Hartlepool
Borough Council

Finance and Corporate Affairs Committee Agenda

26 November 2026

Time: 3.00 pm

Location: Council Chamber

Members: Finance and Corporate Affairs Committee

Councillors Bruce (C), Darby, Dodds, Lindridge, Napper, Nelson, Roy, Scarborough, Wallace, Wiley and Young (VC)

Parish Council Co-opted Member:

C Robson (Dalton Piercy Parish Council)

M Ireland (Elwick Parish Council)

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1. Apologies for absence

2. To receive any declarations of interest by members

3. Minutes

3.1 To receive the Minutes and Decision Record in respect of the meeting held on 8 September 2026 (previously published and circulated).

4. Budget And Policy Framework Items

4.1 Budget Monitoring Report 2026/27 Quarter 2 – *Director of Finance, IT and Digital*

4.2 Council Tax Base 2027/28 – *Director of Finance, IT and Digital*

4.3 Local Council Tax Support 2027/28 and Housing Benefit War Pension Disregard 2027/28 - *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

No items

6. Other Items Requiring Decision

No items

7. Items for information

7.1 Corporate Procurement Report on Contracts – *Director of Finance, IT and Digital*

8. Any other business which the chair considers urgent

Hartlepool Borough Council

FINANCE AND CORPORATE AFFAIRS COMMITTEE

26th November 2026

Report of: Director of Finance, IT and Digital

Subject: BUDGET MONITORING REPORT–2026/27 Quarter 2

Decision Type: Budget and Policy Framework

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1. Council Plan Priority

Hartlepool will be a place:
- where people live healthier, safe and independent lives. (People)
- that is connected, sustainable, clean and green. (Place)
- that is welcoming with an inclusive and growing economy providing opportunities for all. (Potential)
- a place with a Council that is ambitious, fit for purpose and reflects its community. (Organisation)

2. Purpose of Report

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

i) General Fund forecast revenue outturn for 2026/27;
ii) Reserves position and forecasts;
iii) Housing Revenue Account forecast outturn for 2026/27;
iv) Corporate Income Collection Performance; and
v) Capital Programme Monitoring 2026/27.

3. Background

3.1 The cost pressures reported to Finance and Corporate Affairs Committee as part of the quarter one update have continued and increased during the second quarter of the financial year. The significant financial pressures being experienced by the Council are from inflationary and on-going increased demand, areas of income shortfall and significant pressures within both children and adult social care services.

3.2 The approved budget for 2026/27 was set inclusive of challenging savings targets to be delivered during the financial year. These totalled £6.235m, with £3.000m of this relating to savings to be achieved through Children's Social Care demand and cost reductions. In addition use of £1.047m of the revenue Budget Support Fund reserve was also approved for 2026/27.

3.3 With regards to the general economy, inflation has begun to increase from a recent low of 2.6% in June up to 3.5% in September. Volatility of inflation rates is likely to continue for the remainder of the financial year, linked to the impact on energy and fuel markets from the Iran and Ukraine conflicts and other on-going geo-political events.

3.4 The current 2026/27 forecast revenue outturn position for the Council is outlined below.

4. General Fund Revenue Forecast Outturn 2026/27

4.1 The forecast outturn position for 2026/27 is an overspend of £7.345m, which is an increase of £1.665m from the forecast position report at the end of quarter 1. As noted above the budget was set utilising £1.047m of reserves to balance the budget. As such the inherent overspend is actually £8.392m. The position by service area is detailed in **Appendices A to G,** with further commentary on variances set out from section 4.3 onwards.

4.2 The emerging overspend reported to committee in September and wider financial position of the Council necessitated urgent, in-year spend control measures. The Chief Executive has issued a communication to all staff and monitoring processes are in place. Key control measures are; ceasing of non-essential spend, recruitment delays and additional controls, overtime restrictions and introduction of new spend approval protocols. These measures were communicated in late summer therefore their impact should be seen over the remainder of the financial year.

4.3 As shown in the table below and has been the case in recent years, the financial position within Children's Services is of serious concern given the significant and increasing level of overspend. An overspend is also forecast for Adult Services, continuing the trend from 2025/26. Underspends forecast in other areas have provided some mitigation for the major social care cost pressures the council continues to experience.

Q1 Forecast Outturn - Overspend/ (Underspend)	Department	Q2 Forecast Outturn - Overspend/ (Underspend)
£'000		**£'000**
965	Adult Services & Public Health	1,160
6,360	Children's Services	8,445
420	Neighbourhoods & Regulatory Services	365
(200)	Housing, Growth and Communities	(155)
(95)	Finance, IT and Digital	(165)
(25)	Legal, Governance and HR	(20)
65	Office of the Chief Executive	95
(1,810)	Corporate	(2,380)
5,680	**Total Forecast Overspend**	**7,345**

Adult Services and Public Health

4.4 The projected outturn position is a net departmental overspend of £1.160m, which represents 2.5% of the net budget.

4.5 This overspend mainly relates to packages of care for Older People and Working Age Adults arising from historic demographic pressures and increased demand (an ageing population and young adults with increasingly complex needs), greater costs and increased income budgets. The number of people supported through a direct payment or commissioned service has increased by 7% from 2023/24 to 2025/2026, with the number of people receiving short term support increasing by 6%. Around 7% of the borough's population receive support from Adult Services. A budget pressure has been included within the 2027/28 MTFP.

4.6 The forecasts will be closely monitored during the year as the winter period can result in increased demand, and therefore costs. A Financial Recovery Plan was developed and implemented during last financial year by the Adult Social Care senior management team with budgets, expenditure and income continuing to be closely monitored throughout the year.

4.7 Public Health services are fully funded by the specific ring-fenced Public Health Grant which from 1st April 2026 also now includes the Drug and Alcohol Treatment and Recovery Improvement Grant and Local Stop Smoking Services and Support Grants. There is a forecast underspend at year end, which, in line with the grant conditions, will be transferred to the ring-fenced Public Health reserve for use on identified future public health services.

Children Services

4.8 The Children's Service forecast outturn of a £8.445m is comprised of a forecast overspend of £8.620m for Children's Social Care partially offset by a

Education Services forecast underspend of £0.175m. This forecast overspend is an increase of £2.085m from that forecast at the end of quarter one.

4.9 The 2026/27 budget setting process provided additional specific resources of £6.500m into Children's Social Care, given their significant and on-going cost and demand pressures. This is in addition to normal inflationary budget increases.

4.10 In recognition of the quantum of financial resource directed to Children's social care delivery in 2026/27 and recent years, alongside the council's wider deteriorating financial position, the department were tasked with reducing the recurring overspend, and a £3.000m saving agreed for 2026/27. However, at the time of setting the budget it was noted that the budget for 2026/27 does not allow for any demand growth in Children in our Care numbers or additional cost associated with complexity. As such both the savings requirement and potential for further growth in numbers posed a real financial risk.

4.11 Notwithstanding the significant net budget increase of £3.500m in to Children's Social Care, the forecast outturn position at this stage in the financial year is a forecast overspend of £8.620m. Arguably this is comprised of the non-achievement of the £3.000m savings and a forecast further £5.620m of additional cost pressures beyond that.

4.12 As well as the non-achievement of the £3.000m saving predominantly targeted at external placement cost reductions, a small number of significant cost external placements have been needed during quarter 2, resulting in a £1.400m increase for the overspend in this area. In addition, other areas of overspend are; social work staffing linked to increased social worker demand across a number of areas, supported accommodation with further high cost placements, allowances and fees for kinship carers and care leavers and further legal costs associated with escalating care proceedings as the year progresses.

4.13 With regard to those children requiring external provider placements, the current top 25 highest cost external residential placements are costing in the region of £254,000 per week, which equates to over £13m per year. The average cost of the current 50 external placements (at mid-October 2026) was £10,181 per week, with a range of £3,900 to £33,500 per week. As at 30th September 2026 there were 8 placements costing £10,000 or more per week reflecting the complexity of their needs and the bespoke nature of the support required to keep them safe.

4.14 Following a rise in Children in our care (CiOC) numbers throughout 2025/26, this figure rose further to the end of quarter 1 of 2026/27 to 383. The total CiOC by the end of quarter 2 (30th September) dropped slightly to 380 but by mid-October increased to 384. These statistics show the on-going fluctuation in numbers of children within our care.

4.15 Overall Hartlepool's Children in Care numbers per 10,000 children, continue to be well above regional and national averages. This is driven by a number of factors including: increasing levels of need, family pressures, increasing complexity of need in adolescents, and the cumulative impact of poverty and associated impact.

4.16 Safeguarding referrals into the Council's Children's Hub reduced from quarter 1 to quarter 2 but are still above 500 referrals within the quarter. These statistics demonstrate the continued significant reporting of safeguarding concerns and the demand for children's safeguarding services. This places pressure on social worker capacity and ultimately an increasing number of children being brought into the care of the local authority. Also, inherent within this is that further, more costly, placements are required to be made with external providers in order to meet the individual needs of the young people coming into care.

4.17 As noted above, total CiOC numbers are continuing to increase. Within the overall numbers quoted for CiOC it is important to note that this is not a fixed cohort of children. The most costly area, External Residential placements, has seen a number of children positively move on from these placements since the budget was set, equating to a c£2.190m cost decrease in this area. Unfortunately, and driven by new demand or the breakdown of other placement types, this has been replaced by £3.767m of new placements into External Residential placements during the same period.

4.18 Some children also positively return home, and some children move into special guardianship order (SGO) or child arrangement order (CAO) arrangements within the wider family group. Children moving into SGO and CAO arrangements, are no longer classified as 'within our care' and as such provide a reduction in CiOC numbers. It is important to note that financial support payments are still provided by the Council in these circumstances. This is another area of budget pressure given the high volume of these arrangements.

4.19 Previous reports outlined a number of plans and initiatives to address the overspend. These plans have now been updated and fully subsumed into the Corporate Transformation Programme and are focussed on the following work strands:

- **Strand 1 Housing**:
  - Move on Accommodation
  - Care Leavers
- **Strand 2 Placements and Reunification**
  - Reunification
  - Placement Review
  - Continuing Children Care
  - Shaping the market
- **Strand 3 Foster Care and Respite**
  - Fostering take up
  - Fostering offer / incentive
  - Short Break / Respite

- **Strand 4 Prevention**
  - Edge of Care
  - 'Keep at Home' support
- **Strand 5 Data and Intelligence**
  - Targeted Intervention Intelligence

4.20 The scale of activity currently being undertaken across Children's Services is significant. In addition to delivering the Children's Social Care Reforms and the Family First Partnership reforms, a dedicated Children's Services transformation resource, working alongside corporate transformation officers, is leading the development and delivery of multiple projects across the workstreams outlined above. Progress against these projects is monitored and reported fortnightly through the central Transformation Monitoring Portal. Collectively, this reflects the substantial range of transformation, improvement and reform activity being delivered concurrently across the service.

4.21 The Council has opened new children's homes in recent years, with the possibility of further new homes being explored. In addition, further local capacity will shortly become available from a local charity in their opening of a children's home in the town, providing more local, lower cost capacity, supplemented further by additional private providers locating within Hartlepool. Children's services officers will work proactively with provides under the 'Shaping the Market' work strand to ensure provision meets the types of provision most needed locally.

4.22 The Council is progressing its own local fostering drive, supplemented with external targeted marketing support, and is also included in a large-scale regional recruitment initiative delivered by 'Foster with North East'. In addition, increased staffing resources have been provided aimed at reducing the need for care proceeding through intervention support. The Edge of Care team are providing support to families who are at risk of having children enter the care system, and potential transformation investment is being evaluated here to reflect the value of pre-empting costs at a point of crisis and beyond. Increased respite support also continues to be provided.

4.23 Local case reviews continue to be carried out on a frequent basis to ensure care is being provided at the correct level, whilst also challenging costs. Further activity to maximise partner contributions to care costs, where appropriate, is also in place, while noting that partners' financial positions can have a detrimental impact on their capacity to support.

4.24 Regionally partnership working is continuing to maximise economies of scale and tackle current care market failures. Following successful pilots elsewhere in the country supported by the Department for Education, the North East Regional Care Cooperative (RCC) is entering the mobilisation and foundation phases of development and have recently recruited to key posts in the RCC structure. Further development work will continue with North East councils over the coming months and into 2027.

4.25 The 2026/27 budget position is of significant and existential concern to the council's financial position. Internal activity to manage demand and costs in social care is being carried out as outlined above. In addition, advice and guidance continues to be sought externally from regional and national networks, and government officials, to offer an independent perspective and learn best practice from other areas.

Neighbourhoods and Regulatory Services

4.26 The forecast outturn for the department is an overspend position of £0.365m, which is an improvement from the forecast position at the end of quarter one. The main areas of budget pressure generating the forecast overspend are noted below.

4.27 The Passenger Transport service is forecasting an adverse variance of £0.085m which is mainly due to increased running costs, particularly in relation to 3rd party provider costs and fuel. However, the forecast position has improved since Quarter one as a result of updated analysis and forecasting of the September cohort.

4.28 The £0.160m forecast overspend for Sustainable Transport is driven by changes in Concessionary Fare usage linked to demographic changes and regionally led contract negotiations with bus operators. Following a period of underspending in this area, a saving was taken from this budget in the 2025/26 financial year.

