emit more CO<sub>2</sub> into the atmosphere than natural sinks are able to remove – leading to a rise in atmospheric CO<sub>2</sub>. The exploitation of carbon sinks, such as deforestation can also lead to large amounts of CO<sub>2</sub> being released into the

<sup>42</sup> Carbon dioxide and other greenhouse gases, Met Office. Available at: [Greenhouse gases | Climate Dashboard \(metoffice.cloud\)](https://www.metoffice.cloud/greenhouse-gases/)

atmosphere. Sources for other GHG gases such as CH<sub>4</sub> and N<sub>2</sub>O include livestock and agricultural farming, while sources of fluorinated gases include the production of refrigeration products and aerosols. Unsurprisingly, these gases are also on the rise.

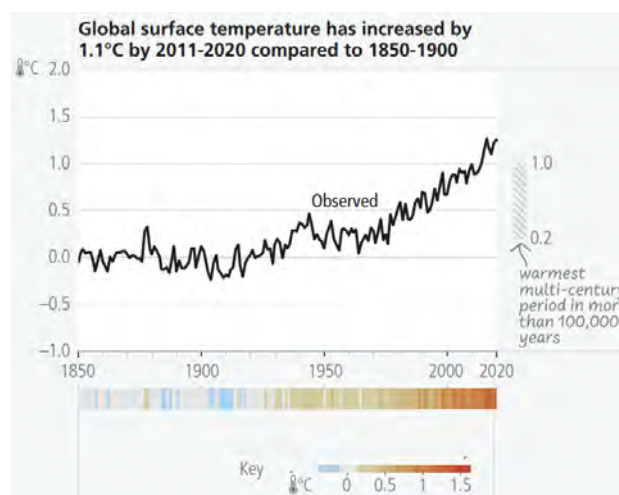
Figure 21 Atmospheric methane and nitrous oxide concentrations over time<sup>43</sup>



We can analyse each of these gases by their specific ‘global warming potential’ (GWP), which is determined by how effective the gas is at trapping heat and how long it remains in the atmosphere before breaking down. To standardise the effects of various greenhouse gases, the United Nations Intergovernmental Panel on Climate Change (IPCC) created a measure known as ‘carbon dioxide equivalent’ (CO<sub>2</sub>e). Carbon dioxide equivalent essentially describes the GWP of a gas. This becomes a much more accurate method to describe and measure our carbon footprint.

Human activity continues to pump GHGs into the atmosphere, upsetting the natural balance. As the level of these gases rise and the “blanket” thickens, so too does the temperature of the Earth and our challenge to find the solutions.

Figure 22 Average global surface temperature change over time.<sup>44</sup>



<sup>43</sup> Carbon dioxide and other greenhouse gases, Met Office. Available at: [Greenhouse gases | Climate Dashboard \(metoffice.cloud\)](https://www.metoffice.gov.uk/news/2023/03/23/greenhouse-gases)

<sup>44</sup> IPCC, 2023: Climate Change 2023: Synthesis Report. Contribution of Working Groups I, II and III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change [Core Writing Team, H. Lee and J. Romero (eds.)]. IPCC, Geneva, Switzerland, 184 pp.

## Risks, Threats and Impacts of Climate Change

Human-induced climate change has affected every aspect of the world and the effects are all interrelated. Climate change does not only mean rising global average temperatures. It also poses a wide range of global threats that have far-reaching implications for both natural ecosystems and human societies. Some of the major global threats caused by climate change include:

