



Civic Centre
HARTLEPOOL

14 February, 2023

Councillors Allen, Ashton, Boddy, Brash, Brown, Buchan, Cassidy, Clayton, Cook, Cowie, Cranney, Creevy, Falconer, Feeney, Fleming, Groves, Hall, Hargreaves, Harrison, Howson, Jackson, Leedham, Lindridge, Little, Loynes, Martin-Wells, Moore, Morley, D Nicholson, V Nicholson, Reeve, Sharp, Smith, Thompson, Tiplady and Young.

Madam or Sir,

You are hereby summoned to attend the COUNCIL meeting to be held on THURSDAY, 23 FEBRUARY 2023 at 6.00 p.m. in the Council Chamber, Civic Centre, Hartlepool to consider the subjects set out in the attached agenda.

Yours faithfully

D McGuckin
Managing Director

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COUNCIL AGENDA



Thursday 23 February 2023

at 6.00 pm

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

- (1) To receive apologies from absent Members;
- (2) To receive any declarations of interest from Members;
- (3) To deal with any business required by statute to be done before any other business;
- (4) To approve the minutes of the last meeting of the Council held on 26 January 2023 as the correct record;
- (5) To answer questions from Members of the Council on the minutes of the last meeting of Council;
- (6) To deal with any business required by statute to be done;
- (7) To receive any announcements from the Chair, or the Head of Paid Service;
- (8) To dispose of business (if any) remaining from the last meeting and to receive the report of any Committee to which such business was referred for consideration;
- (9) To consider reports from the Council's Committees and to receive questions and answers on any of those reports;
 - (1) Hartlepool Mayoral Development Corporation – Report of Finance and Policy Committee.
- (10) To consider any other business specified in the summons to the meeting, and to receive questions and answers on any of those items;

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.

- (11) To consider reports from the Policy Committees:
 - (a) proposals in relation to the Council's approved budget and policy framework;
 - (1) Capital Programme 2023/24 to 2026/27 – Report of Finance and Policy Committee
 - (2) Medium Term Financial Strategy 2023/24 - Statutory Budget and Council Tax Determination – Report of Finance and Policy Committee (to follow)
 - (b) proposals for departures from the approved budget and policy framework;
- (12) To consider motions in the order in which notice has been received;
- (13) To receive the Managing Director's report and to pass such resolutions thereon as may be deemed necessary;
- (14) To receive questions from and provide answers to the public in relation to matters of which notice has been given under Rule 9;
- (15) To answer questions of Members of the Council under Rule 10;
 - a) Questions to the Chairs about recent decisions of Council Committees and Forums without notice under Council Procedure Rule 10.1
 - b) Questions on notice to the Chair of any Committee or Forum under Council Procedure Rule 10.2
 - c) Questions on notice to the Council representatives on the Police and Crime Panel and Cleveland Fire Authority
 - d) Minutes of the meetings held by the Police and Crime Panel held on 5 July 2022 and 13 September 2022.



COUNCIL

MINUTES OF PROCEEDINGS

26 January 2023

The meeting commenced at 6.00 pm in the Civic Centre, Hartlepool.

The Ceremonial Mayor (Councillor Cowie) presiding:

COUNCILLORS:

Allen	Boddy	Brash
Brown	Buchan	Cassidy
Clayton	Cranney	Feeney
Fleming	Groves	Hall
Harrison	Howson	Jackson
Leedham	Lindridge	Little
Loynes	Martin-Wells	Moore
Morley	D Nicholson	V Nicholson
Reeve	Sharp	Smith
Thompson	Young	

Officers: Denise McGuckin, Managing Director
Hayley Martin, Chief Solicitor
Chris Little, Director of Resources and Development
Amanda Whitaker and Denise Wimpenny, Democratic Services Team

95. APOLOGIES FOR ABSENT MEMBERS

Councillors Ashton, Cook, Creevy, Falconer, Hargreaves and Tiplady

It was agreed that a Get Well Card be sent to Councillor Ashton.

96. DECLARATIONS OF INTEREST FROM MEMBERS

None.

97. BUSINESS REQUIRED BY STATUTE TO BE DONE BEFORE ANY OTHER BUSINESS

None.

98. MINUTES OF PROCEEDINGS

The Minutes of Proceedings of the Council held on the 15 December 2022, having been laid before the Council.

RESOLVED - That the minutes be confirmed.

With reference to minute 90, the Managing Director updated Full Council that following approval of the Motion, regarding long term investment in Hartlepool Hospital, a letter had been sent to the Trust by the Ceremonial Mayor. A response had been received and a meeting had arranged with the Trust's Chief Executive

99. QUESTIONS FROM MEMBERS OF THE COUNCIL ON THE MINUTES OF THE PREVIOUS MEETING OF THE COUNCIL

None.

100. BUSINESS REQUIRED BY STATUTE

None.

101. ANNOUNCEMENTS

The Managing Director advised Full Council that correspondence had been received from the Department for Levelling Up, Housing and Communities regarding the appointment of Lord Morse as the interim chair of the Office for Local Government (Oflog). A copy of the letter would be circulated to all elected members.

102. TO DISPOSE OF BUSINESS (IF ANY) REMAINING FROM THE LAST MEETING AND TO RECEIVE THE REPORT OF ANY COMMITTEE TO WHICH SUCH BUSINESS WAS REFERRED FOR CONSIDERATION.

None.

103. TO RECEIVE REPORTS FROM THE COUNCIL'S COMMITTEES

- (1) HBC Corporate Peer Challenge Feedback Report – Report of Finance and Policy Committee

The Chair of the Committee highlighted to Full Council that the Corporate Peer Challenge Feedback set out the following five core elements:

- Local priorities and outcomes
- Organisational and Place leadership

- Governance and Culture
- Financial Planning and Management
- Capacity for improvement.

The team had also been asked to reflect on the Council's approach in two additional areas which were Organisation risk and resilience and Economic Regeneration

Elected Members were advised that the overall message was positive. There were a number of observations and suggestions within the main section of the report, followed by the team's key recommendations to the Council.

An elected member proposed that the appreciation of Council be conveyed to staff and the Managing Director was requested to engage with elected members prior to drafting an Action Plan. The Managing Director confirmed she was happy to support that request.

Elected members debated issues arising from the feedback report and clarification was provided by the Managing Director and Leader of the Council on the issues raised.

It was agreed, with no dissent, that the feedback report be noted and the Managing Director was authorised, after engaging with elected members, to produce an action plan in response setting out how the Council will take forward the recommendations.

104. TO CONSIDER ANY OTHER BUSINESS SPECIFIED IN THE SUMMONS OF THE MEETING

None.

105. REPORT FROM THE POLICY COMMITTEES

(a) Proposal in relation to the Council's budget and policy framework

(1) Medium Term Financial Strategy (MTFS) 2023/24 to 2025/26 – Report of Finance and Policy Committee

The Chair advised that the Committee had considered the budget report, on 23 January 2023, which provided an update on the Government's 2023/24 financial settlement for Councils and feedback from policy committees. The key issues included in the report were highlighted. The report explained in detail the significant budget challenges and highlighted that the proposed budget package minimised the impact on services provided to the residents of Hartlepool. The report also provided robustness advice from the section 151 officer that elected members needed to consider the implications on the financial sustainability and resilience of the Authority.

Feedback from the Policy Committees had been considered and the Committee had recommended that the proposed garden waste charge of £41.50 is reduced to £32.00. Additionally, the budget for Christmas Trees be retained and only the tree at the National Museum of the Royal Navy will be no longer be provided. It was noted that overall the amended proposals reduced the budget saving for 2023/24 by £61,000.

The recommendations of the Committee were moved by Councillor Moore and seconded by Councillor Young.

During the debate which followed presentation of the report, grave concerns were expressed by a number of elected members regarding issues associated with government funding and the implications on residents.

It was moved by Councillor Moore and seconded by Councillor Young that the vote be put.

In accordance with Council Procedure Rule 15.6 of the Constitution, a recorded vote was taken on the Motion:-

Those for:-

Councillors Brown, Buchan, Cassidy, Cowie, Fleming, Groves, Jackson, Leedham, Lindridge, Little, Loynes, Martin-Wells, Moore, D Nicholson, V Nicholson, Reeve and Young.

Those against:-

Councillors Allen, Boddy, Brash, Clayton, Cranney, Feeney, Hall, Harrison, Howson, Morley, Sharp, Smith, Thompson,

Those abstaining:-

None.

It was announced that the vote was carried.

(b) Proposal for Departure from the Budget and Policy Framework

None.

106. MOTIONS ON NOTICE

One Motion had been received as follows:-

“Community payback is a form of punishment that ensures offenders give back to their communities in a positive way, forcing them to take responsibility for their actions and make amends to those affected by their crimes. This can provide a sense of closure and justice for victims, and help them to move on from the trauma caused.

Community payback can also increase the sense of community safety and security, as offenders are held accountable for their actions and make a positive contribution to society. This can help victims to feel more secure in their communities and can increase community awareness of crime prevention.

We believe that everything must be done to empower victims so that they feel a sense of ownership over the process so that the use of community payback is directed toward their priorities.

Council therefore resolves to:

Direct the Safer Hartlepool Partnership to develop a 'Community Payback Action Plan', that creates a partnership between our Youth Justice Service and the Probation Service, to give victims of crime and antisocial behaviour in Hartlepool a stronger voice in how this service is used.

This should include, but not necessarily be limited to:

1. Allowing victims to identify the projects they would like to see included in the scheme.
2. Directing the specific community work that offenders undertake.
3. Allowing victims a voice in the development and reviewing of the plan.

Council further requests that this plan be brought back to council at the earliest opportunity."

Signed: Councillors Harrison, Brash, Allen, Boddy, Clayton, Creevy, Feeney, Hall, Hargreaves, Howson, Morley, Thompson and Sharp

The motion was moved by Councillor Brash and seconded by Councillor Harrison.

On moving and seconding the motion, the rationale and background to the submission of the Motion was reported to Full Council.

Councillor Moore advised that the Safer Hartlepool Partnership had considered the issue of Community Payback in 2019 and moved an amendment to the first paragraph of the Motion as follows:-

"Direct the Safer Hartlepool Partnership to request an update and presentation on the current community payback plan and invite all members to engage in reviewing how the partnership between our Youth Justice Service and the Probation Service works, to give victims of crime and antisocial behaviour in Hartlepool a stronger voice in how the service is used."

The Mover of the Motion advised he accepted the amendment to the Motion.

A further amendment was moved by Councillor Young to delete the final paragraph of the Motion, in order to avoid any delay in progressing the issue. The mover of the Motion spoke in support of Council consideration of the Plan. Councillor Young withdrew the further amendment.

The Motion, as amended by Councillor Moore, was approved, with no dissent.

MANAGING DIRECTOR'S REPORT

107. LEVELLING UP

The Managing Director reported that notification had been received that the Council's bid to the Levelling Up Fund Round 2 for 'Catalysing Hartlepool's Screen Industries Production Village' had been successful for the full requested amount of £16,453,891. It was highlighted that the successful applicant letter from Deheena Davison MP had stated that the Council had 'submitted a strong application, which performed well against the assessment criteria, and pleased to hear about the projects that we plan to deliver with this investment'. Members were advised that a comprehensive report on the project would be submitted to the Finance and Policy Committee on 13th March 2023.

The Chair of the Economic Growth and Regeneration Committee joined the Managing Director in expressing appreciation to all those Officers who had been involved in the preparation and submission of the bid.

RESOLVED – That the report be noted.

108. APPOINTMENT OF DEPUTY ELECTORAL REGISTRATION OFFICERS

Elected Members were advised that under Section 8(2) of the Representation of the People Act 1983, Full Council must appoint an Officer to the position of 'Electoral Registration Officer'. This position is held by the Managing Director. The Council may appoint a Deputy Electoral Registration Officer who is able to perform and exercise any of the duties and powers of the Electoral Registration Officer. In order to ensure resilience and for the Council to be able to deliver the duties placed upon it by the Elections Act 2022, in particular in relation to the issue of Voter Authority Certificates, Council's support was requested to the appointment of Hayley Martin and Lorraine Bennison as Deputy Electoral Registration Officers.

RESOLVED – That Hayley Martin and Lorraine Bennison be appointed Deputy Electoral Registration Officers.

109. ELECTED MEMBER NOMINATIONS FOR THE APPOINTMENT OF GOVERNORS TO THE NORTH EAST AMBULANCE SERVICE NHS FOUNDATION TRUST

The Managing Director advised elected members that at a recent meeting of the ANEC Board, the appointment of Cllr Nicholson (from Darlington Borough Council) to the Foundation Trust had been agreed. There were 3 further appointments to which nominations needed to be made as set out in the appended report.

Members of Board had been requested to identify nominees from their respective Councils to the remaining 3 positions on the Trust.

RESOLVED – That no nominations for the Governor appointments be made by this Authority.

110. PUBLIC QUESTION

None.

111. QUESTIONS FROM MEMBERS OF THE COUNCIL

- a) Questions to the Chairs about recent decisions of Council Committees and Forums without notice under Council Procedure Rule 12.1

None.

- b) Questions on notice to the Chair of any Committee or Forum under Council Procedure Rule 12.2

One question had been submitted from Councillor Little to the Chair of the Finance and Policy Committee:-

“How many people/families have we helped with fuel poverty in the last 12 months?”

The Chair of the Committee responded that there are three routes to access energy support that had either been delivered by the Council or managed through a third party in the January to December 2022 period:

1. From the Council's Welfare Support Service - 276 gas /electricity awards, total amount spent £13,300.
2. Citizen Advice Bureau through the Household Support Fund grants the Council had given them – 1104 awards in that period and £73,030 spent
3. Advice @ Hart through the Household Support Fund grants the Council have given them – 1170 awards in that period and £85,563 spent.

In addition the Council had delivered the Council Tax Energy Rebate scheme providing £150 to 40,946 households within Hartlepool.

Councillor Little advised Full Council of the background and the reason for submission of her question. Elected Members debated issues arising from the question. During the debate it was questioned how many pre-payment meters warrants had been issued by Teesside Magistrates Court. In response the Managing Director undertook to contact the Magistrates Court to enquire

whether they are able to provide that information and if possible, details would be circulated to elected members.

- c) Questions on notice to the Council representatives on the Police and Crime Panel and Cleveland Fire Authority

None.

- d) Minutes of the meetings held by the Cleveland Fire Authority and the Police and Crime Panel

The minutes of the Cleveland Fire Authority held on 14 October 2022 were noted.

The meeting concluded at 7.30 p.m.

CEREMONIAL MAYOR

COUNCIL

23 FEBRUARY 2023



Report of: Finance and Policy Committee

Subject: HARTLEPOOL MAYORAL DEVELOPMENT CORPORATION (MDC)

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to enable Members to consider the report referred from Finance and Policy Committee (Annex 1) outlining work that has been carried out to secure sufficient safeguards and assurances within the Hartlepool Mayoral Development Corporation Constitution since Council considered this matter on the 23 November and to seek Members endorsement of the updated Constitution.

2. BACKGROUND

- 2.1 The designation of a Mayoral Development Area is a mayoral power under the Localism Act 2011 (section 197). On 22nd July 2022, the Tees Valley Combined Authority Cabinet supported the Mayors proposal to designate an area of Hartlepool as a new Mayoral Development Area, subject to the outcome of consultation. At this meeting an allocation of £10M was made from the Investment plan to support the designation.
- 2.2 The TVCA undertook a consultation with statutory consultees and other stakeholders for the area. A consultation was published on the TVCA website on Thursday 23rd June 2022 and closed on Thursday 4th August 2022. The consultation documents covered the general principles of a MDC, the proposed redline boundary, and powers. A summary of the responses and the TVCA's formal response can be found on the TVCA website.
- 2.2 A MDC is a statutory body created to accelerate the regeneration of a defined area. A MDC can draw on a wide range of powers to acquire, develop, hold and dispose of land and property, and develop infrastructure by dedicating specialist capacity; securing additional investment; and, streamlining processes.

3. PROPOSALS

- 3.1 The Finance and Policy Committee meeting held on 13 February 2023 considered the attached detailed report and made the recommendations set out below. Council's endorsement of those recommendations is sought.

4. RECOMMENDATIONS

- 4.1 Council is requested to:
- a) Endorse the Hartlepool Mayoral Development Corporation Constitution
 - b) Note the overarching principles governing asset transfer and that work will continue to agree financial compensation
 - c) To provide comment to feed in to the Secretary of State consultation relating to the transfer of HBC owned assets
 - d) Delegate authority to the Managing Director in consultation with the Chief Solicitor and s151 Officer to negotiate and agree the heads of terms and any accompanying MOU/Legal agreements between the MDC and the Council including the scheme of delegation in relation to the transfer and discharge of Planning powers.

5. REASONS FOR RECOMMENDATIONS

- 5.1 To ensure that the Council can secure the investment and other benefits of the MDC but with sufficient safeguards to ensure local input into decision making

6. BACKGROUND PAPERS

Finance and Policy Committee Report, 13 February 2023 – Mayoral Development Corporation
Finance and Policy Committee Report, 21 November 2022– Mayoral Development Corporation
Extraordinary Council meeting 23 November 2022 – Mayoral Development Corporation
TVCA Cabinet meeting 22nd July and 28th October 2022 – Investment Plan
TVCA Overview & Scrutiny 10th August 2022

7. CONTACT OFFICERS

Denise McGuckin, Managing Director
01429 523001
Denise.mcguckin@hartlepool.gov.uk

FINANCE AND POLICY COMMITTEE

13th February 2023



Report of: Managing Director

Subject: Hartlepool Mayoral Development Corporation (MDC)

1. TYPE OF DECISION/APPLICABLE CATEGORY

1.1 Key Decision – General Exemption Applies

2. PURPOSE OF REPORT

2.1 The purpose of this report is to update Members on work that has been carried out to secure sufficient safeguards and assurances within the Hartlepool Mayoral Development Corporation Constitution since Council considered this matter on the 23 November and to seek Members endorsement of the updated Constitution.

2.2 As part of the legislation for Development Corporations, the Mayor can request the transfer of publicly owned assets to the ownership of the MDC. Asset transfer is a separate consultation process carried out by the Secretary of State for Levelling Up, Housing and Communities (SoS) with statutory stakeholders. The assets listed have been the subject of discussions between Tees Valley Combined Authority (TVCA) and the Council. This report therefore also seeks Members views and comments regarding the transfer of public assets and planning powers in response to the statutory consultation

3. BACKGROUND

3.1 The designation of a Mayoral Development Area is a mayoral power under the Localism Act 2011 (section 197). On 22nd July 2022, the Tees Valley Combined Authority Cabinet supported the Mayors proposal to designate an area of Hartlepool as a new Mayoral Development Area, subject to the outcome of consultation. At this meeting an allocation of £10M was made from the Investment plan to support the designation.

3.2 The TVCA undertook a consultation with statutory consultees and other stakeholders for the area. A consultation was published on the TVCA website on Thursday 23rd June 2022 and closed on Thursday 4th August 2022. The

consultation documents covered the general principles of a MDC, the proposed redline boundary, and powers. A summary of the responses and the TVCA's formal response can be found on the TVCA website.

3.2 A MDC is a statutory body created to accelerate the regeneration of a defined area. A MDC can draw on a wide range of powers to acquire, develop, hold and dispose of land and property, and develop infrastructure by dedicating specialist capacity; securing additional investment; and, streamlining processes.

3.3 The objectives of the Hartlepool MDC are:

- To further the economic development and regeneration of the Hartlepool area, so that it becomes a major contributor to the Tees Valley economy and the delivery of the Tees Valley's Strategic Economic Plan;
- To attract private sector investment and secure additional jobs, available for the people of the Tees Valley; and
- To transform and improve the environment of the Corporation area, which may include providing good quality commercial, cultural, leisure and housing facilities for the benefit of the people of Hartlepool.

3.4 At the Council meeting of the 23rd November 2022, Members agreed that subject to satisfactory safeguards and assurance being agreed and provided for within the Hartlepool MDC Constitution that:

- officers will continue to work with the TVCA to secure written assurances to ensure as far as reasonably practicable that all of the elements set out in the HBC consultation response are adopted;
- work will continue with the TVCA to ensure sufficient safeguards are contained within the MDC Constitution a copy of which will be brought back to Members for information; and
- a further report will be presented to Members regarding any financial or asset implications as part of the second stage of the consultation which will be undertaken by the SoS.

3.5 In October 2022, following statutory consultation, and in line with legislation, the Tees Valley Mayor notified the SoS of the designation of the Hartlepool Mayoral Development Area. This signalled the start of formal legislation being drawn up by government to establish the MDC and its powers.

4. MASTERPLAN

4.1 Alongside the consultation period for the formal establishment of the MDC, a Masterplan has been developed. The purpose of the Masterplan is to build upon ongoing plans and investment and sets out a high-level framework which has been developed with key partners.

- 4.2 Following a procurement process, Arup have been commissioned to develop a Masterplan for the MDC area.
- 4.3 Some supporting areas of the document are still being developed, for example, economic statistics to highlight challenges, final images, and reference to the separate design code document (which is currently being commissioned). The final version will be presented to a meeting of the MDC Board once formally established, followed by a formal launch event.

5. LEGISLATION AND POWERS

- 5.1 The designation of Mayoral Development Areas is a mayoral power under the Localism Act 2011 (section 197) and applies to the TVCA through the Combined Authority (Functions) Order 2017. Once an area has been designated and notified to the SoS, legislation is drawn up by government, and laid before Parliament, to establish the MDC and give it powers.

5.2 Hartlepool Development Corporation Establishment Order

The MDC becomes a legal entity through an Establishment Order (**Appendix 1**) It includes the map for the area and an Explanatory Memorandum to accompany the order This order was laid before Parliament on 6 February 2023 and will come into force on 27 February 2023 and can be found at <https://www.legislation.gov.uk/ukxi/2023/104/contents/made>.

5.3 The Power to Grant Discretionary Business Rates Relief

The MDC will have the power to grant discretionary rate relief to businesses within the redline boundary. Government is currently drafting this legislation and it will be laid before Parliament in the same way as the Establishment Order referred to above.

The application of this power in operational terms has been the subject of extensive discussions between the TVCA and Hartlepool Borough Council (HBC) and will be detailed in an agreement between the MDC and HBC. It should be noted that the default position will be that the Tees Valley Mayor can grant business rate relief within the MDC area, but the MDC must compensate HBC for any resulting loss of business rates income.

Where this applies to new rates (for example, related to new investment) there would be an agreement between the MDC and HBC that the Tees Valley Mayor could offer this without compensating HBC, but only if it is agreed by the MDC Board, with agreement from the HBC Board Member of the MDC. In the event this isn't granted it reverts to the above default position. Therefore, the HBC Board Member of the MDC will have a veto over any such scheme but having this agreement allows the MDC the flexibility to move forward without involving HBC for new investment. Where there is an impact on HBC's finances, again it reverts to the default position.

5.4 Town and Country Planning Powers

There are several powers related to Planning that can be discharged by the MDC. The application of these powers in operational terms has been the subject of discussions between the TVCA and HBC and will be detailed within a Memorandum of Understanding MOU/legal agreement between the MDC and HBC.

The high-level position is as follows:

- The MDC will discharge planning powers for the purposes of planning applications and decisions on those applications within the redline boundary area. This will only be for those applications that fall within the attached “strategic definition” document (**CONFIDENTIAL Appendix 2 - Paragraph 3. Information relating to the financial or business affairs of any particular person (including the authority holding that information)**). The consideration of and decisions on applications that do not fall within this will be dealt with by HBC. For this to work in practice, the MDC will be granted this power through the legislation but will delegate back the functions that have been agreed should remain with HBC through the MoU/Legal Agreement referred to above.
- The MDC will automatically receive CPO powers through section 207 of the Localism Act 2011 and therefore does not need to draw down the power to CPO through the planning legislation. This does not affect the CPO powers of HBC. The MDC will discharge the powers in relation to Listed Buildings.
- The MDC will not be discharging the powers related to planning enforcement. Planning enforcement will remain the responsibility of HBC.
- The MDC will not be discharging the powers related to the Local Plan. The Local Plan will remain the responsibility of HBC.
- The MDC will not be discharging the powers related to applications for consent for overhead electricity lines.

5.5 Supplementary Planning Document/Design Code

In line with statutory requirements, a Supplementary Planning Document/Design Code will be developed, which will sit alongside the Masterplan. The document will be published for statutory consultation.

6. TRANSFER OF PUBLIC ASSETS

- 6.1 The legislation enables the SoS to make a scheme to transfer property, rights and liabilities to the MDC. This can include the transfer of publicly owned assets to the ownership of the MDC. An asset transfer scheme is subject to a

separate consultation process carried out by the SoS. The final decision as to whether an asset is transferred to the ownership of the MDC sits with the SoS.

- 6.2 The assets listed (**CONFIDENTIAL Appendix 3 - Paragraph 3. Information relating to the financial or business affairs of any particular person (including the authority holding that information)**) are the subject of SoS consultation and have been subject of extensive discussions between HBC and TVCA. The assets included on the list are those that it has been agreed are crucial to the delivery of key projects in the Masterplan.
- 6.3 TVCA are working closely with HBC's legal and finance teams to agree appropriate terms and protections on an asset-by-asset basis. The detailed heads of terms for each HBC asset are still being finalised at the time of writing, however are based on the following principles:
- a) the Council (including our current tenants) will not be required to vacate the HBC assets until such time as appropriate alternative accommodation has been identified and secured. The Council will work with the Combined Authority and the Mayoral Development Corporation to identify appropriate locations;
 - b) the Council will not be required to incur any additional revenue costs, using a baseline of the current budget for the assets, from any future accommodation arrangement;
 - c) where maintenance or repair costs arise in respect of the assets, ahead of the Council (or current tenants) moving to a new location, the Council will inform the Mayoral Development Corporation of the issue and the parties will work together to find a solution to avoid significant expenditure, and
 - d) unless otherwise agreed with the Council, there will be no situation where the Council suffers an annual overall reduction in either business rates or council tax income as a result of the Mayoral Development Corporation public asset transfer.
 - e) where a loss arises to the Council, the compensation process will commence on transfer of the asset, recognising the impact on the Council's budget both now and in the future.
 - f) failure to adequately develop sites should give rise to a discussion about land being returned, with a presumption that a transfer shall take place unless the Council is provided with a credible delivery plan. Allied to this, where the Mayoral Development Corporation transfers land to third parties it shall include safeguards to allow land to be recovered if it is not adequately developed within an agreed period (as well as allowing other parties to step into contracts and securing rights against the titles to the assets).
- 6.4 HBC await contact from the SoS regarding the asset transfer consultation which is expected imminently. The consultees will be the Tees Valley Mayor

and the asset owners. The consultation will be complete before commencement of the purdah period.

7. CONSTITUTION

7.1 The draft Constitution (**appendix 4**) sets out the governance arrangements and rules of procedure for the MDC. Council have negotiated with the Tees Valley Mayor to include appropriate assurances and have included as many safeguards as possible to protect the Council's position. These include measures such as:

- The Mayor will not have a casting vote
- HBC elected member representation must be present for any meeting to be quorate
- That the Board cannot make decisions that impose financial or other liabilities upon HBC
- That an elected member of HBC will be the Vice Chair of the Board
- The Managing Director of HBC is a non-voting member of the Board

7.2 Once the MDC becomes a legal entity, the Constitution will be taken to the first meeting of the MDC Board for approval.

8. RISK IMPLICATIONS

8.1 As with any new entity there are risks involved, however Members should be mindful of changes in government funding, a mayoral election and change of direction and the current economic climate may make it difficult to attract private sector investment over the next 3 years.

9. FINANCIAL CONSIDERATIONS

9.1 The TVCA Cabinet committed £10m to the MDC from the Investment Plan at its meeting in July 2022. Financial implications associated with the MDC delivery will be the subject of separate, project specific reports undertaken by the MDC Board.

9.2 Discussions are on-going as to the financial compensation package to reflect the revenue implications of asset transfers, consistent with the principle of no undue detriment to the Councils revenue budget.

10. LEGAL CONSIDERATIONS

10.1 As set out above, the legislation establishing the MDC will come into force 27th February 2023, whereupon the MDC will become a legal entity. The consultation process for the transfer in of publicly owned assets is expected to open on 6th February 2023.

11. CONSULTATION

- 11.1 The TVCA undertook a consultation with statutory consultees and other stakeholders, for the MDC area. It was published on the TVCA website on Thursday 23rd June 2022 and closed on Thursday 4th August 2022. The consultation covered the general principles of a MDC area, the proposed redline boundary, and powers. A summary of the responses and the formal TVCA response can be found on the Combined Authority website.

As set out above, the SoS will conduct separate consultation in relation to the proposed asset transfer scheme

12. OTHER CONSIDERATIONS

Child & Family Poverty	None relating to this report
Equality & Diversity	None relating to this report
Staff considerations	None relating to this report
Asset Management	None relating to this report
Environment, Sustainability & Climate Change	None relating to this report

13. RECOMMENDATIONS

Members are asked to:

- a) Endorse the MDC Constitution
- b) Note the overarching principles governing asset transfer and that work will continue to agree financial compensation
- c) To provide comment to feed in to the SoS consultation relating to the transfer of HBC owned assets
- d) Delegate authority to the Managing Director in consultation with the Chief Solicitor and s151 Officer to negotiate and agree the heads of terms and any accompanying MOU/Legal agreements between the MDC and the Council including the scheme of delegation in relation to the transfer and discharge of Planning powers.

14. REASONS FOR RECOMMENDATIONS

- 14.1 To ensure that the Council can secure the investment and other benefits of the MDC but with sufficient safeguards to ensure local input into decision making.

15. BACKGROUND PAPERS

Finance and Policy Committee Report, 21 November 2022– Mayoral
Development Corporation
Extraordinary Council meeting 23 November 2022 – Mayoral Development
Corporation
TVCA Cabinet meeting 22nd July and 28th October 2022 – Investment Plan
TVCA Overview & Scrutiny 10th August 2022

16. CONTACT OFFICERS

Denise McGuckin
Managing Director

Sign Off:-

Managing Director



Director of Resources and Development



Chief Solicitor



No.

LOCAL GOVERNMENT, ENGLAND

**The Hartlepool Development Corporation (Establishment) Order
2023**

Made - - - -

Laid before Parliament

6th February 2023

Coming into force - -

27th February 2023

The Secretary of State for Levelling Up, Housing and Communities makes this Order in exercise of the powers conferred by section 198 of the Localism Act 2011(a) (“the 2011 Act”) as modified by article 4 of, and the Schedule to, the Tees Valley Combined Authority (Functions) Order 2017(b) (“the 2017 Order”).

The Mayor of Tees Valley has notified the Secretary of State of the designation of a Mayoral development area and of the name to be given to the Corporation for the area pursuant to section 197(6)(b) and (c) of the 2011 Act as modified by article 4, and the Schedule to, the 2017 Order.

Citation and commencement

1. This Order may be cited as the Hartlepool Development Corporation (Establishment) Order 2023 and comes into force on 27th February 2023.

Mayoral Development Area

2.—(1) The Mayoral development area is the area of land shown bounded externally by the inside edge of the black line on the map.

(2) In paragraph (1), “the map” means the map marked “Map referred to in the Hartlepool Development Corporation (Establishment) Order 2023” of which prints signed by a Deputy Director in the Department for Levelling Up, Housing and Communities have been deposited, and are available for inspection, at the offices of the Secretary of State for Levelling Up, Housing and Communities and at the offices of the Tees Valley Combined Authority.