4.29 The £0.115m forecast overspend reflects additional costs associated with increased levels of Unscheduled Highways Maintenance and Gully Cleaning. Action will be taken to mitigate this variance but at present an adverse variance is anticipated.

4.30 Planning and Development are now forecasting an overspend of £0.105m which reflects a shortfall in Building Control and Planning income, with the number of major planning applications expected to be lower than in the previous year.

4.31 The forecast overspend of £0.050m in Facilities Management is the net position from a shortfall in school meal income and a small surplus in Building Cleaning income. Although the School Meals position appears to have improved when compared to projections based on the previous academic year, this is a volatile budget area and it is early in the academic year, therefore the position will be monitored closely. The underlying surplus in building cleaning reflects a reduction in the need for subsidy in future years owing to work undertaken to review contracts and service delivery.

4.32 The Public Protection service is forecasting an overspend of £0.100m, due to forecast shortfalls in licensing income levels.

4.33 A forecast underspend of £0.200m on salary abatement across the department, is supporting the above position, alongside a number of areas of smaller forecast over and underspend.

Housing, Growth and Communities

4.34 The forecast outturn for the department is an underspend of £0.155m, a slight deterioration from the forecast position at the end of quarter one.

4.35 The forecast overspend of £0.565m within the Inclusive Growth area mainly relates to historic income pressures across Cemeteries and Crematoria and the Borough Hall and Town Hall Theatre. In addition, there are income pressures relating to Carlton Adventure and the temporary closure of Brierton Community Leisure and Sports Centre for capital works. Work is being undertaken in each of these areas to explore options for increasing income or delivering services differently.

4.36 The £0.640m favourable variance in Housing and Community Services mainly relates to the receipt of increased grants supporting the Housing service and staffing vacancies, and grant contributions supporting the Employment and Skills service.

Finance, IT and Digital

4.37 The current forecast outturn is an underspend of £0.165m, which is an improvement from the forecast position at the end of quarter one. This is owing to favourable variances from staffing vacancies being temporarily held and staff not being at the top of their grade, which is offsetting a pressure in income generation.

Legal, Governance and HR

4.38 The current forecast outturn is an underspend of £0.020m, which is in line with the forecast position at the end of quarter one. Favourable staffing vacancies, arising from vacant posts and staff not being at the top of their grade, are offsetting pressures relating to income generation and additional supplies and services expenditure.

Office of the Chief Executive

4.39 The current forecast outturn position is an overspend of £0.095m. The overspend predominantly relates to income shortfalls in reprographics.

Corporate Areas

4.40 The current forecast outturn position is an underspend of £2.380m. Interest income generated from the investment of the council's reserves continue to provide a vital revenue stream to support the overall budget position. The council continues to take advantage of higher than anticipated rates of interest to generate returns on its cash balances, although as members have been

advised, our capacity to generate income through this mechanism is reducing as our reserves are depleted. Delays to borrowing for capital programme expenditure have also provided an in-year saving.

4.41 The 2026/27 pay award was agreed at an increase of 3.3%. The agreed pay award is higher than the 3.0% increase provided for through the 2026/27 budget setting process. This created an additional in-year and on-going pressure of £0.400m.

4.42 A net underspend from additional grant income and other favourable variances are supporting property related cost pressures, specifically in relation to energy costs. Updated forecasted energy prices for future years will require an increased budget uplift in the next iteration of the MTFP position, further widening the 2027/28 budget gap.

Virements

4.43 During the financial year it is necessary to amend budgets to allocate resources held corporately or reflect changes in structures or activity.

4.44 During quarter two, increases to all Departmental staffing budgets were enacted to reflect the agreement of the 2026/27 pay award. The budget provision for the 2026/27 pay award was previously held corporately.

4.45 Other minor adjustments were also carried out between corporate and Finance, IT and Digital to better align budgets for operational requirements.

Budget Savings Monitoring

4.46 The 2026/27 budget included the implementation of £5.852m * of approved savings plans for year. A number of plans have already been delivered in full or are planned to progress during the coming months, which is positive given the demands and pressures services have experienced. Directors continue to take action to mitigate any issues with implementation or where plans are unable to be taken forward.

- **£2.164m (37%)** of the savings have been fully realised in-year.
- **£0.638m (11%)** of savings where good progress is being made, with a good prospect that full savings will be achieved.
- **£3.050m (52%)** is in respect of areas where delays and issues have been encountered, meaning savings were unlikely to be delivered as planned during 2026/27. These are included as forecast overspends in the position presented in this report. Further information on the main areas is noted below.

* Note – a further approved savings of £383,000 was delivered through an increase to the council tax base and as such not within departmental budgets. This savings is on track to be achieved.

4.47 The forecast saving of £3.000m relating to Children's Social Care is currently undeliverable given the scale of new demand and cost pressures within the

service. The savings plans were largely targeted at reducing the number and cost of children within External Residential Placements given the significant escalation of spend within this placement type in recent years. As noted in 4.17 above, External Residential placements, has seen a number of children positively move on from these placements since the budget was set, equating to a £2.190m cost decrease in this area. This has been achieved through careful planning and support. Unfortunately, and driven by new demand or the breakdown of other placement types, this has been replaced by £3.767m of new placements into External Residential placements during the same period. Given this equal pressure, cancelling out the saving, that savings target is categorised as not being achieved. The currently forecast non-achievement of the £3.000m saving, forms part of the headline forecast overspend for Children's Services.

4.48 A £0.050m saving was allocated to each Directorate for 2026/27 and was to be met from staffing structure reviews. Given the significant staffing pressures within Children's Services linked to service demand, it is not possible to meet the savings target in this area.

Dedicated School Grant

4.49 Until the 2022/23 financial year, the Council successfully managed High Needs Block (HNB) expenditure within the available annual grant allocation and HNB reserves. This has been achieved despite a significant increase in demands on this service. In subsequent years HNB pressures significantly increased and an overspend was recorded in each year. As at 31st March 2026, the DSG accumulated deficit totaled £8.793m.

4.50 Accounting regulations do not allow this balance to be included in the General Fund. In accordance with accounting regulations this balance is subject to a statutory override and transferred to the Dedicated Schools Grant Adjustment Account which is an unusable reserve.

4.51 The government announced that the statutory override will end on the 31st March 2028. Subject to the production of a compliant Local SEND Reform Plan, government committed to providing 90% of the accrued DSG deficit balance to 31 March 2026 as a High Needs Block Stability Grant. This grant is to be received during 2026/27 and will significantly support the cash flow pressures on authorities from this deficit. Local authorities are required to fund the remaining 10% balance. A £2.000m reserve has been created which is the forecast requirement to cover Hartlepool's 10% contribution and anticipated deficits arising in 2026/27 and 2027/28.

4.52 The Council submitted its Local SEND Reform Plan to government in June 2026. In early October 2026, the Department for Education confirmed that the plan was successful and provided a sound foundation to move into delivery. The Department also recognised the Council's commitment to reform, progress in strengthening local leadership and relationships, and the development of a shared plan for improvement.

4.53 Following this approval, the Council will receive £7,913,633 of High Needs Block Stability Grant on 30 November 2026. This funding is specifically intended to contribute to the cumulative High Needs Block deficit as at 31 March 2026 and cannot be used for any other purpose.

4.54 The 2026/27 High Needs Budget exceeded the funding allocation by £7.360m. Several mitigations were implemented including limiting inflation on Top Up Funding and Special Schools funding, along with a strategy to reduce the Out of Area and Independent School places by meeting need in Hartlepool provision. The transfer of £0.454m (0.5% the maximum without Secretary of State approval) from the Schools Block and uncommitted funding of £0.047m from the Central School Services Block to the High Needs Block were proposed by School Forum and agreed by Children's Services Committee.

4.55 The 2026/27 forecast HNB outturn is an overspend of £7.582m, an increase of £0.222m compared to the budgeted overspend. This adverse variance is predominantly owing to the cost of placements in Independent Schools to meet pupils' needs, with expenditure significantly higher than anticipated when setting the budget. This overspend is partially offset by a projected underspend of £0.550m from the Early Years Block and projected £0.012m underspend from the Central Schools Services Block, resulting in a £7.020m forecast DSG deficit for 2026/27.

4.56 It is difficult to accurately forecast the Early Year Block outturn at this stage in the financial year. Early Years funding allocations are based on PTE's (part time equivalents) at given census points, whereas payments to providers are based on actual attendance levels throughout the year. As the attendance between census points can fluctuate, variances between funding received and payments to providers are unavoidable.

4.57 The projected outturn has been calculated using trend analysis of previous years' census returns, adjusted for actual attendance levels.

4.58 The Government has indicated that they will manage the High Needs Block element of the DSG from 2028/29. Details on how this will operate are still to be announced.

Reserves

4.59 The current reserves position and the forecast usage of reserves in future years is summarised in the table below, with a detailed analysis provided at **Appendix P.**

Reserve Area	Balance as at 31st March 2026	Forecast Use 2026/27	Forecast Balance as at 31st March 2027	Forecast Use 2027/28 to 2029/30	Forecast Balance as at 31st March 2030
	£'000	£'000		£'000	£'000
Unearmarked General Fund	**5,500**	0	**5,500**	0	**5,500**
Budget Support Fund	**5,486**	(5,486)	**0**	0	**0**
Budget Support – Transformation and Invest to Save	**3,279**	(2,000)	**1,279**	(1,279)	**0**
DSG 10% Contribution Reserve	**2,000**	0	**2,000**	(2,000)	**0**
Other Revenue Reserves	**14,103**	(6,186)	**7,917**	(4,914)	**3,003**
Revenue Reserves Total	**30,368**	**(13,672)**	**16,696**	**(8,193)**	**8,503**
Capital Reserves	**19,524**	(10,923)	**8,601**	(8,601)	**0**
TOTAL	**49,892**	**(24,595)**	**25,297**	**(16,794)**	**8,503**
DSG Deficit - Unusable Reserve	**(8,793)**	**(7,020)**	**(15,813)**	**15,813**	**0**

4.60 Please note the information provided excludes any ringfenced School and HRA reserves.

4.61 The significant forecast overspend for 2026/27 will have a serious impact on the Council's available reserves and resultant financial stability and resilience. The forecast overspend will fully utilise the budget support fund in 2026/27, reserves previously earmarked for transformation activity alongside other earmarked reserves which can no longer be used for their originally intended purpose.

4.62 Based on the current forecast budget position and earmarked reserves utilisation, the council's revenue reserves will reduce to circa £17m by the end of this financial year. This represents a reduction of over £20m in 2 years, highlighting the significant and rapid deterioration in the council's financial position and resilience.

4.63 This forecast depletion of the council's reserves and associated reduction in financial resilience, coupled with the worsening in year position will necessitate a significant and detrimental update to the council medium term budget strategy. A budget strategy update report will be reported to members in December.

5. Housing Revenue Account (HRA)

5.1 The HRA is forecasting a balanced budget for the financial year. Further details are provided at **Appendix H**.

5.2 Rental income is forecast to be in line with budget.

5.3 There are variances across expenditure budgets including further repairs and maintenance spend, for damp and mould works and one-off legionella assessments, partially offset by some underspends in other areas.

5.4 These expenditure variances are fully offset by a reduction in voluntary contribution to the Major Repairs Reserve (MRR).

5.5 The HRA reserve is expected to remain at £0.500m

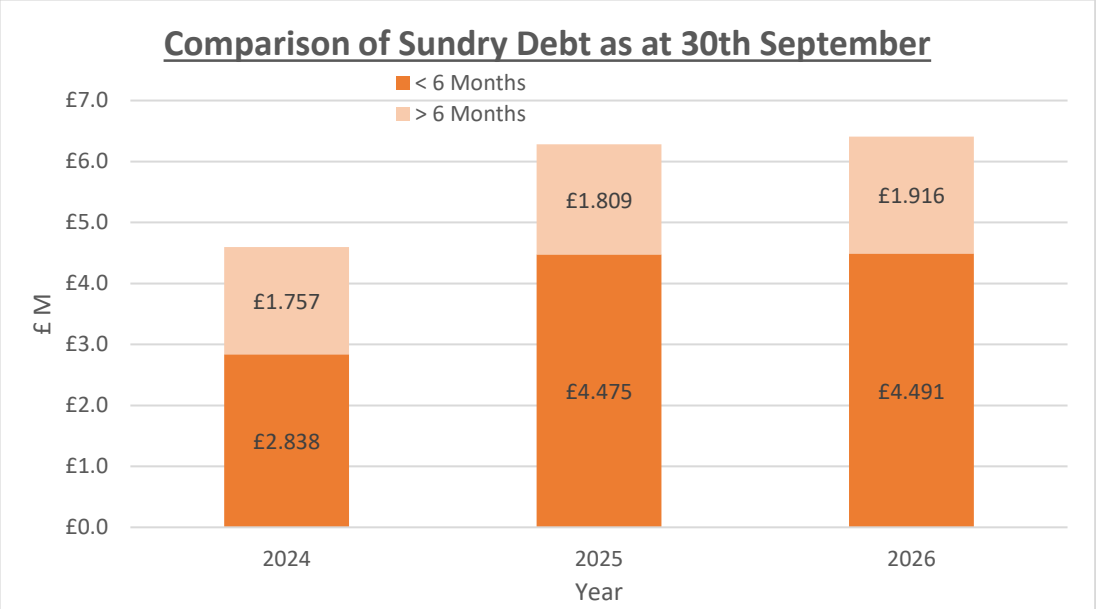
5.6 The HRA capital position is outlined in **Appendix I**.