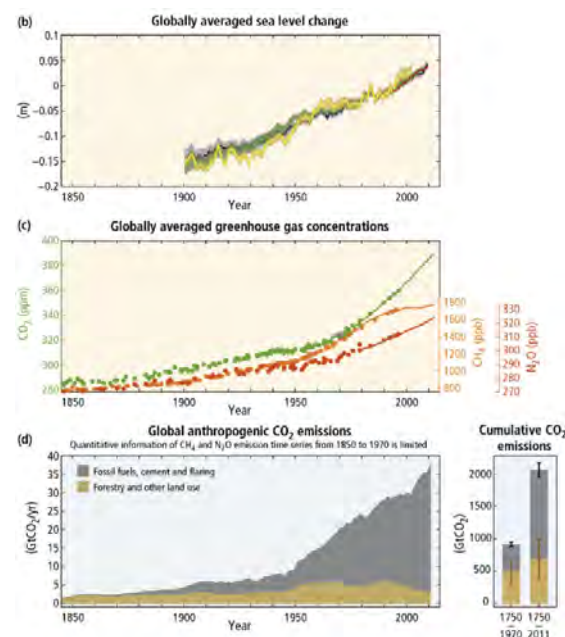
- Changes to weather patterns and extreme weather events

Weather patterns are changing and becoming more unpredictable. Climate change has also contributed to the intensification of extreme weather events such as wildfires, storms, floods and droughts. Countries around the world have already seen a flurry of extreme weather events in recent years from Europe experiencing its warmest summer leading to wildfires contrasted by record rainfall throughout the month of July 2023 in UK.

- Sea level rise

There is a significant threat to coastal communities from sea level rise due to the melting ice caps and glaciers along with the thermal expansion of seawater.

*Figure 23 Demonstration of a strong positive correlation between the increase of anthropogenic CO<sub>2</sub> emissions, atmospheric greenhouse gas concentrations and global average sea level change<sup>45</sup>*



- Ocean acidification

Increased levels of CO<sub>2</sub> in the atmosphere has meant that more CO<sub>2</sub> is being absorbed by the oceans, leading to ocean acidification. This poses a threat to marine species and could alter marine food chains and food supply to humans. Acidification can also reduce the level of protection we get from reefs against

<sup>45</sup> IPCC, 2014: Climate Change 2014: Synthesis Report. Contribution of Working Groups I, II and III to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change [Core Writing Team, R.K. Pachauri and L.A. Meyer (eds.)]. IPCC, Geneva, Switzerland, 151 pp.

storms, lost tourism opportunities and many other benefits that the marine ecosystem offers.

- Biodiversity loss

Climate change can disrupt natural ecosystems leading to species loss, spread of diseases, increased competition and shifts to the natural distribution of species. Many plants and animals struggle to adapt quickly enough to the current rate of change resulting in a decline in biodiversity.

- Food and water insecurity

Changes in weather patterns from temperature to precipitation affect crop yields and water availability putting great pressure on our agricultural systems, impacting food production, supply chains and even livelihoods. The affected productivity of farming systems is wide-ranging including horticulture, livestock, agro-forestry and fisheries, leading to food shortages.

- Economic disruptions

The combined impacts of extreme weather events, sea-level rise, disruptions to food supply chains and industries can bring about significant economic consequences, affecting global trade and development.

- Health risks

Climate change can alter the distribution range of diseases and exacerbate the threat of infectious diseases amongst the human population. These may come in the form of food-borne, water-borne and vector-borne diseases. Environments which were not previously sustainable for certain disease vectors become ideal conditions for them to flourish. The IPCC AR6 Working Group II and the 2022 Lancet Countdown reports have revealed that climate change and weather extremes also have a negative impact on the physical and mental health and wellbeing of people all around the world.<sup>46,47</sup>

- Migration and displacement of people

Environmental degradation, changes or reductions to the availability of resources and the loss of livelihoods can lead to an increase in the number of climate refugees. Socio-economic inequalities also exacerbate the vulnerability of those in poverty-stricken countries and communities who tend to face the brunt of climate change. Often times, those least responsible for climate change are also those who are at greatest risk.

A summary of the observed changes of mean climate across climate system components and their attribution to human influence can be found in Figure 2.