(a) 2011 c. 20. “Combined Authority” and “Corporation” have the meaning given in paragraph 1(2)(b) of the Schedule to the Tees Valley Combined Authority (Functions) Order 2017 (S.I. 2017/250).

(b) S.I. 2017/250. This order was made under sections 105(3), 105A(1)(b) and (2)(a), 107D(1), 114(1) and (3) and 117(5) of the Local Democracy, Economic Development and Construction Act 2009 (c.20). Section 105A was inserted by section 7 of the Cities and Local Government Devolution Act 2016 (c.1) (“the 2016 Act”). Section 114 was amended by section 23 of, and paragraphs 26 of Schedule 5 to, the 2016 Act, and by S.I. 2016/997. Section 117(5) was inserted by section 23 of, and paragraph 29 of Schedule 5 to, the 2016 Act.

Establishment and naming of the Hartlepool Development Corporation

3. There is established a corporation for the Mayoral development area named the “Hartlepool Development Corporation”.

Signed by authority of the Secretary of State for Levelling Up, Housing and Communities

[NAME]
Parliamentary Under Secretary of State
Department for Levelling Up, Housing and Communities

EXPLANATORY NOTE

(This note is not part of the Order)

This Order establishes a corporation in relation to an area in the Tees Valley Combined Authority, designated as a Mayoral development area. The area is shown bounded externally by the inside edge of the black line of the map.

The power to designate and establish the corporation is set out in section 198 of the Localism Act 2011, as modified by Article 4 of, and the Schedule to, the Tees Valley Combined Authority (Functions) Order 2017 (S.I. 2017/250).

The corporation for the area is to be called the Hartlepool Development Corporation (article 3).

A full impact assessment has not been prepared for this Order as no impact on the private or voluntary sectors is foreseen.



Department for Levelling Up,
Housing & Communities

**Map 1 of 2 referred to by The Hartlepool Development
Corporation (Establishment) Order 2023**

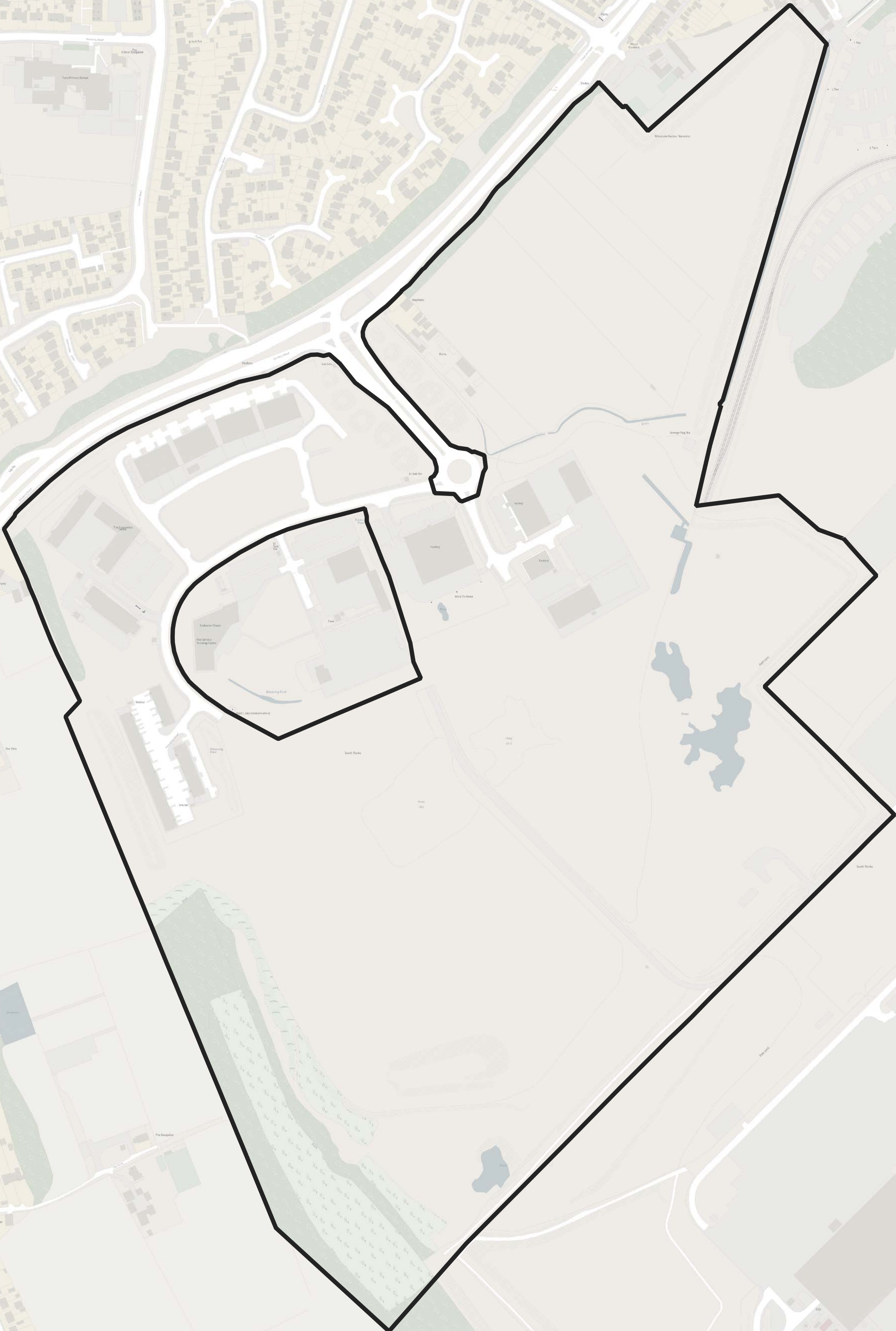
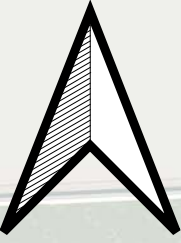
Map 1 of 2 referred to by The
Hartlepool Development
Corporation (Establishment) Order
2023. Signed by a member of the
Department for Levelling Up,
Housing and Communities Senior
Civil Service.



Hartlepool Development Corporation Boundary

Signature

Date 30 January 2023



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Department for Levelling Up,
Housing & Communities

Map 2 of 2 referred to by The Hartlepool Development Corporation (Establishment) Order 2023

Map 2 of 2 referred to by The Hartlepool Development Corporation (Establishment) Order 2023. Signed by a member of the Department for Levelling Up, Housing and Communities Senior Civil Service.

Signature

Date 30 January 2023

 Hartlepool Development Corporation Boundary



Hartlepool Development Corporation

Draft Constitution

Version 1.3

February 2023

Introduction	3
Objectives	3
Boundary.....	4
The Board	4
The Statutory Officers	5
Powers of the Corporation.....	6
Decision Making.....	7
Reporting	8
Committees.....	9
Group Audit and Risk Committee	9
Delegations	9
Amending the Constitution	10
Appendix 1 – Plan of the area	11

Document Control	3
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Appendices

Appendix I – Rules of Procedure	13
Appendix II – Code of Conduct	24
Appendix III – Financial Regulation	53
Appendix IV - Scheme of Delegation to Chief Officers	62

Document Version Control

Document Title	Date Approved by Board	Replaces Version	In force from:
Constitution Version 1	TBD	NA	TBD
Constitution – Hartlepool Development Corporation (amends by Hartlepool Borough Council, prior to agreeing consent)	TBA	1	TBD
TVCA amendments	TBD	2	
HBC Amendments			

Introduction

1. Hartlepool Development Corporation (the “**Corporation**”) is the Mayoral Development Corporation responsible for delivering the agreed economic development and regeneration functions at the specified sites within Hartlepool.
2. The Corporation has been established pursuant to the powers devolved to the Tees Valley Mayor under the Tees Valley Combined Authority (Functions) Order 2017. This Constitution reflects this statutory framework and constitutes a direction to the Corporation pursuant to s220 Localism Act 2011.
3. This Constitution takes effect when the required statutory arrangements are enacted.

Objectives

4. The objectives of the Corporation are:
 - a. To further the economic development and regeneration of the Hartlepool area, through the delivery of the agreed functions within the identified areas so that Hartlepool becomes a major contributor to the Tees Valley economy and plays a core role in the delivery of the Tees Valley’s Strategic Economic Plan;
 - b. To help attract public and private sector investment and thereby create and secure additional jobs, accessible to the people of the Tees Valley; and
 - c. To transform and improve the environment of the Corporation area, providing good quality commercial, leisure and housing facilities for the benefit of the people of Hartlepool at the specified sites and surrounding area.
5. In support of the Objectives, the Corporation will deliver its functions within the Designated Zone and work collaboratively with the Tees Valley Combined Authority, Hartlepool Borough Council (the "Council") and other partners to contribute positively to local and Tees Valley-wide initiatives on skills, job opportunities for local people inward investment, transport, sustainable development, culture and tourism. Where possible, the Corporation will complement existing activity.
6. To support the achievement of its core objectives, the Corporation will develop, a Master

Plan, setting out how its objectives will be secured by the development of land and infrastructure within its area of responsibility.

7. .

Boundary

The precise area covered by the Corporation (the “area”) is shown at Appendix A. The sites which shall transfer into the area are specified at Appendix B (the "Sites"). The Mayor and Hartlepool Borough Council may agree other sites within the Designated Zone which may be added to or removed from the Sites at any time up to the End Date (as defined at paragraph 42).

The Board

8. Save for as detailed in paragraphs 11 and 12 below, the Board of the Corporation shall be appointed by the Combined Authority, following a proposal put to it by the Mayor.
9. The Chair shall be the Tees Valley Combined Authority Mayor or other Board members nominated by him/her.
10. An elected member of Hartlepool Brough Council shall be the Vice Chair of the Corporation Board.
11. With the exception of the Mayor, all Board members will serve for a period of 2 years or until the Annual General Meeting following a Mayoral Election but may be reappointed if so proposed by the Mayor.
12. There shall be a minimum of 6 (this being a member of 5 Board Members plus the Mayor) and a maximum of 8 Board Members in total.
13. A Board member may resign by serving notice on the Mayor.
14. Any Board member may be removed by the Mayor, where there is due cause to do so in accordance with Schedule 21 Localism Act 2011.
15. The Chair of the Board may resign that appointment by serving notice on the Mayor, without resigning membership of the Board. Where the Mayor is the Chair of the Board, they may resign by informing the Combined Authority.

16. All decisions of the Corporation, unless otherwise delegated, shall be taken by the Board in accordance with the arrangements set out in this Constitution. The Board shall seek consensus on all matters, but where consensus cannot be achieved decisions shall be made by majority vote. Each member of the Board shall have one vote. The Chair shall not have a second or casting vote. If the vote is tied, it shall be deemed not to have been carried.
17. The Corporation may decide on its own procedure, and the procedure of any of its Boards, or workstreams established by the Board.
18. The quorum shall be half of the members in office, rounded down in the event that this does not produce a whole number, to include The Mayor. The quorum must:
 - a. include at least the Mayor or one Member who is a representative of the TVCA; and
 - b. include at least one Member who is also an elected member of Hartlepool Borough Council.
19. The Chair and Vice Chair may each nominate another member as a Substitute Member, with the authority to act in place of the Chair or Vice Chair.
20. The Group Chief Executive of the Combined Authority and the Managing Director of Hartlepool Borough Council shall be appointed as Associate Members, with the right to participate fully in Board discussions and to receive all papers (no less than two days beforehand) but not vote.
21. The Corporation shall hold an Annual Meeting to consider any amendments to its procedures, to recommend any changes to this Constitution to the Combined Authority and to make appointments to Committee roles.
22. All members of the Board and the Statutory Officers, must sign up to the Corporation code of conduct prior to participating in Board meetings. This shall include an obligation to provide up to date conflict of interest declarations, and the Board shall act in accordance with the Nolan Principles at all times.

The Statutory Officers

23. The Combined Authority, Group Chief Executive will serve as Head of Paid Service with overall responsibility for the Corporation's operations and staff, and to act as lead adviser to the Board.
24. The Group Director of Finance & Resources of the Combined Authority (the "Group Director of Finance") shall fulfil the role of Group Director of Finance & Resources of the Corporation. The powers of the Group Director of Finance & Resources are set out in this Constitution and Statute. The Group Director of Finance & Resources shall oversee the interface between the financial responsibilities of the Combined Authority and the Corporation, to ensure the financial integrity of both organisations.
25. The Group Chief Legal Officer is the Monitoring Officer to the Combined Authority (the "**Monitoring Officer**") and the Corporation. In the event of a conflict on interest the Deputy Monitoring Officer of the Combined authority will intercede.

Powers of the Corporation

26. The powers of the Corporation are set out in the order made by the Secretary of State for Levelling Up, Housing and Communities. Taking into account all relevant legislation, this Constitution and any other directions made by the Mayor, the Corporation may do anything it considers appropriate for the purposes of the Objective.
27. The Corporation has a number of specific powers from the Localism Act, as set out below in this section. All of the powers are subject to the Objectives set out in paragraph 4, and the provisions of this Constitution, and are summarised as:
 - a. Powers relation to infrastructure
 - i. This includes the power to provide, or facilitate the provision of infrastructure.
 - b. Powers in relation to land
 - i. The power to regenerate or develop land.
 - ii. To bring about the more effective use of land.
 - iii. To provide buildings or other land.
 - iv. To acquire, hold, improve, manage, reclaim, repair or dispose of land, buildings. plant, machinery, equipment or other property.
 - v. To carry out building or other operations, including demolishing buildings.

c. Powers to acquire land

- i. To acquire land in , in accordance with the provisions of the Localism Act 2011.

d. Powers in relation to acquired land

- i. To override easements
- ii. To extinguish public rights of way (with the consent of the Secretary of State)

e. Powers in relation to businesses and companies

- i. To carry on any business.
- ii. To form or acquire interests in any business or company.

f. Financial Assistance powers

- i. To provide financial assistance to any person.
This may be given in any form, including grants, loans, guarantees, investments, or the incurring of expenditure for the benefit of the person assisted.

g. Powers in relation to discretionary relief from non-domestic rates

- i. To determine the amount of discretionary rate relief from non-domestic rates (i.e. business rates).

h. Powers in relation to Planning

- i. To be the local planning authority, for the purposes of
 - Part 3 of the Town and Country Planning Act 1990,
 - Part 2 of the Planning and Compulsory Purchase Act 2004, and
 - Part 3 of that Act.
- ii. To have the functions conferred on the local planning authority by the provisions mentioned in Part 1 of Schedule 29 to the Local Government, Planning and Land Act 1980.
- iii. To have, the functions conferred on the relevant planning authority by Schedule 8 to the Electricity Act 1989 so far as applying to applications for consent under section 37 of that Act.
- iv. The provisions specified in Part 2 of Schedule 29 to the Local Government, Planning and Land Act 1980 are to have effect, in relation to land and to the Corporation, subject to the modifications specified in that Part of that Schedule.

28. The Corporation can request at any time that the powers it holds in respect of Planning be

exercised by Hartlepool Borough Council and may at any time require that any powers so passed be returned to it with immediate effect. In such a situation, the Corporation shall share all relevant information it holds in respect of issues that have arisen, so that the Council is able to make informed decisions in respect of the exercise of the powers.

29. Hartlepool Borough Council shall continue to be the billing and collecting authority for non-domestic rates for existing operations, except in respect of areas of the Designated Zone where the revenue is received by the Combined Authority.
30. The Corporation shall not transfer to a third party or dispose of the Civic Centre or Hartlepool United Football Club stadium, without agreement from Hartlepool Borough Council.

Decision Making

31. The Board must not make any decision which imposes a financial or other liability on Tees Valley Combined Authority or Hartlepool Borough Council (with the exception of non-domestic rates, as covered by paragraph 35)..
32. The Statutory Officers shall advise the Board in writing where it believes a decision which would be prohibited by paragraph [31] might be made. Information on the Breach shall be shared in writing with the Combined Authority and Council, and representations from each shall be invited, prior to any decision being made.
33. Where the Board identifies a significant risk of breaching paragraph 32, it shall recommend to the Board that in their view this gives rise to Breach.
34. A decision by the Corporation to exercise powers in relation to discretionary relief from non-domestic rates which has a significant adverse financial impact upon the Council must also be approved by an elected member of Hartlepool Borough Council. .

Reporting

35. As soon as reasonably practicable after the end of each financial year, the Corporation must prepare an annual report on how it has exercised its functions during the year, including a copy of its audited statement of accounts for that year, and send that report to the Combined Authority's Cabinet, Overview and Scrutiny Committee and Audit and Governance Committee. The "financial year" shall mean a period of 12 months ending with

31st March.

36. The Corporation's officers shall respond promptly to requests from the Group Director of Finance & Resources, and follow any advice and actions required in a timely manner. The Corporation shall make available any financial information reasonably requested from the Combined Authority, or from Finance Directors of the Combined Authority's constituent councils.

Committees

37. In addition to the Group Audit & Risk committee the Corporation may establish committees of the Board.
38. A workstream may, with agreement of the Board, include persons who are not members of the Corporation. The work of these workstreams, or any recommendations made by them, will be reported back to the Board as part of the Group Chief Executive's standing update or by additional report as appropriate
39. The Board must approve the Terms of Reference of any such committee.

Audit and Risk Committee

40. The Corporation Board shall establish an Audit Committee. The Mayor, with agreement of the Combined Authority shall appoint a Chair of the Audit Committee. The other members of the Audit Committee shall be appointed by the Board.

Delegations

41. The Corporation may delegate any of its functions to any of its members, committees, or staff.
42. A Committee of the Corporation may delegate any function conferred on it to any member of the Corporation, any sub-committee of the Committee, or any of the Corporation's staff.
43. The Corporation shall establish:
 - a. A Scheme of Delegation to include appropriate financial limits;
 - b. Procurement Policy which accords with the Public Contract Regulations 2015;
 - c. Financial Procedure Rules including provision for setting an annual budget;
 - d. A Code of Conduct together with a register of interests;
 - e. Provisions relating to the resolution of conflict of interests;

- f. Access to information procedure rules.

Amending the Constitution

- 41. This Constitution is a living document and shall be amended as the Corporation progresses. Authority is delegated to the Monitoring Officer of the Combined Authority, in consultation with the Group Chief Executive of the Combined Authority to make amendments to the Constitution to the extent that these reflect organisational or legislative changes, or to make any minor textual or grammatical corrections. Any other changes, including increasing the scope of the Corporation, shall be agreed by the Corporation Board

Successor Arrangements

- 42. In the event of the dissolution of the Corporation, all records will be held by the Council. All sites and rights held by the Corporation will revert to the Council, unless the Secretary of State for Levelling Up, Housing and Communities determines otherwise. The Corporation, Council and Combined Authority agree to collaborate in the lead up to the End Date (this being the final day of operation for the Corporation) to ensure a smooth transfer of functions. In the event of dissolution, the Council will give the Corporation full and unvetted access to the records.

Appendix 1 – Plan of the area of responsibility of the Hartlepool Development Corporation

INSERT

Appendix I

RULES OF PROCEDURE

1. Interpretation

- 1.1 The Hartlepool Development Corporation is referred to as the "**Development Corporation**" in these rules.
- 1.2 These rules apply to meetings of the Development Corporation Board ("**Board**") and where appropriate to the meetings of the audit committee and workstreams established by the Board. For the avoidance of doubt, in the event of conflict between these rules and the constitution, the rules shall have effect.
- 1.3 References in these Rules to the "Chair" mean the Member for the time being presiding at the meeting of the Board, and at a meeting of the Audit Committee or other workstream established by the Board.
- 1.4 These Rules shall be read in conjunction with other parts of the Constitution
- 1.5 These Rules are subject to any statute or other enactment whether passed before or after these Rules came into effect.

2. Annual meeting of the Development Corporation Board

- 2.1 The Annual Meeting will:
 - (a) confirm the Mayor as the person who is to preside at meetings;
 - (b) approve the Members of the Development Corporation; agree the portfolio responsibilities of each of the members and any functions delegated to them;

Confirm an elected member of Hartlepool Borough Council as Vice Chair

- (c) approve the minutes of the last meeting;
- (d) receive any declarations of interest from Members;
- (e) receive any announcements from the Mayor and/or the Group Chief Executive;
- (f) consider any recommendations from the Audit Committee;
- (g) appoint the Group Audit Committee;
- (h) appoint such other workstreams as the Development Corporation considers appropriate;
- (i) appoint the membership of the workstreams referred to in the preceding sub-paragraphs after:

- (i) deciding the number of members to be appointed to each workstream and their term of office;
- (k) appoint the Chair and Vice-Chair of the Audit Committee, after considering any proposal put to them by the Committee.
- (l) appoint the Chair and Vice-Chair of the workstreams referred to in the preceding sub-paragraphs;
- (m) appoint to outside bodies;
- (n) agree the officer scheme of delegation;
- (o) consider amendments to the Development Corporation's procedure rules, as appropriate;
- (p) approve the Development Corporation's allowances scheme;
- (q) decide the date and time for the ordinary meetings of the Development Corporation Board;
- (r) consider any other business set out in the agenda for the meeting.

3. Ordinary Meetings of the Development Corporation Board

3.1 At an ordinary meeting of the Development Corporation, the Board will:

- (a) approve the minutes of the last meeting;
- (b) receive any declarations of interest from Members;
- (c) receive any announcements from the Mayor and/or the Group Chief Executive including those relating to the work or recommendations of any workstreams established by the Board;
- (d) deal with any business from the last ordinary meeting;
- (e) receive reports from the Audit Committee or where appropriate any workstream established by the Board;
- (f) consider any other business specified in the agenda for the meeting. Extraordinary Meetings of the Development Corporation Board

4. Admission of the Public

- 4.1 All meetings of the Board and Audit Committee shall be open to the public, except to the extent that they are excluded whether during the whole or part of the proceedings either:

In accordance with Section 100A(2) of the 1972 Act; or

By resolution passed to exclude the public on the grounds that it is likely, in view of the nature of the business, that if the public were present there would be disclosure to them of exempt information as defined in Section 101 of the 1972 Act. Any such resolution shall identify the business or part of the business to which it applies and state the description, in terms of Schedule 12A to the 1972 Act of the exempt information giving rise to the exclusion of the public.

5. Notice of Meetings

- 5.1 At least five clear days before a meeting of the Board and the Audit Committee, notice of time and place of the intended meeting shall be published at the offices of the Corporation.
- 5.2 An invitation to attend the meeting, specifying an agenda for the meeting shall be left at, or sent by, electronic mail or post to all Development Corporation Members at their usual place of residence, or to such other place as may be requested by a Member.
- 5.3 Lack of an invitation to a Member shall not affect the validity of a meeting.
- 5.4 Agendas and papers for Board meetings and meetings of the Group Audit & Risk Committee will be published on the Corporation website five clear days prior to the meeting date unless ruled commercially or operationally sensitive under Paragraphs 1 and 2 of Schedule 12A of the Local Government Act 1972, with written agreement of the relevant Chair

6. Chair of Meeting

- 6.1 At a meeting, the Chair shall preside. If the Chair is absent, the Vice-Chair shall preside. If both the Chair and the Vice-Chair are absent, the Members present shall choose which Member is to preside at the meeting.
- 6.2 Any power or duty of the Chair in relation to the conduct of the meeting, may be exercised by the person presiding at the meeting.
- 6.3 The ruling of the Chair on the interpretation of these Rules in relation to all questions

of order and matters arising in debate, shall be final.

7. Items of Business

- 7.1 No item of business may be considered at any meeting except:
- the business set out in the agenda;
 - business required by law to be transacted at the annual meeting; or
 - business brought before the meeting by reason of special circumstances, which shall be specified in the minutes, and where the Chair of the meeting is of the opinion that the item should be considered at the meeting as a matter of urgency.
- 7.2 Any business raised under the agenda item any other business shall be for information only and not business requiring a decision, unless agreed by the Chair.

8. Order of Business

- 8.1 Items of business shall be dealt with in the order specified in the agenda for the meeting, except that such order may be varied at the discretion of the Chair, or on a request agreed to by the meeting.

9. Order of Debate

- 9.1 The Chair will introduce each item and may invite a Member or Officer to present it.
- 9.2 Each Member, including Associate Members of the Development Corporation, shall be given an opportunity to speak on the matter and on any recommendations contained in the report.
- 9.3 The order in which anyone will be invited to speak will be decided by the Chair.
- 9.4 Members may speak more than once on the same item, with the agreement of the Chair.
- 9.5 Any Member, when speaking, may move that:
- (a) an amendment be made to the recommendation(s); or
 - (b) that an item be withdrawn.
- 9.6 Any such motion, if seconded, shall either be agreed by consensus amongst those Members present, or be voted upon.
- 9.7 Subject to the outcome of any such motion, once each Member who wishes to speak

has done so, the Chair shall move the item, which if seconded, shall again either be agreed by consensus or shall be voted upon.

10. Duration

- 10.1 At any meeting the Chair shall have discretion to adjourn the meeting for a short period of time unless the majority of Members present, by vote, determine it shall stand adjourned to another day, the date and time of which shall be determined by the Chair.

11. Minutes

- 11.1 The Chair will sign the minutes of the proceedings at the next suitable meeting. The Chair will move that the minutes of the previous meeting be signed as a correct record. Discussion of the minutes should be restricted to their accuracy.

12. Code of Conduct and Protocols

- 12.1 Members and Associate Members shall comply with the provisions of the Development Corporation's Code of Conduct for Members and of any other Codes or Protocols, approved by the Development Corporation Board, including those relating to registering and disclosing pecuniary and other interests.

Access to Information

- 12.2 In accordance with the Local Government Act 1972 as amended:
- (a) All meetings of the Board and Audit Committee shall be open to the public unless it is likely in view of the nature of the business to be transacted that either confidential information (as defined in section 100A(3) of the 1972 Act) or information falling within one of the categories of exempt information in Schedule 12A (as amended) of the 1972 Act would be disclosed.
 - (b) Copies of the agenda, and reports open to the public will be available for public inspection at least five clear days before a meeting or where the meeting is convened at shorter notice from the time the meeting is convened. If an item is added to the agenda later, the revised agenda and any additional report will be open to inspection from the time it was added to the agenda. Copies of any agenda or reports need not, however, be open to inspection by the public until copies are available to members of the Corporation. In addition, an item of business may be considered urgently, whereby reason of special circumstances, which shall be specified in the minutes, the Chair is of the opinion that the item should be considered at the meeting, as a matter of urgency.

- (c) The Corporation will make available for public inspection for six years after a meeting the minutes of the meeting (but excluding any part of the minutes when the meeting was not open to the public or which disclose confidential or exempt information), a summary of any proceedings not open to the public where the minutes open to inspection would not otherwise provide a reasonably fair and coherent record, and the agenda for the meeting and reports relating to items when the meeting was open to the public.
- (d) The author of any report will set out in it a list of those documents (called background papers) relating to the report which in his/her opinion disclose any facts or matters on which the report is based and which have been relied on to a material extent in preparing the report (except for documents which are published works or which disclose confidential or exempt information). Such background papers will remain available for public inspection for four years from the date of the meeting.
- (e) Where information is withheld under these provisions the fact must be made known to the member of the public concerned who shall be advised of the categories of information being withheld and the way in which the withholding of the information can be challenged.

13. Exclusion of Access by the Public to Meetings

13.1 (a) Confidential information – requirement to exclude public

The Public must be excluded from meetings whenever it is likely in view of the nature of the business to be transacted or the nature of the proceedings that confidential information would be disclosed.

Confidential information means information given to the Corporation, its Committees and Sub-Committees by a Government department on terms that forbid its public disclosure or information that cannot be publicly disclosed by reason of a Court Order or any enactment.

(b) Exempt information – discretion to exclude public

The public may be excluded from meetings wherever it is likely in view of the nature of the business to be transacted or the nature of the proceedings that exempt information would be disclosed.

Exempt information means information falling within the following categories (subject to any qualifications):

- (i) information relating to any individual;

- (ii) information which is likely to reveal the identity of any individual;
 - (iii) information relating to the financial or business affairs of any particular person (including the authority holding that information);
 - (iv) information relating to any consultations or negotiations, or contemplated consultations or negotiations in connection with any labour relations matter arising between the Combined Authority, its Committees and Sub-Committees or a Minister of the Crown and employees of, or office holders under, the Combined Authority, its Committees and Sub-Committees;
 - (v) information in respect of which a claim to legal professional privilege could be maintained in legal proceedings;
 - (vi) information which reveals that the Combined Authority, its Committees and Sub-Committees proposes (a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or (b) to make an order or direction under any enactment;
- (c) Exclusion of Access by the public to reports

If the Proper Officer considers it appropriate, the Corporation and the Group Audit & Risk Committee may exclude access by the public to reports which in the Proper Officer's opinion relate to items during which the meeting is likely not to be open to the public. Such reports will be marked "Not for Publication" together with the category of information likely to be disclosed.

14. Reporting of Proceedings

- 14.1 Without prejudice to the Chair's powers in procedure rule 5.3, and subject to procedure rules 17.1 and 17.2, while any meeting of the Corporation is open to the public any person attending the meeting may report on the meeting, and publish or disseminate any recording at the time of the meeting or after the meeting.
- 14.2 The Chair may decide not to permit oral reporting or oral commentary of the meeting as it takes place, if the person reporting or providing the commentary is present at the meeting.
- 14.3 Where the public are excluded from a meeting in order to prevent the likely disclosure of confidential or exempt information, the chair may also prevent any person from reporting on that meeting employing methods which can be used without that person's presence at the meeting, and which enable persons not at the meeting to see or hear the proceedings at the meeting, as it takes place or later.

15. General Disturbance

- 15.1 If a general disturbance makes orderly business impossible, the Chair may:
- adjourn the meeting for as long as the Chair considers necessary.
 - call for any part of the meeting room open to the public, to be cleared, if the disturbance is in that part.
- 15.2 If a member of the public interrupts proceedings, the Chair shall warn the person concerned. If they continue to interrupt, the Chair may order them to be removed from the meeting room.
- 15.3 If the Chair considers at any meeting that a Member is behaving improperly or offensively, or is deliberately obstructing business, the Chair may move that the Member should not be heard further. If seconded, the motion shall be voted upon without discussion.
- 15.4 If the Member continues to behave in the same way, the Chair may:
- (a) adjourn the meeting for a specified period; and/or
 - (b) move that the Member leaves the meeting (if seconded such a motion will be voted on without discussion).

16. The Forward Plan

- 16.1 Forward Plans for the Corporation will be prepared to cover a period of four months. The Plans will be updated on a monthly basis.

Contents of the Plan

- 16.2 The Forward Plan will contain details of key decisions which relate to the discharge of Corporation functions and which are proposed to be taken during the period covered by the Forward Plan. The details relating to these key decisions, insofar as they are available or might reasonably be obtained, will be as follows:
- the matter in respect of which a key decision is to be taken;
 - the decision maker's name and title, if any;
 - the date on which, or the period within which the decision is to be made;
 - a list of documents submitted to the decision maker for consideration in relation to the matter, in respect of which the decision is to be taken;
 - the address from which, subject to any prohibition or restriction on their disclosure, copies of or extracts from any document listed, is available;
 - that other documents relevant to the matter may be submitted to the decision

- maker; and
- the procedure for requesting details of those documents (if any) as they become available.