6. Income Collection and Collection Fund

Sundry Debts

6.1 The Council collects significant Sundry Debts income for the payment of services provided by the Council. In total £28.781m sundry debts were raised in the first six months of 2026/27. As at 30th September 2026, £24.114m (83.78%) of this amount had been collected.

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



6.3 Debtors totalled £6.407m as at 30th September 2026, of which £4.491m (70.1%) relates to current debts (less than 6 months old).

6.4 Included within the current debts (less than 6 months old) is debt where the customer has been invoiced for the whole of 2026/27 but payment is to be received in instalments throughout the year.

6.5 Debts greater than 6 months old total £1.916m. 99.14% of this amount is under recovery action and 0.86% (£16k) is now considered unrecoverable.

Council Tax

6.5 As at the 30th September 2026 the Council had collected 52.11% of the 2026/27 liability, compared to 52.15% for the previous year. Arrears collection continues to perform well.

6.6 Increased efforts to target potential single person discount (SPD) fraud continues. Despite these efforts in the second quarter of the year the number claiming the discount has increased by 53. However, this needs to be taken in context of increasing households within the area. The current claimant count is 16,528 a reduction of 883 (5%) from the 17,411 claiming SPD in March 2024 when the fraud awareness campaign began.

6.7 As at the end of September the Local Council Tax Support claimant count was 12,977 of which there were 8,695 working age claimants. There has been a slight decrease in working age claimants since the beginning of the year.

6.8 The Collection Fund in respect of Council Tax continues to be closely monitored.

Business Rates

6.9 At the 30th September 2026 the Council had collected 51.71% of the 2026/27 liability compared to 51.45% for the previous year. However, business rate collection tends to be volatile during the year, and is also impacted by changes to liability for businesses. At this stage we expect collection rates to be in line with 2025/26.

7. Capital Monitoring

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

Department	Gross Budget	Actual to 31/3/26	Actual 2026/27	Budget 2026/27	Additional Schemes and Cost Variations 2026/27	Reprofiling of Expenditure 2026/27	Revised Budget 2026/27
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Major Regeneration Schemes	118,307	52,351	3,254	30,978	(159)	(17,726)	13,093
Adult Services & Public Health	14,637	8,310	735	1,774	5	0	1,779
Children's Services	10,486	1,013	874	5,512	68	(2,394)	3,186
Neighbourhoods & Regulatory Services	47,702	18,625	5,239	13,140	2,337	(304)	15,173
Housing, Growth & Communities	9,211	1,304	652	2,961	0	(360)	2,601
Corporate	4,121	415	17	1,796	910	(873)	1,833
Total Capital Expenditure	**204,464**	**82,018**	**10,771**	**56,161**	**3,161**	**(21,657)**	**37,665**

7.2 As shown in the above table, actual 2026/27 in-year capital expenditure to 30th September 2026 (end of Q2) totals £10.771m and reprofiling of expenditure into future years totals £21.657m. After taking account of the reprofiling and budget variations the forecast capital expenditure in 2026/27 now totals £37.665.

7.3 The main areas of cost variation, included within the net £3.161m capital programme increase shown in the 'additional schemes and cost variations' column relate to:

- Local Transport Plan - £2.337m variation for additional works funded by TVCA.
- Corporate – Historic England confirmed grant allocation of £0.910m, for repair and restoration works at 8/9 Church Street.

7.4 Full details of any budget variances and reprofiling of expenditure are shown in **Appendices J to O**.

Capital Receipts

7.5 There were no significant capital receipts received in Quarter 2.

8. Other Considerations/Implications

Risk Implications	No relevant issues.
Financial Considerations	The financial implications are fully set out in the main body of the report.
Subsidy Control	No relevant issues.
Legal Considerations	No relevant issues.
Single Impact Assessment	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.

9. Recommendations

9.1 It is recommended that Members:

i) Note the 2026/27 forecast outturn position of £7.345m overspend and the accompanying financial performance for the year;

ii) Approve the virements noted at paragraphs 4.43 to 4.45;

iii) Note the forecast use of reserves at paragraph 4.59;

iv) Note the 2026/27 forecast outturn in relation to the Housing Revenue Account detailed within Section 5 of the report; and

v) Note the capital programme position and approve budget variations.

10. Reasons for Recommendations

10.1 To inform Finance and Corporate Affairs Committee of the Council's 2026/27 financial forecast outturn position.

11. Background Papers

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

Finance and Corporate Affairs Committee – Budget Monitoring Outturn Report Quarter 1 2026/27 – 8th September 2026.

12. Contact Officers

James Magog
Director of Finance, IT and Digital
Email: james.magog@hartlepool.gov.uk

Paul Dixon
Assistant Director, Finance
Email: paul.dixon@hartlepool.gov.uk

Sign Off:-

Chief Executive	Date: 2 November 2026
Director of Finance, IT and Digital	Date: 25 October 2026
Director of Legal, Governance and HR	Date: 3 November 2026

REVENUE FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2026/27 as at 30th September 2026

2026/27 Budget £'000	Description of Service Area	Actual Outturn Adverse/ (Favourable) £'000	Director's Explanation of Variance
	Adult Social Care		
75	Carers	5	Minor Variances
5,101	Commissioning - Adults	(340)	The underspend mainly relates to the use of grant funding and charging for managing appointeeships.
179	Departmental Running Costs	(70)	The underspend relates to staff savings from incremental drift and vacancies over and above the departmental salary abatement target.
450	Direct Care & Support (including Telecare)	(30)	The underspend mainly relates to staff savings offsetting a small overspend relating to Telecare income being slightly below the latest budget.
1,117	LD & Transition Social Work	(65)	The underspend relates to staff savings from incremental drift and vacancies over and above the departmental salary abatement target.
2,382	Locality & Safeguarding Team	(90)	The underspend mainly relates to staff savings from incremental drift and vacancies - over and above the departmental salary abatement target
1,506	Mental Health Services	(85)	The underspend relates to staff savings from incremental drift and vacancies over and above the departmental salary abatement target.
1,546	Occupational Therapy (OT) & Disability Equipment	105	The overspend mainly relates to OT equipment and the minor adaptations budgets.
32,708	Packages of Care	1,750	The overspend relates to a combination of historic cost pressures, increased demand, increased costs and income targets across a number of mainly Older People packages of care budgets.
360	Transformation & Digital	40	The overspend mainly relates to staffing costs.
1,385	Working Age Adult Day Services	(60)	The underspend relates to incremental drift and vacancies over and above the departmental salary abatement target and savings in transport costs.
46,809	**Adult Social Care Sub Total**	**1,160**	
Public Health Grant			
4,137	Children's Services	(3)	Minor Variances
4,196	Substance Misuse Services	109	Some planned expenditure was to be funded from the ring-fenced Public Health reserve, however, given the overall Public Health forecast outturn position the use of reserves for this spend will not be required.
2,095	General Public Health Support Services	(104)	Forecast underspend mainly relates to staff vacancies and incremental drift alongside some areas of the budget where work is on-going to determine how to allocate the remaining ringfenced balance on public health activity.
663	Sexual Health Services	0	
178	Smoking Cessation	(8)	Minor Variances
469	Physical Activity	0	
15	Mental Health	4	Minor Variances
91	Health Checks	(45)	Forecast is based on spend to date which may increase as year progresses.
225	Obesity	0	
(12,069)	Public Health Grant	0	

CHILDREN'S SERVICES **4.1 Appendix B**

REVENUE FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2026/27 as at 30th September 2026

2026/27 Budget £'000	Description of Service Area	Actual Outturn Adverse/ (Favourable) £'000	Director's Explanation of Variance
	Children's Social Care		
4,153	Children & Families	865	Overspend mainly relates to the costs of keeping young people at home/out of care and increases in the number of children subject to Child Arrangement Orders and Special Guardianship Allowances.
31,117	Children in our Care	7,190	The forecast overspend includes the non-achievement of the £3m savings target included within the 2026/27 MTFP (see accompanying main report for more details). In addition, there are further overspends arising from increases in the numbers and costs of children coming into care and the associated impacts on social work staffing workloads and budgets, including supervising family contact. This reflects the increasing complexity of children's needs and the significant fees being charged by the external care market.
387	Early Intervention	100	Early Help Services, including the 0-19 Team are mainly funded from the Public Health Grant. Increased staffing and premises costs across Children's Centres.
7,716	Safeguarding Children	340	Overspend mainly relates to increased social worker staffing costs and legal/barrister costs associated with care proceedings. These overspends have been partly offset by the use of 'one-off' grant income.
707	Standards, Engagement & Development	110	Overspend mainly relates to a shortfall in funding for the social worker apprenticeships.
1,326	Strategic Commissioning	15	Overspend mainly relates to historic income pressures.
318	Youth Justice Service	0	An underspend is forecast, mainly arising from staffing savings and 'one-off' income, however any underspend will be transferred to the ringfenced YJS Partnership Reserve.
45,724	**Children's Services Sub Total**	**8,620**	
	Education (excluding DSG)		
169	Access to Education	(20)	Forecast underspend relates to vacant hours and increased buy back income.
97	Central Support Services	0	
507	Other School Related Expenditure	0	
666	Raising Educational Achievement	(30)	Forecast underspend relates to additional income generation and a vacant post.
695	Special Needs Services	(25)	Favourable variance relates to incremental drift.
499	Strategic Management	(65)	Favourable variance owing to vacant posts.
1,009	Youth Service	(35)	Favourable variance owing to part year vacant posts, staff not at the top of their grade and additional grant income.
3,642	**Education Sub Total**	**(175)**	
49,366	**Children's Services Sub Total**	**8,445**	

	Dedicated Schools Grant	Actual Outturn Adverse/ (Favourable)	
16,213	Early Years Block	**(550)**	Favourable variance relates primarily to funding for the new entitlements for under 2 year-olds and 2 year-old working parents. Funding based on in-year census points exceeded actual attendance. Additionally, underspending against funding for 3-4 year-old and the 2 year-old Families Receiving Additional Support that contribute to the overall underspend.
18,900	High Needs Block	**7,582**	Government grant insufficient to fulfil responsibilities for education of pupils with SEND. In line with strategy, Independent School placement costs are reducing, although these have been offset by greater levels of funding to schools as they increase Inclusion and support children with more complex needs at mainstream.
18,991	Schools Block	**(12)**	Reduced cost of Central School Services, including the Admissions Service
54,104	**TOTAL Dedicated Schools Grant**	**7,020**	

NEIGHBOURHOODS & REGULATORY SERVICES **4.1 Appendix C**

REVENUE FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2026/27 as at 30th September 2026

2026/27 Budget £'000	Description of Service Area	Actual Outturn Adverse/ (Favourable) £'000	Director's Explanation of Variance
	Neighbourhood Services		
9	Building Design Team	(40)	Anticipated surplus on trading activity given positive position achieved in recent years. But this early in the financial year and subject to change.
130	Construction Team	(5)	Anticipated surplus on trading activity given positive position achieved in recent years. But this early in the financial year and subject to change.
357	Engineering Services (including Coastal Protection and Contaminated Land)	0	Budget contains statutory duties for flood and coast protection and is subject to fluctuation over winter.
3,378	Environmental Services	(30)	Forecast favourable variance reflects lower than budgeted Fleet SLA costs.
2,359	Highways	115	The forecast adverse variance reflects additional costs associated with increased levels of Unscheduled Highways Maintenance and Gully Cleaning.
2,368	Passenger Transport	85	Children SEND costs continue to be greater than budget as a result of increased running costs particularly in relation to 3rd party provider costs and fuel. The forecast position has improved since Quarter 1 as a result of updated analysis and forecasting of the September cohort.
522	Planning & Development	105	The forecast adverse variance reflects a shortfall in Building Control and Planning income, with the number of major planning applications expected to be lower than in the previous year.
161	Road Safety	0	
(25)	Strategic Asset Management	45	Forecast adverse variance predominantly reflects shortfall in relation to fee and lease income.
80	Strategic Development & Sustainability	30	Adverse variance relates to Lower than budgeted recharge income from schemes.
1,474	Street Lighting	0	Although forecasting a zero variance it is still early in the financial year and may be subject change.
2,062	Sustainable Transport	160	Forecast adverse variance reflects unfavourable contract negotiations and demographic changes in relation to Concessionary Fares costs, which are significantly higher than in previous years. This is the result of a previous saving taken from the budget.
(97)	Vehicle Fleet	0	
8,489	Waste Services	0	Additional costs associated with the ongoing roll out of food waste are currently offset by an increase in recycling income, this position may change if recycling income reduces in future quarters. Nil variance also assumes the booking system remains.
21,267	**Neighbourhood Services Sub Total**	**465**	
	Regulatory Services		
(807)	Car Parking & Enforcement	0	This is a volatile area and may be subject to change.
961	Community Safety & Engagement	(50)	Relates to underspend on non staffing budgets.
1,024	Facilities Management	50	Adverse variance reflects a shortfall in school meal income, although the position appears to have improved when compared to projections based on the previous academic year. However, this is a volatile budget area and it is early in the academic year, therefore the position will be monitored closely. The position is netted down by an underlying surplus in building cleaning, which reflects a reduction in the need for subsidy in future years owing to work undertaken to review contracts and service delivery.
244	Health & Safety	0	
684	Public Protection	100	Forecast adverse variance reflects shortfall in licensing income.
2,106	**Regulatory Services Sub Total**	**100**	
	Strategic Management & Admin		
432	Strategic Management & Admin	(200)	Forecast favourable variance reflects anticipated over achievement of the salary abatement target.
23,805	**Neighbourhoods & Regulatory Services Total**	**365**	

