Hartlepool Borough Council

Finance and Corporate Affairs Committee

Minutes and Decision Record

24 June 2026

Meeting commenced

Time: (1:00pm)

Location: Council Chamber, Civic Centre, Hartlepool

Present: Councillor Graham Harrison (In the Chair)

Councillors: Rob Darby, Jim Lindridge, Amanda Napper, John Nelson, Aaron Roy, Martin Scarborough and Christopher Wallace.

Parish Council Co-opted Members:

Minna Ireland and Chris Robson

Officers: Matt Wilton, Chief Executive

Hayley Martin, Director of Legal, Governance and HR

James Magog, Director of Finance, IT and Digital

Jill Harrison, Executive Director of Adult and Community Services

Gemma Ptak, Director of Housing, Growth and Communities

Paul Dixon, Assistant Director (Finance)

Steve Hilton, Senior Public Relations Officer

Angela Lucas, Principal Democratic Services and Legal Support Officer

Jo Stubbs, Principal Democratic Services and Legal Support Officer

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1. Apologies for Absence

Councillors Dodds, Wiley and Young

2. Declarations of Interest

None

3. Minutes

Minutes from 10 February 2026 – received.

4. Budget Monitoring Report – 2025/26 Outturn *(Director of Finance, IT and Digital)*

Type of decision

Budget and Policy Framework

Purpose of report

To inform members of the following:

I. General Fund revenue outturn for 2025/26
II. Reserves position and forecasts
III. Housing Revenue Account outturn for 2025/26
IV. Corporate Income Collection Performance
V. Capital Programme Monitoring 2025/26

Issue(s) for consideration

The Director of Finance, IT and Digital outlined the final outturn position for the 2025/26 financial year, which built upon the quarterly budget monitoring reports presented to meetings of the committee throughout the year.

The revenue outturn position was a net overspend of £1.195m following the approved use of £1m of reserves. . The financial position of Children's Services continues to be of serious concern and an overspend was also recorded in Adult Services social care. Underspends in other areas had partially mitigated these pressures.

The report went on to set out in detail the position for the Council reserves, the Housing Revenue Account (HRA), Income Collection and the Collection Fund including Business rates and the Capital Budget Outturn.

Members acknowledged the pressures caused by increased spending in children's social care. The Director of Finance, IT and Digital referred to plans being led by the Executive Director of Children's Services with oversight and support from the Chair of Children's Services Committee to make savings in areas such as foster care and processes around young people leaving care. Members were invited to share any suggestions they might have as to other potential savings that might be made.

A member referenced the amount of savings being made through staffing. The Director of Finance, IT and Digital acknowledged staff retention was an issue in local government generally however many of these variances were due to a lag between a person leaving and their replacement being in place and new people starting at the bottom of their grade while budgets were based on everyone being at the top of the grade.

A member requested an update on the current position at Carlton Adventure specifically in terms of income contribution from other Local Authorities. The Director of Housing, Growth and Communities confirmed that a clear position statement would be brought to members in due course. In terms of contributions all Local Authorities have previously contributed and withdrawn over a number of years, Hartlepool Borough Council had always been the lead authority and chose to retain the lease independently.

Decision

I. That the 2025/26 outturn position of £1.195m overspend and accompanying financial performance of the year be noted.
II. That the virements be noted
III. That the review of reserves and associated reserves creation and realignments be noted
IV. That the 2025/26 outturn in relation to the Housing Revenue Account be noted
V. That the officer decision record in respect of court fees including the clarification around the LCTS support be noted
VI. That the capital programme position be noted, budget variations approved, Warm Homes Local Grant scheme funding application approved and acceptance of grants for Museum of Hartlepool noted

5. Medium Term Financial Plan (MTFP) 2027/28 to 2030/31 *(Director of Finance, IT and Digital)*

Type of decision

Budget and Policy Framework

Purpose of report

To provide an update on the Council's medium term financial planning position and enable Members to approve the timetable for setting the 2027/28 budget.

Issue(s) for consideration

The Director of Finance, IT and Digital reported that the updated MTFP covers the 4 financial years 2027/28 to 2030/31. However, in consideration of the position over this period, it is important to recognise that the Council needs to be financially sustainable beyond this period. Decisions taken should reflect the position beyond the medium term and in to the longer term. Based on current information, overall pressures facing the Council will continue. Government had provided a 3-year funding settlement in 2026/27 to cover the period to 2028/29 with indicative allocations for 2027/28 and 2028/29 published.

The report outlined the series of budget pressures the Council would need to address including pay award and general price inflation, children's social care and adult social care pressures, waste disposal, capital financing, supported accommodation and cyber security. Children's social care was the greatest pressure although issues such as a future pay award and ongoing energy costs caused by the Iran conflict could also be a problem although these were difficult to forecast.

In terms of funding the Director of Finance, IT and Digital outlined the latest position and assumptions for each of the government grant funding streams including the Revenue Support Grant, Recovery Grant and Dedicated Schools Grant. The position on local funding through Business Rates and Council Tax were also reported. The overall plan had been calculated to include a full 4.99% Council Tax increase, in line with Government expectations, though it was recognised that decisions on council tax will be taken later in the year .

Council reserves had fallen in recent years and were anticipated to fall further over the short to medium term to concerningly low levels. The use of one-off reserves to balance the budget was not financially sustainable but recent decisions at a national and local level had necessitated their use.

A proposed budget timetable was set out within the report.

Regards Waste Disposal costs the Director of Finance, IT and Digital advised that the new Energy from Waste facility was expected to have a minimum tonnage guarantee that each of the 7 local authorities would be expected to adhere to.

In terms of future pay awards this was still subject to Trade Union agreement with a ballot for strike action by members expected.

Concerns around the cost of children's social care and supported accommodation were also highlighted. Officers referred to ongoing Government efforts by government to legislate against profiteering by private providers.

Concerns were raised around people with complex needs being transferred into Hartlepool from other Councils and the impact this was having. The Director of Housing, Growth and Communities advised that dialogue between council officers, other local authorities and civil servants had been taking place over recent months to try and mitigate the impact of these transfers. The efforts of the Town's MP in raising this as an issue in Parliament were also highlighted.

Members thanked the Director of Finance, Digital and IT and Assistant Director (Finance) for the quality and accuracy of the information provided to members.

Decision

I. That the report be noted
II. That the initial assessment of the forecast budget gap and proposed approach to address this gap be noted
III. That the risks and scenarios outlined in the report which may impact upon the financial position presented as part of future MTFP updates be noted
IV. That the proposed budget timetable be approved

6. Corporate Procurement Report on Contracts *(Director of Finance, IT and Digital)*

Type of decision

For information

Purpose of report

To satisfy the requirements of the Council's Contract Procedure Rules with regard to Finance and Corporate Affairs Committee for the period October 2025 to March 2026:

- Receiving and examining 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 Director of Finance, Digital and IT outlined the background by which the award of contracts is reviewed by Finance and Corporate Affairs Committee. Details were given of :

- Goods/services/works tenders valued over £60,000 awarded since the last report to committee,
- Contract Procedure Rules exemptions granted since the last report to committee and,
- Commercial information in respect of tenders received and confidential information relating to exemptions or contract extensions.

Decision

That the report be noted

The meeting concluded at: 1:50 pm

H MARTIN

DIRECTOR OF LEGAL, GOVERNANCE AND HUMAN RESOURCES

PUBLICATION DATE: 30 June 2026