<sup>46</sup> Climate Change 2022: Impacts, Adaptation and Vulnerability, IPCC, 2022. [Available at: Climate Change 2022: Impacts, Adaptation and Vulnerability](#)

<sup>47</sup> The 2022 report of the Lancet Countdown on health and climate change: health at the mercy of fossil fuels, Romanello et al., 2022. Available at: [The 2022 report of the Lancet Countdown on health and climate change: health at the mercy of fossil fuels](#)

Figure 24 The assessment of observed changes of mean climate across climate system components, and their attribution to human influence<sup>48</sup>

Change in indicator		Observed change assessment	Human contribution assessment
<b>Atmosphere and water cycle</b>	Warming of global mean surface air temperature since 1850-1900		likely range of human contribution (0.8-1.3°C) encompasses the very likely range of observed warming (0.9-1.2°C)
	Warming of the troposphere since 1979		Main driver
	Cooling of the lower stratosphere since the mid-20th century		Main driver 1979 - mid-1990s
	Large-scale precipitation and upper troposphere humidity changes since 1979		
	Expansion of the zonal mean Hadley Circulation since the 1980s		Southern Hemisphere
<b>Ocean</b>	Ocean heat content increase since the 1970s		Main driver
	Salinity changes since the mid-20th century		
	Global mean sea level rise since 1970		Main driver
<b>Cryosphere</b>	Arctic sea ice loss since 1979		Main driver
	Reduction in Northern Hemisphere springtime snow cover since 1950		
	Greenland ice sheet mass loss since 1990s		
	Antarctic ice sheet mass loss since 1990s		Limited evidence & medium agreement
	Retreat of glaciers		Main driver
<b>Carbon cycle</b>	Increased amplitude of the seasonal cycle of atmospheric CO <sub>2</sub> since the early 1960s		Main driver
	Acidification of the global surface ocean		Main driver
<b>Land climate</b>	Mean surface air temperature over land (about 40% larger than global mean warming)		Main driver
<b>Synthesis</b>	Warming of the global climate system since preindustrial times		

Key

medium confidence	likely / high confidence	very likely	extremely likely	virtually certain	fact
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<sup>48</sup> IPCC, 2023: Climate Change 2023: Synthesis Report. Contribution of Working Groups I, II and III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change [Core Writing Team, H. Lee and J. Romero (eds.)]. IPCC, Geneva, Switzerland, 184 pp.

## Net Zero Strategy and Action Plan

Our path to a new energy and cost efficient future



### Why this strategy is needed

The scientific consensus regarding climate change is unequivocal - we must take immediate and decisive action to reduce our global carbon emissions urgently.

Our goal is for Hartlepool Borough Council to stop all contributions to climate change by 2050 and demonstrate leadership to other places both locally and globally.

The Net Zero Strategy and Action Plan sets out what we need to achieve and how we are going to achieve it.



## Key Facts

**1.04°C**



Average rise in global land and sea temperatures since the late 19<sup>th</sup> Century

**426.5 million**

Tonnes of CO<sub>2</sub> equivalent greenhouse gas emissions in UK in 2021



**3<sup>rd</sup> Highest**

Hartlepool's rank out of 12 North East LA's for GHG emissions per capita



**2050 target**

HBC net zero emissions target and legally binding target for UK emissions

## Council Emissions

**5,503 tCO<sub>2</sub>e**



Hartlepool Borough Council Emissions in 2022/23

**2,457 tCO<sub>2</sub>e**

Emissions from gas in 2022/23 (44.7% of total emissions)



**1,402 tCO<sub>2</sub>e**

Fleet emissions in 2022/23 (25.5% of total emissions)

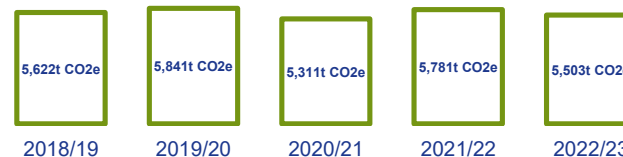


**1,360 tCO<sub>2</sub>e\***

Emissions from electricity consumption in 2022/23 (24.7% of total emissions)