REVENUE FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2026/27 as at 30th September 2026

2026/27 Budget £'000	Description of Service Area	Actual Outturn Adverse/ (Favourable) £'000	Director's Explanation of Variance
	Inclusive Growth		
31	Archaeology	0	
(231)	Coast, Cems & Crems, Country	150	Adverse variance mainly relates to historic income pressures within the Cemeteries and Crematoria service area.
82	Cultural - Events and Theatres	110	Relates to Borough Hall partial closure and Town Hall Theatre income pressures.
499	Cultural - Museums and Galleries	20	Overspend mainly relates to staffing and other one off cost pressures.
387	Economic Growth	(40)	Favourable variance reflects suspension of all avoidable spending in accordance with Chief Executive's directive.
73	General Allotments	0	
286	Sports, Leisure & Rec Facilities	325	Relates to income and cost pressures in relation to various budgets. Including: Brierton Community Sports temporary closure impact and Carlton Centre forecast income shortfall. Position has worsened owing to lower income in relation to Leisure services and costs associated with the closure and demolition of Mill House.
1,128	**Inclusive Growth Sub Total**	**565**	
	Housing and Community		
71	Adult Education	10	Shortfall in income from Waverley Community Allotments.
1,063	Community Hubs	50	Forecast overspend relates to income and running costs variances for the Library Service.
0	Employment & Skills	(240)	Relates to available grant funding from to support the service.
3,880	Housing, Hardship & Welfare	(460)	Favourable variance mainly relates to the receipt of increased grants and staffing vacancies.
5,013	**Housing and Community Sub Total**	**(640)**	
	Strategic Management & Admin		
347	Strategic Management & Admin	(80)	Relates to temporary vacancies in senior management posts.
347	**Strategic Management & Admin Sub Total**	**(80)**	
6,488	**Housing, Growth & Communities Total**	**(155)**	

FINANCE, IT & DIGITAL **4.1 Appendix E**

REVENUE FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2026/27 as at 30th September 2026

2026/27 Budget £'000	Description of Service Area	Actual Outturn Adverse/ (Favourable) £'000	Director's Explanation of Variance
	Corporate and Financial Services		
640	Benefits	(95)	Favourable variance owing to posts not being at the top of the grade, additional income generation and non pay savings.
(1,090)	Central Administration Recharges	0	
1,611	Corporate Finance	(60)	Favourable variance owing to posts not being at the top of the grade and vacant hours.
239	Internal Audit	0	
189	Procurement	(45)	Favourable variance owing to posts not being at the top of the grade and non pay savings.
1,361	Revenues	(15)	Favourable variance owing to posts not being at the top of the grade and vacant hours.
(607)	Revenue & Benefits Central	175	Projected adverse variance is owing to additional costs in supplies and services and reduced court cost income.
785	Shared Services	25	Projected adverse variance is owing to additional costs in supplies and services.
50	Corporate Management Running Expenses	(20)	Favourable variance owing to savings on the corporate subscriptions budget.
3,178	**Corporate and Financial Services Sub Total**	**(35)**	
	Customer Services and IT		
451	Corporate ICT	(30)	Favourable variance owing to posts not being at the top of the grade.
1,300	Customer and Support Services	(140)	Favourable variance owing to vacant posts and posts not being at the top of the grade.
40	Registration Services	40	The adverse variance is owing to a reduction in income generation on both birth and death registration certificates, along with a reduction in ceremonial certificates.
1,791	**Customer Services and IT Sub Total**	**(130)**	
4,969	**Finance, IT & Digital Total**	**(165)**	

LEGAL, GOVERNANCE and HR **4.1 Appendix F**

REVENUE FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2026/27 as at 30th September 2026

2026/27 Budget £'000	Description of Service Area	Actual Outturn Adverse/ (Favourable) £'000	Director's Explanation of Variance
53	Civic Attendants	0	
215	Corporate Support	(30)	Favourable variance owing to posts not being at the top of the grade and vacant hours.
55	Corporate Training	(10)	Favourable variance owing to reduction in training programme.
133	Democratic	(5)	Favourable variance owing to posts not being at the top of the grade.
580	Human Resources	(40)	Favourable variance owing to vacant posts and staff not at the top of their grade, partially offset by reduced income generation.
885	Legal Services	80	Projected adverse variance is owing to additional supplies and services costs.
177	Municipal Elections and Registration of Electors	10	Adverse variance owing to municipal elections.
51	Other Office Services	(20)	Favourable variance owing to additional grant income.
123	Scrutiny	0	
149	Support to Members	(5)	Projected favourable variance owing to reduced supplies and services costs.
35	Trade Union	0	
2,456	**Legal, Governance and HR Total**	**(20)**	

OFFICE OF THE CHIEF EXECUTIVE **4.1 Appendix G**

REVENUE FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2026/27 as at 30th September 2026

2026/27 Budget £'000	Description of Service Area	Actual Outturn Adverse/ (Favourable) £'000	Director's Explanation of Variance
209	Chief Executive	15	Minor variance owing to overlap between the Managing Director and Chief Executive roles.
245	Communications and Marketing	(10)	Favourable variance owing to a vacant post and posts not being at the top of the grade.
190	Corporate Strategy and Performance	5	Minor variance owing to additional supplies and services costs.
(80)	Reprographics	85	Forecast adverse variance reflects income shortfalls in relation to Reprographics.
564	**Office of the Chief Executive Total**	**95**	

HOUSING REVENUE ACCOUNT for 2026/27 as at 30th September 2026 **4.1 APPENDIX H**

2025/26 OUTTURN		2026/27 BUDGET	2026/27 Forecast	Variance	COMMENTS
£'000		£'000	£'000	£'000	
	Income				
(2,023)	Dwelling Rents	(2,085)	(2,085)	-	The adverse variance at quarter 1 due to Persimmon (New build) properties expected to come online later than budgeted, has been offset by the expected in-year rent increase for lease properties. This will be confirmed in Q3 when the rent roll is updated.
(59)	Income from Insurance Claim	-	-	-	
(22)	Non-dwelling Rents - Other Income	(25)	(25)	-	
(13)	Charges for services and facilities	(8)	(8)	-	
(35)	Government Grant	-	-	-	
(2,152)	**Income sub total**	**(2,118)**	**(2,118)**	**-**	
	Expenditure				
628	Repairs and maintenance	650	692	42	The overspend reflects the continued increase in the number and higher value repairs for damp and mould issues and procurement for one-off Legionella risk assessment and testing. On-going charges will be included as part of cyclical maintenance.
480	Supervision and management	548	541	(7)	Favourable variance due to savings from staff turnover
34	Rents, rates, taxes and other charges	24	28	4	
5	Right to Buy Reserve	5	-	(5)	Contribution on hold to offset adverse variances elsewhere.
-	Provision for bad or doubtful debts	-	10	10	Although arrears are reducing, a contribution to bad debt provision is currently considered prudent.
656	Depreciation (Major Repairs Allowance)	431	395	(36)	The lower charge for the voluntary provision element is to offset the one-off legionella expenditure included above.
1	Discretionary Housing Payments	4	2	(2)	
13	Debt Management costs	13	13	-	
335	Net Interest payable	443	437	(6)	
2,152	**Expenditure sub total**	**2,118**	**2,118**	**-**	
0	**HRA (Surplus) / Deficit for the year**	**-**	**-**	**-**	
	Movement on the HRA Reserve				
(500)	HRA Reserve Opening Balance	(500)	(500)	-	
-	(Surplus)/Deficit for the year	-	-	-	
(500)	**HRA Reserve Closing Balance**	**(500)**	**(500)**	**-**	

COUNCIL HOUSING CAPITAL SCHEMES

CAPITAL MONITORING REPORT PERIOD ENDING 30th September 2026

Code	Scheme Description	Gross Budget	Actual to 31/3/26	2026/27 Actual Spend	Budget 2026/27	Additional Schemes and Cost Variations 2026/27	Reprofiling of Expenditure 2026/2027	Revised Budget 2026/27	Comments
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	
S106	Affordable Housing	816	0	0	225	(97)	0	**128**	Potential schemes are being explored using the 'Council Housebuilding Support Fund'.
7182	Empty Homes - Phase 3	618	103	0	0	0	0	**0**	
8106	New Build	370	1	0	0	0	0	**0**	
8799	Major Repairs	510	128	0	182	0	(82)	**100**	
9617	Acquisition of 9 Houses on South West Extension	965	0	170	965	0	0	**965**	
9294	HRA Adaptations	441	85	0	156	0	(56)	**100**	
9520	Social Housing Decarbonisation Phase 3	450	156	235	294	0	0	**294**	
COUNCIL HOUSING - CAPITAL SCHEMES		**4,170**	**473**	**405**	**1,822**	**(97)**	**(138)**	**1,587**	

MAJOR REGENERATION SCHEMES **4.1 APPENDIX J**

CAPITAL FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2026/27 as at 30th September 2026

Code	Scheme Description	Gross Budget	Actual to 31/3/26	2026/27 Actual Spend	Budget 2026/27 (adjusted for prior year reprofiling)	Additional Schemes and Cost Variations 2026/27	Reprofiling of Expenditure 2026/2027	Revised Budget 2026/2027	Comments
		£000	£000	£000	£000	£000	£000	£000	
8958	A19/ Elwick Road/ North Lane Junction and Elwick Road/Hartlepool Western Link Project	24,497	2,227	74	2,729	0	(1,729)	1,000	Rephased to 27/28 to match indicative delivery periods.
7550	CIP - Highlight	35,868	33,559	1,805	2,309	0	0	2,309	
9101	CIP - Borough Hall Improvement	2,300	158	1	2,142	0	(2,100)	42	Rephased to 27/28 whilst the scheme is developed.
9440	CIP - Town Hall Theatre Improvement	703	378	174	322	3	0	325	TVCA Funding secured to fund Induction loops
9159	CIP - Wingfield Castle	2,800	842	2	1,958	0	(1,800)	158	Rephased, linked to scheme changes reported to HG&C Committee on 30th September 2026.
9160	CIP - Dam Board	1,227	399	17	828	0	(768)	60	Rephased to 27/28 to match indicative delivery periods. The scheme has a change of project manager and reconsideration of project delivery.
9161	CIP - National Museum of the Royal Navy (NMRN)	7,500	4,082	0	3,418	0	(3,418)	0	Rephased, linked to scheme changes reported to HG&C Committee on 30th September 2026.
9245	CIP - Museum of Hartlepool	1,219	680	0	162	0	0	162	
9130	CIP - Business Park Investment	598	526	2	234	(162)	0	72	Scheme complete and savings achieved.
TBC	CIP - Bowling Club Refurbishment	600	0	0	0	0	0	0	
9433	CIP - Brierton Sports Complex	562	151	136	411	0	0	411	
9165	Local Regeneration Fund - Middleton Grange	13,860	145	25	8,911	0	(7,911)	1,000	Rephased to 27/28 to match indicative delivery periods.
9231	Local Regeneration Fund - Waterfront Connectivity	5,020	1,239	321	2,481	0	0	2,481	
7715	Local Regeneration Fund - Wesley Chapel	1,641	1,602	83	39	0	0	39	
9234	Local Regeneration Fund - Health and Social Care Academy	1,250	1,216	0	34	0	0	34	
9247	Local Regeneration Fund - Screen Production Village	18,662	5,147	614	5,000	0	0	5,000	
	Total Major Regeneration Schemes	**118,307**	**52,351**	**3,254**	**30,978**	**(159)**	**(17,726)**	**13,093**	

ADULT SERVICES & PUBLIC HEALTH **4.1 APPENDIX K**

CAPITAL FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2026/27 as at 30th September 2026

Code	Scheme Description	Gross Budget	Actual to 31/3/26	2026/27 Actual Spend	Budget 2026/27 (adjusted for prior year reprofiling)	Additional Schemes and Cost Variations 2026/27	Reprofiling of Expenditure 2026/2027	Revised Budget 2026/2027	Comments
		£000	£000	£000	£000	£000	£000	£000	
7218	Disabled Facilities Grant	11,061	4,759	710	1,754			1,754	
7768	Supporting Treatment and Recovery Together (START) - Substance Misuse Service	3,576	3,551	25	20	5		25	
	Total Adult Services & Public Health	**14,637**	**8,310**	**735**	**1,774**	**5**	**0**	**1,779**	

CAPITAL FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2026/27 as at 30th September 2026