16.3 For the purposes of the Forward Plan, a “key decision” means a decision of a decision maker, which in the view is likely to result in the Combined Authority or the Mayor incurring significant expenditure, or making significant savings, having regard to the Combined Authority’s budget for the service or function to which the decision relates; or to be

17. Publication of the Forward Plan

17.1 The Forward Plan will be published at least 28 days before the start of the period covered in the Plan.

17.2 It will be published on the Combined Authority’s website and made available for inspection by the public at the Combined Authority’s offices. Exempt information need not be included in the Forward Plan and confidential information cannot be included.

18. Urgent Decisions

18.1 Where a decision needs to be taken urgently and it is not practical to convene a quorate meeting of the Board or relevant committee or subcommittee of the Development Corporation, the Group Chief Executive, in consultation with the Chair (or in their absence the Vice Chair) of the Board or relevant committee or subcommittee, the Group Director of Finance and Resources and the Monitoring Officer, has the authority to take an urgent decision.

18.2 The Monitoring Officer will maintain a record of all ‘urgent’ decisions and submit a report on these decisions at least annually to the Cabinet. The report will include a summary of the subject matter of the decisions taken.

19. 20. Confirmatory or minor decisions in writing

19.1 Where a decision of a minor or confirmatory nature (for example to confirm of the decisions of an unexpectedly inquorate meeting) the chair of the Board or relevant committee or subcommittee of the Development Corporation may request that confirmation of such a decision be made in writing. A written confirmation of the decision by each member of Board, the committee or subcommittee shall be treated as a decision of that body when it is signed by the Chair of the body, who shall have authority to confirm that decision.

19.2 The Monitoring Officer will maintain a record of all written records of decisions and report them to the next meeting of the relevant body and submit a report on these

decisions at least annually to the Board. The report will include a summary of the subject matter of the decisions taken by this method.

21. Officers' Interests

- 19.3 If it comes to an Officer's knowledge that a contract in which the Officer has a pecuniary interest, whether direct or indirect, has been, or is proposed to be entered into by the Development Corporation, the Officer shall as soon as reasonably practicable give notice in writing to the Monitoring Officer of the fact that he/she has such an interest.
- 19.4 An Officer shall be treated as having an indirect pecuniary interest in a contract if he/she would have been so treated by virtue of Section 95 of the Local Government Act 1972 had he/she been a member of the Development Corporation, i.e. the other party to the contract is a company or other person or body (other than a public body) of which the Officer or his/her spouse/partner is a member or employee or partner.
- 19.5 The Monitoring Officer will keep a record of any such notices/interests and the record shall be open for inspection by any Member of the Development Corporation at its offices.

20. Sealing of Documents

- 20.1 A decision of the Board or the Mayor (or of a joint committee, committee, subcommittee, person or persons to whom the Cabinet has delegated its powers and duties) shall be sufficient authority for the signing or sealing of any document necessary to give effect to the decision. The Common Seal will be affixed to those documents which in the opinion of the Monitoring Officer should be sealed.
- 20.2 22.2 The Common Seal of the Development Corporation shall be kept in a safe place in the custody of the Monitoring Officer and the affixing of the Common Seal shall be attested by the Monitoring Officer or other person nominated by him/her, unless any enactment otherwise authorises or requires, or the Corporation has given requisite authority to some other person (See authority of the Group Chief Executive in accordance with delegation CEO8 (Appendix IV))).

21. Authentication of documents

- 21.1 23.1 Where any document is necessary for any legal procedure or proceedings on behalf of the Development Corporation it will be signed by the Monitoring Officer or other person nominated by him or her, unless any enactment otherwise authorises or requires, or the Corporation has given requisite authority to some other person.

22. Committees

- 22.1 24.1 The Board shall at its Annual Meeting each year appoint such committees as are required to be appointed by or under any statute, and may at any time appoint such other joint committees, committees or sub-committees as are necessary to carry out the work of the Corporation but, subject to any statutory provision, may at any time dissolve a joint committee, committee, sub-committee or alter its membership;
- 22.2 24.2 No joint committee, committee or sub-committee shall continue in office longer than the next Annual Meeting.
- 22.3 24.3 These procedure rules shall, with any necessary modifications, apply to meetings of committees and sub-committees of the Board. Save where it is otherwise stipulated elsewhere in this Constitution or in legislation, decisions of the committees and subcommittees of the Development Corporation shall be made by way of a simple majority of the Members present and voting, and the Chair shall have not have a second or casting vote.

23. Attendance

- 23.1 25.1 The Monitoring Officer shall record the attendance of each Member at each meeting of the Board and committees and sub-committees of the Development Corporation, and it shall be the responsibility of each Member to sign such a record, if requested.

24. Failure to attend Meetings

- 24.1 Subject to the exceptions prescribed by statute, if a Member of the Development Corporation fails throughout a period of twelve consecutive months to attend any meeting of the Board or the joint committees, committees or subcommittees of the Development Corporation to which they have been appointed, he/she shall (unless the failure to attend was due to a reason approved by the Board before the end of that period), cease to be a Member of the Development Corporation. For the purpose of this provision, the period of failure to attend shall date from the first meeting which the Member could have attended as a Member.

25. Resignation

- 25.1 A person appointed as a Member of the Development Corporation may at any time resign his/her office by a notice of resignation in writing signed by him/her and delivered to the Monitoring Officer and the Chair or Vice Chair of the committee that appointed him/her, as the case may be.

26. Members' Allowances

- 26.1 The Development Corporation may pay travel and subsistence allowances to its Members in accordance with a scheme drawn up and approved by the Board.
- 26.2 The Development Corporation may pay allowances to eligible members, in accordance with recommendations made by the Tees Valley Combined Authority's Independent Remuneration Panel contained in a report submitted by the panel to the Tees Valley Combined Authority Cabinet.

Appendix III

CODES OF CONDUCT

PREAMBLE

FOR INFORMATION ONLY GENERAL PRINCIPLES OF CONDUCT

Preamble

The principles of public life apply to anyone who works as a public office-holder. This includes all those who are elected or appointed to public office, nationally and locally and all people appointed to work in the civil service, local government, the police, courts and probation services, NDPBs and in the health, education, social and care services. All public office-holders are both servants of the public and stewards of public resources. The principles also have application to all those in other sectors delivering public services.

Selflessness
Holders of public office should act solely in terms of the public interest.

Honesty and Integrity

Holders of public office must be truthful and should avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family or their friends. They must declare and resolve any interests and relationships.

Objectivity

Holders of public office must act and take decisions impartially, fairly on merit, using best evidence and without discrimination or bias.

Accountability

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

Openness

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

Personal Judgement

Members may take account of the views of others, including their political groups, but should reach their own conclusions on the issues before them and act in accordance with those conclusions.

Respect for Others

Members should promote equality by not discriminating unlawfully against any person and by

treating people with respect, regardless of their race, age, religion, gender, sexual orientation or disability. They should respect the impartiality and integrity of the Development Corporation's Statutory Officers and its other employees.

Duty to Uphold the Law

Members should uphold the law and, on all occasions, act in accordance with the trust that the public is entitled to place in them.

Stewardship

Members should do whatever they are able to do to ensure that their authorities use their resources prudently and in accordance with the law.

Leadership

Holders of public office should exhibit these principles in their own behavior. They should actively promote and robustly support the principles and be willing to change poor behavior wherever it occurs.

Training

All members of the Board and the Statutory Officers shall be offered training, not less than once every three years, which includes information on the Nolan Principles and Misconduct in Public Office offences.

NOTE: THIS PREAMBLE AND THE GENERAL PRINCIPLES OF CONDUCT SPECIFIED WITHIN IT ARE FOR INFORMATION ONLY, AND THEY DO NOT FORM A PART OF THE DEVELOPMENT CORPORATION'S CODE OF ENFORCEMENT PURPOSES.

HARTLEPOOL DEVELOPMENT CORPORATION

(THE “DEVELOPMENT CORPORATION”)

CODE OF CONDUCT FOR MEMBERS AND OFFICERS

Members Code of Conduct

Part 1 General Provisions

Introduction and Interpretation

1. (1) This Code applies to **you** as a Member of the Development Corporation when you are acting in that capacity.
- (2) This Code is based upon and is intended to be consistent with the General Principles of Conduct specified in the preamble.
- (3) It is your responsibility to comply with the provisions of this Code.
- (4) This Code does not cover matters in respect of which the Secretary of State may under the Act specifically provide that criminal sanctions will apply.

Interpretation

2. (1) In this Code--

“the Act” means the Localism Act 2011

"meeting" means any meeting of:-

- (a) the Development Corporation or the Development Corporation Board;
- (b) the Development Corporation Group Audit & Risk Committee and any workstream established by the Board

“Member” includes the Mayor, elected and co-opted Members and Associate Members.

General Conduct

3. (1) You must always comply with the law.
- (2) You must treat others with respect.

- (3) You must not do anything which may cause the Development Corporation to breach any of the equality enactments (as defined in Section 33 of the Equality Act 2006).
 - (4) You must not bully any person and you must not intimidate or attempt to intimidate any person who is involved in any complaint about any alleged breach of this Code.
 - (5) You must not do anything which compromises or is likely to compromise the impartiality of anyone who works for or on behalf of the Development Corporation.
 - (6) You must not conduct yourself in a manner which could reasonably be regarded as bringing the Development Corporation, or your office as a Member of the Development Corporation, into disrepute.
 - (7) You must not use or attempt to use your position as a Member improperly to confer on or secure for yourself or any other person any advantage or disadvantage.
4. When using or authorising the use by others of the resources of the Development Corporation:-
- (1) You must act in accordance with the Development Corporation's reasonable requirements.
 - (2) You must ensure that such resources are not used improperly for political purposes (including party political purposes); and
 - (3) You must have regard to the Development Corporation's Transparency Code.
5. You must not prevent, or attempt to prevent, another person from gaining access to information to which they are entitled by law.
6. You must not disclose information which is given to you in confidence, or information acquired by you which you believe, or ought reasonably to be aware, is of a confidential nature, unless:-
- (a) you have the consent of a person authorised to give it; or
 - (b) you are required by law to do so; or
 - (c) the disclosure is made to a third party for the purpose of obtaining professional legal advice, provided that the third party agrees not to disclose the information to any other person; or
 - (d) the disclosure is reasonable, in the public interest, made in good faith, and made in compliance with the reasonable requirements of the Development Corporation.
7. Where you have been involved in the making of any decision or the taking of any action by the Development Corporation Board or Group Audit & Risk Committee, or recommendation

made by any workstream established by the Board, you must not take part in that scrutiny process other than for the purpose of answering questions or giving evidence relating to the business.

8. (1) When making decisions on any matter you must have regard to any relevant advice provided to you by:
 - (a) the Group Chief Executive; or
 - (b) the Group Director of Finance & Resources; or
 - (c) the Monitoring Officer,where that Officer is acting pursuant to his or her statutory duties.
- (2) You must give reasons for all decisions in accordance with any statutory requirements and any reasonable additional requirements imposed by the Development Corporation.

Part 2 Interests

Registration of Members' Interests

9. Subject to paragraph 12, you must register in Development Corporation's register of Members' interests ("Register") information about your personal interests. For the purposes of paragraphs 9 to 15 inclusively 'your personal interests' or 'personal interest' means:-
- (a) any 'disclosable pecuniary interest' (as specified at the Appendix to this Code or as defined by any statutory provisions in force from time to time under the Act) which you know about and which is held by
 - you, or
 - your spouse or civil partner, a person with whom you are living as husband and wife, or a person with whom you are living as if you are civil partners; and
 - (b) any other interests held by you as set out in paragraph 11.
10. You must register information about your personal interests by giving written notice to the Monitoring Officer, who maintains the Register, within 28 days of:-
- this Code being adopted by the Development Corporation;
 - your election or appointment as a Member of the Development Corporation; and of
 - becoming aware of any new interest or change to any registered interest.
11. You have a personal interest in any business of the Development Corporation and for the purposes of paragraph 9(b) where either it relates to or is likely to affect:-
- (a) any body of which you are a Member (or in a position of general control or management) and to which you are appointed or nominated by the Development Corporation;
 - (b) any body which:-
 - (i) exercises functions of a public nature or
 - (ii) is directed to charitable purposes or
 - (iii) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union) of which you are a Member (or in a position of general control or management);

Sensitive Information

12. Where you think that disclosure of the details of any of your personal interests could lead to you, or a person connected with you, being subject to violence or intimidation, you may inform the Monitoring Officer; and if the Monitoring Officer agrees, a note will be made in the Register to the effect that you have a personal interest, details of which are withheld under Section 32 of the Act.

Declaration of Interests

13. Where you attend a meeting and you are, or ought reasonably to be, aware that any of your personal interests are relevant to an item of business which is being considered, then you must disclose to that meeting the existence and nature of that interest at the start of the consideration of that item of business, or when the interest becomes apparent, if later.
14. Where you have a personal interest in any business of the Development Corporation which relates to or is likely to affect a body of a type described in paragraph 11(a) and 11(b)(i), you need only disclose to the meeting the existence and nature of that interest when you address the meeting on that business.
15. Where you have a personal interest but, by virtue of paragraph 12, sensitive information relating to it is not registered in the Register, you must indicate to the meeting that you have a personal interest, but you need not disclose the sensitive information to the meeting.
16. Where you attend a meeting, and you are, or ought reasonably to be aware that a decision in relation to any item of business which is to be transacted might reasonably be regarded as affecting your well-being or financial position, or the well-being or financial position of a person described in paragraph 17, to a greater extent than most of the inhabitants of the area affected by the decision, then you must disclose to that meeting the existence and nature of that interest at the start of that item of business, or when the interest becomes apparent, if later.
17. The persons referred to in paragraph 16 are:-
 - (a) a Member of your family;
 - (b) any person with whom you have a close association;
 - (c) in relation to persons described in (a) and (b), their employer, any firm in which they are a partner, or a company of which they are a director;
 - (d) any person or body in whom persons described in (a) and (b) have a beneficial interest in a class of securities exceeding the nominal value of £25,000; or
 - (e) any body of a type described in paragraph 11 (a) and (b).

Non participation

18. Where you have a personal interest of the type described in paragraph 16 in any business of the Development Corporation, and the interest is one which a Member of the public with knowledge of the relevant facts would reasonably regard as so significant that it is likely to prejudice your judgement of the public interest and the business:-

- (a) affects your financial position or the financial position of a person or body described in paragraph 17(a) to (e) inclusively; or
- (b) relates to the determining of any approval, consent, licence, permission or registration in relation to you or any person or body referred to in the preceding sub-paragraph (a),

then subject to paragraphs 19 and 20:-

- (a) you may not participate in any discussion of the matter at the meeting;
- (b) you may not participate in any vote taken on the matter at the meeting;
- (c) if the interest is not registered, you must disclose the interest to the meeting; and
- (d) if the interest is not registered and is not the subject of a pending notification, you must notify the Monitoring Officer of the interest within 28 days.

19. Where you have an interest of the type described in paragraph 18 in any business of the Development Corporation, you may attend the meeting and make representations, answer questions or give evidence relating to that business before the business is considered and voted upon, provided the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or otherwise.

Disclosable Pecuniary Interests

20. In addition to the requirements of the Act regarding the registration and declaration of a disclosable pecuniary interest, you must also comply with the statutory requirements relating to withdrawal from participating in any discussion or voting on any matter in which you have a disclosable pecuniary interest.

Requirement to leave a meeting room

21. You must comply with any procedural rule or standing order adopted by the Development Corporation which requires a Member to leave the room during any meeting at which a matter in which they have a disclosable pecuniary interest is being discussed.

Part 3

Disclosable Pecuniary Interests

1. The duties to register, disclose and not to participate in respect of any matter in which a Member has a disclosable pecuniary interest are set out in Chapter 7 of the Localism Act 2011.
2. Disclosable pecuniary interests are defined in the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 (SI 2012 No. 1464) as follows:-

For this purpose:-

“the Act” means the Localism Act 2011;

“body in which the relevant person has a beneficial interest” means a firm in which the relevant person is a partner or a body corporate of which the relevant person is a director, or in the securities of which the relevant person has a beneficial interest;

“director” includes a member of the committee of management of an industrial and provident society;

“land” excludes an easement, servitude, interest or right in or over land which does not carry with it a right for the relevant person (alone or jointly with another) to occupy the land or to receive income;

“M” means a member of a relevant

Authority; “Member” includes a co-opted

member;

“Development Corporation ” means the corporation of which M is a Member;

“relevant period” means the period of 12 months ending with the day on which M gives a notification for the purposes of section 30(1) or 31(7), as the case may be, of the Act;

“relevant person” means M or any other person referred to in section 30(3)(b) of the Act;

“securities” means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

Interest	Prescribed Description
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain.
Sponsorship	Any payment or provision of any other financial benefit (other than from the Development Corporation) made or provided within the relevant period in respect of any expenses incurred by M in carrying out duties as a Member, or towards the election expenses of M. This includes any payment or financial benefits from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992).
Contracts	<p>Any contract which is made between the relevant person (or a body in which the relevant person has a beneficial interest) and the Development Corporation:-</p> <ul style="list-style-type: none"> (a) under which goods or services are to be provided or works are to be executed; and (b) which has not been fully discharged
Land	Any beneficial interest in land which is within the area of the Development Corporation.
Licenses	Any license (alone or jointly with others) to occupy land in the area of the Development Corporation for a month or longer.
Corporate tenancies	<p>Any tenancy where (to M's knowledge):-</p> <ul style="list-style-type: none"> (a) the landlord is the Development Corporation; and (b) the tenant is a body in which the relevant person has a beneficial interest

Securities

Any beneficial interest in securities of a body where:-

- (a) that body (to M's knowledge) has a place of business or land in the area of the Development Corporation; and
- (b) either –
 - (i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or
 - (ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

Officers' Code of Conduct

1. Purpose

- 1.1 This code sets out the standards of conduct that the Hartlepool Development Corporation ("the Development Corporation") expects from its Officers. The aim is to promote high standards of conduct and to maintain public confidence in the Development Corporation and its services.

2. General Principles

- 2.1 The public is entitled to expect the highest standards of conduct from all Officers. The role of Officers is to represent the Development Corporation in delivering services to the local community. Officers must perform their duties to the best of their abilities with honesty, integrity, impartiality and objectivity and contribute to the maintenance of high standards in public service. Officers must at all times act in accordance with the trust that the public is entitled to place in them.
- 2.2 This code should be read in conjunction with the Development Corporation's Constitution and other relevant Policies and Procedures.

3. Gifts and Hospitality

- 3.1 All offers of gifts or hospitality should be treated with caution. Where a gift or hospitality could be perceived as an inducement or reward for performing Development Corporation duties, or where acceptance of the gift or hospitality could be open to misinterpretation, Officers should tactfully but firmly refuse the offer.
- 3.2 Gifts of a promotional nature, e.g. calendars, diaries and pens which are of a low monetary value i.e. less than £25 may be accepted.
- 3.3 All offers of gifts and hospitality of £25 or more in value, including any offers of sponsorship for training or development, whether or not they are accepted, must be recorded promptly (and no later than 28 days from the date of the offer) in a register held by the Senior Administrator.
- 3.4 It is a criminal offence under the Bribery Act 2010 to accept a bribe or to bribe another person. The offence of being bribed will occur where an employee agrees to receive or accepts an advantage (for their own or another's benefit and whether or not he or she actually receives it), in order to carry out the improper performance of a Development Corporation function, or where the advantage may be a reward for already having performed the function improperly.
- 3.5 The offence of bribing another person occurs where an employee offers, promises or gives a financial or other advantage to another person, with the intention that this will induce that

person

to improperly perform a function or activity, or in order to reward that person for the improper performance of such a function or activity.

- 3.6 Guidance on the Bribery Act indicates that bona fide hospitality and promotional, or other business expenditure which seeks to improve the image of a commercial organisation, better to present products and services, or to establish cordial relations, is recognised as an established and important part of doing business and it is not the intention of the Act to criminalise such behaviour of Officers are in any doubt about the acceptance of a gift or hospitality they should inform the Monitoring Officer in advance (where feasible) and seek advice. Where an employee receives an unsolicited gift or believes that a person is otherwise attempting to influence him or her, the Monitoring Officer should be informed immediately.
- 3.7 Particular care should be taken by Officers concerned with purchasing the award of official contracts or the allocation of grant monies. An Officer who knowingly accepts a gift or favour from a contractor or other person providing services to or seeking services or funding from the Development Corporation may put themselves at risk of a disciplinary investigation. Failure to record offers of gifts and hospitality may also be the subject of investigation by managers.

4. Confidential Information

- 4.1 Officers should treat all information they receive in the course of their employment as confidential to the Development Corporation. Officers must not use information in the Development Corporation's possession to further their private interests or those of their relations and friends. Deliberate exploitation of confidential information for personal gain may result in disciplinary action, including dismissal.
- 4.2 Officers are only permitted to disclose confidential information where it is required by law or where the Development Corporation has agreed to make the information available to the public. Where Officers are in any doubt as to whether they are permitted to release information they must consult their Manager before any disclosure is made.

5. Officer Interests

- 5.1 Officers must disclose any personal conflicts of interest and must not involve themselves in any decisions or matters where their actions could be perceived as biased. A personal conflict may arise where an Officer provides consultancy services in a private capacity which conflict with or are of a similar nature to the Development Corporation's services, or which may result in a reduction of the Development Corporation's services. Another example is where an employee, acting in a private capacity, causes conflict with a service provided by the Development Corporation to a service user.
- 5.2 Officers interests in contracts must be disclosed in writing where Officers have any

financial interest, direct or indirect, in any contract which the Development Corporation has entered into or is proposing to enter into, or any application by the Development Corporation for a licence, consent or permission. Officers are also required to identify a partner, relative or close associate who might have a legitimate interest in Development Corporation contracts or services.

- 5.3 Officers must also disclose in writing any interests where they are involved as either as an individual or as a partner in a business or as a Director of a Company or where they have a substantial shareholding in a public or private company which regularly has dealings with the Development Corporation. For this purpose, “substantial” can be defined as more than £5,000 nominal value or 1/100th of the nominal value of the company whichever is the lower. Friendship or membership of an association or society could also influence an Officer’s judgements and should be treated in the same way.
- 5.4 If Officers are in any doubt as to what interests they need to declare they should seek guidance from the Monitoring Officer. Failure by Officers to declare interests in contracts or companies is a criminal offence. Failure to disclose a conflict of interest may result in disciplinary action.

6. Public Office

- 6.1 Officers who wish to seek public office in a Local Authority other than that with whom they are employed or act for are not generally prevented from doing so unless they occupy politically restricted posts under the Local Government and Housing Act 1989 (“the 1989 Act”) but should discuss their intentions and the implications with the Monitoring Officer and seek legal advice.
- 6.2 Officers other than holders of politically restricted posts who become Councilors of other Local Authorities should ensure that their two capacities are kept separate. In particular, they should take care that they do not disclose or use for an unauthorised purpose confidential information which could benefit or cause harm either to the Authority represented or to the Development Corporation.

7. Political Activities

- 7.1 Political activities relate to standing for public elected office, engaging in party political debate in a personal capacity, by speaking or writing in public and canvassing at elections. The ability of Officers to engage in such activities is restricted if they occupy politically restricted posts, as defined by section 2 of the 1989 Act and specified in a list maintained by the Development Corporation as required by that Act.
- 7.2 An employee who proposes to engage in political activities should consider all aspects of this Code and ensure there is no conflict of interest between their duties as an employee and their political activities. Officers who regularly advise Members, regularly have contact with the public or media, or exercise delegated powers should take particular care when they

propose to engage in political activities. They must in all cases consult their Manager.

- 7.3 Where Officers are required to advise Members they must do so in ways which do not compromise their political neutrality and must not allow their own personal or political opinion to influence or interfere with their work.

8. Recruitment and Employment

- 8.1 Officers involved in recruitment or decisions relating to discipline, promotion or grading must not be involved where they are related to an applicant or have a close association with an applicant or employee.
- 8.2 All Officers involved in recruitment and selection on behalf of the Development Corporation must be familiar with, and abide by, the Development Corporation's recruitment policy and procedures.
- 8.3 Canvassing of Members of the Development Corporation relating to any employment matter including appointments, is strictly prohibited and may result in disciplinary action.

9. Sustainability Issues

- 9.1 Officers must be aware of their obligation towards improving the environment and in particular ensure the wider long-term implications of their actions are in accordance with Development Corporation policy.
- 9.2 Officers are required to consider sustainability issues when undertaking their duties, including the procurement of goods and services. In particular they should seek opportunities to improve and promote energy conservation, advocate recycling and waste minimisation, reduce pollution and support Development Corporation initiatives to improve the environment.

10. Diversity

- 10.1 All Members of the local community, customers, contractors, Members and Officers have a right to be treated with fairness and dignity. All Officers are required to comply with the Development Corporation's diversity policies and in accordance with the legal requirements placed upon the Development Corporation.

11. Intellectual Property/Copyright/Lecture Fees

- 11.1 All creative designs, writings and drawings produced by Officers in the course of their duties are the property of the Development Corporation.
- 11.2 All inventions made by Officers remain the property of the Development Corporation if made during the course of their duties. The duties are described in the Officers terms of employment, job description and those arising from an instruction from a manager or other

authorised officer of the Development Corporation.

- 11.3 Fees for giving lectures or writing articles may only be retained by Officers where these activities are not integral to their employment or position with the Development Corporation and they are conducted in the Officers own time.
- 11.4 Where Officers are interviewed by the media or agree to give lectures in connection with their official duties the Development Corporation's Head of Communications and Marketing must be consulted on any intended lecture or publication in the press or other media which is connected to their official duties and prior consent of their line manager must be obtained.
- 11.5 Officers should take care when expressing their personal views publicly that they do not undermine confidence in their objectivity in the performance of their duties.

12. Use of the Development Corporation's Facilities

- 12.1 Officers must ensure that they use public funds entrusted to them in a responsible and lawful manner. They should strive to ensure value for money to the local community and to avoid legal challenge to the Development Corporation.
- 12.2 The Development Corporation's resources should be used solely in respect of its business. No improper use must be made of premises, vehicles, equipment, stationery or services. A reasonable amount of personal use of ICT and telephone facilities may be made but is subject to any Development Corporation ICT protocols and any arrangements for the payment of personal telephone calls.

13. Performance of Duties

- 13.1 Officers are required to observe agreed working procedures, operational regulations, health and safety rules, regulations, professional codes of practice and the provisions of the Development Corporation's Constitution and to carry out reasonable and proper instructions in matters relating to their duties.
- 13.2 An Officer must not:-
 - (a) Fail to discharge through carelessness, or neglect an obligation placed upon him/her by contract or by law;
 - (b) Fail to report any matter which he/she is required to report;
 - (c) Fail to wear safety clothing or footwear, or use safety equipment which has been issued as being necessary in the interests of health & safety or otherwise fail to have

due regard to health & safety requirements.

13.3 Failure to observe the Officers Code of Conduct or any human resources policies and procedures (for instance relating to substance misuse, smoking or ICT protocols) or other Development Corporation policies, regulations or standards, may lead to disciplinary action in accordance with the Development Corporation's disciplinary procedures.

Part 4

Protocol on Member/Officer Relations

1. The Role and Purpose of the Protocol

- 1.1** The Hartlepool Corporation (“the Development Corporation”) strives to carry out its duties and provide services in a way that is effective; efficient in terms of the resources deployed; and responsive to the views and wishes of the people that might be affected by what it does.
- 1.2** Above all, the Development Corporation operates with, and promotes high ethical values and standards in an environment which demands close and effective working relations between all Members and Officers without either seeking to take unfair advantage of their position. This is achieved by means of a culture of mutual respect, trust, courtesy, openness and understanding, in which Members and Officers feel free to speak to one another openly and honestly.
- 1.3** With this in mind, the purpose of this Protocol is not in any way to change that relationship, but to offer guidance to Members and Officers on their respective roles and their working relations with one another, in order to help them to perform more effectively and thereby to ensure the efficient and effective running of the corporation and the delivery of best value services to the local community.
- 1.4** The relations between Members and Officers are complex and varied. This Protocol does not therefore aim to be either prescriptive or comprehensive. It is intended simply to offer guidance on some of the issues which most commonly arise. It is hoped however that the approach which it adopts to these issues will serve as a reference document for dealing with other issues.
- 1.5** This Protocol relies to a large extent on current practice and convention. It does, however, attempt to promote greater clarity and certainty for the benefit of both Members and Officers.
- 1.6** The Protocol also seeks to reflect and bring together the principles underlying the respective Codes of Conduct which apply to Members and Officers. The shared objective of these Codes is to enhance and maintain the integrity (both real and perceived) of Development Corporations and those who work within them and to maintain the very high standards of personal conduct required of all who serve the public.
- 1.7** Development Corporations do not however operate in isolation. The Development Corporation always seeks to work in partnership with other local organisations and agencies and regional and national bodies to the greatest effect for the people of the area. Increasingly the Development Corporation’s Members and Officers are required to

represent the Development Corporation on a variety of outside bodies and organisations with statutory and non-statutory links to the Development Corporation. Whilst the procedural aspects of the Protocol relate mainly to the Development Corporation, it is expected that Members and Officers representing the Corporation on outside bodies, continue to maintain the ethos of courtesy, respect and understanding advocated by this Protocol.

- 1.8** The Protocol must be read and operated in the context of all relevant legislation and national and local codes of conduct and the Development Corporation's Policy on confidential reporting. A copy of the Members' Code of Conduct and the Confidential Reporting Policy are reproduced in this part

of the Constitution. Advice and guidance in connection with the Code and Policy, together with this Protocol can be obtained from the Development Corporation's Monitoring Officer.

2. The Roles of Members and Officers

2.1 Members

The roles of Members of the Development Corporation and Officers employed by the Development Corporation are different, but complementary. Members and Officers are servants of the public and they are indispensable to one another, but their responsibilities are distinct. All Members, including the Mayor, serve only so long as their term of office lasts. Officers are responsible to their Corporation (the Development Corporation). Their job is to give advice to all Members including the Mayor, and to the Corporation, and to carry out the Corporation's work under the direction and control of the Corporation.

Mutual respect between Members and Officers is essential to good governance. Close personal familiarity between individual Members and Officers can change this relationship and prove embarrassing to the Members and Officers.

- 2.2** The five guiding principles to be followed are that the Development Corporation should be:

Transparent – to ensure that the public are clear about who is responsible for particular decisions.

Understandable – to ensure that the decision-making process is simple, clear and unambiguous to Members, Officers and the public.

Efficient – to enable swift and responsive action.

Accountable – to ensure that decisions are open to scrutiny by Members and by the public and that members of the public are able to measure the Development Corporation's actions against its agreed policies.

Providing Best Value - to promote continuous improvement within the Development Corporation and demonstrate Best Value in ensuring resources are directed appropriately.

2.3 Officers

Officers support and advise the Development Corporation, and the constituent parts of its decision-making processes; implement the Development Corporation's decisions and may themselves take decisions formally delegated to them through the approved Scheme of Delegation. All Officers are required to be politically neutral.