\*HBC purchases low carbon electricity supplied wholly by renewable sources

## Our Current Carbon Footprint



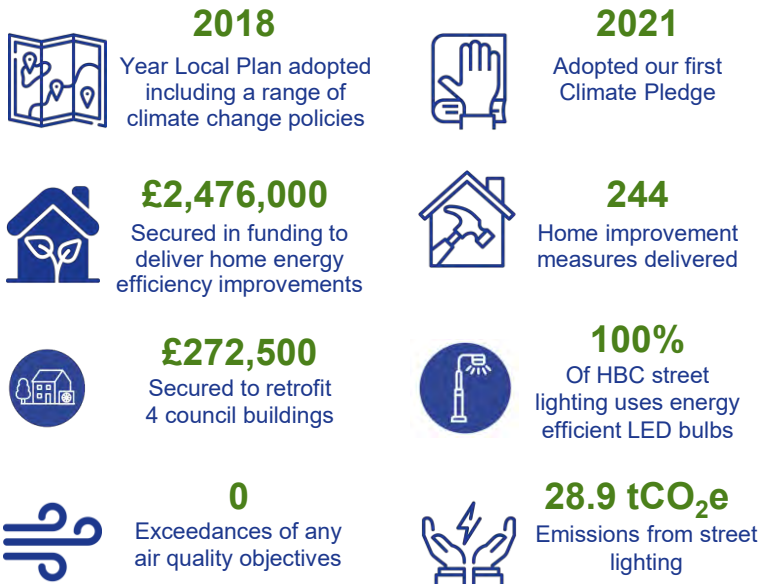
Total emissions from council activity rose in the 2019/20 financial year and have since fallen though figures for 2020/21 were likely impacted by the Covid-19 pandemic.

The latest figures show a 4.8% annual reduction in emissions which is equivalent to 278 tonnes of CO<sub>2</sub>.



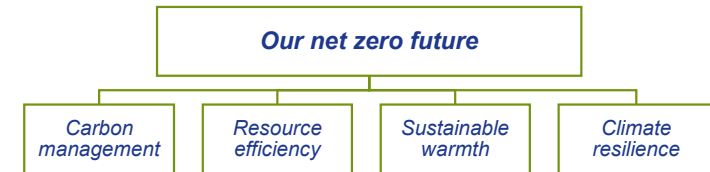
## Our Achievements

Hartlepool Borough Council has already been delivering important actions to tackle the climate crisis and to decarbonise our operations. These include:



## Our Vision for a Low Carbon Future

Our ambition is for Hartlepool to be a thriving, green and low-carbon neighbourhood and economy. In addition to the Council Plan, the council's net zero strategy is guided by the following overarching vision for effective carbon management, resource efficiency, sustainable warmth and climate resilience.



## Our Aims and Objectives

### Reduction of local authority CO<sub>2</sub> emissions

- Reduce energy demand and improve energy efficiency
- Increase sustainable energy capacity
- Reduce fleet emissions
- Work with people to inspire change

### Resource maximisation & waste reduction

- Sustainable purchasing and procurement of goods and services
- Improve waste management to maximise use of existing resources

### The natural environment

- Maintain good local air quality
- Protect existing natural habitats
- Expand and connect natural habitats and increase tree cover

### Climate resilience and adaptation

- Adapt the built and natural environment to current and future climate change impacts
- Review our progress on net zero
- Work towards sustainable development

### Domestic energy and sustainable warmth

- Improve domestic energy efficiency to reduce energy demand
- Support shift towards sustainable energy in the domestic sector

## Our Action Plan

A snapshot of the action plan is shown below. To view the action plan in full, please visit our Net Zero webpage by scanning the QR code.