Code	Scheme Description	Gross Budget	Actual to 31/3/26	2026/27 Actual Spend	Budget 2026/27 (adjusted for prior year reprofiling)	Additional Schemes and Cost Variations 2026/27	Reprofiling of Expenditure 2026/2027	Revised Budget 2026/2027	Comments
		£000	£000	£000	£000	£000	£000	£000	
8072	ICS Case Management Improvement	37	0	0	37		(37)	0	Rephased into 2027/28.
9246	Children's Centre - Family Hubs	425	201	4	97			97	
9421	Purchase Childrens Home	1,000	439	0	561		(500)	61	Rephased into 2027/28.
9632	Rift House Community Centre 'The Nest'	47	0	7	0	47		47	
7474	High Tunstall 3G Pitch	35	22	0	13			13	
7478	High Tunstall Grass Pitch	16	0	0	16			16	
7521	Two Year Old FNE Capacity Funding	23	0	0	23			23	
NEW	Throston Bungalow Conversion (S106)	205	0	5	205		(200)	5	Rephased into 2027/28.
7384	Devolved Schools Capital	536	249	0	83			83	
9238	Energy Efficiency Capital Funding	111	99	0	12			12	
9534	Kingsley Primary School Fire Stopping Works (Ph1a)	15	0	8	15			15	
9533	Rift House Primary School Fire Stopping Works (Ph1)	57	0	7	65	(8)		57	
9523	Kingsley Primary School New Provision of ARP	1,236	0	733	1,236			1,236	
9590	Kingsley Primary School Heating Pipework Ph1	4	3	1	1			1	
9585	Fens Primary School Drainage Works (car park)	12	0	11	12			12	
9586	Fens Primary School W/C Renewal Room 52	19	0	4	28	(9)		19	
9587	Fens Primary School W/C Renewal Room 54	19	0	4	28	(9)		19	
9588	Fens Primary School W/C Renewal Room 56	22	0	6	28	(6)		22	
9589	Fens Primary School W/C Renewal Room 57c	22	0	6	28	(6)		22	
9591	Kingsley Primary School Heating Pipework Ph1a	66	0	6	62	4		66	
9592	Kingsley Primary School Roof Renewal (Y6 area)	12	0	0	12			12	
9593	Kingsley Primary School KS1 - W/C Renewal	30	0	6	28	2		30	
9594	Rift House Primary School Electrical Rewire (ph3of3)	60	0	1	90	(30)		60	
9595	Rift House Primary School Drainage Works/Resurfacing	20	0	1	38	(18)		20	
9596	Rift House Primary School Renewal Outside Surface Area	25	0	0	25			25	
9597	Rift House Primary School Drain/Gulley Works (Car Park)	4	0	1	12	(8)		4	
9598	Rift House Primary School Heating System Replacement	82	0	5	94	(12)		82	
9599	Throston Primary School Access Road	50	0	0	50			50	
9600	Throston Primary School KS1 - W/C Renewal	54	0	16	53	1		54	
9601	Throston Primary School KS2 - W/C Renewal	41	0	11	28	13		41	
9602	High Tunstall College of Science Fan Conv/Wtr Htr Rplc (Sh Cen)	27	0	0	27			27	
9603	High Tunstall College of Science Heat Srce/Plant Rm (Shine Cen)	79	0	1	81	(2)		79	
9604	High Tunstall College of Science Water Heater Rep (Life Centre)	19	0	0	19			19	
9605	Horizon Heating pipework (ph2of3)	55	0	0	60	(5)	0	55	
9606	Horizon Hot & cold water distribution	58	0	5	30	28		58	
9607	Horizon Roof Light renewal/replacement	6	0	5	6			6	
9636	Horizon Emergency Water Heater Replacement	12	0	0	0	12		12	
9637	High Tunstall College of Science Van Purchase 2026-27	20	0	20	0	20		20	
7142	Schools General - Fire Safety Modifications	39	0	0	31	8		39	
9004	Schools General - Schools Condition - 24/25 onwards	2,038	0	0	241	57		298	
9004	Schools General - Contingency	109	0	0	120	(11)		109	
9004	Schools General - SEMH Funding Pot	730	0	0	730		(657)	73	Rephased into 2027/28.
9004	Schools General - Basic Need	1,680	0	0	0			0	
9004	Schools General - High Needs Provision	1,187	0	0	1,187		(1,000)	187	Rephased into 2027/28.
9004	Schools General - Conditions unallocated	142	0	0	0			0	
	Total Children's Services	**10,486**	**1,013**	**874**	**5,512**	**68**	**(2,394)**	**3,186**	

NEIGHBOURHOODS & REGULATORY SERVICES **4.1 APPENDIX M**

CAPITAL FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2026/27 as at 30th September 2026

Code	Scheme Description	Gross Budget	Actual to 31/3/26	2026/27 Actual Spend	Budget 2026/27 (adjusted for prior year reprofiling)	Additional Schemes and Cost Variations 2026/27	Reprofiling of Expenditure 2026/2027	Revised Budget 2026/2027	Comments
		£000	£000	£000	£000	£000	£000	£000	
S106	Developers Contribution Fund	8,794	323		3,471			3,471	
7466	DSO Vehicle Purchase (updated for revised programme)	10,443	4,830	389	2,683	0	(104)	2,579	Update to refelect latest estimate of the timing of vehicle deliveries
9512	Tofts Farm Solar PV	243	236	7	7			7	
9514	Warm Homes Local Grant scheme	2,037	223	224	916			916	
8306	Schools - Kitchen Refurbishment	249	76	0	173			173	
7272	Wheelie Bin Purchase (current year allocation only)	507	237	48	90			90	
7437	NIP - Sinking Fund	62	4	3	58	0	0	58	
7440	NIP - Central Park	120	119	0	1	0	0	1	
9147	NIP - CCTV in parks	34	31	0	3	0	0	3	
9396	Waste Transfer Station	200	0	0	200	0	(200)	0	
7744	Food Waste Capital Transitional Grant	807	761	0	46	0	0	46	
7066	Avondene Accommodation, Church St	130	0	1	130	0	0	130	
7220	Private Sector Housing Grants	97	40	17	57	0	0	57	
NEW	BIS Capital Works	874	0	0	874	0	0	874	
7577	EDM Hartlepool North NDIP Study	50	0	0	50	0	0	50	
7900	EDM Hartlepool Marina - North Pier	857	405	82	452	0	0	452	
7902	EDM Hartlepool Drainage Schemes	36	6	0	0	0	0	0	
9331	EDM Hartlepool Easington Road Storage & Screen Study	60	0	0	30	0	0	30	
9332	EDM Hartlepool Bamburgh Rd Surface water drainage study	60	0	0	30	0	0	30	
9429	EDM West Park Flood Scheme	931	888	1	43	0	0	43	
LTP	LTP Integrated Transport Block (ITB) - Indicative	11,160	4,016	2,940	1,755	2,337	0	4,092	TVCA Funded schemes commenced and claims to be submitted
LTP	LTP Scheduled reconstruction - Indicative	7,984	4,961	1,264	1,573	0	0	1,573	
LTP/8722	LTP Additional Scheduled Highways Maintenance (SHM) Allocation	461	461	0	0	0	0	0	
LTP/8722	LTP Road Resurfacing Fund - Indicative	1,356	1,008	263	348	0	0	348	
NEW	Claxton Landfill Site - Plant Replacement	150		0	150	0	0	150	
	Total Neighbourhoods & Regulatory Services	**47,702**	**18,625**	**5,239**	**13,140**	**2,337**	**(304)**	**15,173**	

HOUSING, GROWTH & COMMUNITIES **4.1 APPENDIX N**

CAPITAL FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2026/27 as at 30th September 2026

Code	Scheme Description	Gross Budget	Actual to 31/3/26	2026/27 Actual Spend	Budget 2026/27 (adjusted for prior year reprofiling)	Additional Schemes and Cost Variations 2026/27	Reprofiling of Expenditure 2026/2027	Revised Budget 2026/2027	Comments
		£000	£000	£000	£000	£000	£000	£000	
7711	Carlton Adventure Centre	502	264	47	238			238	
7811	Summerhill Cycle Hub	533	501	0	32			32	
9232	Playground Equipment - Levelling Up Parks Fund	98	79	7	19			19	
Allot	Other Allotment Schemes	201	176	3	25			25	
8534	Church Street Townscape Heritage Project	155	102	0	53			53	
9518	Art Gallery Tower Refurbishment	302	0	27	302			302	
9535	Cremator Replacement Filter System	280	0	110	280			280	
9525	Pride in Place Impact Fund	1,500	182	452	1,318			1,318	
9627	Playgrounds Fund	240	0	0	240		(200)	40	Rephased into 2027/28.
9628	Pride in Place Programme	5,306	0	0	360		(160)	200	Rephased into 2027/28.
9613	Community Hubs Digital Upgrades	94	0	6	94			94	
	Total Housing, Growth & Communities	**9,211**	**1,304**	**652**	**2,961**	**0**	**(360)**	**2,601**	

CORPORATE **4.1 APPENDIX O**

CAPITAL FINANCIAL MONITORING REPORT FOR FINANCIAL YEAR 2026/27 as at 30th September 2026

Code	Scheme Description	Gross Budget	Actual to 31/3/26	2026/27 Actual Spend	Budget 2026/27 (adjusted for prior year reprofiling)	Additional Schemes and Cost Variations 2026/27	Reprofiling of Expenditure 2026/2027	Revised Budget 2026/2027	Comments
		£000	£000	£000	£000	£000	£000	£000	
7036	Uncommitted Corporate Capital Fund	190	0	0	190	0	0	190	
7041	Corporate Capital Pot	1,300	0	0	300	0	0	300	
NEW	Community Hub Central - Main Entrance Doors	33	0	0	33	0	0	33	
NEW	Art Gallery Roof and Door Replacement	48	0	0	48	0	0	48	
NEW	Sir William Gray House Roof Renewal - Phase 1	58	0	0	58	0	0	58	
NEW	Borough Hall Rewire Stage Electrics	44	0	0	44	0	(44)	0	Rephased to 27/28 to match indicative delivery periods.
NEW	Community Hub Central Male Toilet Replacement	44	0	0	44	0	0	44	
NEW	Sir William Gray House Roof Renewal - Phase 2	53	0	0	53	0	0	53	
NEW	Summerhill Visitor Centre Drainage Works	143	0	0	143	0	0	143	
NEW	Throston Youth Project Roof Replacement	34	0	0	34	0	0	34	
7065	Fire Risk Assessments (Fire Stopping / Compartmentalism)	86	15	0	71	0	0	71	
7200	Civic Centre Capital Project	75	13	0	62	0	0	62	
8970	Historic Quay Dilapidation Work	97	0	0	97	0	0	97	
7771	Borough Hall - Capital Maintenance	161	41	0	120	0	0	120	
NEW	Health and Safety Maintenance Fund	845	346	53	499	0	0	499	
NEW	8/9 Church Street Renovation	910	0	0	0	910	(829)	81	Heritage at Risk Capital Fund have awarded grant of £909,500 for the restoration of 8/9 Church Street
	Corporate Total	**4,121**	**415**	**53**	**1,796**	**910**	**(873)**	**1,833**	

RESERVES FORECASTS (EXCLUDING SCHOOL BALANCES, HRA AND UNUSABLE RESERVES) 4.1 APPENDIX P

		Forecast Use of Reserves				
	Balance as at 31st March 2026	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**Forecast Balance as at 31st March 2030**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Revenue Reserve	5,500	0	0	0	0	5,500
Budget Support Fund (BSF)	5,486	(5,486)	0	0	0	0
BSF - Transformation Costs	2,000	(1,500)	(500)	0	0	0
BSF - Invest to Save	1,279	(500)	(500)	(279)	0	0
Revenue Grants Unapplied	4,524	(1,872)	(1,062)	(1,155)	(435)	0
Business Rates Risk Reserve	0	0	0	0	0	0
Insurance Fund	3,003	0	0	0	0	3,003
Children in our Care Reserve	0	0	0	0	0	0
BSF - Treasury Management Income	0	0	0	0	0	0
Asset Management Reserve	500	(500)	0	0	0	0
DSG 10% Contribution Reserve	2,000	0	(2,000)	0	0	0
Earmarked Revenue Reserves under £1m	6,076	(3,814)	(1,001)	(1,172)	(89)	0
Revenue Reserves Total	**30,368**	**(13,672)**	**(5,063)**	**(2,606)**	**(524)**	**8,503**
Earmarked Capital Reserves	5,543	(2,988)	(2,267)	(288)	0	0
Capital Grants Unapplied	13,981	(7,935)	(6,046)	0	0	0
TOTAL	**49,892**	**(24,595)**	**(13,376)**	**(2,894)**	**(524)**	**8,503**
Cumulative TOTAL		**25,297**	**11,921**	**9,027**	**8,503**	

DSG Deficit - Unusable Reserve	(8,793)	(7,020)	(8,881)	24,694	0	**0**
DSG Reserve Cumulative Balance		**(15,813)**	**(24,694)**	**0**	**0**	

Hartlepool Borough Council

FINANCE AND CORPORATE AFFAIRS COMMITTEE

26th November 2026

Report of: Director of Finance, IT and Digital

Subject: COUNCIL TAX BASE 2027/28

Decision Type: Budget and Policy Framework

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1. Council Plan Priority

Hartlepool will be a place:
- where people live healthier, safe and independent lives. (People)
- that is connected, sustainable, clean and green. (Place)
- that is welcoming with an inclusive and growing economy providing opportunities for all. (Potential)
- a place with a Council that is ambitious, fit for purpose and reflects its community. (Organisation)

2. Purpose of Report

2.1 The report seeks member approval, as required by statutory regulations, of a calculated Council Tax Base for 2027/28 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 2027. 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 2027/28, 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 report on the statutory calculation of the amount of Council Tax payable for each band for 2027/28 will be submitted to Council in February.