- 2.4** Both Officers and Members, including the Mayor, must comply in all respects and at all times with their respective Codes of Conduct, not only in their dealings with each other, but also when dealing with partners and the public.
- 2.5** In particular, it should be recognised that Members of the Development Corporation do not have any special immunity from civil or criminal wrongs that they may commit against fellow Members, Officers or members of the public. Members must ensure that they do not, therefore, for example, slander or libel another person. During the course of their normal duties for the Development Corporation, Members will only have a qualified (and not an absolute) protection against prosecution or civil action.
- 2.6** Any member of the public (including Officers) can complain to the Development Corporation's Monitoring Officer about a Members' alleged breach of the Development Corporation's Code of Conduct for Members and/or bring private, civil action against a Member. The Auditor can also take legal action against an elected Member and the Development Corporation, as a whole, for any alleged breach of the law.
- 2.7** The Development Corporation has statutory duties with regard to equality issues and in accordance with Development Corporation's Code of Conduct for Members, Members must promote equality by not discriminating against others. Members and Officers should not, therefore, by their behaviour or speech act in a discriminatory way with regard to, for example, a person's age, gender, race, disability, religion, ethnicity, nationality or sexual orientation. Such principles will apply to the implementation of personnel policies, recruitment and promotion as they apply to day to day dealings with fellow human beings.

2.8 Members' expectations

Members can expect from Officers:-

- (a) A commitment to the Development Corporation as whole, and not to any particular political group.
- (b) A working partnership.
- (c) An understanding of and support for the respective roles, workloads and pressures.

- (d) Reasonable and timely response to enquiries and complaints.
- (e) Professional advice, not influenced by political views or preference, which does not compromise the political neutrality of Officers.
- (f) Regular, up to date information on matters that can reasonably be considered appropriate and relevant to their needs, having regard to any individual responsibilities that they have and positions that they hold.
- (g) Awareness of and sensitivity to the political environment.
- (h) Respect, dignity and courtesy and not acting in a discriminatory way through behaviour or speech.
- (i) That they have received relevant training and development in order to carry out their role effectively.
- (j) Integrity, mutual support and appropriate confidentiality
- (k) That employees will not use their relationship with Members to advance their personal interests or to influence decisions improperly.
- (l) That Officers will at all times comply with the relevant Code of Conduct.
- (m) Support for the role of Members as the local representatives of the Development Corporation, within the parameters of support approved by the Development Corporation.
- (n) That Officers will promote equality of opportunity in all Development Corporation matters.

2.9 Officers' Expectations

Officers can expect from Members:-

- (a) A working partnership.
- (b) An understanding of and support for the respective roles, workloads and pressures.
- (c) Leadership and direction.
- (d) Respect, dignity and courtesy and not acting in a discriminatory way through behaviour or speech.
- (e) Integrity, mutual support and appropriate confidentiality.
- (f) Not to be subject to bullying or harassment or to be put under undue pressure. Members

should have regard to the seniority of Officers in determining what are reasonable requests, having regard to the relationship between Members and Officers, and the potential vulnerability of Officers, particularly at junior levels.

- (g) That Members will not use their position or relationship with Officers to advance their personal interests or those of others or to influence decisions improperly.
- (h) That Members will at all times comply with the Development Corporation's Members' Code of Conduct.
- (i) That Members will promote equality of opportunity in all Development Corporation matters.

2.10 Limitations Upon Behaviour

The distinct roles of Members and Officers necessarily impose limitations upon behaviour. By way of illustration, and not as an exclusive list:-

- (a) Close personal, as opposed to working, relationships between Members and Officers can confuse these separate roles and detrimentally affect the proper discharge of the Development Corporation's functions, not least by creating the perception in others that a particular Member or Officer may be securing advantageous treatment.
- (b) The need to maintain the separate roles means that there are limits to the matters on which Members may seek the advice of Officers, both in relation to personal matters and party political issues.
- (c) Relationships with a particular individual or party group should not be such as to create public suspicion that an employee favours that Member or group above others.

2.11 Grievances or

Complaints Procedure

for Officers

- (a) From time to time the relationship between Members and Officers may break down or become strained. Whilst it will always be preferable to resolve matters informally, through conciliation by an appropriate senior manager or Member, Officers will have recourse to a Policy and Procedure relating to grievances, where the matter concerns their employment or to the Development Corporation's Monitoring Officer, as appropriate to the circumstances. In the event of a grievance or complaint being upheld, the matter will be referred to the Group Chief Executive Officer who will decide on the course of action to be taken.

Procedure for Members

- (b) In the event that a Member is dissatisfied with the conduct, behaviour or performance of an Officer, he/she should not raise the matter in public or before the press, as Officers have no means of responding to the same in public. The matter should be raised with an appropriate Officer.

Part 5

Confidential Reporting Policy

This policy enables employees, and other persons working for the Hartlepool Development Corporation (“the Development Corporation”) on Development Corporation premises, together with suppliers and those providing services under a contract with the Development Corporation to voice confidentially serious concerns over alleged malpractice and alleged wrongdoing within the Development Corporation.

Officers will be nominated for the purpose of dealing with concerns raised by employees or other persons under this policy.

1. INTRODUCTION

- 1.1** Employees/Officers are sometimes the first to realise that there may be something seriously wrong, but they may not express their concerns because they feel that speaking up would be disloyal to their colleagues or to the Development Corporation; or they may fear harassment, victimisation or other reprisals. In these circumstances it may be easier to ignore the concern rather than report what may be just a suspicion of malpractice.
- 1.2** The Development Corporation is committed to the highest possible standards in the delivery of its services, and for full accountability for those services. In line with that commitment employees are encouraged to come forward and voice any serious concerns they may have about the Development Corporation’s operations. It is recognised that certain matters will have to be dealt with on a confidential basis. This policy makes it clear that you can do so without fear of reprisals. This policy is intended to encourage and enable you to raise serious concerns within the Development Corporation rather than overlooking a problem or “blowing the whistle” outside.
- 1.3** The policy applies to all Officers, employees and any contractors working for the Development Corporation on Development Corporation premises. It also covers suppliers and those providing services under a contract with the Development Corporation in their own premises.

2. AIMS AND SCOPE OF THIS POLICY

- 2.1** This policy aims to:
 - (a) provide avenues for you to raise concerns and receive feedback on any action taken;
 - (b) allow you to take the matter further if you are dissatisfied with the Development Corporation’s response to the concerns expressed; and

(c) reassure you that you will be protected from possible reprisals or victimisation

2.2 Complaints systems are in place to provide a mechanism for individuals to complain about the standard of service, action or lack of action by the Development Corporation or its employees, which affect our services to the public. If you are an employee there are procedures in place to enable you to lodge a grievance relating to your own employment. The Confidential Reporting Policy is intended to cover concerns that fall outside the scope of these procedures e.g. malpractice or wrongdoing. Thus any

serious concern that you may have regarding possible malpractice or wrongdoing in any aspect of service provision or the conduct of Officers or Members of the Development Corporation (although complaints about Members' conduct will need to be forwarded to the Development Corporation's Monitoring Officer) or others acting on behalf of the Development Corporation, can and should be reported under this policy. Employees and Officers are expected to report malpractice and wrongdoing and may be liable to disciplinary action if they knowingly and deliberately do not disclose information relating to malpractice or wrongdoing in any aspect of service provision or the conduct of Officers or Members of the Development Corporation or others acting on behalf of the Development Corporation.

3. WHAT IS MALPRACTICE OR WRONGDOING?

3.1 Malpractice and wrongdoing may be about something which:-

- is unlawful; or
- against the Development Corporation's Procedure Rules or policies; or
- is not in accordance with established standards of practice; or
- amounts to improper conduct by an Officer or a Member.

The overriding concern should be that it would be in the public interest for the malpractice or wrongdoing to be corrected and, if appropriate, sanctions to be applied.

3.2 The following are examples of issues which could be raised under this policy. It is not intended to be an exhaustive list and there may be other matters which could be dealt with under the policy:

- (a) any unlawful act or omission, whether criminal or a breach of civil law
- (b) maladministration, as defined by the Local Government Ombudsman
- (c) breach of any statutory code of practice
- (d) breach of, or failure to implement or comply with any policy determined by the Development Corporation
- (e) failure to comply with appropriate professional standards or other established standards of practice
- (f) corruption or fraud
- (g) actions which are likely to cause physical danger to any person, or give rise to a risk of significant damage to property
- (h) failure to take reasonable steps to report and rectify any situation which is likely to

give rise to a significant avoidable cost, or loss of income, to the Combined Authority or would otherwise seriously prejudice the Development Corporation

- (i) abuse of power, or the use of the Development Corporation's powers and authority for any unauthorised or ulterior purpose
- (j) unfair discrimination in the Development Corporation's employment or services
- (k) dangerous procedures risking health and safety
- (l) damage to the environment
- (m) other unethical conduct

4. SAFEGUARDS

4.1 HARASSMENT OR VICTIMISATION

The decision to report a concern can be a difficult one to make, not least because of the fear of reprisal from those responsible for the malpractice or from the Development Corporation as a whole. The Development Corporation will not tolerate any harassment or victimisation and will take appropriate action in order to protect you if you raise a concern in good faith. In addition you are protected in law by the Public Interest Disclosure Act 1998, which gives employees protection from detriment and dismissal where they have made a protected disclosure, provided the legal requirements of the Act are satisfied.

This does not however necessarily mean that if you are already the subject of disciplinary procedures that those procedures will be halted as a result of a concern being raised under this policy.

4.2 CONFIDENTIALITY

It will be easier to follow up and to verify complaints if complainants are prepared to give their names. However, wherever possible the Development Corporation will protect those who do not want their names to be disclosed. It must be appreciated that any investigation process may nonetheless reveal the source of the information and that a statement from you may be required as part of the evidence.

4.3 ANONYMOUS ALLEGATIONS

Concerns expressed anonymously are much less powerful, and they will be treated with caution and considered at the discretion of the Development Corporation. In exercising this discretion, the factors to be taken into account would include:

- (a) the seriousness of the issues raised.

- (b) the credibility of the concern; and
- (c) the likelihood of obtaining the necessary information and confirmation of the allegation.

4.4 DELIBERATELY FALSE OR MALICIOUS ALLEGATIONS

The Development Corporation will view very seriously any deliberately false or malicious allegations it receives and will regard the making of any deliberately false or malicious allegations by any employee as a serious disciplinary offence which could result in dismissal.

If you make an allegation in good faith but it is not confirmed by the investigation, no action will be taken against you.

The Development Corporation will try to ensure that the negative impact of either a malicious or unfounded allegation about any employee is minimised. However, it must be acknowledged that it may not be possible to prevent all of the repercussions potentially involved.

5. HOW DO I RAISE A CONCERN?

5.1 If you suspect wrongdoing in the workplace:

- **do not** approach or accuse the individuals directly
- **do not** try to investigate the matter yourself
- **do not** convey your suspicions to anyone other than those with the proper authority, but **do** something!

5.2 As a first step, you should normally raise concerns with your immediate manager or supervisor. However, the most appropriate person to contact will depend on the seriousness and sensitivity of the issues involved and who is thought to be involved in the malpractice. For example, if you believe that senior management is involved in the matter of concern, or the normal channels of communication are inappropriate for some reason, as an employee of the Corporation you should approach a Nominated Officer (HR Advisor). If you feel that this would be inappropriate in the light of the particular matter concerned, or if you are not a Development Corporation employee, you can contact the Development Corporation's Monitoring Officer.

5.3 Concerns may be raised verbally but are better raised in writing. You are invited to set out the background and history of the concern giving relevant names, dates and places where possible, and the reason why you are particularly concerned about the situation. If you do not feel able to put your concern in writing you can telephone or meet the appropriate Officer.

- 5.4** The earlier a concern is expressed, the easier it is to take appropriate action.
- 5.5** Although you are not expected to prove the truth of an allegation that is made, it will be necessary for you to demonstrate to the person contacted that there are sufficient grounds for concern.
- 5.6** Advice and guidance on how matters of concern may be pursued can be obtained from the Development Corporation's Monitoring Officer.
- 5.7** Alternatively, you may wish to seek advice from your professional association.
- 6. HOW THE DEVELOPMENT CORPORATION WILL RESPOND**
- 6.1** The action taken by the Development Corporation will depend on the nature of the concern. Where appropriate, the matters raised may:
- be investigated by management, internal audit, or through the disciplinary process
 - be referred to the Police
 - be referred to the external Auditor
 - need to be the subject of a referral to the Development Corporation's Monitoring Officer
 - form the subject of an independent enquiry
- 6.2** In order to protect individuals and the Development Corporation, initial enquiries will be made to decide whether an investigation is appropriate and, if so, what form it should take. Concerns or allegations which fall within the scope of specific procedures (for example allegations of breaches of the Development Corporation's Code of Conduct, or discrimination issues) will normally be referred for consideration under these procedures.
- 6.3** Some concerns may be resolved by agreed action without the need for investigation.
- 6.4** Within 14 calendar days of a concern being raised under this procedure the relevant Officer will write to you:
- (a) acknowledging that the concern has been received;
 - (b) indicating how it is proposed to deal with the matter;
 - (c) giving an estimate (so far as reasonably practicable) as to how long it will take to provide a final response;
 - (d) telling you whether any initial enquiries have been made; and
 - (e) telling you whether further investigations will take place and if not, why not.
- 6.5** The amount of contact between you and the Officers considering the issues will depend on

the nature of the matters raised; the potential difficulties involved; and the clarity of information provided. If necessary, further information will be sought from you.

- 6.6** Where any meeting is arranged, you have the right, if you so wish, to be accompanied by someone who is not involved in the area of work and/or the matter to which the concern relates.
- 6.7** The Development Corporation will take appropriate steps to minimise any difficulties you may experience as a result of raising a concern. For example, if you are required to give evidence in criminal or disciplinary proceedings the Development Corporation will advise you about the procedure.
- 6.8** The Development Corporation accepts that you need to be reassured that the matter has been properly addressed. Therefore, subject to any legal restraints, you will receive as much information as possible about the outcomes of any investigation.

7. HOW CAN I TAKE THE MATTER FURTHER?

- 7.1** This policy is intended to provide employees and other persons with an avenue to raise concerns **within** the Development Corporation and it is hoped that you will take this option in the first place. The Development Corporation hopes you will be satisfied with the action taken under the policy. If you are not, and you feel it is right to take the matter outside the Development Corporation, then depending upon the nature of the issue involved, the following are possible contact points:
 - a) the External Auditor
 - b) relevant professional bodies or regulatory organisations
 - c) the Police
 - d) the Local Government Ombudsman
 - e) Public Concern at Work
 - f) an independent legal adviser within the meaning of the Public Interest Disclosure Act 1998
 - g) a regulatory body designated for the purposes of the Public Interest Disclosure Act
- 7.2** If you do wish to take the matter outside the Development Corporation, you must first ensure that you do not disclose confidential information. Check with the Compliance & Governance Manager or the Monitoring Officer about that. In addition, if you wish to secure the protections afforded by the Public Interest Disclosure Act, you must ensure that your disclosure is protected within the meaning of the Act and that it complies with a set of specific conditions which vary according to whom the disclosure is made. Again please check with the Compliance & Governance Manager or the Monitoring Officer about these matters.

8. RESPONSIBILITY FOR THE POLICY

- 8.1** The responsibility for the effectiveness of this policy rests with the Monitoring Officer. That Officer will be advised about and maintain records of concerns raised and the outcomes (but

in a form which does not endanger your confidentiality) and will report as necessary to the Development Corporation or one of its Committees.

Appendix IV

FINANCIAL REGULATIONS

1. Purpose and Scope

- 1.1 These regulations form part of the Development Corporation's Constitution and they set out the financial management policies of the Hartlepool Development Corporation (The Development Corporation) and are a key part of the Corporation's financial governance arrangements. All references to The Development Corporation within these financial regulations shall be taken to include all Development Corporation Group entities.
- 1.2 These regulations lay down for the guidance of Members and Officers, principles to be followed in securing the proper administration of the financial affairs of the Development Corporation.
- 1.3 It is important that these Regulations are, and continue to be, relevant to the Development Corporation. They should be reviewed regularly to remain consistent with the Development Corporation's Constitution and related documentation and be in line with best practice and legislation.
- 1.4 Where references are made to Group entities and/or activities that may on occasion conflict with a Subscription and Shareholders Agreement (SSHA) of Group entities these Financial regulations will prevail.

2. Role of the Development Corporation

- 2.1 Many of the responsibilities for financial matters are defined within the constitution of which these regulations form part and the Scheme of Delegation. Responsibilities are either reserved for the Development Corporation's Board to exercise or delegate to specific officers such as the Group Chief Executive Officer and Director of Finance & Resources.
- 2.2 The Development Corporation has overall responsibility for ensuring that the Development Corporation's expenditure remains within the resources available to it.

3. The Development Corporation is responsible for approving the Financial Control Framework of the Development Corporation.

Role of the Group Director of Finance & Resources

- 3.1 The Group Director of Finance & Resources, shall be responsible for ensuring the proper administration of the Development Corporation's financial affairs.
- 3.2 The Group Director of Finance & Resources shall issue and keep under continuous review, such instructions, advice or procedures relating to financial matters as he or she considers necessary to secure the proper administration of the Development Corporation's financial affairs.
- 3.3 The Group Director of Finance & Resources is responsible for reporting, where appropriate, breaches of Financial Regulations.
- 3.4 The Group Director of Finance & Resources has responsibility for ensuring compliance with the requirements of the Accounts and Audit Regulations relating to accounting records, control systems and audit.
- 3.5 If any financial issues arise which result in any uncertainty or ambiguity as to the correct procedure to follow under these regulations, then the Group Director of Finance & Resources shall have delegated powers to give a valid direction as to the appropriate procedure to follow.
- 3.6 The Group Director of Finance & Resources for the Development Corporation is fulfilled by the Group Director of Finance & Resources for the Combined Authority. If significant conflicts of interest arise between these two roles, these will be identified, and discussed with the Group Chief Executive Officer, who may direct another person to temporarily fulfil the role of Group Director of Finance & Resources for the purpose of resolving the significant conflict of interest.

4. Role of the Officers and Group entities ("the Group")

- 4.1 Chief Officers shall promote the financial management standards set by the Group Director of Finance & Resources and shall adhere to the standards and practices set down in these regulations.
- 4.2 It is the responsibility of Officers to consult with the Group Director of Finance & Resources and seek advice on any matters likely to have a material effect on the Development Corporation finances, before any decision is made.
- 4.3 If any Chief Officer or officer acting on behalf of the Development Corporation is

aware of any contravention to these Financial Regulations, they must immediately notify the Group Director of Finance & Resources who shall determine appropriate action.

5. Accounting Policies

5.1 The Group Director of Finance & Resources is responsible for selecting Accounting Policies and ensuring that they are applied consistently. The key controls in Accounting Policies are that:

- (a) Systems of internal control are in place to ensure that financial transactions are lawful.
- (b) Proper accounting records are determined and maintained.
- (c) Financial statements are prepared which represent fairly the financial position of the Development Corporation and its income and expenditure.

6. Financial Planning

6.1 The Group Director of Finance & Resources shall determine the appropriate timetable for the preparation of the annual budget that conforms to the statutory deadlines.

6.2 Each financial year, as part of the ongoing financial strategy, the Group, in consultation with the Group Director of Finance & Resources, will develop annual revenue and capital budget proposals for consideration by the Development Corporation's Board.

6.3 The Group shall prepare a statement of all resources and approvals covering a rolling programme identifying all approved schemes and programmes.

6.4 The Group Director of Finance & Resources will advise the Development Corporation on the robustness of budget proposals in accordance with his / her responsibilities under these financial regulations.

6.5 All revenue reserves held by the Development Corporation will be kept under review by the Group Director of Finance & Resources with a view to ensuring that they are spent on their specified purposes and that planned expenditure is properly phased.

- 6.6 The Group Director of Finance & Resources will also advise the Development Corporation on the prudent level of reserves and general balances.
- 6.7 The Group Chief Executive and Group Director of Finance & Resources will recommend approval of investment plans to the Development Corporation.

7. Financial Management – Revenue and Capital

Budget Monitoring and Control

- 7.1 The Group are responsible for monitoring their income and expenditure against the revenue and capital budgets approved by the Development Corporation.
- 7.2 The Group Director of Finance & Resources will establish an appropriate framework of financial management and control for the Development Corporation which ensures that;
 - (a) budget management is exercised within approved Development Corporation revenue and capital budgets;
 - (b) expenditure and income is monitored using information held on the Development Corporation's corporate financial information system;
 - (c) timely and sufficient information on receipts and payments on each budget is available to enable managers to fulfil their budgetary responsibilities;
 - (d) additions and changes to approved expenditure plans require approval by the Board.
- 7.3 The Group must personally ensure that any information which suggests a potentially significant variation against their approved budget (both overspends and underspends) is notified at the earliest opportunity to the Group Director of Finance & Resources. Where appropriate, the Group Director of Finance & Resources shall prepare a specific report for the Development Corporation to consider the proposed approach to mitigate the effects of such variation.
- 7.4 Where additional revenue or capital resources become available, or are forecast to become available, the Group must notify the Group Director of Finance & Resources at the earliest opportunity.

- 7.5 The Group Director of Finance & Resources will prepare revenue and capital budget monitoring reports in conjunction with the Group for presentation to the Development Corporation on a regular basis. The frequency and content of these reports shall be determined by the Group Director of Finance & Resources, in consultation with the Development Corporation's Board.
- 7.6 Where the Group wish to propose new capital and revenue schemes or blocks for inclusion in the Development Corporation's programme, they must first consult the Group Director of Finance & Resources who will determine the approach to be taken for approval of the proposal. The proposals would need to be approved by the Development Corporation following advice from the Group Director of Finance & Resources.
- 7.7 Bids for external funding to support capital and revenue expenditure cannot take place until approved by the Group Director of Finance & Resources.
- 7.8 Expenditure cannot take place unless the scheme or programme is fully funded and approved.

8. Treasury Management

- 8.1 The Development Corporation's Treasury Management activities shall be defined as the management of its investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.
- 8.2 All Treasury Management activity shall be undertaken in full compliance with the Chartered Institute of Public Finance & Resources and Accountancy's Code of Practice: Treasury Management in Public Services (revised 2011) as may be revised from time to time or such other practices and procedures as may be approved by the Development Corporation.
- 8.3 Only the Group Director of Finance & Resources may enter into any borrowing, investment and financing arrangements on behalf of the Development Corporation.
- 8.4 The Group shall ensure that loans are not made to third parties and that interests are not acquired in companies, joint ventures or other enterprises without the prior approval of the Group Director of Finance & Resources.
- 8.5 The Group Director of Finance & Resources is responsible for formulating an

annual Borrowing and Treasury Management Strategy for approval by the Development Corporation in advance of the year together with providing a mid-year review and annual report after its close.

9. Banking Arrangements, Cheque Security and Credit Cards

- 9.1 No Group officer/entity other than the Group Director of Finance & Resources may open any bank account in the name of the Development Corporation
- 9.2 The Development Corporation's banking terms and overdraft arrangements shall be agreed by the Group Director of Finance & Resources.
- 9.3 All arrangements for the ordering and issuing of cheques shall be agreed by the Group Director of Finance & Resources, who shall make proper arrangements for their custody.
- 9.4 All cheques drawn on behalf of the Development Corporation shall be signed by 2 of the 3 key nominated signatories – Group Chief Executive Officer, the Group Director of Finance & Resources and the Engineering & Programme Director.
- 9.5 Credit cards, charge cards and other payment methods held in the Authority's name may only be opened, closed and managed by the Group Director of Finance & Resources.
- 9.6 The Group Director of Finance & Resources will ensure that bank reconciliations are completed on at least a monthly basis.

10. External Funding / Grants

- 10.1 The Group Director of Finance & Resources must be consulted on and approve all submissions to central government, European Union, Tees Valley Combined Authority and external bodies for funding. Prior to making any submission in relation to external funding, the Group must ensure that:
 - (a) an exit strategy is identified to manage the ultimate cessation of the funding stream with no adverse impact on the Development Corporation;
 - (b) any match-funding requirements are given due consideration prior to entering

into agreements and that future revenue budgets reflect these requirements;
and

- (c) they are able to comply with the terms and conditions of a grant scheme, including auditor certification requirements, before accepting them.

10.2 The Group must seek approval from the Group Director of Finance & Resources before accepting any offer of funding from external bodies.

10.3 The Group are responsible for ensuring that all expenditure to be funded by grant is properly incurred in accordance with the requirements and conditions of the funding body, and is supported by adequate evidence.

10.4 The Group are responsible for ensuring the completion and submission of grant claims. The Group must also ensure that grant claims comply with the requirements and grant conditions of the funding body, are submitted promptly, supported by adequate evidence and approved by the Group Director of Finance & Resources.

10.5 The Group are responsible for ensuring that any legal implications and risks of working with third parties are appropriately addressed. This will include any back to back agreements as required.

11. Income

11.1 All monies received on behalf of the Development Corporation shall be paid in full into the Development Corporation's bank account without delay.

11.2 The Group shall ensure that all accounts for income due to the Development Corporation are raised within five days on an official sales invoice which provides particulars of all charges to be made for work done, services rendered, or goods.

11.3 The Group Director of Finance & Resources shall be notified promptly of all money due to the Development Corporation and of contracts, leases and other agreements and arrangements entered into which involve the receipt of money.

11.4 Any proposal to introduce charges or make changes to existing charges for the provision of services must be approved by the Group Director of Finance & Resources.

- 11.5 Any write off of unrecoverable debt should be in accordance with the write of criteria set by The Group Director of Finance Resources.

12. Ordering of and Payments for Works Goods and Services

- 12.1 Wherever possible a purchase order is required for all purchases of goods and services and these must be raised within the Development Corporation's financial system.
- 12.2 The Group must ensure that orders represent legitimate liabilities of the Development Corporation, sufficient budgetary provision exists to cover the payment and expenditure is correctly coded.
- 12.3 All orders for goods and services must be made in accordance with the Development Corporation's Procurement Policy.
- 12.4 All purchase orders and payments must be approved as detailed in the Scheme of Delegation.
- 12.5 The Group have the responsibility to ensure that payments are made within the terms of the contract and legislative requirements.

13. Insurance & Risk Management

- 13.1 The Group Director of Finance & Resources shall be responsible for ensuring that all insurable risks of the Development Corporation are adequately covered, for maintaining the necessary records and for managing all claims on behalf of the Development Corporation.
- 13.2 The Group shall notify the Group Director of Finance & Resources promptly of all risks, liabilities, properties or vehicles which are required to be insured, and of any alterations affecting risk or insurances indicating the amount of cover required.
- 13.3 The Group shall immediately notify the Group Director of Finance & Resources of any fire, loss, accident or other event that may give rise to a claim against the Development Corporation's insurers.
- 13.4 Directors are responsible for ensuring that a register of significant risks is maintained, reported and monitored.

14. Internal Audit

- 14.1 The Group Director of Finance & Resources shall be responsible for maintaining an internal audit of all accounts and financial transactions of the Development Corporation, and shall satisfy himself/herself as to security arrangements for the custody and safeguarding of the Development Corporation's assets as laid down in any legislation applicable to the Development Corporation and any relevant codes of practice adopted by the Development Corporation.
- 14.2 The Group Director of Finance & Resources, or nominated individuals undertaking internal audit functions, shall have authority to all relevant records of any Service, and shall be entitled to require the production property and to obtain information or explanations with regard to any matters under examination.
- 14.3 The Group shall notify the Group Director of Finance & Resources immediately of any circumstances which may suggest the possibility of irregularity or loss affecting the Development Corporation. Where the Group Director of Finance & Resources considers that an irregularity may have occurred, action shall be taken by way of an investigation and report.
- 14.4 Directors shall consider and respond promptly to recommendations in audit reports and ensure that any agreed actions arising from audit recommendations are implemented in a timely manner.
- 14.5 The Group Chief Executive and Group Director of Finance & Resources (the Statutory Officers), as outlined in clause 28 of the Development Corporation's Constitution, shall advise the Board when a Referral Decision may be required.
- 14.6 The Development Corporation shall maintain a register of significant risks which may lead to or constitute a Referral Decision (Clause 33 of the Constitution) and notify the Group Director of Finance & Resources at the earliest opportunity of changes to the risk profile of the Corporation which could have a material effect on the Corporation's or the Combined Authority's liabilities.

15. Arrangements with external Organisation

- 15.1 The Group Director of Finance & Resources must be consulted prior to the establishment of any financial arrangements as part of partnerships or joint arrangements with external companies, other public organisations and community and voluntary groups. No partnership or joint arrangements shall be entered into without the approval of the Development Corporation.
- 15.2 Directors must confirm whether any arrangement requires the Development Corporation to be designated an 'Accountable Body'. Where this is the case, the Group Director of Finance & Resources must be consulted and approval of the Development Corporation must be obtained prior to the arrangement becoming operational.
- 15.3 The financial arrangements of all partnerships where the Development Corporation is the Accountable Body should meet the requirements of the Development Corporation's Financial Procedure Rules and Contract Procedure Rules.

Appendix V

SCHEME OF DELEGATIONS TO CHIEF OFFICERS

1. Introduction

This Scheme of Delegation has been adopted by the Board (meaning the members of the Hartlepool Development Corporation meet as such) and can only be altered by the Board.

The roles of Group Chief Executive Officer and Group Director of Finance and Resources of the Development Corporation are discharged by the Group Chief Executive Officer and Group Director of Finance and Resources respectively.

The scope of this Scheme of Delegation applies to the Corporation where defined below: -

The Board approves, and/or delegates to its statutory officers in consultation with the Chair, the necessary matters reserved for Board

1.1 Group Chief Executive Officer (CEO)

The CEO shall fulfil the statutory role of Accounting Officer. The CEO is responsible for the corporate management and overall operational capacity of the Development Corporation, including the strategic management of all of the Development Corporation's staff.

The CEO is appointed the Proper Officer for the purpose of receiving a list of the Development Corporation's politically restricted posts.

The CEO cannot be the Monitoring Officer.

1.2. Monitoring Officer

Under the provisions of Section 7 of the Tees Valley Combined Authority (Functions) Order 2017, the designation and reports of the Monitoring Officer to the Combined Authority (the Monitoring Officer) shall apply as if the Corporation were a Committee to the Combined Authority. The Monitoring Officer will be responsible for promoting and maintaining the highest standards of conduct. The Monitoring

Officer will provide advice on the scope of powers and authority to take decisions, maladministration and probity to all Members and provide a comprehensive service to the Development Corporation Board.

The Monitoring Officer to the Development Corporation is appointed the Proper Officer in relation to the following functions under the Local Government Act 1972:

Determination of those reports which should be available for public inspection prior to a meeting of the Development Corporation Board, the Audit and Risk Committee and any other of the Development Corporation and those which are likely to be heard in private and consequently which should not be released to the public (section 100B (2)).

- a) Provision of documents to the press, additional to committee reports (section 100B(7)).
- b) Preparing written summaries of proceedings (section 100C (2)).
- c) Making arrangements for lists of background papers to reports to be compiled, and for copies of documents on those lists to be made available for public inspection (section 100D (1))
- d) Advising on what may or may not be a background paper for the purposes of reports which are open to public inspection (section 100D (5))
- e) Determination of documents disclosing exempt information which may not be inspected by Members (section 100F (2)).
- f) Signature or authentication of Summonses to the Development Corporation Board (paragraph 4 (1A) (b) of Schedule 12).
- g) Declaration and Certificates with regard to securities (section 146 (1)(a) and(b)).
- h) Deposit of documents (section 225 (1)).
- i) Certifications of photographic copies of documents (section 229 (5)).
- j) Issuing and signing of formal notices (section 234 (1) and (2)).

The Monitoring Officer is also appointed the Proper Officer for the following purposes:-

- k) Certification of copies of resolutions, minutes, other documents.
- l) Exceptions to the overview and scrutiny and publicity requirements relating to key decisions (the Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017.