### Aim: Reduction of Local Authority CO<sub>2</sub> Emissions

#### Objective 1 - Reduce energy demand and improve energy efficiency

Ref	Action	Target Date	Deliverability	Carbon Reduction	Cost	Action Owner
1.01	Climate Impact Assessment tool to be required on all future capital project developments.	2024	3	4	£	Strategic Development
1.02	Decarbonisation and emissions reductions targets to be embedded in the Strategic Asset Management Strategy to rationalise assets and reduce carbon emissions	2025	5	8	££	Estates and Asset Management
1.03	For Council Assets anticipated to serve 10 years or longer - undertake feasibility studies on assets and develop investment plans for energy efficiency improvements including retrofit works and low-carbon technologies with a target of 20% carbon emissions savings of current emissions.	2028	1	8	££	Estates and Asset Management
1.04	Review existing Heat Decarbonisation Plan and identify priority assets that require immediate retrofit works to achieve 10% savings on current carbon emissions	In progress	5	8	££	Estates and Asset Management
1.05	Evaluate potential financial investments for invest-to-save projects on a case-by-case basis	In progress	4	8	££	Finance
1.06	Expand the de-illumination of road signs and bollard lighting units	2030	1	8	£££	Highways and Engineering
1.07	Continue to investigate the feasibility of other solutions to further reduce street light energy consumption	In progress	1	8	£	Highways and Engineering

\*Deliverability: consider all factors on the ease of implementation of the action and how to address the aim it addresses. \*Carbon reduction: estimates the potential carbon savings/reductions by the end of the action. \*Cost: refers to the estimated expected financial cost the action is likely to incur.



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## POVERTY IMPACT ASSESSMENT

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

If YES please answer question 2 below

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

If YES please complete the matrix below

GROUP	POSITIVE IMPACT	NEGATIVE IMPACT	NO IMPACT	REASON & EVIDENCE
Young working people aged 18 - 21	Yes			<p>The implementation of the Net Zero Strategy is designed to yield several significant benefits for the community as a whole. Firstly, it aims to bolster the long-term financial stability of the council by facilitating investments in projects designed to generate savings and revenue. These ventures are anticipated to become self-sustaining over time, thereby enabling the council to allocate its financial resources more effectively, with a particular focus on supporting communities, especially those who are most vulnerable. Secondly, the strategy is set to enhance both the physical and natural environment within the council's jurisdiction. This will encompass the enhancement and in some cases, expansion, of green spaces, tree cover, and the improvement of air quality. Access to such green spaces is recognised as essential for human health and well-being, with numerous studies highlighting the protective effects of nature exposure against certain diseases and mental health disorders. Lastly, the net zero strategy will play a pivotal role in enhancing resilience to the impacts of climate change. Adaptation measures will allow communities to better prepared and respond to extreme natural events, such as storms and floods.</p> <p>Evidence:</p> <p><a href="#">Health and wellbeing 1</a>  <a href="#">Health and wellbeing 2</a>  <a href="#">Health and wellbeing 3</a>  <a href="#">Health and wellbeing 4</a>  <a href="#">Health and wellbeing 5</a>  <a href="#">Health and wellbeing 6</a>  <a href="#">Climate resilience 1</a>  <a href="#">Climate resilience 2</a></p>
Those who are disabled or suffer from illness / mental illness	Yes			
Those with low educational attainment	Yes			
Those who are unemployed	Yes			
Those who are underemployed	Yes			
Children born into families in poverty	Yes			
Those who find difficulty in managing their finances	Yes			
Lone parents	Yes			
Those from minority ethnic backgrounds	Yes			

**POVERTY IMPACT ASSESSMENT**

<b>Poverty is measured in different ways. Will the policy / decision have an impact on child and family poverty and in what way?</b>				
<b>Poverty Measure (examples of poverty measures appended overleaf)</b>	<b>POSITIVE IMPACT</b>	<b>NEGATIVE IMPACT</b>	<b>NO IMPACT</b>	<b>REASON &amp; EVIDENCE</b>
Overall employment rate (%)	Yes			Reskill individuals to be able to take on green jobs
<b>Overall impact of Policy / Decision</b>				
<b>POSITIVE IMPACT</b>	YES	<b>ADJUST / CHANGE POLICY / SERVICE</b>		
<b>NO IMPACT / NO CHANGE</b>		<b>STOP / REMOVE POLICY / SERVICE</b>		
<b>ADVERSE IMPACT BUT CONTINUE</b>				
<b>Examples of Indicators that impact of Child and Family Poverty.</b>				
<b>Economic</b>				
Children in Low Income Families (%)				
Children in Working Households (%)				
Overall employment rate (%)				
Proportion of young people who are NEET				
Adults with Learning difficulties in employment				
<b>Education</b>				
Free School meals attainment gap (key stage 2 and key stage 4)				
Gap in progression to higher education FSM / Non FSM				
Achievement gap between disadvantaged pupils and all pupils (key stage 2 and key stage 4)				
<b>Housing</b>				
Average time taken to process Housing Benefit / Council tax benefit claims				