4. Calculation of Tax Base

4.1 The calculation of the Council Tax Base is a detailed 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 (LCTS).

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

(b) Calculate the collection rate for the Council (Item B).

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

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

5. Proposed Tax Base

5.1 The proposed Tax Base for the Council area for 2027/28 is **27,278**. This is an increase of 303 (1.12%) from the current Base. The Band D make-up of the Base position is summarised in the table below.

2026/27		**2027/28**
36,504	Chargeable Dwellings (after disregards / disability adjust)	36,947
-2,883	Less Discounts and Premiums	-2,932
-6,485	Less Local Council Tax Support Estimate	-6,480
250	Add forecast Base growth	300
27,386	Item A	27,835
98.5%	Item B – Collectability (%)	98.0%
26,975	**Council Tax Base**	**27,278**

5.2 The increase in chargeable dwellings represents a positive rate of housing growth within Hartlepool during the past year.

5.3 The net increase in discounts and premiums is in the main a reduction in premiums from empty homes, coupled with a corresponding increase in discounts as more properties are built in Hartlepool.

5.4 The council currently provides a 50% one-year local discretionary relief for properties under major / structural repair. This is administratively challenging, with the need to assess applications, undertake visits and deal with appeals, given the initial decision is regularly challenged. Many of these applications are made retrospectively creating further difficulty obtaining sufficient evidence to allow the reduction. Over the past 3 years there have been 186 successful applications costing an average of £36,000 a year.

5.5 Regional benchmarking suggests we are alone in offering this relief, and as such it is proposed to withdraw this relief from April 2027 to enable smoother administration of council tax collection.

5.6 The council continues to make every effort to improve its in-year collection rate to pre-covid performance. Despite these efforts the long-term collection rate of 98.5% is increasingly under pressure. In addition, as referenced elsewhere on the agenda, changes to the collection regulations from April 2027 will likely make council tax collection more challenging for local councils. Consequently, the long-term collection rate has been reduced to 98% but will be kept under review in the coming years.

5.7 The proposed Council Tax Base has been reflected within the MTFP reported elsewhere on today's agenda.

5.8 Separate Base calculations have been made for each Parish Council and these are included in the recommendations.

6. Risk Implications

6.1. The Tax Base for 2027/28 and in the subsequent years is subject to the following main risks;

- 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, council policy or government policy, for example promotion of benefits and/or pension credit. This is mitigated by consideration of economic forecasts for future years and allowance of a small headroom in the calculation;

- Less growth in housebuilding. This is mitigated by understanding both developments in progress and planned developments to factor in the latest position in timing and value of house builds planned. Progress is monitored closely in year and over the MTFP period; and

- Further reduced collection rate. The pandemic saw a significant dip in the in-year collection rate. On-going, year on year recovery of the in- year rate, coupled with the strong collection of arrears mitigates the risk. In addition, the collection rate has been reduced for 2027/28.

7. Financial Considerations

7.1. The Council must budget to avoid a deficit on its statutory Collection Fund. In determining the 2027/28 Council Tax Base a number of underlying assumptions have been made. As part of the Council's Financial Governance Framework, throughout 2027/28 programmed monitoring reviews of Collection Fund Council Tax performance will be undertaken and reported to Cabinet.

7.2 Growth in the 2027/28 Tax Base of 300 had already been anticipated in the MTFP. The small additional growth will be built into the next iteration of the MTFP presented to cabinet in December.

8. Other Considerations/Implications

Subsidy Control	No relevant issues.
Legal Considerations	The Council is required to calculate its Council Tax Base for 2027/28 under the Local Government Finance Act 1992 and the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012. The required determination and notification to major precepting authorities must be completed by 31 January 2027. This report seeks the decisions necessary to fulfil those requirements.
Single Impact Assessment	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.

9. Recommendations

9.1 It is recommended that Members approve the change to the discretionary relief policy in respect of structural repair set out in paragraph 5.4-5.5.

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

a) Approve a Hartlepool BC Council Tax Base for 2027/28 of 27,278 as detailed in **Appendix 1**.

b) Approve a Council Tax Base for 2027/28 for Parishes who may levy a precept upon the Council's Collection Fund as follows:

Brierton	15.9
Claxton	50.9
Dalton Piercy	141.7
Elwick	244.9
Greatham	275.1
Hart	637.0
Headland	815.8
Newton Bewley	35.3
Wynyard	1,424.3

10. Reason for Recommendations

10.1 To enable the Council to discharge its statutory responsibilities.

11. Background Papers

11.1 Council Tax Base 2026/27 – Report to Finance and Policy Committee 24 November 2025.

12. Contact Officer

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Paul Dixon
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Sign Off:-

Chief Executive	Date: 2 November 2026
Director of Finance, IT and Digital	Date: 1 November 2026
Director of Legal, Governance and HR	Date: 3 November 2026

Council Tax Base - HBC

4.2

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	151.00	23,379.00	7,727.00	6,855.00	3,727.00	2,152.00	1,000.00	701.00	102.00	45,794.00	36,947
Total Discount	(16.25)	(2,665.42)	(794.42)	(526.67)	(218.83)	(101.25)	(38.50)	(25.00)	(2.00)	(4,388.33)	(3,316)
Premium Factor	0.00	389.00	60.00	35.00	19.00	6.00	7.00	5.00	1.00	522.00	384
Council Tax Support Estimate	(45.78)	(7,447.90)	(1,183.27)	(415.92)	(109.46)	(48.80)	(16.05)	(4.46)	0.00	(9,271.64)	(6,480)
Net Forecast Chargeable Dwellings	88.97	13,654.68	5,809.31	5,947.41	3,417.71	2,007.95	952.45	676.54	101.00	32,656.03	27,535
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
Band D Equivalent Properties	49.43	9,103.12	4,518.35	5,286.59	3,417.71	2,454.16	1,375.76	1,127.57	202.00	27,534.69	27,535
					Band D Forecast Growth (Housing)					300.00	300
					Total Forecast Band D Equivalents - Item A					27,834.69	27,835
					Estimated Collection Rate - Item B					98.0%	98.0%
					Tax Base 2027/28					27,278.00	27,278

Hartlepool Borough Council

FINANCE AND CORPORATE AFFAIRS COMMITTEE

26th November 2026

Report of: Director of Finance, IT and Digital

Subject: LOCAL COUNCIL TAX SUPPORT 2027/28 AND HOUSING BENEFIT WAR PENSION DISREGARD 2027/28

Decision Type: Budget and Policy Framework

---

1. Council Plan Priority

Hartlepool will be a place:
- where people live healthier, safe and independent lives. (People)
- a place with a Council that is ambitious, fit for purpose and reflects its community. (Organisation)

2. Purpose of Report

2.1 The purpose of the report is to:

i) Agree the Local Council Tax Support (LCTS) scheme for 2027/28 to be referred to full Council for approval
ii) Agree the Housing Benefit war pension disregard for 2027/28

3. Background

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

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

3.2 Since that time, funding for the Council Tax Support scheme has been amalgamated into other Central Government grants paid to Local Authorities and also within the Business Rates Retention regime. It is now generally accepted that it is not possible to identify the amount of funding actually provided from Central Government sources, but that this has been significantly reduced.

3.3 The current Council Tax Support scheme administered by the Council is divided into two schemes, with pension age applicants receiving support under the rules prescribed by Central Government, and the scheme for working age applicants being determined solely by the local authority.

3.4 Pensioners, subject to their income, can receive up to 100 per cent support towards their council tax. The Council has no power to change the level of support provided to pensioners and therefore any changes to the level of LCTS can only be made to the working age scheme.

Simplified Scheme

3.5 Following public consultation, council agreed a revised scheme for operation in 2024/25. This "simplified" scheme introduced a number of income bands to determine support. It also increased the level of maximum support from 88% to 90% to provide additional support to those in most need.

3.6 Key features of the scheme include:

- To encourage work, a standard £25 per week disregard is provided against all earnings;
- Disability benefits such as Disability Living Allowance and Personal Independence Allowance are disregarded;
- A further disregard of up to £40 a week from your income if an individual, their partner or a dependent child living with them receives one of the above benefits, thereby maintaining the current level of support to those with disabilities;
- Carer's Allowance and the Support Component of Employment and Support Allowance is disregarded;
- Child Benefit and Child Maintenance is disregarded;
- The following elements of Universal Credit are also disregarded:
    - An amount in respect of the Housing Element;
    - Limited Capability for Work and Work Related Activity Element;

  - Carer's Element; and
  - Disabled Child Element
- The total disregard on war pensions and war disablement pensions continue (maintaining the Council's commitment to the Armed Forces Community Covenant);
- The capital limit is set at £10,000 with no tariff (or assumed income) being applied; and
- With regard to non-dependents a £5 per week deduction is applied.

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

Claimant Numbers

3.8 As at quarter 1 2026/27, Hartlepool has the highest claimant count per working age population in the country and is currently the 16th highest for pensioners. Given relative deprivation this is not unexpected and it also demonstrates our success in supporting take up of benefits where eligible. It does though raise concerns that there could be people receiving benefits who are not entitled to do so, and this data formed the basis of the business case for more reviews and fraud investigations during 2026/27.

3.9 Comparison with our Tees Valley neighbours and the England mean is set out below:

Council	Working Age %	Council	Pensioners %
Hartlepool	14.3	Hartlepool	22.0
Middlesbrough	13.8	Middlesbrough	20.0
Redcar and Cleveland	10.6	Redcar and Cleveland	15.8
Darlington	8.5	Stockton	14.7
Stockton	7.3	Darlington	13.7
Tees Valley mean	10.9	Tees Valley mean	17.2
England mean	5.8	England mean	11.8

3.10 During the current year, the number of claimants has increased slightly for working age claimants but decreased for pension age claimants. Overall claim numbers are lower than this stage last year. As at September 2026 there were 12,977 LCTS claimants, of which 8,595 were working age and 4,382 pension age.

3.11 Forecasting future claimant numbers is difficult. Whilst economic conditions are a key driver of claimant numbers, increased compliance and fraud prevention work will also impact. The Council Tax Base report, elsewhere on today's agenda, includes the best available estimate for the coming year.

Collection Performance

3.12 Collecting Council Tax from LCTS households is more resource intensive than non LCTS households. These households are less likely to pay by Direct Debit, instead choosing to make payment in different ways e.g. cash. In addition there is a greater likelihood that payment is ultimately obtained through Attachment of Benefit. All recovery action is managed sensitivity, whilst seeking to maximise income collection.

3.13 Attachment of Benefits (AOB) can only be requested to the DWP following the Council securing a liability order via the Magistrates Court. Currently the highest attachment allowable is £33.35 per month for a couple who are both over 25. If single and under 25, the deduction is £19.93. Only one AOB deduction can be active at any one time and deductions from benefit cannot exceed 15% of the standard allowances. In the best-case scenario, such an attachment could only currently be secured 3 months into the financial year, with new regulations changing this to 6 months thus allowing only 6 months of collection. The maximum collectable in this scenario is therefore £200.10 in total for the first year for the couple or £119.58 for a single individual under 25. The least amount payable for a Band A property is £170.46 for a couple, therefore in many circumstances, unless individual's circumstances change, debt continues to accrue year on year.

3.14 The government undertook a technical consultation on enforcement of council tax during 2026. Among several changes, the government has confirmed from April 2027 that final notices may not be issued any earlier than 41 days after the first missed payment, and 14 days after the last reminder notice. Taxpayers will have 21 days following a final notice to bring their account up to date, otherwise they will lose the right to pay in instalments. Overall households will keep instalment rights for at least 63 days after a missed payment. Whilst the aim of the changes is to ensure action is fair and proportionate and supports households experiencing financial difficulty, it will likely result in increased debt and a detrimental impact on the collection rate.

3.15 Currently 6,232 Council Tax accounts have an Attachment of Benefits, though these will not all be current LCTS accounts. In addition, there are 6,984 Liability Orders at pending stage. As at the end of September 2026 £5.53m of debt is outstanding to those with Attachment of Benefits. Collection levels remain high for this debt, albeit payment is not all received in the year the liability first became due.

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

Transitional Protection – Corrective Interpretation

3.17 An officer delegated decision (ODR No 26-433) was enacted on the 6 March 2026 to formally record the decision to interpret the LCTS scheme for 2026/27 so that transitional protection within Universal Credit is disregarded as income on the basis that;

- The Council's LCTS scheme is silent on the treatment of TP;
- A High Court decision confirmed that counting TP as income was discriminatory and unlawful;
- Immediate corrective interpretation was required to ensure the Council's continued compliance with the Equality Act 2010, Human Rights Act 1998, and relevant case law.

3.18 To ensure long term clarity and transparency, explicit wording will be inserted into the 2027/28 LCTS scheme to confirm TP is disregarded.

Housing Benefit War Pension Disregard

3.19 Housing Benefit and Council Tax Benefit (War Pensions Disregards) regulations allow for Local Authorities to develop a local scheme that can disregard War Pension income from the calculation of Housing Benefit. Since the introduction of Housing Benefit, the Council has always disregarded this income when calculating a claim for Housing Benefit. The Department for Works and Pensions requests that each local authority has their local scheme approved each year. The local scheme is discretionary and, as a result, the Council is expected to meet the cost. However, under the Housing Benefit subsidy arrangements, the government reimburses the Council 75% of the benefit cost where a local scheme is implemented.