The Monitoring Officer will maintain an up to date Register of Member's interests and an up to date version of the Constitution and will ensure that it is widely available for consideration by Members, officers and the public.

The Monitoring Officer will contribute to the promotion and maintenance of high standards of conduct and be responsible for the receipt and acknowledgement of complaints of failure by a Member of the Development Corporation to comply with the Members Code of Conduct.

The Monitoring Officer cannot be the Group Chief Executive Officer or the Group Director of Finance & Resources.

1.3 Group Director of Finance & Resources

The Group Director of Finance & Resources has responsibility for ensuring lawfulness and financial prudence of decision making. The Group Director of Finance & Resources is appointed Proper Officer in relation to the following:

- a) receipt of money due from officers (Local Government Act 1972, section 115 (2);and
- b) proper administration of the financial affairs of the Development Corporation.

The Group Director of Finance & Resources will provide advice and guidance to all Members on financial impropriety and budgetary issues and will report to the Development Corporation regarding any proposal, decision or course of action that will involve incurring unlawful expenditure, or that is unlawful and is likely to cause a loss or deficiency on the part of the Development Corporation (including all entities within the Development Corporation Group), or if the Development Corporation, or any of its Group entities, is about to enter an item of account unlawfully.

1.4 General

All officers in whose name reports are submitted to the Development Corporation Board, the Audit & Risk Committee and any workstream established by the Board, shall submit such reports via the Monitoring Officer for:

- a) Compilation and retention of lists of background papers and copies of the relevant documents and reports.
- b) Identifying and determining what are background papers.

2. Scheme of Delegation of Functions to Chief Officers

2.1 Section 101 of the Local Government Act 1972 enables the Development Corporation to delegate the discharge of any of its functions to its officers.

2.2 Section 107D of the Local Democracy, Economic Development and Construction Act 2009 enables the Mayor to arrange for an officer of the Development Corporation to exercise any functions exercisable by the Mayor.

2.3 This part of the Constitution specifies those powers of the Development Corporation and the Mayor which, for the time being, are exercisable from time to time by officers of the Development Corporation, and stating the title of the officer in question by whom the powers are exercisable.

2.4 Chief Officers in the context of this Constitution mean the Group Chief Executive Officer, the Group Director of Finance & Resources.

2.5 The delegated powers of Chief Officers set out in this Scheme may be exercised by other officers authorised by the Chief Officer with the delegated power to act on their behalf and in their name, provided that appropriate administrative procedures are in place to record the authorisation and monitor decisions taken.

2.6 The exercise of delegated powers by officers is required to be in accordance with and subject to:

- a) Statute or other legal requirements, including the principles of public law, the Human Rights Act 1998, statutory guidance and statutory codes of practice;
- b) this Constitution, the Development Corporation Board's Rules of Procedure and Financial Regulations currently in force;
- c) the revenue and capital budgets of the Development Corporation, subject to any variation thereof which is permitted by the Corporation's Financial Regulations; and
- d) any policy or direction of the Development Corporation Board, the Audit & Risk Committee and any workstream established by the Board acting in exercise of the powers delegated to it by the Development Corporation.

2.7 Officers may **not** exercise delegated powers where:

- a) the matter is reserved to the Development Corporation Board, or the Mayor, and is to be exercisable only by them, by law or by this Constitution
- b) the matter is a function which cannot by law be discharged by an officer;
- c) the Development Corporation Board, or a committee, sub-committee or joint committee to which the Development Corporation is a party, has determined that the matter should be discharged otherwise than by an officer.

2.8 Where in relation to an item before the Development Corporation Board, Audit & Risk Committee and any workstream established by the Board, a Chief Officer is given specific authority to determine a particular matter, the officer should ensure that there is an appropriate audit trail to evidence such a determination.

2.9 Any reference in this Scheme of Delegation to any enactment shall include a reference to any amendment or re-enactment of the same.

3. General Delegations to all Chief Officers (unless otherwise stated)

GD1 The day to day routine management, supervision and control of services provided for the Development Corporation by staff under its control in accordance with the Rules of Procedure and Financial Regulations of the Development Corporation.

Contracts and Accounts

GD2 The disposal of surplus or obsolete equipment to the person submitting the highest quotation up to a limit of £10,000 in value.

GD3 The acceptance of the best value tender or quotation (**Group Chief Executive Officer and Group Group Director of Finance and Resources**):

GD4

GD5

- a) For the supply of goods, materials or services for which financial provision has been made in the Development Corporation's Budget and that do not exceed £1,000,000, and
- b) For building and civil engineering works for which financial provision has been made in the Development Corporation's Budget and that do not exceed £10,000,000

The invitation of quotations for contracts for the supply of goods, materials or services from at least three persons, subject to financial provision having been made in the Revenue or Capital Budget of the Development Corporation.

The invitation of quotations for contracts for the execution of works from at least three persons, subject to financial provision having been made in the Revenue or Capital Budget of the Development Corporation.

GD6 The provision of services or the purchase of materials or minor items of equipment for which provision has been made in the revenue estimates.

4. Delegations to the Group Chief Executive Officer

- CEO1 To discharge the functions of the Group Chief Executive Officer in relation to the Development Corporation.
- CEO2 To engage officers on behalf of the Development Corporation in order to coordinate and carry out its functions.
- CEO3 To discharge any function of the Development Corporation which has not been specifically delegated to another officer or reserved to the Development Corporation Board or Audit Committee whether by law or by this Constitution.
- CEO4 To take all action which is necessary or required in relation to the exercise of any of the Development Corporation's functions or the functions of the Mayor (other than those functions which by law can be exercised only by the Development Corporation or by the Mayor), having regard to the Development Corporation's or Mayor's approved plans, policies or strategies and the Development Corporation's budget, and all enabling legislation.

- CEO5 Take any action which is necessary or required as a matter of urgency in the interests of the Development Corporation, in consultation (where practicable) with the Chair of the Development Corporation Board, the Monitoring Officer and the Group Director of Finance & Resources and the Group Engineering & Programme Director.
- CEO6 Nominate, appoint and remove, in consultation with the Chair of the Development Corporation Board, Development Corporation representatives on the board of companies, trusts and other bodies, and to agree constitutional arrangements for such companies, trusts and other bodies, and give any necessary consent required within their relevant constitutions.
- CEO7 To authorise any named officer of the Development Corporation to exercise functions delegated to the Group Chief Executive Officer, the Group Director of Finance & Resources or the Monitoring Officer, including the functions of a consultee in relation to the exercise of an Officer's delegated powers.
- CE08 Authentication of documents and the use of the corporate seal, following appropriate consultation with the Monitoring Officer and Chair of the Board

5. Delegations to the Group Director of Finance & Resources

- DoFR1 To effect the proper administration of the Development Corporation's financial affairs particularly in relation to financial advice, procedures, records and accounting systems, internal audit and financial control generally.
- DoFR2 After consulting, so far as practicable with the Group Chief Executive Officer, the Engineering & Programme Director and the Monitoring Officer, to report to the Development Corporation Board if it appears to him/her that a decision has been made, or is about to be made which involves or would involve the Development Corporation incurring unlawful expenditure, or that a course of action has been taken or is about to be taken which, if pursued to its conclusion, would be unlawful and likely to cause a loss or deficiency on the part of the Corporation, or that an item of account is about to be made which is unlawful. Such a report will have the effect of prohibiting the proposal, decision or other action being implemented until the report has been considered.

- DoFR3 The taking of all action required on borrowing, investment and financing subject to the submission to the Development Corporation Board of an annual report of the Group Director of Finance & Resources on Treasury Management activities at six-monthly intervals in accordance with CIPFA's Code of Practice for Treasury Management and Prudential Codes.
- DoFR4 To effect all insurance cover required in connection with the business of the Development Corporation and to settle all claims under such insurances arranged for the Development Corporation's benefit.
- DoFR5 To discharge the functions of the Development Corporation under the Accounts and Audit (England) Regulations 2015 (with the exception of Regulations 6(2), 9(2) and 20(1)).
- DoFR6 To be the officer nominated, or to nominate in writing another officer, as the person to receive disclosures of suspicious transactions for the purposes of the Proceeds of Crime Act 2002 and any Regulations made thereunder.
- DoFR7 To exercise the responsibilities assigned to the Group Director of Finance & Resources in the Development Corporation's financial arrangements and procedures and in its Procurement Policy.
- DoFR8 To authorise any named Officer of the Development Corporation to exercise functions delegated to the Group Director of Finance & Resources, including the functions of a consultee in relation to the exercise of an Officer's delegated powers.

6. Delegations to the Monitoring Officer

- MO1 The Monitoring Officer is authorised to:
- a) institute, prosecute, defend, withdraw, conduct, settle or appeal any administrative action and/or any legal proceedings on behalf of the Development Corporation;
 - b) negotiate, issue, conclude and/or sign or execute any notice, document or agreement in any case where such action will facilitate, or be conducive or incidental to the carrying out of any decisions of the Development Corporation Board; or in any case where the Monitoring Officer considers that such action is necessary to protect the Development Corporation's interests, or to further or achieve the objectives of the Development

Corporation; and

- c) settle or otherwise compromise any such administrative action or legal proceedings if they have been commenced or there are reasonable grounds for believing such actions or proceedings may be contemplated.

MO2 Authentication of documents and the use of the corporate seal.

MO3 After consulting, so far as practicable, with the Group Chief Executive Officer, Group Director of Finance & Resources, the Monitoring Officer will report to the Development Corporation Board if he/she considers that any proposal, decision or omission has given rise to or is likely to or would give rise to a contravention of any enactment or rule of law or any maladministration or failure as determined following an investigation by the Local Government Ombudsman. Such a report will have the effect of stopping the proposal or decision being implemented until the report has been considered.

MO4 To accept on behalf of the Development Corporation Board in-year changes to the membership of the Audit & Risk Committee and other workstreams established by the Board.

MO5 To make minor changes to the Constitution and its associated documents in order to reflect organisational or legislative change when the power remains unaltered.

MO6 To make any textual or grammatical corrections to the Constitution and its associated documents.

Supporting the Standards Regime

MO7 To receive and acknowledge complaints of failure to comply with the Members' Code of Conduct under the Development Corporation's adopted local standards arrangements.

MO8 To review complaints received in respect of any alleged breach by a Member of the Code of Conduct for Members and to act in accordance with the Development Corporation's adopted local arrangements.

MO9 The Monitoring Officer will, where considered appropriate, either conduct or arrange for investigations to be conducted into alleged breaches of the Members' Code of Conduct referred to him/her.

- M10 The Monitoring Officer will undertake informal resolution of such complaints in accordance with the Development Corporation's adopted local arrangements.
- M11 To authorise any named Officer of the Development Corporation to exercise functions delegated to the Monitoring Officer, including the functions of a consultee in relation to the exercise of an Officer's delegated powers.



Report of: Finance and Policy Committee

Subject: CAPITAL PROGRAMME 2023/24 to 2026/27

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to enable Members to consider the Capital Strategy for 2023/24 to 2026/27 and Capital Programme new starts 2023/24 to 2026/27 recommended by Finance and Policy Committee.

2. SUMMARY

- 2.1 The Council has, in recent years, developed an ambitious Capital Programme, ensuring investment in existing and new assets within the Borough, to support delivery of the priorities set out in the Council Plan. The report considered by Finance and Policy on 13th February 2023 draws together the Capital Programme and Capital Strategy, aligning them with the Medium Term Financial Strategy (MTFS) and Treasury Management Strategy as an integral part of the Councils Strategic and Financial Planning Framework. The report is attached at Annex 1.
- 2.2 Under the Prudential Code for Capital Finance in Local Government, Councils are free to determine their own capital investment priorities to meet the needs of their local communities. However, in doing so they must have regard to the prudential code and the key considerations of prudence, affordability and sustainability. An approved capital strategy is a requirement of the code. This is included at Annex 1 – Appendix 1.
- 2.3 The strategy is designed to provide a framework for which the capital and regeneration objectives of the Council are delivered, enabling the Councils ambitions to be met whilst ensuring that proposals are affordable and risk is minimised. It outlines the planned programme of expenditure, how the programme is governed and risk managed.
- 2.4 The strategy is, in part, an iterative process whereby an annual review, in line with the MTFS and Treasury Management Strategy, will be undertaken in order to inform the approach going forward. The review will also be informed by any discussions and recommendations arising through the regular reporting of Treasury Management and Prudential Indicators to Audit and Governance Committee.

- 2.5 The report to Finance and Policy Committee also sets out the proposed new starts for approval, including associated borrowing requirements. These are set out at Annex 1 – Appendix 10.

3. RECOMMENDATIONS

- 3.1 It is recommended that Members note the report and the recommendation from the Finance and Policy Committee to;
- i) approve the Capital Strategy for 2023/24 to 2026/27, at Annex 1 – Appendix 1. The strategy is a requirement of the Prudential Capital Code.
 - ii) approve the Capital Programme new starts 2023/24 to 2026/27, as set out at Annex 1 - Appendix 10.

4. REASON FOR RECOMMENDATIONS

- 4.1 To ensure the Council has a framework, aligned to the Capital Plan and other key strategies, for which the capital and regeneration objectives of the Council are delivered.
- 4.2 To ensure the prudential borrowing impact of capital new starts is reflected in the Councils budget.

5. CONTACT OFFICER

James Magog
Assistant Director Finance
Email: james.magog@hartlepool.gov.uk
Tel: 01429 523093

Sign Off:-

Managing Director	<input checked="" type="checkbox"/>
Director of Resources and Development	<input checked="" type="checkbox"/>
Chief Solicitor	<input checked="" type="checkbox"/>

FINANCE AND POLICY COMMITTEE

13 February 2023



Report of: Director of Resources and Development

Subject: CAPITAL PROGRAMME 2023/24 to 2026/27

1. TYPE OF DECISION/APPLICABLE CATEGORY

1.1 Budget and Policy Framework.

2. PURPOSE OF REPORT

2.1 The purpose of the report is:

- i) To approve the Capital Strategy for 2023/24 to 2026/27 to be recommended to Council for approval. The strategy is a requirement of the Prudential Capital Code; and
- ii) To approve the Capital Programme new starts 2023/24 to 2026/27, to be recommended to Council for approval.

3. BACKGROUND

3.1 The Council has, in recent years, developed an ambitious Capital Programme, ensuring investment in existing and new assets within the Borough, to support delivery of the priorities set out in the Council Plan. This report draws together the Capital Programme and Capital Strategy, aligning them with the Medium Term Financial Strategy (MTFS) and Treasury Management Strategy as an integral part of the Council's Strategic and Financial Planning Framework.

3.2 For completeness, the capital programme includes planned HRA investment. Decisions on HRA investment are subject to Business Cases and are included as part of HRA Business Plan updates provided to Finance and Policy Committee on a regular basis.

4. CAPITAL STRATEGY

4.1 Under the Prudential Code for Capital Finance in Local Government, Councils are free to determine their own capital investment priorities to meet the needs of their local communities. However, in doing so they

must have regard to the prudential code and the key considerations of prudence, affordability and sustainability. An approved capital strategy is a requirement of the code.

- 4.2 The Council has well established processes and governance arrangements in place for its capital programme and Treasury Management including reporting via the Audit and Governance arrangements.
- 4.3 The Chartered Institute of Public Finance and Accountancy has recently strengthened the code given concern around interpretation of key requirements, including commercial investments and the adverse financial impact these has on some councils. They have also provided more guidance on the production of capital strategies and what constitutes “best practice”. In parallel to this strengthening, the Council has embarked on a significant capital programme of approximately £159m, demonstrating our ambitions for the borough.
- 4.4 In response to these developments, more frequent monitoring and reporting of Treasury Management and Prudential Indicators to Audit and Governance Committee has commenced in the current year. In addition a formal capital strategy has been produced for approval.
- 4.5 The capital strategy is attached at Appendix 1. The strategy is designed to provide a framework for which the capital and regeneration objectives of the Council are delivered, enabling the Councils ambitions to be met whilst ensuring that proposals are affordable and risk is minimised. It outlines the planned programme of expenditure, how the programme is governed and risk managed.
- 4.6 The strategy has regard to the Councils wider strategic framework supporting and aligning with the overall Council Plan. It sits alongside the Medium Term Financial Strategy, Treasury Management Strategy and the revenue and capital budgets for the Council. Taking a medium to long term view, it demonstrates that the Council’s capital investment plans have due regard to the Council’s objectives, stewardship of assets, value for money, prudence, sustainability and affordability.
- 4.7 Specifically, the objectives of our Capital Strategy are to ensure it provides:
- An overview of the governance process for approval and monitoring of our capital expenditure, including links to the authority’s policies on capitalisation;
 - A long-term view of the Council’s capital expenditure plans;
 - An overview of asset management planning including the cost of past borrowing, maintenance requirements and planned disposals; and
 - Any restrictions around borrowing or funding of ongoing capital finance.

- 4.8 The strategy is, in part, an iterative process whereby an annual review, in line with the MTFS and Treasury Management Strategy, will be undertaken in order to inform the approach going forward. The review will also be informed by any discussions and recommendations arising through the regular reporting of Treasury Management and Prudential Indicators to Audit and Governance Committee.

5. CAPITAL PROGRAMME

- 5.1 The capital programme detailed at Appendices 2 to 10, includes schemes previously approved by relevant Committees and Council. The full programme is included to ensure Members are provided clarity on the depth and breadth of the programme over the medium term and to ensure a point of reference for the quarterly monitoring reports to Finance and Policy Committee.
- 5.2 It should be noted that the programme includes schemes due to conclude in the current financial year. A review of the programme post year end will be undertaken to ensure remaining live schemes are still required, given the need to prioritise capacity for our key capital projects.
- 5.3 Any new schemes or amendments to existing schemes are detailed in the following section, and shown at Appendix 10.

Schemes funded from Specific Grants and Departmental Business Cases

- 5.4 The government provides specific capital grants for investment in a number of key priority areas including schools, Disabled Facilities Grants and the Local Transport Plan. These resources can only be spent in accordance with specific grant conditions and as such are allocated to those service areas. These grants, in the main, support recurring capital activity, but are included for approval on an annual basis given their variable nature.
- 5.5 Grant allocations for 2023/24 onwards have yet to be confirmed for all grant schemes. Indicative or provisional allocations are detailed in the table below and are included in the capital programme appendices accompanying the report. In line with the procedures adopted in previous years it is recommended that once the actual 2023/24 allocations are known, authority is delegated to the relevant policy committee to approve the detailed schemes to be funded. This will ensure schemes can be implemented as soon as practical and grant conditions are complied with. These schemes will be included in future capital monitoring reports.

Service Specific Capital Grants	2023/24 £'000
Disabled Facilities Grant (Better Care Fund)	1,222
Adult and Community Based Services - Total	1,222
Devolved Formula Capital (Schools)	100
Schools Condition Allocation	690
High Needs Provision Capital Allocation	732
Children's and Joint Commissioning Services - Total	1,522
Local Transport Plan – Structural Highways Maintenance	1,054
Local Transport Plan – Integrated Transport Block	719
Children's and Joint Commissioning Services - Total	1,773

For planning purposes it is assumed these allocations will be the same in future years.

- 5.6 The Council also funds a replacement programme for operational vehicles and equipment (e.g. refuse vehicles, grass cutters etc.) used to deliver front line services. The Council has robust procedures for managing the operational life of vehicles and equipment and this includes an annual review of the proposed replacement programme by the Neighbourhood Services Committee. Officers will continue to actively manage the proposed programme and this may mean planned replacements may be delayed if this is financially advantageous for the Council. A summary of the vehicle replacement programme for the coming three years, as approved by Neighbourhood Services Committee, is summarised below

Vehicle Replacement Programme	2023/24 £'000	2024/25 £'000	2025/26 £'000
Cleansing	29	361	0
Highways	16	0	168
Horticulture	29	63	45
Libraries	0	19	110
Street Lighting	0	54	0
Waste Management	0	764	1,248
Other	141	19	0
Price Contingency	20	130	136
Vehicle Replacement Programme - Total	235	1,410	1,707

Variations

- 5.7 In year variations to the capital programme are reported as part of quarterly update reports to Finance and Policy Committee.

Towns Deal

- 5.8 At Finance and Policy Committee of 22 August 2022, members approved the business case for reimagining Middleton Grange Shopping Centre. This enabled the Council to apply to the Department for Levelling up Housing and Communities (DLUHC) for £14m of Town Deal money. On the 22 November 2022 DLUHC approved the business

case and the project was the fifth and final scheme to get the green light as part of the Hartlepool Town Deal programme.

- 5.9 Since the approval from DLUHC, officers have moved on to the delivery phase and using the NEPO framework they have appointed Driver Project Services as a Strategic Delivery Partner for the delivery of this scheme. Work has been on going with Driver to undertake a full review of the business case, cost modelling and the development of the delivery programme

Levelling Up

- 5.10 Hartlepool Borough Council's bid to the Levelling Up Fund Round 2 for 'Catalysing Hartlepool's Screen Industries Production Village' (application LUF 20556) was submitted to DLUHC on 29th July 2022. The value of the capital bid request of £16.454m was approved and the total project budget is £18.57m, with the additional match funding from TVCA.
- 5.11 The intention is to create a "Production Village" in the Lynn Street / Whitby Street area that will act as a catalyst for the further development of Hartlepool's fledgling screen industries sector.
- 5.12 The aim of the project is to transform the urban environment through the acquisition, redevelopment and selective demolition of existing buildings to create a range of new, flexible spaces that will provide post-production, back office and wider support services to screen industries. These will be complemented by the creation of an urban park/square to transform the look and feel of the area, improve the connection through to the town centre and attract new investment.
- 5.13 HBC was informed on 19th January 2023 that the bid had been successful for the full requested amount. The successful applicant letter from Deheena Davison MP stated HBC had 'submitted a strong application, which performed well against the assessment criteria, and she was pleased to hear about the projects we plan to deliver with this investment'.
- 5.14 This is further good news for Hartlepool after the £25m Town Deal was confirmed in late 2022. The Town Deal delivers five projects; the re-development of the former Wesley Chapel, the re-imagining of Middleton Grange Shopping Centre, connectivity improvements between The Waterfront and the town centre and the creation of civil engineering and health and social care skills academies.
- 5.15 A full report on the LUF funded project will be prepared for Finance and Policy Committee on 13th March. As yet, HBC has not received any grant agreement, Heads of Terms, payment terms or associated monitoring and evaluation requirements for the funding and it is hoped

that this will be received ahead of the March F&P Committee. At this point it will be included in the capital programme.

6. FUNDING

- 6.1 The Council continues to seek to maximise external funding sources to fund the Capital Programme, in order to limit the amount of borrowing required. The Programme includes significant funding from Government, the Tees Valley Combined Authority and various funding bodies. The success in leveraging in such funding ensures that the financing impact on the Revenue budget is minimised.
- 6.2 The Council continues to have a low ratio of financing costs to overall net revenue budget, with less than 5% of our net budget spent on servicing borrowing. This is set out in the Capital Strategy and reported to Audit and Governance Committee on a regular basis. This is a key ratio demonstrating the affordability of the Capital Programme.
- 6.3 Where there is deemed to be a realistic likelihood of external funding being realised for the scheme, this is included within the capital programme, but is shown as TBC. However, there remains a risk that this funding will not be forthcoming and this would result in either the scheme being withdrawn, amended or alternative funding secured. This may result in an increased borrowing need.
- 6.4 The Council previously set a capital receipt target to provide funding to offset the removal of Housing Market Renewal (HMR) funding in 2011. The sale of land at Hart, expected to be achieved this financial year, will mean the target is exceeded by £0.790m. This funding will be held as a contingency pending award of contracts on the major capital projects given current inflation.
- 6.5 No new target for capital receipts generation has been set. When a capital asset is no longer needed, we will seek to sell this asset, if appropriate, to generate capital receipts. Capital receipts can be used to provide more flexibility on funding to minimise borrowing costs or to fund new assets. Any capital receipt availability will be considered as part of funding for existing capital projects prior to release for any future capital programme.
- 6.6 Where applicable S106 contributions are maximised and allocated to housing and non-housing capital schemes as appropriate. The on-going position with regard to developer contributions is included within the quarterly finance updates.

7. RISK IMPLICATIONS

- 7.1 There are no direct risk implications arising from approving the Capital Programme and adopting the Capital Strategy. The risk management of individual schemes and the wider Capital Programme is addressed as

part of the capital strategy and recognises that overall capacity to deliver schemes is at a premium which may require future prioritisation. This being a key point being highlighted as part of the recent Peer review.

8. FINANCIAL CONSIDERATIONS

- 8.1 There are no direct financial implications arising from adopting the Capital Strategy.
- 8.2 The financial considerations of individual schemes and the wider capital programme are addressed as part of the details contained in this report and as part of the governance and approval process as set out in this strategy.

9. OTHER CONSIDERATIONS

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

10. RECOMMENDATIONS

- 10.1 It is recommended that Members;
- i) approve the Capital Strategy for 2023/24 to 2026/27, at Appendix 1, to be recommended to Council for approval. The strategy is a requirement of the Prudential Capital Code;
 - ii) approve the Capital Programme new starts 2023/24 to 2026/27, as set out at Appendix 10, to be recommended to Council for approval;
 - iii) approve the delegation to relevant policy committees to approve detailed schemes arising from confirmed specific grant allocations as set out in paragraph 5.4;
 - iv) agree that any capital receipts generated will initially be considered for funding the existing capital programme as set out in paragraph 6.5; and
 - v) note the existing capital programme set out on Appendices 3-9.

11. REASON FOR RECOMMENDATIONS

- 11.1 To ensure the Council has a framework, aligned to the Capital Plan and other key strategies, for which the capital and regeneration objectives of the Council are delivered.
- 11.2 To refer the Capital Programme to Council as part of consideration of the 2023/24 technical Budget and Council Tax calculations to Council.

12. BACKGROUND PAPERS

- 12.1 None

13. CONTACT OFFICER

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Sign Off:-

Managing Director



Director of Resources and Development



Chief Solicitor



Hartlepool Borough Council

Capital Strategy 2023/24 to 2026/27

1. Executive Summary
2. Background
3. Strategic Framework
4. Objectives of the Capital Strategy
5. Strategic Context
6. Investment Priorities
7. Capital Programme
8. Capital Governance
9. Housing Revenue Account
10. Commercial Investment
11. Treasury Management and Affordability
12. Asset Management Planning
13. Risk Management
14. Skills and resources

1. Executive Summary

This strategy provides a framework for which the capital and regeneration objectives of the Council are delivered, enabling the Council's ambitions to be met whilst continuing to ensure that proposals are affordable and risk is minimised. It sets out how the Council will invest £159m in the town's assets, much of which has been secured through successful external funding bids, helping to regenerate and grow the economy.

It aligns with the Medium Term Financial Strategy (MTFS) of the Council and sets the basis for decisions on capital spend for the 2023/24 budget.

2. Background

The government recognises that capital investment is essential for enabling local authorities to deliver economic regeneration, housing and school improvements, and to support service transformation, and is used well by many authorities.

The current system to regulate capital finance, in place since 2004, is based on the principle of local decision making and accountability. Local authorities are free to determine their own capital strategies and decide how they deliver services on the principle that they are best placed to make the decisions needed to support their local communities.

Authorities are required by regulation to have regard to the Prudential Code for Capital Finance in Local Authorities when carrying out their duties in England and Wales under Part 1 of the Local Government Act 2003. The key messages from the Code is, in relation to capital expenditure, the consideration of Prudence, Affordability and Sustainability.

CIPFA's Prudential Code provides a framework for the self-regulation of the authority's capital financing arrangements. It requires local authorities to determine that capital expenditure and investment decisions are affordable, prudent and sustainable, and to set limits on the amount they can afford to borrow in the context of wider capital and revenue planning. A Capital Strategy is part of the Prudential Code requirements.

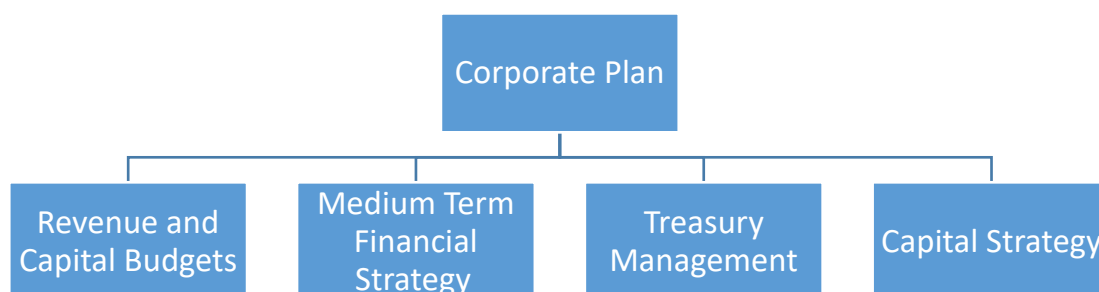
The Financial Management Code of Practice has been issued by CIPFA 'to provide guidance for good and sustainable financial management in local authorities and will provide assurance that authorities are managing resources effectively'. The Financial Management Code applies to all local authorities and brings together statutory requirements and Codes of Practice into one document. Our Capital Strategy needs to reflect the standards outlined in the CIPFA Financial Management Code of Practice.

Capital Expenditure

Capital expenditure is where the Council spends money on assets, such as property, plant or equipment that have a useable life of more than one year. This can include spending on assets owned by the Council, by other bodies, as well as loans and grants to other bodies to enable them to buy or improve assets.

3. Strategy Framework

The Capital Strategy is an integral part of the Council's Strategic and Financial Planning Framework, which sets out to sustainably deliver the Authorities vision, plans and objectives.



In February 2021, a new Council Plan was formally adopted covering the period up to 2023/24. The Council Plan sets out our vision for Hartlepool:

“Hartlepool will be a place...

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

Capital Strategy

The Capital Strategy provides that fourth important pillar, linking capital expenditure and financing to the delivery of our vision, priorities and objectives as set out in the Council Plan, to ensure sustainable growth for Hartlepool. The Capital Strategy is therefore the policy framework document that sets out the principles to be used to guide the allocation of capital investment across all the Council's services and informs decisions on capital spending priorities. In addition as part of the Strategy, the Director of Resources and Development with responsibility for finance, reports explicitly on the affordability and risk associated with the Capital Strategy. Inevitably the full picture of the control

system around the Council's wide range of capital expenditure and its funding is reflected in a range of documents, monitoring and management arrangements.

4. Objectives of the Capital Strategy

A Local Authority Capital Strategy is intended to give a high level overview of how capital expenditure, capital financing and treasury management activity contributes to the provision of services and ambitions of the Council Plan, along with an overview of how associated risk is managed and what the implications might be for future financial sustainability.

While the strategy should be tailored to Hartlepool Borough Council's individual circumstances, it is required to include detail on capital expenditure, the Council's investments, liabilities and treasury management, along with sufficient detail to allow Members, residents and Council stakeholders to understand how stewardship, value for money, prudence, sustainability and affordability will be secured, and how the Council will meet legislative reporting requirements.

Consequently, planning and managing the use of the Council's capital resources is vital. This includes understanding the role that these assets play in the delivery of services and ensuring that the authority's asset base remains fit for purpose.