**POVERTY IMPACT ASSESSMENT**

Number of affordable homes built
<b>Health</b>
Prevalence of underweight children in reception year
Prevalence of obese children in reception year
Prevalence of underweight children in year 6
Prevalence of obese children in reception year 6
Life expectancy

## EQUALITY IMPACT ASSESSMENT FORM

Department	Division	Section	Owner/Officer
Resources and Development	Development and Growth	Strategic Development	Net Zero Officer
<b>Service, policy, practice being reviewed/changed or planned</b>	<b>Climate Change Response and Net Zero Strategy</b>		
<b>Why are you making the change?</b>	HBC has pledged to publish the Council's net zero and adaptation plan, reduce carbon emissions and reach net zero emissions by 2050.		
<b>How might this impact (positively/negatively) on people who share protected characteristics?</b>			
		<i>Please tick</i>	
		<b>POSITIVELY</b>	<b>NEGATIVELY</b>
<b>Age</b>		✓	
Climate change affects, and will affect, all aspects of society and communities and the strategy will have positive impacts on people of all ages by addressing both immediate and long-term challenges associated with climate change			
<b>Disability</b>		✓	
An inclusive climate strategy considers the unique vulnerabilities of individuals with disabilities, ensuring that adaptation and mitigation efforts prioritize their needs.			
<b>Gender Re-assignment</b>		✓	
The strategy presents opportunities for greater inclusivity, a just transition to net zero and seeks to address existing inequalities including gender diversity.			
<b>Race</b>		✓	
The strategy presents opportunities for greater inclusivity, a just transition to net zero and seeks to address existing inequalities including gender diversity. It is a step towards addressing these disparities by ensuring that marginalised communities have a voice and are included in adapting and building resilience against climate change			
<b>Religion</b>		✓	
The strategy presents opportunities for greater inclusivity, a just transition to net zero and seeks to address existing inequalities.			
<b>Gender</b>		✓	
The strategy presents opportunities for greater inclusivity, a just transition to net zero and seeks to address existing inequalities including gender diversity.			

## EQUALITY IMPACT ASSESSMENT FORM

<b>Sexual Orientation</b>		✓	
The strategy presents opportunities for greater inclusivity, a just transition to net zero and seeks to address existing inequalities.			
<b>Marriage &amp; Civil Partnership</b>		✓	
The strategy presents opportunities for greater inclusivity, a just transition to net zero and seeks to address existing inequalities.			
<b>Pregnancy &amp; Maternity</b>		✓	
The strategy presents opportunities for greater inclusivity, a just transition to net zero and seeks to address existing inequalities.			
<b>Has there been consultation /is consultation planned with people who will be affected by this policy? How has this affected your decision making?</b>		There has been an internal consultation with Hartlepool Borough Council staff. Amongst other insights, it contributed to the identification of key focus areas for the strategy.	
<b>As a result of your decision how can you mitigate negative/maximise positive outcomes and foster good relationships?</b>		The strategy will be a working document and continually improved over time. Ensure strong communication and collaboration across multiple council departments to maintain engagement. Progress on any actions and policies will be tracked, monitored and reviewed. There will be annual reviews of the council's emissions	
<b>Describe how you will address and monitor the impact</b>		1. No Impact - No Major Change <i>Please Detail</i>	
		2. Adjust/Change Policy  Regularly review and monitor that nobody who shares a protected characteristic is negatively impacted	
		3. Adverse Impact but Continue as is <i>Please Detail</i>	
		4. Stop/Remove Policy/Proposal <i>Please Detail</i>	
Initial Assessment	04/10/23	Reviewed	00/00/00
Completed	00/00/00	Published	00/00/00