4. Proposal

Local Council Tax Support Scheme

4.1 Given that no significant issues with the scheme have arisen and the need for stability for working age claimants, it is proposed that no change is made to the scheme for 2027/28, save for an inflationary uplift.

4.2 The September Consumer Price Index (CPI) figure is used by the national government to calculate uplift in benefits from the 1 April in the following year. The CPI rate at September 2026 was 3.5%. It is proposed to mirror this increase with our LCTS scheme, resulting in the following bands for 2027/28:

	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 £120.27	£0.00 to £192.43	£0.00 to £264.60	£0.00 to £168.38	£0.00 to £246.57	£0.00 to £312.70
Band 2 (70%)	N/A	£120.28 to £216.49	£192.44 to £288.65	£264.61 to £354.81	£168.39 to £288.65	£246.58 to £337.96	£312.71 to £408.92
Band 3 (40%)	N/A	£216.50 to £258.58	£288.66 to £305.69	£354.82 to £420.94	£288.66 to £348.78	£337.97 to £384.86	£408.93 to £481.09
Band 4 (20%)	N/A	£258.59 to £306.69	£306.70 to £336.75	£440.95 to £541.21	£348.79 to £408.91	£384.87 to £445.00	£481.10 to £577.29

4.3 Alternative options could be considered for the LCTS, including changing the bands or key features.

4.4 From 6 April 2026, the Government removed the two-child limit in Universal Credit, allowing families to receive support for all eligible children. While this increased income resulted in some households receiving a lower level of Council Tax Reduction, the Council received only a small number of enquiries. Those cases confirmed that households were still financially better off overall. Therefore, no change to the Council Tax Reduction Scheme is proposed.

4.5 Any changes to the LCTS scheme would require consultation. Given the scheme is in its relative infancy, is running smoothly, and the time and cost constraints of running a consultation, this is not recommended.

4.6 Similarly a different CPI rate could be applied to the uplifts or no inflation rate applied at all. This was not considered appropriate given using September CPI aligns with national benefit uplifts as well as generally being aligned to government grant uplifts in the past.

4.7 As highlighted in paragraph 3.4, the Pensioners scheme is not subject to local discretion. Relevant regulations for the pensioners scheme tend to be confirmed in January each year. The council will enact any changes as necessary should regulations be revised.

Housing Benefit Local Disregards

4.8 It is proposed to continue with the local disregard for War Pensions when calculating Housing Benefits. As the council has always had this disregard, no additional costs are anticipated.

4.9 The estimated cost for 2027/28 is £17.420m and included within the Base calculation elsewhere on today's agenda. Costs are shared between the

Council and the major precepting authorities based on the precept levied on the collection fund. For 2026/27 the proportions are as follows:

- Hartlepool Borough Council (83.1%)
- Police and Crime Commissioner for Cleveland (13.0%)
- Cleveland Fire Brigade (3.9%)

5. Other Considerations/Implications

Risk Implications	No relevant issues.
Financial Considerations	The financial implications are fully set out in the main body of the report.
Subsidy Control	No relevant issues.
Legal Considerations	Councils are required to determine their LCTS scheme for each financial year before 11 March of the year prior to the scheme coming into place. Council is required to agree local disregards within Housing Benefit.
Single Impact Assessment	**Attached as Appendix 1**
Staff Considerations	No relevant issues.
Asset Management Considerations	No relevant issues.
Environment, Sustainability and Climate Change Considerations	No relevant issues.
Consultation	No relevant issues.

6. Recommendations

6.1 It is recommended that Members:

i) Agree the 2027/28 LCTS scheme as set out to be referred to full Council for approval.
ii) Agree to continue the Housing Benefit war pension disregards for 2027/28

7. Reasons for Recommendations

7.1 To comply with legislation.

8. Background Papers

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

Finance and Corporate Affairs Committee – Local Council Tax Support 2026/27 and Housing Benefit War Pension Disregard 2026/27.

9. Contact Officers

James Magog
Director of Finance, IT and Digital
Email: james.magog@hartlepool.gov.uk

Paul Dixon
Assistant Director – Finance
Email: paul.dixon@hartlepool.gov.uk

Gillian Harvey
Benefits Manager
Email: gillian.harvey@hartlepool.gov.uk

Sign Off:-

Chief Executive	Date: 2 November 2026
Director of Finance, IT and Digital	Date: 1 November 2026
Director of Legal, Governance and HR	Date: 3 November 2026

Hartlepool Borough Council – Single Impact Assessment Form 4.3 Appendix 1

Guidance for completing this form is available in the "Single Impact Assessment: Toolkit for Officers", available from the Single Impact Assessment page on the intranet at https://hbcintranet/Pages/Single-Impact-Assessments.aspx.

Section 1 – Details of the proposed action being considered

1.1 Lead Department:	Finance, IT and Digital
1.2 Lead Division:	Finance (Benefits)

1.3 Title of the proposed action:
Local Council Tax Support

1.4 Brief description of the proposed action:
To approve an unchanged Local Council Tax Scheme, save for inflationary increases, for 2027/28. The scheme will support working age residents and families in their payment of Council Tax within Hartlepool

1.5 Who else is involved:
Revenues and Benefits team

Hartlepool Borough Council – Single Impact Assessment Form 4.3 Appendix 1

1.6 Who will make the final decision about the proposed action:
Finance and Corporate Affairs Committee

1.7 Which wards will be affected by the proposed action? Tick all that apply					
All wards	X	Hart	☐	Seaton	☐
Burn Valley	☐	Headland & Harbour	☐	Throston	☐
De Bruce	☐	Manor House	☐	Victoria	☐
Fens & Greatham	☐	Rossmere	☐	N/A - Internal council activities	☐
Foggy Furze	☐	Rural West	☐		

1.8 Completed By:		
Name	**Job Title**	**Date Completed**
Gillian Harvey	Benefits Manager	01/11/2026

1.9 Version	Author	Summary of Changes	Date
1	Gillian Harvey	Initial Draft	01/11/2026

Hartlepool Borough Council – Single Impact Assessment Form 4.3 Appendix 1

Section 2 – Explaining the impact of the proposed action

2.1 What data and evidence has informed this impact assessment?
Local Council Tax Support (LCTS) was introduced by Central Government in April 2013 as a replacement for the Council Tax Benefit scheme administered on behalf of the Department for Work and Pensions (DWP). The scheme for working age claimants was amended for 2024/25 in order to simplify its operation. We have the highest number of working age claimants in the country as a proportion of the population, confirming that a scheme is required to provide support. Deprivation data supports the need for a support scheme.

2.2 If there are gaps in evidence or not enough information to assess the impact, how have you addressed this or how will you address it?	
Gap(s) Identified	**How it / they have or will be addressed**
None	

Hartlepool Borough Council – Single Impact Assessment Form 4.3 Appendix 1

2.3 Risk Score

Impact	Negative Impact Score	Explanation – what is the impact?
Age		
X Positive Impact Negative Impact No Impact	Likelihood score: e.g. Almost certain 4 Impact score: e.g. Major 3 Overall score: e.g. Red 12	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 2027/28. The scheme is positive for this cohort since it can provide up to 100% support for eligible pensioners.
Disability		
☐ Positive Impact ☐ Negative Impact X No Impact	Likelihood score: Impact score: Overall score:	The proposed scheme continues with the core principle that every working age household should pay something towards Council Tax. The scheme does not provide protection of detriment to any specific working age group. A neutral relative impact is therefore envisaged.
Gender Reassignment		
☐ Positive Impact ☐ Negative Impact X No Impact	Likelihood score: Impact score: Overall score:	The proposed scheme continues with the core principle that every working age household should pay something towards Council Tax. The scheme does not provide protection of detriment to any specific working age group. A neutral relative impact is therefore envisaged.
Marriage and Civil Partnership		

Hartlepool Borough Council – Single Impact Assessment Form 4.3 Appendix 1

Impact	Negative Impact Score	Explanation – what is the impact?
☐ Positive Impact ☐ Negative Impact X No Impact	Likelihood score: Impact score: Overall score:	The proposed scheme continues with the core principle that every working age household should pay something towards Council Tax. The scheme does not provide protection of detriment to any specific working age group. A neutral relative impact is therefore envisaged.
Pregnancy and Maternity		
☐ Positive Impact ☐ Negative Impact X No Impact	Likelihood score: Impact score: Overall score:	The proposed scheme continues with the core principle that every working age household should pay something towards Council Tax. The scheme does not provide protection of detriment to any specific working age group. A neutral relative impact is therefore envisaged.
Race (Ethnicity)		
☐ Positive Impact ☐ Negative Impact X No Impact	Likelihood score: Impact score: Overall score:	The proposed scheme continues with the core principle that every working age household should pay something towards Council Tax. The scheme does not provide protection of detriment to any specific working age group. A neutral relative impact is therefore envisaged.
Religion or Belief		
☐ Positive Impact ☐ Negative Impact X No Impact	Likelihood score: Impact score: Overall score:	The proposed scheme continues with the core principle that every working age household should pay something towards Council Tax. The scheme does not provide protection of detriment to any specific working age group. A neutral relative impact is therefore envisaged.
Sex		
☐ Positive Impact	Likelihood score: Impact score: Overall score:	The proposed scheme continues with the core principle that every working age household should pay something towards Council Tax. The scheme does not provide protection of detriment to any specific working age group. A neutral relative impact is therefore envisaged.

Hartlepool Borough Council – Single Impact Assessment Form 4.3 Appendix 1

Impact	Negative Impact Score	Explanation – what is the impact?
☐ Negative Impact X No Impact		
Sexual Orientation		
☐ Positive Impact ☐ Negative Impact X No Impact	Likelihood score: Impact score: Overall score:	The proposed scheme continues with the core principle that every working age household should pay something towards Council Tax. The scheme does not provide protection of detriment to any specific working age group. A neutral relative impact is therefore envisaged.
Care Leavers (Local)		
X Positive Impact Negative Impact No Impact	Likelihood score: Impact score: Overall score:	The council supports Care leavers that reside in Hartlepool until the age of 25 as part of our Corporate Parenting role.
Armed Forces (Local)		
☐ Positive Impact ☐ Negative Impact X No Impact	Likelihood score: Impact score: Overall score:	The proposed scheme continues with the core principle that every working age household should pay something towards Council Tax. The scheme does not provide protection of detriment to any specific working age group. A neutral relative impact is therefore envisaged..
Poverty and Disadvantage (Local)		
X Positive Impact ☐ Negative Impact ☐ No Impact	Likelihood score: Impact score: Overall score:	The operation of a Local Council Tax Support Scheme means that those meeting the eligibility criteria will receive a reduction to Council Tax payable.

Section 3 - Mitigation Action Plan or Justification

Group(s) impacted	Proposed mitigation	How this mitigation will make a difference	By when	Responsible Officer
N/A				

Justification If you need to justify your proposed action explain this here

Section 4 - Sign Off

Responsible Officer sign off:	
Name	Gillian Harvey
Job title	Benefits Manager
Director sign off:	
Name	James Magog
Job title	Director of Finance, IT and Digital

Once the Single Impact Assessment is completed please send to impactassessments@hartlepool.gov.uk.

Section 5 - Review (To be completed after implementation)

5.1 Review completed by:		
Name	**Job Title**	**Date review completed**

5.2 Did the impact turned out as expected?

5.3 Were the proposed mitigations the correct ones and were they successful in reducing any negative impacts?

5.4 Were there any unexpected outcomes?

5.5 Following the review please identify next steps here (Select one)
☐ Additional mitigation required (give details below - 5.6)
☐ Original proposed course of action needs to be revisited
☐ No further action required

5.6 Additional mitigation(s) or justification

Group(s) impacted	Proposed mitigation	How this mitigation will make a difference	By when	Responsible Officer

Justification If you need to justify your proposed action explain this here

Submit form with completed review to impactassessments@hartlepool.gov.uk

Hartlepool Borough Council

Finance and Corporate Affairs Committee

26th November 2026

Report of: Director of Finance, IT and Digital

Subject: CORPORATE PROCUREMENT REPORT ON CONTRACTS

Decision Type: For Information

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1. Council Plan Priority

Hartlepool will be a place:
where people live healthier, safe and independent lives. (People)
that is connected, sustainable, clean and green. (Place)
that is welcoming with an inclusive and growing economy providing opportunities for all. (Potential)
with a Council that is ambitious, fit for purpose and reflects its community. (Organisation)

2. Purpose of Report

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

- 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.

3. Background

3.1 The Council's Contract Procedure Rules require that the following information be presented to the Finance and Corporate Affairs Committee.

Section of Contract Procedure Rules		**Information to be reported**
Introduction	Para 8 iii & Para 8 vi	Outcome of contract letting procedures
Part G	Para 12 v	
Introduction Part B	Para 8 iii Para 3 v	Basis of award decision if not lowest/highest price payable/receivable
Introduction	Para 8 vi	Contract Name & Reference Number
Part G	Para 12 v	
Introduction	Para 8 vi	Description of Goods/Services being procured
Part G	Para 12 v	
Introduction	Para 8 vi	Department/Service area procuring the goods/services
Part G	Para 12 v	
Introduction	Para 8 vi	Prices (separate to Bidders details to preserve commercial confidentiality)
Part G	Para 12 v	
Part G	Para 12 v	Details of Bidders

3.2 In addition to tender related information, details of exemptions granted to the Contract Procedure Rules are also reportable.