Capital expenditure is technically described as "Expenditure on the acquisition, creation, or enhancement of 'long term assets'". This is items of land, property and plant which have a useful life of more than 1 year. The definition of capital investment is wider than that of capital expenditure. The Department of Levelling UP, Housing and Communities (DLUHC) Guidance on Local Authority Investment states "The definition of an investment covers all of the financial assets of a local authority as well as other non-financial assets that the organisation holds primarily or partially to generate profit; for example, investment property portfolios. For the avoidance of doubt, the definition of an investment also covers loans made by a local authority to one of its wholly-owned companies or associates, to a joint venture, or to a third party."

The objectives of our Capital Strategy are to ensure it provides:

- An overview of the governance process for approval and monitoring of our capital expenditure, including links to the authority's policies on capitalisation;
- A long-term view of the Council's capital expenditure plans, where long term is defined by the financing strategy of and risks faced by the authority with reference to the life of projects/assets;
- An overview of asset management planning including the cost of past borrowing, maintenance requirements and planned disposals; and
- Any restrictions around borrowing or funding of ongoing capital finance.

Our strategy will additionally include:

- The Council's approach to commercial activities including processes ensuring effective due diligence and defining the authority's risk appetite in respect of these, including proportionality in respect of overall resources;
- Requirements for independent, expert advice and scrutiny arrangements;
- An overview of our governance process for approval and monitoring and ongoing risk management of other financial guarantees and long-term liabilities; and
- A summary of the skills and resources available to the Council.

The Capital Strategy will continue to develop over the coming years as we progress with our ambitious regeneration and capital programme.

5. Strategic Context

During its rich history, the town of Hartlepool has played a regionally, nationally and internationally important role in numerous activities and technologies including seafaring, rail travel, coal mining, steel production, nuclear energy, renewables and tourism. Hartlepool today is:

- A productive place, with relative strength in energy, manufacturing and construction. Its ports, power and a producer workforce continue to make an increasing contribution to national and regional productivity;
- An important sub-regional service centre, with large retail, education and healthcare sectors providing services and employment to the local population; and
- A growing visitor destination, attracting over 3.5 million visitors a year, with spending increasing by 10% in just 5 years.

Periods of decline have created social and economic challenges for the residents of Hartlepool. The town still suffers from significant socioeconomic challenges linked to economic inactivity, unemployment, a depressed skills market, low levels of productivity and job availability. Maritime, skills, enterprise, innovation, heritage and landscape assets however all present opportunities to transform the town. In the last 2 years, the Council has undertaken significant work to engage with wide ranging stakeholders and develop an evidence base for to strategically plan the Boroughs growth for the next 10 years.

As a result, the Council and its key stakeholders set out a vision for:

“.....a modern, connected, vibrant and liveable waterfront town - an inclusive, proud and productive town where aspiration and creativity are valued - a town which supports and welcomes visitors, learners and innovative businesses - where people are inspired and enabled to get more out of their work and investment - which promotes itself with pride and makes its mark in the wider world”

Hartlepool Investment Plan 2020

This is the vision for the Hartlepool Investment Plan, which the Council and its stakeholders developed and published in January 2020 as the 'Charter for Change'. It sets out that we are prepared to lead the evolution of Hartlepool – providing the up-front investment of time, capital, energy and creativity, to secure the rewards of a modern town with a 360° economy. It is based on the premise and evidence that wider financial and commercial returns will come once the economic value and wellbeing of the town is on the up - with better skills, healthier people, more visitors and more economic engagement.

Town Centre Masterplan 2021

Following the success of a partnership approach to the development of the Town Investment Plan in 2020, the Council undertook extensive engagement to develop a focused and ambitious Town Centre Masterplan to begin bringing those investment priorities to life. The Masterplan, adopted by the Council in November 2021, establishes a 20-year vision for rediscovering Hartlepool as:

“A well-connected vibrant and liveable waterfront town”. It outlines opportunities for transformative change in Hartlepool town centre – reimagining the town centre itself and considering ways in which this adapted to better suit the needs and purposes of the residents and visitors it serves.

The investment priorities within both these key strategic documents are described in section 6.

Inclusive Growth Strategy 2022

Following consultation with businesses and stakeholders in early 2022 to set out Hartlepool's economic growth priorities in the coming years, a Hartlepool Inclusive Growth Strategy 2022-25 has been published.

The strategy was developed through consultation with wide ranging stakeholders and in partnership with the Economic Regeneration and Tourism Forum. The strategy draws on data and economic insights to understand the current health of Hartlepool's economy relating to areas such as business survival rates, employment, education, skills and productivity. It is focused around three themes – developing people; developing business; and developing place.

In addition to the strategy, an action plan has been published detailing the specific projects and initiatives that will deliver the ten point plan.

Tees Valley investment context

In January 2019, the Tees Valley Combined Authority agreed an Investment Plan for 2019-2029, which set out the focus for investments to create new jobs, grow the skills base and improve infrastructure across the 5 Local Authority areas in the region, including Hartlepool. TVCA's Devolution Deal with

Government in 2015 provides for the transfer of significant powers for employment and skills, transport, and investment together with the first Mayoral Development Corporation outside London.

Through the deal, the Combined Authority has the power to create an Investment Fund, bringing together funding for devolved powers to be used to deliver a 30-year programme of transformational investment in the region. This includes the control of a new £15m a year funding allocation over 30 years.

To maximise the amount of investment in Tees Valley, a Strategic Economic Plan (SEP) has been developed which sets out the steps that are being taken to overcome the barriers to business growth within Tees Valley, placing SMEs, innovation and individuals at the centre of our region's growth ambitions.

The SEP includes priorities to improve, diversify and accelerate growth in the local economy to benefit businesses and residents with the ambition to create 25,000 jobs and add £2.8bn to the economy by 2026. The aim is to become a high-value, low-carbon, diverse and inclusive economy, and therefore it has been identified that investment will be channelled into five main strategic priorities:

- Business Growth;
- Research, Development, Innovation & Energy;
- Education, Employment & Skills;
- Culture and Tourism; and
- Transport & Infrastructure

6. Investment priorities

Taken together with the vision set out in the Council Plan, the key strategic documents detailed in section 5 set the foundation, evidence and need for our investment priorities and articulate the pipeline of projects and programmes that need to be delivered to achieve our vision. They strongly shape, and provide the evidence for, our long term investment plans.

Hartlepool Borough Council approved its £43m Capital and Indigenous Growth Investment Plan in 2020 with additional external grant funding taking the total potential investment to well over £50m in the coming years. The core of the programme will support the ambition for a compact and connected waterfront town. Almost £40m including £11.8m of prudential borrowing and £24.8m Tees Valley Combined Authority co-funding – will be directed towards new developments and enhancements of Hartlepool Waterfront to include:

- Expansion of the National Museum of the Royal Navy including new exhibits and exhibition halls;
- Council's new strategic leisure attraction, including sports and leisure facilities; and

- Public realm and public art, including a new events space.

The priorities that the Town Centre Masterplan clearly articulates in establishing a new “Heart of Hartlepool” are:

1. Changes to usage and function of retail space in Middleton Grange Shopping Centre;
2. Redevelopment potential of the ‘Civic Quarter’;
3. Increased capacity and connectivity of Hartlepool Rail Station from 2023 through the re-commissioning of a second platform, new northern entrance and new pedestrian rail bridge;
4. Waterfront visitor and leisure destination; the new strategic leisure facility and events space for the Borough on Jackson’s Landing and expansion and reconfiguration of National Museum of Royal Navy on adjacent site;
5. Continued growth of skills and education provision through Hartlepool FE College and Northern School of Art – including new film & TV studios in Hartlepool town centre; and
6. Redevelopment, growth and diversification ambitions of Hartlepool United Football Club.

Town Deal and Levelling Up

The investment plans also define our priorities that are being delivered under the governments Town Deal Fund programme, and those that are hoping to be successfully funded under the Levelling Up Fund.

In 2021 the Council secured £25m in capital funding under Town Deal to deliver five key priority capital projects with a range of delivery partners:

- £13.8m Re-imagining Middleton Grange Shopping Centre;
- £1.4m Wesley Chapel redevelopment;
- £6.2m Waterfront connectivity project;
- £1.25m Development of a Health and Social Care Academy; and
- £2.25m Development of a Civil Engineering Academy

These projects will begin their delivery stage in autumn 2022 and further demonstrate the ambition of the Council to deliver on its bold vision and Masterplans for the town.

The Council has also bid to Round 2 of the governments Levelling Up Fund with proposals to create a 'Screen Industries Production Village' in Hartlepool's extending Town Centre to engender a step-change in economic growth and development. More specifically, the project will comprise c. £19 million of regeneration activity to catalyse the development of a Production Village, including:

- Land assembly through targeted acquisition of property;
- Construction of flexible commercial/workshop/accommodation floor space;
- Restoration of strategic heritage assets; and
- Extensive public realm and amenity enhancements

The current economic environment of high inflation and funding uncertainty however is likely to impact on the Council's capital ambitions over the period. This will be kept under close review to ensure priority schemes are best placed to be delivered. Ultimately the size and scope of our capital ambitions is heavily reliant on our ability to lever in external funding sources.

A19, Grade Separated Junction, Elwick Road and Hartlepool Western Link Road

In 2018 the Hartlepool Local Plan identified two main westward growth areas: the South West Extension and growth in the Elwick Road area. It was recognised that highway improvements to the Elwick Road corridor are necessary to support development of these growth areas to deliver future growth of the Borough. The junctions at Elwick Village and Dalton Piercy have, historically and on an ongoing basis, given rise to safety concerns.

The A19/ Elwick Road/ North Lane junction and Elwick Road/Hartlepool Western Link Project has developed through the Local Plan in conjunction with discussions between the Local Authority and Highways England (now National Highways). Safety and capacity issues resulted in planning conditions being imposed on planning permissions reflecting Highways England's concerns that the current road network could not fully accommodate all additional traffic movements, and which would otherwise adversely impact on Elwick Village

Proposed road infrastructure improvements will accordingly address these concerns and improve the quality, safety and reliability of the network over the Local Plan period (2016-31) and beyond. The proposed highway network upgrade will also reduce traffic levels through Elwick Village and improve safety and amenity for residents.

Other Capital Priorities

In addition to the significant investment outlined above, the Council will continue to prioritise schemes that align with the vision in the Council Plan, maximising external funding opportunities to do so. Examples include, but are not limited to:

- Investing in schools and education through devolved funding, supporting our aim for resilient and resourceful communities with opportunities for all;
- Fully utilising Disabled Facilities Grants and investing in the drug and alcohol services to ensure those who are vulnerable will be safe and protected from harm and that people are enabled to live healthy, independent and prosperous lives; and
- Investing in our Housing provision and optimising warm home initiatives and grants to support a sustainable, clean, safe and green Hartlepool.

Given the extent of the capital programme, there is, however, a recognition that prioritisation is required in order to ensure successful delivery of key projects in the future.

7. Capital Programme

This vision and investment plan has led to an increasingly ambitious capital programme. The current approved on-going capital programme is for over £159m with some significant regeneration projects. The capital programme will grow given approval of the recent Levelling Up submission.

The following table summarises this on-going capital programme. Note this does not include new approvals for 2023/24.

	Spend to 31 March 2022 £000	Current and Future Years Commitment £000
Major Regeneration Schemes	2,419	92,346
Adult and Community Based Services	895	9,594
Children's and Joint Commissioning Services	271	10,196
Neighbourhoods and Regulatory Services	1,297	30,639
Resources and Development (inc Legal)	975	336
Corporate	39	1,830
HRA	2,125	13,952
Total Capital Programme	8,021	158,893

The capital programme is funded by the following sources:

	Spend to 31 March 2022 £000	Current and Future Years Commitment £000
External Funding – Government Grants	1,676	45,496
External Funding – Grants from Other Public Bodies	2,989	52,799
Internal Funding	87	3,674
Prudential Borrowing	3,269	50,120
Unconfirmed Funding	0	6,804
Total Capital Programme	8,021	158,893

8. Capital Governance

With increasing ambition and capital investment the governance of the capital programme has been further strengthened.

At a strategic level the capital strategy provides members with the opportunity to consider and fully understand the overall strategy, governance arrangements and risk appetite underpinning it. The strategy and the accompanying detailed capital programme sits alongside the medium term financial strategy and inevitably can have a revenue implication. The strategy should therefore be considered in conjunction with the budget proposals for the following year and over the MTFS period.

The annual capital programme will therefore set the basis for monitoring arrangements in year, reported to Finance and Policy on a quarterly basis. The monitoring presented will include milestones on regeneration schemes, as well as the financial position. In addition, the Audit and Governance will receive quarterly reports to include an update on Treasury Management and Prudential Indicators as required by the refreshed Prudential Code.

Underpinning the monitoring being reported to Finance and Policy, there sits a formal governance structure, focused specifically on the major schemes, as detailed below:



These governance arrangements are nuanced by scheme to ensure high priority and high risk schemes are suitably supported and managed.

This governance initially considers any significant new starts / new schemes prior to going to relevant committee and finance and policy, before inclusion in overall programme. However, any schemes can be called into this governance arrangement if deemed necessary. For more routine capital financing, existing avenues via relevant Directorates, Programme Management Board, Executive Leadership Team and policy committees will still stand. This includes;

- Vehicle replacement;
- Highways maintenance;
- Disabled Facilities Grant; and
- Education spend fully funded by devolved capital grants or equivalent

9. Housing Revenue Account

The Council began investing in social housing in 2010 and re-opened its Housing Revenue Account (HRA) on the 1 April 2016. The HRA is a separate ring fenced account and all costs, including capital debt servicing, have to be met from rental income. The Council has a current stock of just over 300 properties with an ambitious investment plan that will take the stock to over 450 over the period.

Decisions on HRA investment are undertaken outside of the framework of this capital strategy, with an annual business and investment plan taken to Finance and Policy Committee.

10. Commercial investment

Commercial investment is an area of both contention and concern within Local Government. Given the reduction in local government grant since 2010, many local authorities have sought to mitigate that loss by increasing their property portfolio with the primary purpose being for financial return. This has often been investments outside of their geographic area.

This practice has drawn concern from the Department of Levelling Up, Housing and Communities (DLUHC) and CIPFA around both the risks and security of these funds. As a consequence CIPFA has strengthened the Prudential Code that Local Authorities are required, by regulation, to have regard to. In doing so the Code explicitly requires that Local Authorities must not borrow to invest primarily for financial return. Therefore, should the Council choose to invest primarily for financial return it will be required to set out how it has complied with or had regard to the Code.

To date the Council has not entered into any investment decisions (outside of Treasury Management transactions) that are primarily for financial return. There are no plans to do so.

However, there may be the requirement for Council funding in future regeneration that, as a consequence, provide a commercial return. The scenario may also arise whereby Council funding, with an associated return, is required to make a scheme financially viable. Should such occurrences be

proposed, a clear regeneration, economic development or service requirement would be required and demonstrable. Fundamentally there would need to be a socioeconomic benefit for the people of Hartlepool, consistent with how this is defined in the Treasury's green book guidance.

In such instances the governance and approval process set out in Section 8 would be followed.

The Council is required to produce an annual Investment Strategy. This requirement is detailed within the annual Treasury Management Strategy.

11. Treasury Management and Affordability

Effective Treasury Management ensures that the Council keeps sufficient cash to meet the Council's spending needs whilst ensuring the risks involved are appropriately managed. On a day to day basis the Council tends to be "cash rich" as income (government grants, Council Tax etc.) tends to be received prior to expenditure. Whilst this excess cash is used to temporarily fund capital expenditure, over the medium to long term we are required to borrow to fund the capital programme. An effective Treasury Management strategy is therefore essential in the funding of the capital strategy and programme.

The Treasury Management strategy is approved by Full Council each year. The continuing objective of the strategy is to fund the core annual borrowing requirement at the lowest possible long term interest rate, thus ensuring costs to the revenue budget are minimised. In doing so the Council uses cash surplus to temporarily reduce overall borrowing, an approach known as internal borrowing.

Total borrowing therefore remains below our Capital Financing Requirement (CFR). The following table outlines the projection of debt to CFR over the coming five years.

Financing v Debt	2022/23 Estimate £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000	2026/27 Estimate £'000
CFR	122,542	126,420	139,610	149,436	150,042
Net Debt	90,655	90,655	90,655	99,655	102,655
(Under)/Over Financed	(31,887)	(35,765)	(48,955)	(49,781)	(47,387)

As previously set out, affordability, especially in the current environment, is critical to the Council's capital ambition. Any increase in the Council's revenue budget that is committed to capital financing limits the availability of funding for other services. However, clearly there are nuances to this – capital investment often has an Invest to save business case or levers in other investment / benefits for the revenue budget.

The indicator below sets out the gross capital financing budget as a percentage of the current net revenue budget and how this is projected to change over the period. Whilst no formal benchmarking exists, informal benchmarking suggests that this remains low. All capital financing is considered affordable prior to any borrowing taking place.

Gross Financing Costs v Net Revenue Budget	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
% Indicator	4.96%	4.40%	4.40%	4.74%	4.74%

*This excludes borrowing in relation to invest to save schemes and business cases which are self-funded through income generation.

Treasury Investments are made where the Council holds an excess of cash and through cash flow management knows it can make short / medium term investments to generate returns. Investments made for service reasons or financial return (e.g. commercial property) are not considered treasury investments.

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

- Safeguarding the re-payment of the principal and interest of its investments on time (security);
- Ensuring adequate liquidity; and
- Investment return.

12. Asset Management Planning

To ensure that capital assets continue to be of long-term use, the Council is developing an updated Asset Management Strategy for approval. The strategy will set out how the Council will effectively manage, use and review the assets it holds.

When a capital asset is no longer needed, we will seek to sale this asset, if appropriate, to generate capital receipts that can fund spend on new assets or used to repay borrowing.

13. Risk Management

Any capital programme carries risk. However risk should not prevent the progression of an ambitious capital strategy and programme. Instead there needs to be an understanding of the level of risk involved on projects and clear mitigation where possible. Risk comes in many forms, including reputational, social, staffing, legal and environment. These all need managing as part of projects.

The financial position of the Council means that financial risk has to be a key consideration and area where mitigation is required.

Ultimately the risk is managed by the project boards and project manager/sponsor following the governance arrangements outlines in Section 8 above.

Key risks and associated mitigation are set out in the table below.

Risk	Detail and Mitigation
Funding	The Council's financial position necessitates that external funding opportunities are explored and maximised in order to ensure affordability of projects, particular major regeneration projects. The funding risk is mitigated by ensuring that external funding is confirmed or is highly likely prior to contract tender stage. Where conditions are attached these are clearly understood and adhered to.
Interest Rate	Where borrowing is required to finance the capital programme the Council is exposed to interest rate risk. An increase in interest rates would add an additional cost to the revenue budget. This risk is mitigated by pro-active Treasury Management, use of cash reserves where available. For Highlight, our replacement leisure centre, future dated borrowing has been undertaken to fix the interest rate thus achieve a low rate of interest and removing this risk. Opportunities to do so in the future will continue to be explored.
Inflation	Delivering capital projects are vulnerable to inflation. This is particularly pertinent in the current circumstances as the economic recovery from Covid, and the war in Ukraine pushes inflation higher, particularly within the construction sector. Project costs include latest estimate of inflation as well as a contingency for major projects. For minor works there is often the ability to flex the programme to minimise this risk. In addition the Council has earmarked uncommitted capital receipts and temporary MRP savings to address any short term risk.
Legislation	Any changes in legislative requirements and regulations has the potential to impact on capital projects, given the need to comply with latest legislation. The Council ensures that capital schemes comply with current legislation and horizon scans to ensure that any likely future changes are fed into capital schemes as appropriate.
Cost Estimate	A significant risk on major schemes is project cost estimates. As more information comes to light, for example ground conditions, utility requirements or diversions, material requirements, cost estimates are revised accordingly. The Council mitigates this risk by ensuring appropriately qualified

	staff and external organisations are utilised, “optimism bias” is considered and external requirements are complied with, and a suitable contingency is held at the various design stage. Ultimately this risk is only addressed when contracts for works are tendered and let.
Project delivery / capacity	Successful delivery of major capital projects requires significant staff input that can lead to capacity constraints. The Council has increased capital capacity through the Assistant Director – Development and Growth and project team, in addition to bringing in external support as appropriate. Capacity issues will require careful monitoring to ensure any impact on delivery is mitigated.

Ultimately the risk is managed by the project boards and project manager and /or sponsor following the governance arrangements outlines in Section 8 above.

14. Skills and resources

Section 8 set out the governance arrangements underpinning the capital strategy, approval and monitoring arrangements. To support these arrangements, the Council ensures that all the respective disciplines involved in the process have the necessary qualifications, experience and skills to carry out their roles.

Officers are encouraged to undertake necessary training courses and Continued Professional Development so as to ensure qualifications and skills are up to date and emerging issues, regulatory changes and best practice are understood and implemented where necessary.

Where appropriate, external support is utilised to ensure the capacity and the capital programme can be delivered to the best possible outcome. These engagements may cover individual work packages for example business case development, project appraisal, regulatory compliance, as well as specialist technical advice and support.

Members are provided with financial overview training on induction. Where future gaps or demand for additional training are identified, this will be provided either in house or externally as appropriate.

	Budgeted Expenditure							
	Gross Cost £000	Expend to 31/3/2022 £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 Budget £000	2026/27 Budget £000	Pending Mandate
Continuing Projects - Expenditure								
Major Regeneration Schemes (Appendix 3)	94,765	2,419	15,041	19,930	34,956	13,880	0	8,539
Adult and Community Based Services (Appendix 4)	5,601	895	4,706	0	0	0	0	0
Children's and Joint Commissioning Services (Appendix 5)	8,745	271	5,674	2,800	0	0	0	0
Neighbourhood and Regulatory Services (Appendix 6)	21,132	1,297	16,623	803	803	803	803	0
Resources and Development (Appendix 7)	1,311	975	336	0	0	0	0	0
Corporate (Appendix 8)	1,869	39	1,830	0	0	0	0	0
HRA (Appendix 9)	16,077	2,125	5,442	3,430	3,498	1,057	525	0
TOTAL	149,500	8,021	49,652	26,963	39,257	15,740	1,328	8,539

	Estimated Resources							
	Gross Cost £000	Expend to 31/3/2022 £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 Budget £000	2026/27 Budget £000	Pending Mandate
Continuing Projects - Funding								
External Funding - Government Grants	40,762	1,676	19,849	9,775	7,620	1,617	225	0
External Funding - Grants from Other Public Bodies	48,696	2,989	13,134	11,596	17,570	1,753	803	851
Internal Funding								
Revenue Contributions	9	9	0	0	0	0	0	0
Earmarked Reserves	3,387	78	3,309	0	0	0	0	0
Capital Receipts	365	0	292	73	0	0	0	0
Prudential Borrowing	49,477	3,269	13,068	5,519	14,067	10,370	300	2,884
Unconfirmed Funding	6,804	0	0	0	0	2,000	0	4,804
TOTAL	149,500	8,021	49,652	26,963	39,257	15,740	1,328	8,539

	Gross Cost £000	Expend to 31/3/2022 £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 Budget £000	2026/27 Budget £000
New Schemes - Expenditure							
Adult and Community Based Services	4,888	0	0	1,422	1,222	1,222	1,222
Children's and Joint Commissioning Services	1,722	0	0	1,522	0	0	0
Neighbourhood and Regulatory Services	10,804	0	0	2,098	3,273	3,570	1,863
TOTAL Budget Expenditure	17,414	0	0	5,042	4,495	4,792	3,085

	Gross Cost £000	Expend to 31/3/2022 £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 Budget £000	2026/27 Budget £000
New Schemes - Funding							
External Funding - Government Grants							
Disabled Facilities Grant	4,888	0	0	1,222	1,222	1,222	1,222
Department for Education Funding	1,522	0	0	1,522	0	0	0
External Funding - Grants from Other Public Bodies							
TVCA LTP Grants	7,092	0	0	1,773	1,773	1,773	1,773
Prudential Borrowing	3,912	0	0	525	1,500	1,797	90
	17,414	0	0	5,042	4,495	4,792	3,085

Glossary

CIP	Capital Investment Programme
NIP	Neighbourhoods Investment Programme
CECA	Centre for Excellence in Creative Arts
ICS	Integrated Children's System
PH	Public Health
EDM	Engineering Design Management
DSO	Direct Services Organisation
HIFP	Highways Improvement Funding Programme
LTP	Local Transport Plan
HUG	Home Upgrade Grant
LAD	Local Authority Delivery
CCF	Council Capital Fund
DDA	Disability Discrimination Act

Project Code	Scheme	Gross Cost £000	Expend to 31/3/2022 £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 Budget £000	2026/27 Budget £000	Pending Mandate
Major Regeneration Schemes									
8958	The A19/ Elwick Road/ North Lane junction and Elwick Road/Hartlepool Western Link Project	18,506	1,231	210	600	8,235	8,230	0	0
7550	CIP - Waterfront Leisure Centre (Highlight)	21,394	748	233	7,413	11,000	2,000	0	0
TBC	CIP - Waterfront Public Realm	2,000	0	0	250	1,550	200	0	0
7551	CIP - Waterfront Infrastructure	2,256	0	168	300	1,538	250	0	0
9101	CIP - Borough Hall Improvement	3,000	67	200	0	2,233	500	0	0
9159	CIP - Wingfield Castle works	4,000	19	234	547	2,000	1,200	0	0
9161	CIP - NMRN & Museum of Hartlepool	8,500	0	3,650	1,450	3,400	0	0	0
9130	CIP - Business Park Investment	760	9	751		0	0	0	0
7536	CIP - SEMH Free School Access Road	850	35	472	343	0	0	0	0
TBC	CIP - Waterfront Public Art	780	0	0	0	0	0	0	780
TBC	CIP - Mill House Demolition	500	0	0	0	0	0	0	500
TBC	CIP - Business Loans Fund	500	0	0	0	0	0	0	500
TBC	CIP - Shades	4,259	0	0	0	0	0	0	4,259
TBC	CIP - Bowling Club Refurbishment	600	0	0	0	0	0	0	600
TBC	CIP - Brierton Sports Complex	700	0	0	0	0	0	0	700
TBC	CIP - Headland Sports Hall	200	0	0	0	0	0	0	200
TBC	CIP - NIP Phase	1,000	0	0	0	0	0	0	1,000
9165	Towns Fund - Middleton Grange	13,860	173	3,917	6,020	3,750	0	0	0
9231	Towns Fund - Waterfront Connectivity	6,200	77	1,248	2,125	1,250	1,500	0	0
7715	Towns Fund - Wesley Chapel	1,400	17	1,020	363	0	0	0	0
9234	Towns Fund - Health and Care Academy	1,250	15	1,235	0	0	0	0	0
9235	Towns Fund - Civil Academy	2,250	28	1,703	519	0	0	0	0
Major Regeneration Schemes - Total		94,765	2,419	15,041	19,930	34,956	13,880	0	8,539

		Estimated Resources						
		Gross Cost £000	Expend to 31/3/2022 £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 Budget £000	2026/27 Budget £000
Major Regeneration Schemes - Funding								
External Funding - Government Grants								
Towns Fund	24,960	310	9,123	9,027	5,000	1,500	0	0
External Funding - Grants from Other Public Bodies								
TVCA	35,645	2,074	5,453	10,293	16,024	950	0	851
Arts Council	1,800	0	0	0	1,800	0	0	0
Internal Funding								
Revenue Contributions	0	0	0	0	0	0	0	0
Earmarked Reserves	0	0	0	0	0	0	0	0
Capital Receipts	0	0	0	0	0	0	0	0
Prudential Borrowing	25,556	35	465	610	12,132	9,430	0	2,884
Unconfirmed Funding	6,804	0	0	0	0	2,000	0	4,804
Major Regeneration Schemes - Funding Total	94,765	2,419	15,041	19,930	34,956	13,880	0	8,539

Project Code	Scheme	Gross Cost £000	Expend to 31/3/2022 £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 Budget £000	2026/27 Budget £000
Adult and Community Based Services								
7212	Capital Grants to Residential/Nursing Care Homes	149	0	149	0	0	0	0
7234	Chronically Sick and Disabled Persons Adaptations	127	0	127	0	0	0	0
7218	Disabled Facilities Grant	1,663	0	1,663	0	0	0	0
7232	Museum Acquisition	1	0	1	0	0	0	0
7348	Art Gallery	10	0	10	0	0	0	0
7483	Reinstate 3G Pitch	188	80	108	0	0	0	0
7522	Stranton Cemetery Flood Alleviation	600	360	240	0	0	0	0
7543	Waverley Allotments (Terrace Car Park)	21	9	12	0	0	0	0
7576	Seascapes - Seaton High & Lowlight	129	1	128	0	0	0	0
7711	Carlton Adventure Centre	400	0	400	0	0	0	0
7785	Burn Valley Garden Play Area 2022	28	0	28	0	0	0	0
7811	Summerhill Cycle Hub	514	348	166	0	0	0	0
7831	Community Hub South - Internal Alterations	88	77	11	0	0	0	0
7990	Boer War Statue - Ward Jackson Park	25	6	19	0	0	0	0
8103	Swimming Scheme	35	0	35	0	0	0	0
8108	Centre for Independent Living	146	0	146	0	0	0	0
8393	Stranton Cemetery Cremators	255	0	255	0	0	0	0
9212	Relocate Cemetery Office	90	0	90	0	0	0	0
8408	Mill House - Equipment Purchase	3	0	3	0	0	0	0
8409	Sport & Youth Improvements	12	0	12	0	0	0	0
8088	Community Hub South - Owton CC	41	0	41	0	0	0	0
8088	Central / Community Hub Central - Ground Floor Internal Alterations	35	0	35	0	0	0	0
9213	Community Hub Central Classroom	37	0	37	0	0	0	0
8534	Church Street Townscape Heritage Project	231	0	231	0	0	0	0
8634	Playing Pitches - Football Foundation	5	0	5	0	0	0	0
8689	Brierton Sports Fields	1	0	1	0	0	0	0
8896	Brierton Tennis Courts	30	0	30	0	0	0	0
Allot	Other Allotment Schemes	243	7	236	0	0	0	0
CR	Crematorium refurbishment	494	7	487	0	0	0	0
Adult and Community Based Services - Total		5,601	895	4,706	0	0	0	0

Estimated Resources							
	Gross Cost £000	Expend to 31/3/2022 £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 Budget £000	2026/27 Budget £000
Adult and Community Based Schemes - Funding							
External Funding - Government Grants							
Seascapes Grant	119	0	119	0	0	0	0
Sport England Grant	347	269	78	0	0	0	0
Disabled Facilities Grant	1,663	0	1,663	0	0	0	0
Heritage Lottery Fund	231	0	231	0	0	0	0
Miscellaneous Grant	43	33	10	0	0	0	0
External Funding - Grants from Other Public Bodies							
Developers S106 Contributions	49	34	15	0	0	0	0
Miscellaneous Grant	62	13	49	0	0	0	0
Internal Funding							
Revenue Contributions	9	9	0	0	0	0	0
Earmarked Reserves	691	63	628	0	0	0	0
Capital Receipts	126	0	126	0	0	0	0
Prudential Borrowing	2,261	474	1,787	0	0	0	0
Adult and Community Based Schemes - Funding Total		5,601	895	4,706	0	0	0

Project Code	Scheme	Gross Cost £000	Expend to 31/3/2022 £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 Budget £000	2026/27 Budget £000
Children's and Joint Commissioning Services								
7384	Devolved Schools Capital	247	0	247	0	0	0	0
9238	Energy Efficiency Capital Funding	195	0	195	0	0	0	0
7586	Purchase of Computer Equipment - CLC Standards Fund	37	0	37	0	0	0	0
7355	CECA IT Infrastructure and Technology	42	0	42	0	0	0	0
7355	CECA TVCA Grant Unallocated	31	0	31	0	0	0	0
7142	Schools General - Fire Safety Modifications (Conditions)	53	0	53	0	0	0	0
7142	Schools General - Fire Safety Modifications (Conditions) 22/23	464	0	464	0	0	0	0
7142	Kingsley - Fire Safety Modifications	319	56	263	0	0	0	0
7142	Throston - Fire Safety Modifications	200	109	91	0	0	0	0
9027	English Martyrs - New Build	155	0	155	0	0	0	0
9028	High Tunstall New Build	161	0	161	0	0	0	0
7474	High Tunstall 3G Pitch	24	0	24	0	0	0	0
7478	High Tunstall Grass Pitch	15	0	15	0	0	0	0
8906	Brierton Campus Windows	18	0	18	0	0	0	0
7521	Two Year Old FNE Capacity Funding	23	0	23	0	0	0	0
8788	Universal Free School Meals	8	0	8	0	0	0	0
7568	Lynnfield Primary School Boundary Wall	19	0	19	0	0	0	0
7569	Lynnfield Primary School DHW Boiler Renewal	21	12	9	0	0	0	0
7570	Lynnfield Primary School Heating - Pipework, radiators, fan convectors, air systems	55	22	33	0	0	0	0
9163	St Helens Primary School Demolition KS1 and KS2 Chimney	50	1	49	0	0	0	0
7786	St Helens Primary School Storm Damage to Conservatory	95	0	95	0	0	0	0
7566	Throston Primary School Heating Renewal	40	22	18	0	0	0	0
7564	High Tunstall Renew Pool Flooring	11	0	11	0	0	0	0
9210	Fens Primary School Electrical Rewire	73	0	73	0	0	0	0
New	Grange Primary School Roofing Works	26	0	26	0	0	0	0
9207	Grange Primary School Fire Alarm Renewal	60	0	60	0	0	0	0
9208	Kingsley Primary School Fire Alarm Renewal	45	0	45	0	0	0	0
New	Lynnfield Primary School Toilet Refurbishments	42	0	42	0	0	0	0
New	Lynnfield Primary School Gas Main Renewal	40	0	40	0	0	0	0
9209	Miers Avenue Children's Centre Boiler Replacement	16	0	16	0	0	0	0
New	St Helens Primary School Main Entrance Access	50	0	50	0	0	0	0
9148	Springwell Special School Increase Capacity	424	38	386	0	0	0	0
New	Catcote Secondary Special School Alternative Provision 6th Form	306	0	306	0	0	0	0
7663	Kingsley Primary School - Portokabin SEND Provision	190	0	190	0	0	0	0
9004	Schools General - Conditions unallocated	112	0	112	0	0	0	0
9004	Schools General - Contingency	75	0	75	0	0	0	0
9004	Schools General - Suitability Unallocated (SEMH)	743	0	743	0	0	0	0
9004	Schools General - Special Provision	564	0	564	0	0	0	0
9004	Schools General - Basic Need	600	0	600	0	0	0	0
7149	Create Children's Homes	216	0	216	0	0	0	0
7768	Supporting Treatment and Recovery Together (START) - Hartlepool's Substance Misuse Service	2,800	0	0	2,800	0	0	0
8072	ICS Case Management Improvement	37	0	37	0	0	0	0
8218	Youth Service Portable MUGA	5	0	5	0	0	0	0
8946	PH - Stepping Stones Project	38	11	27	0	0	0	0
Children's and Joint Commissioning Services - Total		8,745	271	5,674	2,800	0	0	0

Estimated Resources								
	Gross Cost £000	Expend to 31/3/2022 £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 Budget £000	2026/27 Budget £000	
Children's and Joint Commissioning Services - Funding								
External Funding - Government Grants								
DEVCAP	399	165	234	0	0	0	0	0
Special Provision	964	0	964	0	0	0	0	0
School Conditions	1,454	57	1,397	0	0	0	0	0
Basic Need	1,436	38	1,398	0	0	0	0	0
Other	195	0	195	0	0	0	0	0
External Funding - Grants from Other Public Bodies								
Misc Grant	270	11	259	0	0	0	0	0
Internal Funding								
Revenue Contributions	0	0	0	0	0	0	0	0
Earmarked Reserves	1,072	0	1,072	0	0	0	0	0
Capital Receipts	0	0	0	0	0	0	0	0
Prudential Borrowing	2,955	0	155	2800	0	0	0	0
Children's and Joint Commissioning Services - Funding Total		8,745	271	5,674	2,800	0	0	0

Project Code	Scheme	Gross Cost £000	Expend to 31/3/2022 £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 Budget £000	2026/27 Budget £000
Neighbourhood and Regulatory Services								
8306	Schools - Kitchen Refurbishment	261	0	261	0	0	0	0
S106	Developers Contribution Fund	3,319	0	107	803	803	803	803
7222	Sustainable Warmth LAD3	1,659	1	1,658	0	0	0	0
7272	Wheelie Bin Purchase	90	0	90	0	0	0	0
7333	EDM Seaton Additional Car Parking Facilities	87	0	87	0	0	0	0
7344	NIP - Hindpool Close Play Area	40	3	37	0	0	0	0
7347	NIP - CCTV in Parks	350	290	60	0	0	0	0
7436	NIP - Stranton Cemetery Car Park	50	0	50	0	0	0	0
7437	NIP - Sinking Fund	61	0	61	0	0	0	0
7440	NIP - Central Park	120	1	119	0	0	0	0
7466	DSO Vehicle Purchase	7,684	0	7,684	0	0	0	0
7553	Seaton Toilets	435	4	431	0	0	0	0
TBC	Beach Huts	80	0	80	0	0	0	0
7561	Green Homes Grant	663	199	464	0	0	0	0
7577	Hartlepool North NDIP Study	50	0	50	0	0	0	0
7878	Community Safety CCTV Upgrade	79	68	11	0	0	0	0
7900	EDM Hartlepool Marina - North Pier	80	4	76	0	0	0	0
7902	EDM Hartlepool Drainage Schemes	36	6	30	0	0	0	0
8444	EDM Town Wall Strengthening	46	25	21	0	0	0	0
8578	EDM Management Unit Study	28	0	28	0	0	0	0
8996	NIP - Improvements to Parks	314	241	73	0	0	0	0
8997	NIP - Unallocated	16	7	9	0	0	0	0
9147	NIP - CCTV in parks, Support	34	5	29	0	0	0	0
9170	HUG1 Sustainable Warmth LAD3	611	0	611	0	0	0	0
9201	Reed St. Depot Relocation	510	190	320	0	0	0	0
HIFP	HIFP Highways Schemes	356	0	356	0	0	0	0
LTP	Local Transport Plan Integrated Transport Block	2,675	253	2,422	0	0	0	0
TVCA	LTP Scheduled reconstruction	1,398	0	1,398	0	0	0	0
Neighbourhood and Regulatory Services - Total		21,132	1,297	16,623	803	803	803	803

Estimated Resources							
	Gross Cost £000	Expend to 31/3/2022 £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 Budget £000	2026/27 Budget £000
Neighbourhood and Regulatory Services - Funding							
External Funding - Government Grants							
Changing Places Funding	95	0	95	0	0	0	0
Department for Business, Energy & Industrial Strategy Grants	2,933	200	2,733	0	0	0	0
External Funding - Grants from Other Public Bodies							
Thirteen Group Funding	75	3	72	0	0	0	0
TVCA	4,696	478	4,218	0	0	0	0
Developers Contributions	3,438	1	225	803	803	803	803
Internal Funding							
Revenue Contributions	0	0	0	0	0	0	0
Earmarked Reserves	279	0	279	0	0	0	0
Capital Receipts	0	0	0	0	0	0	0
Prudential Borrowing	9,616	615	9,001	0	0	0	0
Neighbourhood and Regulatory Services - Funding Total	21,132	1,297	16,623	803	803	803	803

Project Code	Scheme	Gross Cost £000	Expend to 31/3/2022 £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 Budget £000	2026/27 Budget £000
Resources and Development								
7260	City Challenge Clawback	9	0	9	0	0	0	0
7623	Corporate IT Projects	12	0	12	0	0	0	0
	Corporate Projects	109	0	109	0	0	0	0
7220	Private Sector Housing Grants	35	0	35	0	0	0	0
7357	15 Church Street Renovation	1,146	975	171	0	0	0	0
Resources and Development - Total		1,311	975	336	0	0	0	0

Estimated Resources							
Gross Cost £000	Expend to 31/3/2022 £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 Budget £000	2026/27 Budget £000	
Resources and Development - Funding							
External Funding - Government Grants							
City Challenge	9	0	9	0	0	0	0
External Funding - Grants from Other Public Bodies							
Miscellaneous Grants	101	66	35	0	0	0	0
Internal Funding							
Revenue Contributions	0	0	0	0	0	0	0
Earmarked Reserves	121	0	121	0	0	0	0
Capital Receipts	0	0	0	0	0	0	0
Prudential Borrowing	1,080	909	171	0	0	0	0
Resources and Development - Funding Total		1,311	975	336	0	0	0

Project Code	Scheme	Gross Cost £000	Expend to 31/3/2022 £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 Budget £000	2026/27 Budget £000
Corporate								
7036	Uncommitted CCF	226	0	226	0	0	0	0
7041	Corporate Planned Unallocated	248	0	248	0	0	0	0
7065	Fire Risk Assessments	100	15	85	0	0	0	0
7072	Seaton Library DDA toilet	37	0	37	0	0	0	0
7200	Civic Centre Capital Project	75	13	62	0	0	0	0
7336	Borough Hall - Upgrade Fixtures and Fittings	8	0	8	0	0	0	0
7591	Mill House Capital	126	0	126	0	0	0	0
7617	Borough Hall - Lighting and Wiring	40	2	38	0	0	0	0
8970	Historic Quay Dilapidation Work	97	0	97	0	0	0	0
9034	Carlton - Construction of a Fire Escape	34	0	34	0	0	0	0
7539	Throston Youth Project - Resurface Car Park	63	1	62	0	0	0	0
7812	Masefield Centre SALIX Air Source Heat Pump	65	8	57	0	0	0	0
New	Borough Hall - Major Refurb Works	45	0	45	0	0	0	0
New	Jutland Road Demolition	60	0	60	0	0	0	0
	Seaton Carew Library Heating Replacement	20	0	20	0	0	0	0
7623	Corporate IT Equipment - Laptops	625	0	625	0	0	0	0
Corporate - Total		1,869	39	1,830	0	0	0	0

Estimated Resources							
	Gross Cost £000	Expend to 31/3/2022 £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 Budget £000	2026/27 Budget £000
Corporate - Funding							
External Funding - Government Grants							
Miscellaneous Grants	65	8	57	0	0	0	0
External Funding - Grants from Other Public Bodies							
Miscellaneous Grants	0	0	0	0	0	0	0
Internal Funding							
Revenue Contributions	0	0	0	0	0	0	0
Earmarked Reserves	1,224	15	1,209	0	0	0	0
Capital Receipts	166		166	0	0	0	0
Prudential Borrowing	414	16	398	0	0	0	0
Corporate - Funding Total	1,869	39	1,830	0	0	0	0

Project Code	Scheme	Gross Cost £000	Expend to 31/3/2022 £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 Budget £000	2026/27 Budget £000
HRA								
7534	Lynne Street Housing	9,199	313	3,087	2,400	2,659	740	0
7182	Empty Properties Phase 3	1,879	103	182	364	388	317	525
7450	Greatham Development	2,240	1,676	564	0	0	0	0
7620	Brenda Road PHASE 1	2,128	32	1,609	487	0	0	0
8106	New Build	631	1	0	179	451	0	0
HRA - Total		16,077	2,125	5,442	3,430	3,498	1,057	525

Estimated Resources								
		Gross Cost £000	Expend to 31/3/2022 £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 Budget £000	2026/27 Budget £000
HRA - Funding								
External Funding - Government Grants								
	Homes England Grant	4,049	596	1,543	748	820	117	225
External Funding - Grants from Other Public Bodies								
	Developers Contributions	2,713	149	1,321	500	743	0	0
	TVCA Brownfield Housing Fund	1,647	160	1,487	0	0	0	0
Internal Funding								
	Revenue Contributions	0	0	0	0	0	0	0
	Earmarked Reserves	0	0	0	0	0	0	0
	Capital Receipts	73	0	0	73	0	0	0
Prudential Borrowing		7,595	1,220	1,091	2,109	1,935	940	300
HRA - Funding Total		16,077	2,125	5,442	3,430	3,498	1,057	525

Scheme	Gross Cost £000	Expend to 31/3/2022 £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 Budget £000	2026/27 Budget £000	Comments
Adult and Community Based Services								
Disabled Facilities Grant (Better Care Fund)	4,888	0	0	1,222	1,222	1,222	1,222	These are indicative allocations based on the 2022/23 actual allocation.
Supporting Treatment and Recovery Together (START) - Hartlepool's Substance Misuse Service	200	0	0	200	0	0	0	This is an existing scheme. The forecast scheme costs have increased by £0.200m, funded through Prudential Borrowing. The borrowing costs are fully funded by Public Health Grant.
Childrens and Joint Commissioning								
Devolved Formula Capital (Schools)	100	0	0	100	0	0	0	These are indicative allocations based on the 2022/23 actual allocation.
School Condition Allocation	690	0	0	690	0	0	0	These are indicative allocations based on the 2022/23 actual allocation.
High Needs Provision Capital Allocation	732	0	0	732	0	0	0	These are indicative allocations based on the 2022/23 actual allocation.
Neighbourhoods & Regulatory Services								
Local Transport Plan - Structural Highways Maintenance	4,216	0	0	1,054	1,054	1,054	1,054	These are indicative allocations based on the 2022/23 actual allocation.
Local Transport Plan - Integrated Transport Block	2,876	0	0	719	719	719	719	These are indicative allocations based on the 2022/23 actual allocation.
Replacement Wheelie Bins	360	0	0	90	90	90	90	This is the existing annual wheelie bin replacement programme - renewal and replacement of existing stock that has reached the end of its useful life and is funded from the existing departmental prudential borrowing budget.
Vehicle Procurement	3,352	0	0	235	1,410	1,707	0	This was approved by Neighbourhood Services Committee on 1 Dec 2022
NEW SCHEMES TOTAL	17,414	0	0	5,042	4,495	4,792	3,085	

Estimated Resources							
	Gross Cost £000	Expend to 31/3/2022 £000	2022/23 Budget £000	2023/24 Budget £000	2024/25 Budget £000	2025/26 Budget £000	2026/27 Budget £000
Funding							
External Funding - Government Grants							
Disabled Facilities Grant	4,888	0	0	1,222	1,222	1,222	1,222
Department for Education Funding	1,522	0	0	1,522	0	0	0
External Funding - Grants from Other Public Bodies							
TVCA LTP Grants	7,092	0	0	1,773	1,773	1,773	1,773
Internal Funding							
Revenue Contributions	0	0	0	0	0	0	0
Earmarked Reserves	0	0	0	0	0	0	0
Capital Receipts	0	0	0	0	0	0	0
Prudential Borrowing	3,912	0	0	525	1,500	1,797	90
	17,414	0	0	5,042	4,495	4,792	3,085

COUNCIL

23 February 2023



Report of: Finance and Policy Committee

Subject: MEDIUM TERM FINANCIAL STRATEGY (MTFS)
2023/24 - STATUTORY BUDGET AND COUNCIL
TAX DETERMINATION

1. PURPOSE OF REPORT

- 1.1 The purposes of this report are:
- (i) to provide details of the final 2023/24 Local Government Finance settlement announcement;
 - (ii) to enable Members to finalise the 2023/24 technical Council Tax calculations, which incorporate Council Tax levels independently set by precepting bodies.

2. BACKGROUND

- 2.1 In accordance with the Constitution the 2023/24 Budget and Council Tax, including Adult Social Care precept, were approved by Council on 26th January 2023.
- 2.3 This report provides an update on the final 2023/24 Local Government Finance Settlement and also deals with the statutory arithmetic calculation of the overall level of Council Tax, which incorporates Council Tax levels set by individual 'precepting bodies' in accordance with the specific Government Council Tax referendum limits.
- 2.4 The 'precepting bodies' have set their own budgets and Council Tax requirements. The role of the Council as the 'billing authority' is to incorporate these figures into the overall Council Tax calculation and then collect these amounts.

3. FINAL 2023/24 LOCAL GOVERNMENT FINANCE SETTLEMENT AND IMPACT ON THE COUNCIL

- 3.1 The final Local Government Finance Settlement was issued on 6th February 2023 and basically confirms the provisional settlement issued just before Christmas. The final Government funding allocated to Hartlepool is £45,000 higher than the provisional settlement. It is recommended this increase in funding is allocated to reduce the use of the Budget Support Fund from £1.516m to £1.471m.

4. LEGAL CONSIDERATIONS

4.1 The following issues are relevant to the 2023/24 budget and were addressed in previous reports to Finance and Policy Committee (23rd January 2023) and Council (26th January 2023) when the budget was approved:-

- the Local Government Finance Act 1992 requires local authorities to set a balanced budget;
- the Local Government Act 2003 requires local authorities to consider the advice of their Section 151 Chief Finance Officer (the Director of Resources and Development) when making budget decisions. This advice must include details of the robustness of the estimates made for the purposes of the calculations and the adequacy of the proposed financial reserves. The minutes to the meetings referred to in paragraph 4.1 record the robustness advice given to Members.

4.2 The Local Government Act 1992 and relevant regulations also require the Council to approve the statutory Council Tax calculations incorporating the Council Tax levels set by individual precepting bodies i.e. the Police and Crime Commissioner, Cleveland Fire Authority and individual parish councils.

4.3 Individual precepting bodies are responsible for setting their own Council Tax levels in accordance with the specific Government Council Tax referendum limits and which meet their own budgetary requirements. The following table details the Government Council Tax referendum limits for 2023/24 and the Council Tax increases approved by individual precepting bodies:

Type of Authority	Government Council Tax Referendum Limits 2023/24	Actual Band D Council Tax increase approved by individual precepting authority
Police and Crime Commissioners	Increases of up to £15 in Band D Council Tax	£15.00
Fire and Rescue Authorities	Increases of up to £5 in Band D Council Tax	£5.00
Town and Parish councils	No referendum limits have been set and the Government intends to keep this matter under active review for future years.	Various depending on Parish

- 4.4 The statutory Council Tax calculations are an administrative responsibility that the Council as the statutory 'billing authority' is required to undertake once the Council and the individual precepting bodies have set their own Council Tax levels.
- 4.5 The statutory billing authority calculations are not an opportunity to review the decision made by Council on 26th January 2023, or to challenge the Council Tax decisions of individual precepting bodies – which they are legally responsible for making. The statutory determinations are an arithmetic calculation and the only grounds for not approving these calculations is if a Member identifies that the additions of the various Council Tax levels set by the Council and precepting bodies are incorrect.
- 4.6 Whilst Members may be frustrated by the limitations of the Council's responsibilities in relation to the statutory calculations this is the legal position governing these calculations. A decision not to approve the statutory calculations would have serious consequences as the Council would be unable to produce Council Tax bills and issue these to approximately 40,000 households in sufficient time to collect the first direct debit payments.
- 4.7 This would have an adverse impact on the Council's cash flow as Council Tax income would not be received, whilst the Council would still have to pay staff/suppliers and make precept payments. Delays in collecting direct debits would also impact on households as payments would not be taken when expected. Additionally, there would be an increased risk that households fell into arrears with Council Tax, which would then increase collection costs and have a continued adverse impact on cash flow.
- 4.8 **Total Council Tax**
- 4.9 For a Band A property (53% of Hartlepool households), without a parish council (91.5% of Hartlepool households), the overall Council Tax increase for 2023/24 reflecting the decisions made by individual precepting bodies is £73.34 (£1.41 per week) as follows:

Overall Council Tax levels, incorporating Major Precepts for
a **Band A** property (but excluding Parish precepts)

		2022/23	2023/24	Annual Increase
Hartlepool Council – Basic amount		1,087.22	1,122.73	35.51
Hartlepool Council – Adult Social Care precept		137.32	161.81	24.49
Total Hartlepool Council	(a)	£1,224.54	£1,284.54	£60.00
Police & Crime Commissioner	(b)	£183.82	£193.82	£10.00
Cleveland Fire Authority (CFA)	(c)	£54.57	£57.91	£3.34
Total	(a+b+c)	£1,462.93	£1,536.27	£73.34

- 4.11 The following table summarises the Council Tax for 2023/24, for areas without a parish. The Adult Social Care precept is the cumulative amount and in 2023/24 will provide £6.150m of funding – which covers 15% of the cost of Adult Social Care Services.

	Council Tax Bands							
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Hartlepool Borough Council Basic Amount without parishes or special items	1,122.73	1,309.85	1,496.97	1,684.09	2,058.33	2,432.57	2,806.82	3,368.18
Hartlepool Borough Council Adult Social Care Precept	161.81	188.78	215.75	242.72	296.66	350.60	404.53	485.44
Office of Police and Crime Commissioner	193.82	226.12	258.43	290.73	355.34	419.94	484.55	581.46
Fire Authority	57.91	67.56	77.21	86.86	106.16	125.46	144.77	173.72
Areas without a Parish Council	1,536.27	1,792.31	2,048.36	2,304.40	2,816.49	3,328.57	3,840.67	4,608.80
Percentage Properties per Band	53%	17%	14%	8%	4%	2%	1%	1%

- 4.12 Appendix A details the Council Tax levels for all areas of the town, including areas covered by the Parish Council.

5. RECOMMENDATIONS

5.1 Recommendation referred by Finance and Policy Committee for Council approval:

- i) Note the final settlement provides an increase in Government funding of £45,000, and approve the use of this increase to reduce the approved use of the Budget Support Fund from £1.516m to £1.471m.

5.2 Statutory Council Tax calculations

- i) Approve the statutory budget calculation for the Council budget as detailed in **Appendix A** and approve the detailed supporting departmental budgets detailed in the separate booklet circulated with the agenda;
- ii) Approve the statutory Council Tax calculations detailed in **Appendix A**, which includes the Council Tax increases approved by the individual precepting bodies.

6. REASON FOR RECOMMENDATIONS

- 6.1 To discharged the Council's statutory billing authority responsibilities.

7. BACKGROUND PAPERS

- Council Report - Medium Term Financial Strategy (MTFS) 2022/23 to 2024/25 – 26th January 2023;

8. CONTACT OFFICER

Chris Little

Director of Resources and Development

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Sign Off:-

Managing Director



Director of Resources and Development



Chief Solicitor



SUPPORTING STATUTORY RESOLUTIONS - COUNCIL TAX INCREASE

- 1 Full Council needs to approve the following supporting statutory amounts which must be calculated by the Council for 2023/24 in accordance with the Local Government Finance Act 1992 and relevant regulations:
- i) To note that on 12th December 2022 the Finance and Policy Committee approved the 2023/24 Council Tax Base for:
- The whole Council area as 25,342.0 Band D equivalents in accordance with Section 31B of the Local Government Finance Act 1992, as amended; and
 - For dwellings in those parts of its area to which a Parish precept relates as follows:

Parish Council Tax bases (Band D Equivalents)

Dalton Piercy	128.9	Greatham	279.4
Elwick	240.1	Hart	356.8
Headland	773.1	Newton Bewley	34.2
Wynyrd	856.3		

- 2 That the Council Tax requirement for the Council's own purposes (excluding Parish precepts) is £48,829,219.
- 3 That the following amounts be calculated by the Council for in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 and relevant regulations:-
- (a) £84,206,648 Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (2) of the Local Government Finance Act 1992 and relevant regulations.
- (b) £35,311,355 Being the aggregate of the sums which the Council estimate will be payable to it in respect of Revenue Support Grant £9,242,841, Business Rates Baseline Funding of £14,509,911, Top up Funding of £11,910,461 and the estimate to be paid into the Collection Fund of £351,858 as at 31st March 2023, in accordance with Section 97 (3) of the Local Government Finance Act 1988 and the Local Government Charges for England (Collection Fund Surpluses and Deficits) Regulations 1995 amended.
- (c) £48,895,293 Being the amount by which the aggregate at 3 (a) above exceeds the aggregate at 3 (b) above, calculated by the Council in accordance with Section 31A (4) of the Act as

- its Council Tax requirement for the year (including Parish precepts).
- (d) £1,929.42 Being the amount calculated by the Council in accordance with Section 31B of the Local Government Finance Act 1992, as the basic amount of Council Tax for the year (including Parish precepts).
- (e) £66,074
Parish
Precepts Being the aggregate amount of all special items referred to in Section 34 (1) of the Local Government Finance Act 1992.
- £15,724
Concurrent
Services Concurrent Services - as detailed in Table 1.
- (f) £1,926.81 Being the amount calculated by the Council in accordance with Section 34 (2) of the Local Government Finance Act 1992, as the basic amount of Council Tax for the year 2023/24 (excluding Parish precepts).
- 4** The Basic Council Tax for 2023/24 calculated in accordance with Section 34 (3) for dwellings in those areas that have a Parish precept as set out in Table 2.
- 5** Approve in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, the aggregate amounts shown in Table 3 the amounts of Council Tax for 2023/24 for each part of the Council's area and each of the categories of dwellings.
- 6** Approve that the Council's basic amount of Council Tax for 2023/24 of £1,926.81, detailed in 3 (f) above is not excessive in accordance with the principles approved under section 52ZB of the Local Government Finance Act 1992 and that no local referendum will be carried out in relation to Chapter 4ZA of the Local Government Finance Act 1992.
- 7** Approve the amount of Council Tax including the Cleveland Fire Authority and the Office of the Police and Crime Commissioner precepts, in accordance with Section 40 of the Local Government Finance Act 1992 and the relevant inclusion of amounts of Council Tax for each category of dwelling in accordance with Sections 43 to 47 of the Act as set out in Table 3.

TABLE 1 - Council Tax For Parish Councils 2023/24

	Precept (1)	Parish Tax Base (2)	Parish Council Tax (3) [=(1)/(2)]	Basic Council Tax (4)	Billing Authority's Council Tax (5) [=(3)+(4)]	Precept met from Council Tax Support Scheme	Concurrent Services	Total Payment to Parish
Parishes	£		£	£	£		£	£
Dalton Piercy	11,911	128.9	92.40	1,926.81	2,019.21	584	2,689	15,184
Elwick	7,941	240.1	33.07	1,926.81	1,959.88	360	7,747	16,048
Greatham	2,773	279.4	9.92	1,926.81	1,936.73	330	1,482	4,585
Hart	7,191	356.8	20.15	1,926.81	1,946.96	263	3,806	11,260
Headland	19,330	773.1	25.00	1,926.81	1,951.81	2,400	-	21,730
Newton Bewley	100	34.2	2.92	1,926.81	1,929.73	6	-	106
Wynyard	16,828	856.3	19.65	1,926.81	1,946.46	98	-	16,926
	66,074					4,041	15,724	85,839

TABLE 2 - Council Taxes For Each Property Band 2023/24**(Including Parish Precepts but excluding Office of Police and Crime Commissioner & Fire Authority)**

Parishes	Council Tax Bands							
	A £	B £	C £	D £	E £	F £	G £	H £
Dalton Piercy	1,346.14	1,570.50	1,794.85	2,019.21	2,467.92	2,916.64	3,365.35	4,038.42
Elwick	1,306.59	1,524.35	1,742.12	1,959.88	2,395.41	2,830.94	3,266.47	3,919.76
Greatham	1,291.15	1,506.35	1,721.54	1,936.73	2,367.11	2,797.50	3,227.88	3,873.46
Hart	1,297.97	1,514.30	1,730.63	1,946.96	2,379.62	2,812.28	3,244.93	3,893.92
Headland	1,301.21	1,518.07	1,734.94	1,951.81	2,385.55	2,819.28	3,253.02	3,903.62
Newton Bewley	1,286.49	1,500.90	1,715.32	1,929.73	2,358.56	2,787.39	3,216.22	3,859.46
Wynyard	1,297.64	1,513.91	1,730.19	1,946.46	2,379.01	2,811.55	3,244.10	3,892.92
Areas without a Parish Council	1,284.54	1,498.63	1,712.72	1,926.81	2,354.99	2,783.17	3,211.35	3,853.62

TABLE 3 - Council Taxes For Each Property Band 2023/2024**(Including Parish Precepts, Office of Police and Crime Commissioner & Fire Authority)**

Parishes	Council Tax Bands							
	A £	B £	C £	D £	E £	F £	G £	H £
Dalton Piercy	1,597.87	1,864.18	2,130.49	2,396.80	2,929.42	3,462.04	3,994.67	4,793.60
Elwick	1,558.32	1,818.03	2,077.76	2,337.47	2,856.91	3,376.34	3,895.79	4,674.94
Greatham	1,542.88	1,800.03	2,057.18	2,314.32	2,828.61	3,342.90	3,857.20	4,628.64
Hart	1,549.70	1,807.98	2,066.27	2,324.55	2,841.12	3,357.68	3,874.25	4,649.10
Headland	1,552.94	1,811.75	2,070.58	2,329.40	2,847.05	3,364.68	3,882.34	4,658.80
Newton Bewley	1,538.22	1,794.58	2,050.96	2,307.32	2,820.06	3,332.79	3,845.54	4,614.64
Wynyard	1,549.37	1,807.59	2,065.83	2,324.05	2,840.51	3,356.95	3,873.42	4,648.10
Areas without a Parish Council	1,536.27	1,792.31	2,048.36	2,304.40	2,816.49	3,328.57	3,840.67	4,608.80

MEDIUM TERM FINANCIAL STRATEGY

REVENUE BUDGET BOOK

February 2023

MEDIUM TERM FINANCIAL STRATEGY - REVENUE BUDGETS 2023/24

SUMMARY OF CONTENTS

Page No.