4. Information for Consideration

4.1 Tender Information

Appendix A provides details of goods/services/works tenders valued over £60K awarded since the last report to committee, along with the social value percentage weighting that was incorporated at the application stage.

4.2 Exemption Information

Appendix B provides details of Contract Procedure Rules exemptions, granted since the last report to committee. Exemption request forms have been amended to detail reasons why Hartlepool based firms have not been selected and this information is now being collated.

4.3 Commercial / Confidential Information

Appendix C includes the commercial information in respect of the tenders received and any confidential information relating to Contract Procedure Rule exemptions or contract extensions.

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, Appendix C.

5. Other Considerations/Implications

Risk Implications	No relevant issues
Financial Considerations	No relevant issues
Subsidy Control	No relevant issues
Legal Considerations	No relevant issues
Single Impact Assessment	No relevant issues

Staff Considerations	No relevant issues
Asset Management Considerations	No relevant issues
Environment, Sustainability and Climate Change Considerations	No relevant issues
Consultation	N/A

6. Recommendations

6.1 That the Committee note the contents of the report.

7. Reasons for Recommendations

7.1 The Committee is required to review the information supplied to ensure that monitoring in the award of contracts is carried out and evidenced.

8. Background Papers

9. Contact Officers

James Magog
Director of Finance, IT and Digital
Email: james.magog@hartlepool.gov.uk

Paul Dixon
Assistant Director - Finance
Email: paul.dixon@hartlepool.gov.uk

Sign Off:-

Chief Executive	Date: 2 November 2026
Director of Finance, IT and Digital	Date: 2 November 2026
Director of Legal, Governance and HR	Date: 3 November 2026

APPENDIX A

TENDER INFORMATION (details the required information for each procurement tender awarded since the last report along with the social value percentage weighting that was incorporated at the application stage)

Date of Contract Award	Contract Name and Reference Number	Description of Goods / Services being procured	Duration of Contract (optional extensions in brackets)	Department / Service area procuring the goods / services	Details of Companies invited including location	Details of Bids received	Basis of award decision if not lowest/highest price payable / receivable (Social Value Element)	Outcome of contract letting procedures (Named sub-Contractors and location)	Previous Provider / Location
7.8.2026	Connect to Work – Lot 1 – Supported Employment – OPEN2026993	Hartlepool Borough Council (the Council) has been appointed as the Lead Body by Tees Valley Combined Authority (TVCA) for the Connect to Work Programme. As such, the Council is responsible for ensuring successful management and delivery of the programme across Tees Valley	The initial term of a Contract for Service is anticipated to run until March 2028. The Council may extend that Contract Term for 24 months to March 2030 subject to funding and contract performance of the Providers.	Housing, Growth & Communities	OPEN TENDER	Waythrough, Durham Hiyed North East Autism Society, Chester-le-Street	90% Quality 10% Social Value	Waythrough, Durham	N/A

APPENDIX A

Date of Contract Award	Contract Name and Reference Number	Description of Goods / Services being procured	Duration of Contract (optional extensions in brackets)	Department / Service area procuring the goods / services	Details of Companies invited including location	Details of Bids received	Basis of award decision if not lowest/highest price payable / receivable (Social Value Element)	Outcome of contract letting procedures (Named sub-Contractors and location)	Previous Provider / Location
7.8.2026	Connect to Work - Lot 4 – Individual Placement & Support (IPS) – Hartlepool – OPEN2026993	Hartlepool Borough Council (the Council) has been appointed as the Lead Body by Tees Valley Combined Authority (TVCA) for the Connect to Work Programme. As such, the Council is responsible for ensuring successful management and delivery of the programme across Tees Valley.	The initial term of a Contract for Service is anticipated to run until March 2028. The Council may extend that Contract Term for 24 months to March 2030 subject to funding and contract performance of the Providers.	Housing, Growth and Communities	OPEN TENDER	Lets Connect, Hartlepool North East Autism Society, Chester-le-Street Orangebox, Hartlepool SME Centre of Excellence Limited, Newcastle Stemran Limited, Paisley	90% Quality 10% Social Value	Lets Connect, Hartlepool	N/A
14.8.2026	16, Church Street Enabling Works	16 Church Street (the Shades) Grade II Listed Building – enabling works to provide temporary propping to the Church Street and Lynn Street	24 WEEKS	Neighbourhoods and Regulatory Services	Classic Masonry Limited, North Shields Historic Property Restorations Limited, North Shields Seymour Civil Engineering Limited, Hartlepool	Historic Property Restorations Limited, North Shields	50% Quality 40% Price 10% Social Value	Historic Property Restorations Limited, North Shields	N/A

Date of Contract Award	Contract Name and Reference Number	Description of Goods / Services being procured	Duration of Contract (optional extensions in brackets)	Department / Service area procuring the goods / services	Details of Companies invited including location	Details of Bids received	Basis of award decision if not lowest/highest price payable / receivable (Social Value Element)	Outcome of contract letting procedures (Named sub-Contractors and location)	Previous Provider / Location
		elevations; to demount the Victorian faience to the same elevations; and to undertake removal of the existing timber bressummer and replacement with steel work.			Sheraton Design & Build, Hartlepool				
3.9.2026	Waterfront Connectivity Walkway – OPEN 20261768	Supply and install approx. 90m2 of steel framed walkway, including piled foundations, steel framework, GRP decking and edge protection to connect the Highlight leisure complex with 300m2 of floating platforms (supplied and installed by Walcon Marine via an existing contract) in Jacksons Dock	4-5 Weeks	Neighbourhoods and Regulatory Services	BCE Northern Limited, Gateshead Esh Construction Limited, Durham Seymour Civil Engineering Limited, Hartlepool	BCE Northern Limited, Gateshead	90% Price 10% Social Value	BCE Northern Limited, Gateshead	N/A

APPENDIX A

Date of Contract Award	Contract Name and Reference Number	Description of Goods / Services being procured	Duration of Contract (optional extensions in brackets)	Department / Service area procuring the goods / services	Details of Companies invited including location	Details of Bids received	Basis of award decision if not lowest/highest price payable / receivable (Social Value Element)	Outcome of contract letting procedures (Named sub-Contractors and location)	Previous Provider / Location
25.9.2026	Contract for the Provision of Supported Accommodation including Accommodation -Based and Dispersed for Individuals who are Homeless or at Risk of Becoming Homeless	Hartlepool Borough Council is seeking to commission a single, integrated supported housing service for individuals who are homeless or at risk of homelessness with medium to high level needs. The service will combine accommodation-based provision and dispersed supported housing to deliver a coordinated pathway of support across the Borough.	3 years with an option to extend for an additional 2 years	Housing, Growth and Communities	OPEN TENDER	Brighterstays Limited, Newcaslte Dalton Housing CIC, Hull Flair Healthcare, Sheffield Home Group Limited, Newcastle Strive Housing Teesside CIC, Redcar	90% Quality 10% Social Value	Home Group Limited, Newcastle	Home Group Limited, Newcastle

Procurements Exempted from Council Contract Procedure Rules

(Provides details of the required information in relation to Contract Procedure Rules exemptions granted since the last Corporate Procurement Report on Contracts. Exemption request forms have been amended to detail reasons why Hartlepool based firms have not been selected and this information is now being collated)

Procurements Exempted from Council Contract Procedure Rules - Exemptions

Dept.	Service Unit	Company Name	Company based at	Duration	Description	Approval
Childrens & Joint Commissioning Services	Childrens Commissioning	Harbour Support Services	Hartlepool	01/10/26-31/03/27	Hartlepool Borough Council, in partnership with Harbour Support Services, is commissioning a programme to address the impact of domestic abuse on children by working directly with parents and caregivers who have displayed harmful or abusive behaviours. The programme will encourage participants to reflect on their behaviour, support engagement with behaviour change interventions, and improve outcomes for children and families. Delivery will be through a dedicated 1.0 FTE practitioner employed by Harbour and embedded within Children's Social Care, providing a link between statutory services and specialist domestic abuse support. The role will promote a consistent Safe & Together approach, strengthen partnership working, and improve coordination between services. Delivery and outcomes will be monitored by Public Health commissioners.	Approved by James Magog, Hayley Martin & Alison Sutherland 18/08/26

Dept.	Service Unit	Company Name	Company based at	Duration	Description	Approval
Childrens & Joint Commissioning Services	Early Intervention, Performance & Commissioning	Florcraft	Hartlepool	01/09/26-31/10/26	Replacement of worn and damaged carpeting at Best Start Family Hub Middleton Grange with durable safety flooring. Following an unsuccessful procurement exercise in March 2026, no bids were received. Florcraft has been identified due to its previous high-quality work within the building and its ability to provide a specialist flooring solution that avoids the need for extensive subfloor preparation, offering a practical and cost-effective approach.	Approved by James Magog, Neil Wilson and Alison Sutherland 01/09/26

Dept.	Service Unit	Company Name	Company based at	Duration	Description	Approval
Childrens & Joint Commissioning Services	Childrens Services - HAF	The Wonder Company	Leeds	01/09/26-31/08/27	Commissioning of The Wonder Company to provide age-appropriate activity packs to support Hartlepool Holiday Fun (HAF) delivery during the Christmas holidays 2026-27. The packs have been positively reviewed by Youth Service staff and children who have previously accessed HAF provision. The Wonder Company can provide a high-quality, ready-made solution that replicates and enhances the activity packs previously developed in-house, while reducing staff time and resource requirements. Market research identified no alternative supplier able to offer a comparable, age-appropriate package that meets the Council's requirements, timescales and budget, making The Wonder Company the most suitable provider for this service.	Approved by James Magog, Neil Wilson and Alison Sutherland 01/09/26

Dept.	Service Unit	Company Name	Company based at	Duration	Description	Approval
Childrens & Joint Commissioning Services	Early Intervention, Performance & Commissioning	EasyPeasy	London	31/08/26-31/08/29	Hartlepool is required to provide an evidence-based Home Learning Environment offer, approved by Nesta and the Foundations Guidebook, to support child development and school readiness. EasyPeasy has been successfully delivered since 2023, achieving high parental engagement and positive feedback. Continued funding will provide free access for all Hartlepool families with children aged 0-5 through the core offer and an enhanced targeted support package, helping to improve child development outcomes and contribute to the Local Authority's Best Start in Life and Good Level of Development (GLD) priorities through to 2029.	Approved by James Magog, Neil Wilson and Alison Sutherland 04/09/26

Dept.	Service Unit	Company Name	Company based at	Duration	Description	Approval
Childrens & Joint Commissioning Services	Early Intervention, Performance & Commissioning	The Centre for Emotional Health	Oxford	One Off Procurement	As part of the Family Hubs programme, the Local Authority is required to provide an evidence-based parenting intervention that meets Nesta and Foundations Guidebook standards. Hartlepool has selected the Nurturing Programme due to its proven success, suitability for parents of children aged 2 to 10 years, and effectiveness in supporting families affected by trauma and ACEs. Training 16 professionals will provide a sustainable delivery model and maximise reach across local families. The programme has been approved by the DfE, and the chosen provider is the only organisation currently authorised to deliver this intervention.	Approved by James Magog, Neil Wilson and Alison Sutherland 04/09/26

Dept.	Service Unit	Company Name	Company based at	Duration	Description	Approval
Development, Neighbourhood & Regulatory Services	Building Design & Consultancy Services	Historic Property Restoration	North Shields	14/09/26-23/10/26	The cabinet installation details and structural calculations have now been completed, enabling the HBC art collection, currently stored off-site at HBC's cost, to be returned to SWGH by the end of October. The works also include insurance-related repairs to the decorative plaster ceiling and associated floor and joist repairs. Due to the tight programme and specialist nature of the heritage works, a procurement exemption is requested. The required information to tender has only recently become available, making a standard tender process unachievable within the timescales. HPR is already working on projects in Hartlepool and has a proven record of delivering value for money and successful project outcomes.	Approved by James Magog, Hayley Martin and Kieran Bostock 07/10/26

Procurements Exempted from Council Contract Procedure Rules – Extensions

Dept.	Service Unit	Company Name	Company based at	Duration	Description	Approval
Childrens & Joint Commissioning Services	Children's Systems Development & Projects	Me Learning	Brighton	09/09/2026-08/09/2029	Me Learning remains the preferred provider for Liquidlogic EHM and LCS e-learning, as it is the only training provider approved by System C, the parent company of Liquidlogic. Purchasing through a framework is substantially more expensive than contracting direct with Me Learning. In addition to the significant financial savings, changing provider would require substantial officer time to rebuild course profiles and migrate learner data, creating unnecessary workforce and operational pressures. A direct award to Me Learning is therefore considered the most economical and practical option.	Approved by James Magog, Hayley Martin and Alison Sutherland 21/08/26

Dept.	Service Unit	Company Name	Company based at	Duration	Description	Approval
Adults Services & Public Health	Commissioning	Let's Connect	Hartlepool	01/09/26-31/08/27	The Clean Sweep service, delivered by Let's Connect, Big League CIC and Poolie Time, provides specialist support for adults experiencing hoarding behaviours and self-neglect through cleaning, de-cluttering and reablement support. A direct award and contract extension is recommended due to the specialist nature of the service, limited market alternatives, and the need to maintain support for vulnerable residents. Without the service, safeguarding risks, demand on public services, and associated costs are likely to increase.	Approved by James Magog, Hayley Martin and Chris Woodcock 30/09/26