Detailed Revenue Budgets

Adult and Community Based Services	3 - 12
Childrens and Joint Commissioning Services	13 - 26
Neighbourhoods and Regulatory Services	27 - 36
Resources and Development	37 - 50

Detailed Revenue Budgets by Department

February 2023

ADULT & COMMUNITY BASED SERVICES

DETAILED REVENUE BUDGETS 2023/2024

2023/2024 BUDGET - ADULT AND COMMUNITY BASED SERVICES SUMMARY

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	One Off Costs Funded From Depts Reserves	Total Budget 2023/2024 (2+3+4+5)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000	(6) £'000
	<u>Adult and Community Based Services</u>					
50	Adult Education	58	0	0	0	58
20	Archaeology	21	0	0	0	21
4	Carers Support	3	0	0	0	3
(194)	Coast, Countryside and Heritage	(191)	0	45	(45)	(191)
2,286	Commissioning - Adults	2,358	(140)	0	0	2,218
1,231	Community Hubs	1,323	(78)	39	(39)	1,245
719	Cultural Services	749	(127)	0	0	622
212	Departmental Running Costs	217	(30)	0	0	187
547	Direct Care & Support Team	581	(3)	0	0	578
0	Employment & Skills	0	0	0	0	0
76	General Allotments	80	0	0	0	80
647	Learning Disability Teams	657	(2)	0	0	655
2,270	Locality & Safeguarding Social Work Teams	2,415	(88)	0	0	2,327
1,103	Mental Health Services	1,135	(3)	0	0	1,132
1,735	Packages of Care - Mental Health	1,995	(86)	0	0	1,909
11,827	Packages of Care - Older People	13,523	(310)	0	0	13,213
10,239	Packages of Care - Working Age Adults	12,060	0	0	0	12,060
1,416	Special Housing Needs and Occupational Therapy Services	1,485	(4)	0	0	1,481
559	Sports, Leisure & Recreation Facilities	629	(32)	160	(160)	597
1,202	Working Age Adults Day Services	1,257	0	0	0	1,257
(448)	Departmental Salary Abatement Target	(448)	(27)	0	0	(475)
35,501	Net Budget Requirement	39,907	(930)	244	(244)	38,977

2023/2024 BUDGET - SERVICE UNIT: ADULT EDUCATION

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Adult Education</u>				
1,110	Direct costs - Employees	858	0	0	858
212	- Other	579	0	0	579
1,322	Total Direct Cost	1,437	0	0	1,437
147	Support Recharges	143	0	0	143
(1,419)	Income	(1,522)	0	0	(1,522)
50	Gross Budget Requirement	58	0	0	58
0	Use Of Departmental Reserves				0
50	Net Budget Requirement	58	0	0	58

2023/2024 BUDGET - SERVICE UNIT: ARCHAEOLOGY

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Archaeology</u>				
92	Direct costs - Employees	95	0	0	95
6	- Other	6	0	0	6
98	Total Direct Cost	101	0	0	101
12	Support Recharges	12	0	0	12
(90)	Income	(92)	0	0	(92)
20	Gross Budget Requirement	21	0	0	21
0	Use Of Departmental Reserves				0
20	Net Budget Requirement	21	0	0	21

2023/2024 BUDGET - SERVICE UNIT: CARERS SUPPORT

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Carers Support</u>				
0	Direct costs - Employees	0	0	0	0
358	- Other	362	0	0	362
358	Total Direct Cost	362	0	0	362
0	Support Recharges	0	0	0	0
(354)	Income	(359)	0	0	(359)
4	Gross Budget Requirement	3	0	0	3
0	Use Of Departmental Reserves				0
4	Net Budget Requirement	3	0	0	3

2023/2024 BUDGET - SERVICE UNIT: COAST, COUNTRYSIDE & HERITAGE

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Coast, Countryside & Heritage</u>				
451	Direct costs - Employees	466	0	45	511
802	- Other	828	0	0	828
1,253	Total Direct Cost	1,294	0	45	1,339
12	Support Recharges	13	0	0	13
(1,459)	Income	(1,498)	0	0	(1,498)
(194)	Gross Budget Requirement	(191)	0	45	(146)
0	Use Of Departmental Reserves			(45)	(45)
(194)	Net Budget Requirement	(191)	0	0	(191)

One off costs Funded from Department Reserves

Funding for a temporary Projects Officer post.

2023/2024 BUDGET - SERVICE UNIT: COMMISSIONING - ADULTS

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Commissioning - Adults</u>				
1,263	Direct costs - Employees	1,326	0	0	1,326
3,683	- Other	5,345	(160)	0	5,185
4,946	Total Direct Cost	6,671	(160)	0	6,511
0	Support Recharges	0	0	0	0
(2,660)	Income	(4,313)	20	0	(4,293)
2,286	Gross Budget Requirement	2,358	(140)	0	2,218
0	Use Of Departmental Reserves				0
2,286	Net Budget Requirement	2,358	(140)	0	2,218

Corporate Budget Savings

Savings relate to a combination of adult social care demand management and the asset review linked to Hartfields.

2023/2024 BUDGET - SERVICE UNIT: COMMUNITY HUBS

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Community Hubs</u>				
1,610	Direct costs - Employees	1,590	(34)	39	1,595
421	- Other	475	(39)	0	436
2,031	Total Direct Cost	2,065	(73)	39	2,031
25	Support Recharges	25	(25)	0	0
(825)	Income	(767)	20	0	(747)
1,231	Gross Budget Requirement	1,323	(78)	39	1,284
0	Use Of Departmental Reserves			(39)	(39)
1,231	Net Budget Requirement	1,323	(78)	0	1,245

Corporate Budget Savings

Savings relate to Community Hubs / Libraries and the Mobile Library service.

One off costs Funded from Department Reserves

Funding towards posts at the Centre for Excellence in Creative Arts (CECA).

2023/2024 BUDGET - SERVICE UNIT: CULTURAL SERVICES

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Cultural Services</u>				
498	Direct costs - Employees	668	(27)	0	641
574	- Other	1,854	(100)	0	1,754
1,072	Total Direct Cost	2,522	(127)	0	2,395
0	Support Recharges	0	0	0	0
(353)	Income	(1,773)	0	0	(1,773)
719	Gross Budget Requirement	749	(127)	0	622
0	Use Of Departmental Reserves				0
719	Net Budget Requirement	749	(127)	0	622

Corporate Budget Savings

Savings relate to a combination of the reduction in the NMRN subsidy and a contribution towards the Culture, Event and Participation Teams savings.

2023/2024 BUDGET - SERVICE UNIT: DEPARTMENTAL RUNNING COSTS

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Departmental Running Costs</u>				
169	Direct costs - Employees	174	(30)	0	144
68	- Other	69	0	0	69
237	Total Direct Cost	243	(30)	0	213
0	Support Recharges	0	0	0	0
(25)	Income	(26)	0	0	(26)
212	Gross Budget Requirement	217	(30)	0	187
0	Use Of Departmental Reserves				0
212	Net Budget Requirement	217	(30)	0	187

Corporate Budget Savings

Savings relate to the Review of PA / admin capacity within the department.

2023/2024 BUDGET - SERVICE UNIT: DIRECT CARE & SUPPORT TEAM

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Direct Care & Support Team</u>				
1,376	Direct costs - Employees	1,427	0	0	1,427
189	- Other	193	(3)	0	190
1,565	Total Direct Cost	1,620	(3)	0	1,617
2	Support Recharges	2	0	0	2
(1,020)	Income	(1,041)	0	0	(1,041)
547	Gross Budget Requirement	581	(3)	0	578
0	Use Of Departmental Reserves				0
547	Net Budget Requirement	581	(3)	0	578

Corporate Budget Savings

Savings relate to car mileage.

2023/2024 BUDGET - SERVICE UNIT: EMPLOYMENT & SKILLS

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Employment & Skills</u>				
347	Direct costs - Employees	329	0	0	329
2,666	- Other	2,654	0	0	2,654
3,013	Total Direct Cost	2,983	0	0	2,983
118	Support Recharges	118	0	0	118
(3,131)	Income	(3,101)	0	0	(3,101)
0	Gross Budget Requirement	0	0	0	0
0	Use Of Departmental Reserves				0
0	Net Budget Requirement	0	0	0	0

2023/2024 BUDGET - SERVICE UNIT: GENERAL ALLOTMENTS

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>General Allotments</u>				
73	Direct costs - Employees	76	0	0	76
81	- Other	83	0	0	83
154	Total Direct Cost	159	0	0	159
0	Support Recharges	0	0	0	0
(78)	Income	(79)	0	0	(79)
76	Gross Budget Requirement	80	0	0	80
0	Use Of Departmental Reserves				0
76	Net Budget Requirement	80	0	0	80

2023/2024 BUDGET - SERVICE UNIT: LEARNING DISABILITY TEAMS

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Learning Disability Teams</u>				
799	Direct costs - Employees	812	0	0	812
13	- Other	13	(2)	0	11
812	Total Direct Cost	825	(2)	0	823
0	Support Recharges	0	0	0	0
(165)	Income	(168)	0	0	(168)
647	Gross Budget Requirement	657	(2)	0	655
0	Use Of Departmental Reserves				0
647	Net Budget Requirement	657	(2)	0	655

Corporate Budget Savings

Savings relate to car mileage.

2023/2024 BUDGET - SERVICE UNIT: LOCALITY & SAFEGUARDING SOCIAL WORK TEAMS

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Locality & Safeguarding Social Work Teams</u>				
3,506	Direct costs - Employees	3,676	(80)	0	3,596
273	- Other	278	(8)	0	270
3,779	Total Direct Cost	3,954	(88)	0	3,866
0	Support Recharges	0	0	0	0
(1,509)	Income	(1,539)	0	0	(1,539)
2,270	Gross Budget Requirement	2,415	(88)	0	2,327
0	Use Of Departmental Reserves				0
2,270	Net Budget Requirement	2,415	(88)	0	2,327

Corporate Budget Savings

Savings relate to the Adult Social Care staffing review and car mileage.

2023/2024 BUDGET - SERVICE UNIT: MENTAL HEALTH SERVICES

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Mental Health Services</u>				
1,112	Direct costs - Employees	1,144	0	0	1,144
15	- Other	15	(3)	0	12
1,127	Total Direct Cost	1,159	(3)	0	1,156
0	Support Recharges	0	0	0	0
(24)	Income	(24)	0	0	(24)
1,103	Gross Budget Requirement	1,135	(3)	0	1,132
0	Use Of Departmental Reserves				0
1,103	Net Budget Requirement	1,135	(3)	0	1,132

Corporate Budget Savings

Savings relate to car mileage.

2023/2024 BUDGET - SERVICE UNIT: PACKAGES OF CARE - MENTAL HEALTH

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Packages of Care -Mental Health</u>				
0	Direct costs - Employees	0	0	0	0
3,311	- Other	3,878	(86)	0	3,792
3,311	Total Direct Cost	3,878	(86)	0	3,792
0	Support Recharges	0	0	0	0
(1,576)	Income	(1,883)	0	0	(1,883)
1,735	Gross Budget Requirement	1,995	(86)	0	1,909
0	Use Of Departmental Reserves				0
1,735	Net Budget Requirement	1,995	(86)	0	1,909

Corporate Budget Savings

Savings relate to adult social care demand management.

2023/2024 BUDGET - SERVICE UNIT: PACKAGES OF CARE - OLDER PEOPLE

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Packages of Care - Older People</u>				
0	Direct costs - Employees	0	0	0	0
27,972	- Other	31,887	(310)	0	31,577
27,972	Total Direct Cost	31,887	(310)	0	31,577
0	Support Recharges	0	0	0	0
(16,145)	Income	(18,364)	0	0	(18,364)
11,827	Gross Budget Requirement	13,523	(310)	0	13,213
0	Use Of Departmental Reserves				0
11,827	Net Budget Requirement	13,523	(310)	0	13,213

Corporate Budget Savings

Savings relate to a combination of adult social care demand management and adult social care commissioned services.

2023/2024 BUDGET - SERVICE UNIT: PACKAGES OF CARE - WORKING AGE ADULTS

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Packages of Care - Working Age Adults</u>				
0	Direct costs - Employees	0	0	0	0
16,710	- Other	18,183	0	0	18,183
16,710	Total Direct Cost	18,183	0	0	18,183
0	Support Recharges	0	0	0	0
(6,471)	Income	(6,123)	0	0	(6,123)
10,239	Gross Budget Requirement	12,060	0	0	12,060
0	Use Of Departmental Reserves				0
10,239	Net Budget Requirement	12,060	0	0	12,060

2023/2024 BUDGET - SERVICE UNIT: SPECIAL HOUSING NEEDS & OCCUPATIONAL THERAPY SERVICES

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Special Housing Needs & Occupational Therapy Services</u>				
1,147	Direct costs - Employees	1,203	0	0	1,203
685	- Other	699	(4)	0	695
1,832	Total Direct Cost	1,902	(4)	0	1,898
0	Support Recharges	0	0	0	0
(416)	Income	(417)	0	0	(417)
1,416	Gross Budget Requirement	1,485	(4)	0	1,481
0	Use Of Departmental Reserves				0
1,416	Net Budget Requirement	1,485	(4)	0	1,481

Corporate Budget Savings

Savings relate to car mileage.

2023/2024 BUDGET - SERVICE UNIT: SPORTS, LEISURE & RECREATION FACILITIES

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Sports, Leisure & Recreation Facilities</u>				
1,953	Direct costs - Employees	1,997	(31)	160	2,126
558	- Other	647	(1)	0	646
2,511	Total Direct Cost	2,644	(32)	160	2,772
15	Support Recharges	16	0	0	16
(1,967)	Income	(2,031)	0	0	(2,031)
559	Gross Budget Requirement	629	(32)	160	757
0	Use Of Departmental Reserves			(160)	(160)
559	Net Budget Requirement	629	(32)	0	597

Corporate Budget Savings

Savings relate to the Culture, Event and Participation Teams savings.

One off costs Funded from Department Reserves

Funding for temporary Project Officer posts.

2023/2024 BUDGET - SERVICE UNIT: WORKING AGE ADULTS DAY SERVICES

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Working Age Adults Day Services</u>				
667	Direct costs - Employees	711	0	0	711
574	- Other	586	0	0	586
1,241	Total Direct Cost	1,297	0	0	1,297
4	Support Recharges	4	0	0	4
(43)	Income	(44)	0	0	(44)
1,202	Gross Budget Requirement	1,257	0	0	1,257
0	Use Of Departmental Reserves				0
1,202	Net Budget Requirement	1,257	0	0	1,257

CHILDRENS AND JOINT COMMISSIONING SERVICES

DETAILED REVENUE BUDGETS 2023/2024

2023/2024 BUDGET - CHILDREN'S AND JOINT COMMISSIONING SERVICES SUMMARY

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	One Off Costs Funded From Depts Reserves	Total Budget 2023/2024 (2+3+4+5)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000	(6) £'000
	<u>Children's and Joint Commissioning Services</u>					
172	Central Support Services	157	0	0	0	157
14,690	Children in our Care	16,217	(10)	683	(683)	16,207
2,485	Children & Families - Other	2,689	(1)	0	0	2,688
66	Early Intervention Services	151	(7)	0	0	144
511	Housing, Hardship & Welfare Services	451	(86)	191	(191)	365
487	Other School Related Expenditure	487	0	0	0	487
2	Play & Care	9	0	0	0	9
462	Raising Educational Achievement	462	(36)	86	(86)	426
4,738	Safeguarding Children	5,219	(1)	0	0	5,218
325	Special Educational Needs	353	0	65	(65)	353
1,691	Strategic Commissioning	1,743	(2)	40	(40)	1,741
447	Strategic Management	639	(23)	1	(1)	616
270	Standards, Engagement & Development Team	280	(25)	0	0	255
288	Youth Justice Service	289	0	0	0	289
324	Youth Service	341	0	0	0	341
0	Dedicated Schools Grant - Early Years Block	0	0	0	0	0
0	Dedicated Schools Grant - Schools Block	0	0	0	0	0
0	Dedicated Schools Grant - High Needs Block	0	0	0	0	0
0	Dedicated Schools Grant - Central School Services Block	0	0	0	0	0
(320)	Departmental Salary Abatement Target	(332)	(20)	0	0	(352)
26,638	Net Budget Requirement	29,155	(211)	1,066	(1,066)	28,944

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	One Off Costs Funded From Depts Reserves	Total Budget 2023/2024 (2+3+4+5)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000	(6) £'000
	<u>Children's and Joint Commissioning - Public Health</u>					
4,000	Public Health - Children's	4,080	0	0	0	4,080
1,486	Public Health - General	1,524	0	63	(63)	1,524
2,533	Public Health - Substance Misuse	2,611	0	0	0	2,611
100	Public Health - Obesity	102	0	0	0	102
112	Public Health - Health Check Programme	115	0	0	0	115
170	Public Health - Mental Health	173	0	0	0	173
657	Public Health - Sexual Health	634	0	0	0	634
302	Public Health - Physical Activity	308	0	0	0	308
(9,360)	Public Health - Grant	(9,547)	0	0	0	(9,547)
0	Net Budget Requirement	0	0	63	(63)	0

26,638	Total Net Budget Requirement	29,155	(211)	1,129	(1,129)	28,944
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2023/2024 BUDGET - SERVICE UNIT: CENTRAL SUPPORT SERVICES

Approved Budget 2022/2023 (1) £'000	Service Unit	Budget Projection 2023/2024 (2) £'000	Corporate Budget Savings (3) £'000	One Off Costs (4) £'000	Total Budget 2023/2024 (2+3+4) (5) £'000
	<u>Central Support Services</u>				
0	Direct costs - Employees	0	0	0	0
0	- Other	0	0	0	0
0	Total Direct Cost	0	0	0	0
490	Support Recharges	490	0	0	490
(318)	Income	(333)	0	0	(333)
172	Gross Budget Requirement	157	0	0	157
0	Use Of Departmental Reserves				0
172	Net Budget Requirement	157	0	0	157

2023/2024 BUDGET - SERVICE UNIT: CHILDREN IN OUR CARE

Approved Budget 2022/2023 (1) £'000	Service Unit	Budget Projection 2023/2024 (2) £'000	Corporate Budget Savings (3) £'000	One Off Costs (4) £'000	Total Budget 2023/2024 (2+3+4) (5) £'000
	<u>Children in Our Care</u>				
3,965	Direct costs - Employees	4,090	0	29	4,119
12,685	- Other	14,140	(10)	654	14,784
16,650	Total Direct Cost	18,230	(10)	683	18,903
3	Support Recharges	1	0	0	1
(1,963)	Income	(2,014)	0	0	(2,014)
14,690	Gross Budget Requirement	16,217	(10)	683	16,890
0	Use Of Departmental Reserves			(683)	(683)
14,690	Net Budget Requirement	16,217	(10)	0	16,207

Corporate Budget Savings

Reductions in car mileage budgets.

One off costs Funded from Department Reserves

A combination of a specific high cost placement of a child in our care which the Council will jointly fund with health to be funded from the Children In Our Care Reserve and use of specific reserves to fund additional posts.

2023/2024 BUDGET - SERVICE UNIT: CHILDREN & FAMILIES - OTHER

Approved Budget 2022/2023 (1) £'000	Service Unit	Budget Projection 2023/2024 (2) £'000	Corporate Budget Savings (3) £'000	One Off Costs (4) £'000	Total Budget 2023/2024 (2+3+4) (5) £'000
	<u>Children & Families - Other</u>				
434	Direct costs - Employees	445	0	0	445
2,096	- Other	2,290	(1)	0	2,289
2,530	Total Direct Cost	2,735	(1)	0	2,734
26	Support Recharges	26	0	0	26
(71)	Income	(72)	0	0	(72)
2,485	Gross Budget Requirement	2,689	(1)	0	2,688
0	Use Of Departmental Reserves				0
2,485	Net Budget Requirement	2,689	(1)	0	2,688

Corporate Budget Savings

Reductions in car mileage budgets.

2023/2024 BUDGET - SERVICE UNIT: EARLY INTERVENTION SERVICES

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Early Intervention Services</u>				
3,497	Direct costs - Employees	3,694	0	0	3,694
738	- Other	771	(7)	0	764
4,235	Total Direct Cost	4,465	(7)	0	4,458
0	Support Recharges	0	0	0	0
(4,169)	Income	(4,314)	0	0	(4,314)
66	Gross Budget Requirement	151	(7)	0	144
0	Use Of Departmental Reserves				0
66	Net Budget Requirement	151	(7)	0	144

Corporate Budget Savings

Reductions in car mileage budgets.

2023/2024 BUDGET - SERVICE UNIT: HOUSING, HARDSHIP & WELFARE SERVICES

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Housing, Hardship & Welfare Services</u>				
954	Direct costs - Employees	992	0	191	1,183
925	- Other	804	(86)	0	718
1,879	Total Direct Cost	1,796	(86)	191	1,901
0	Support Recharges	0	0	0	0
(1,368)	Income	(1,345)	0	0	(1,345)
511	Gross Budget Requirement	451	(86)	191	556
0	Use Of Departmental Reserves			(191)	(191)
511	Net Budget Requirement	451	(86)	0	365

Corporate Budget Savings

Local Welfare Support saving deferred from 2022/23.

One off costs Funded from Department Reserves

Specific costs relating to the Resettlement Programmes funded from the reserve created from the Home Office grant received to date.

2023/2024 BUDGET - SERVICE UNIT: OTHER SCHOOL RELATED EXPENDITURE

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Other School Related Expenditure</u>				
206	Direct costs - Employees	206	0	0	206
298	- Other	298	0	0	298
504	Total Direct Cost	504	0	0	504
0	Support Recharges	0	0	0	0
(17)	Income	(17)	0	0	(17)
487	Gross Budget Requirement	487	0	0	487
0	Use Of Departmental Reserves				0
487	Net Budget Requirement	487	0	0	487

2023/2024 BUDGET - SERVICE UNIT: PLAY & CARE

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Play & Care</u>				
141	Direct costs - Employees	150	0	0	150
27	- Other	28	0	0	28
168	Total Direct Cost	178	0	0	178
0	Support Recharges	0	0	0	0
(166)	Income	(169)	0	0	(169)
2	Gross Budget Requirement	9	0	0	9
0	Use Of Departmental Reserves				0
2	Net Budget Requirement	9	0	0	9

2023/2024 BUDGET - SERVICE UNIT: RAISING EDUCATIONAL ACHIEVEMENT

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Raising Educational Achievement</u>				
1,270	Direct costs - Employees	1,150	(36)	86	1,200
68	- Other	0	0	0	0
1,338	Total Direct Cost	1,150	(36)	86	1,200
76	Support Recharges	76	0	0	76
(952)	Income	(764)	0	0	(764)
462	Gross Budget Requirement	462	(36)	86	512
0	Use Of Departmental Reserves			(86)	(86)
462	Net Budget Requirement	462	(36)	0	426

Corporate Budget Savings

Budget reductions relate to deletion of a post within the One Stop Shop.

One off costs Funded from Department Reserves

Cost relates to funding of a temporary post.

2023/2024 BUDGET - SERVICE UNIT: SAFEGUARDING CHILDREN

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Safeguarding Children</u>				
5,023	Direct costs - Employees	5,533	0	0	5,533
977	- Other	1,042	(1)	0	1,041
6,000	Total Direct Cost	6,575	(1)	0	6,574
119	Support Recharges	117	0	0	117
(1,381)	Income	(1,473)	0	0	(1,473)
4,738	Gross Budget Requirement	5,219	(1)	0	5,218
0	Use Of Departmental Reserves				0
4,738	Net Budget Requirement	5,219	(1)	0	5,218

Corporate Budget Savings

Reductions in car mileage budgets.

2023/2024 BUDGET - SERVICE UNIT: SPECIAL EDUCATIONAL NEEDS

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Special Educational Needs</u>				
1,114	Direct costs - Employees	1,066	0	65	1,131
32	- Other	32	0	0	32
1,146	Total Direct Cost	1,098	0	65	1,163
18	Support Recharges	18	0	0	18
(749)	Income	(763)	0	0	(763)
415	Gross Budget Requirement	353	0	65	418
(90)	Use Of Departmental Reserves			(65)	(65)
325	Net Budget Requirement	353	0	0	353

One off costs Funded from Department Reserves

One fixed term post is to be funded from the earmarked reserve for Special Educational Needs.

2023/2024 BUDGET - SERVICE UNIT: STRATEGIC COMMISSIONING

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Strategic Commissioning</u>				
1,776	Direct costs - Employees	1,873	0	40	1,913
604	- Other	615	(2)	0	613
2,380	Total Direct Cost	2,488	(2)	40	2,526
0	Support Recharges	0	0	0	0
(689)	Income	(745)	0	0	(745)
1,691	Gross Budget Requirement	1,743	(2)	40	1,781
0	Use Of Departmental Reserves			(40)	(40)
1,691	Net Budget Requirement	1,743	(2)	0	1,741

Corporate Budget Savings

Savings relate to car mileage.

One off costs Funded from Department Reserves

Temporary project post funded from reserves.

2023/2024 BUDGET - SERVICE UNIT: STRATEGIC MANAGEMENT

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Strategic Management</u>				
626	Direct costs - Employees	722	(23)	0	699
157	- Other	228	0	1	229
783	Total Direct Cost	950	(23)	1	928
54	Support Recharges	50	0	0	50
(390)	Income	(361)	0	0	(361)
447	Gross Budget Requirement	639	(23)	1	617
0	Use Of Departmental Reserves		0	(1)	(1)
447	Net Budget Requirement	639	(23)	0	616

Corporate Budget Savings

Savings relate to salary costs relating to Governor's Support Service for Schools that will cease during 2023/24.

2023/2024 BUDGET - SERVICE UNIT: STANDARDS, ENGAGEMENT & DEVELOPMENT

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Standards, Engagement & Development</u>				
330	Direct costs - Employees	341	(25)	0	316
142	- Other	144	0	0	144
472	Total Direct Cost	485	(25)	0	460
0	Support Recharges	0	0	0	0
(202)	Income	(205)	0	0	(205)
270	Gross Budget Requirement	280	(25)	0	255
0	Use Of Departmental Reserves				0
270	Net Budget Requirement	280	(25)	0	255

Corporate Budget Savings

Savings relate to Workforce Development.

2023/2024 BUDGET - SERVICE UNIT: YOUTH JUSTICE SERVICE

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Youth Justice Service</u>				
573	Direct costs - Employees	561	0	0	561
207	- Other	220	0	0	220
780	Total Direct Cost	781	0	0	781
0	Support Recharges	0	0	0	0
(492)	Income	(492)	0	0	(492)
288	Gross Budget Requirement	289	0	0	289
0	Use Of Departmental Reserves				0
288	Net Budget Requirement	289	0	0	289

2023/24 BUDGET - SERVICE UNIT: YOUTH SERVICE

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Youth Service</u>				
315	Direct costs - Employees	336	0	0	336
44	- Other	44	0	0	44
359	Total Direct Cost	380	0	0	380
0	Support Recharges	0	0	0	0
(35)	Income	(39)	0	0	(39)
324	Gross Budget Requirement	341	0	0	341
0	Use Of Departmental Reserves				0
324	Net Budget Requirement	341	0	0	341

2023/2024 BUDGET - SERVICE UNIT: DEDICATED SCHOOLS GRANT - EARLY YEARS BLOCK

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Dedicated Schools Grant - Early Years Block</u>				
109	Direct costs - Employees	114	0	0	114
5,992	- Other	6,794	0	0	6,794
6,101	Total Direct Cost	6,908	0	0	6,908
0	Support Recharges	0	0	0	0
(6,101)	Income	(6,908)	0	0	(6,908)
0	Gross Budget Requirement	0	0	0	0
0	Use Of Departmental Reserves				0
0	Net Budget Requirement	0	0	0	0

2023/2024 BUDGET - SERVICE UNIT: DEDICATED SCHOOLS GRANT - SCHOOLS BLOCK

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Dedicated Schools Grant - Schools Block</u>				
0	Direct costs - Employees	0	0	0	0
23,224	- Other	21,029	0	0	21,029
23,224	Total Direct Cost	21,029	0	0	21,029
0	Support Recharges	0	0	0	0
(23,224)	Income	(21,029)	0	0	(21,029)
0	Gross Budget Requirement	0	0	0	0
0	Use Of Departmental Reserves				0
0	Net Budget Requirement	0	0	0	0

2023/2024 BUDGET - SERVICE UNIT: DEDICATED SCHOOLS GRANT - HIGH NEEDS BLOCK

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Dedicated Schools Grant - High Needs Block</u>				
0	Direct costs - Employees	0	0	0	0
14,482	- Other	15,331	0	0	15,331
14,482	Total Direct Cost	15,331	0	0	15,331
0	Support Recharges	0	0	0	0
(14,482)	Income	(15,331)	0	0	(15,331)
0	Gross Budget Requirement	0	0	0	0
0	Use Of Departmental Reserves				0
0	Net Budget Requirement	0	0	0	0

2023/2024 BUDGET - SERVICE UNIT: DEDICATED SCHOOLS GRANT - CENTRAL SCHOOL SERVICES BLOCK

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Dedicated Schools Grant - Central School Services</u>				
136	Direct costs - Employees	139	0	0	139
147	- Other	147	0	0	147
283	Total Direct Cost	286	0	0	286
80	Support Recharges	83	0	0	83
(363)	Income	(369)	0	0	(369)
0	Gross Budget Requirement	0	0	0	0
0	Use Of Departmental Reserves				0
0	Net Budget Requirement	0	0	0	0

2023/2024 BUDGET - SERVICE UNIT: CHILDREN'S PUBLIC HEALTH

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
0	Public Health - Children's				
4,000	Direct costs - Employees	0	0	0	0
	- Other	4,080	0	0	4,080
4,000	Total Direct Cost	4,080	0	0	4,080
0	Support Recharges	0	0	0	0
0	Income	0	0	0	0
4,000	Gross Budget Requirement	4,080	0	0	4,080
0	Use Of Departmental Reserves				0
4,000	Net Budget Requirement	4,080	0	0	4,080

2023/2024 BUDGET - SERVICE UNIT: GENERAL PUBLIC HEALTH

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	Public Health - General				
520	Direct costs - Employees	539	0	59	598
966	- Other	985	0	4	989
1,486	Total Direct Cost	1,524	0	63	1,587
0	Support Recharges	0	0	0	0
0	Income	0	0	0	0
1,486	Gross Budget Requirement	1,524	0	63	1,587
0	Use Of Departmental Reserves			(63)	(63)
1,486	Net Budget Requirement	1,524	0	0	1,524

One off costs Funded from Department Reserves

Funding relates to a temporary post and a contribution to the 'Better Health at Work' awards.

2023/2024 BUDGET - SERVICE UNIT: PUBLIC HEALTH - SUBSTANCE MISUSE

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	Public Health - Substance Misuse				
999	Direct costs - Employees	1,365	0	0	1,365
2,135	- Other	2,207	0	0	2,207
3,134	Total Direct Cost	3,572	0	0	3,572
0	Support Recharges	0	0	0	0
(601)	Income	(961)	0	0	(961)
2,533	Gross Budget Requirement	2,611	0	0	2,611
0	Use Of Departmental Reserves				0
2,533	Net Budget Requirement	2,611	0	0	2,611

2023/2024 BUDGET - SERVICE UNIT: PUBLIC HEALTH - OBESITY

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Public Health - Obesity</u>				
0	Direct costs - Employees	0	0	0	0
100	- Other	102	0	0	102
100	Total Direct Cost	102	0	0	102
0	Support Recharges	0	0	0	0
0	Income	0	0	0	0
100	Gross Budget Requirement	102	0	0	102
0	Use Of Departmental Reserves				0
100	Net Budget Requirement	102	0	0	102

2023/2024 BUDGET - SERVICE UNIT: HEALTH CHECK PROGRAMME

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Public Health - Health Check Programme</u>				
0	Direct costs - Employees	0	0	0	0
112	- Other	115	0	0	115
112	Total Direct Cost	115	0	0	115
0	Support Recharges	0	0	0	0
0	Income	0	0	0	0
112	Gross Budget Requirement	115	0	0	115
0	Use Of Departmental Reserves				0
112	Net Budget Requirement	115	0	0	115

2023/2024 BUDGET - SERVICE UNIT: PUBLIC HEALTH - MENTAL HEALTH

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Public Health - Mental Health</u>				
0	Direct costs - Employees	0	0	0	0
170	- Other	173	0	0	173
170	Total Direct Cost	173	0	0	173
0	Support Recharges	0	0	0	0
0	Income	0	0	0	0
170	Gross Budget Requirement	173	0	0	173
0	Use Of Departmental Reserves				0
170	Net Budget Requirement	173	0	0	173

2023/2024 BUDGET - SERVICE UNIT: PUBLIC HEALTH - SEXUAL HEALTH

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Public Health - Sexual Health</u>				
0	Direct costs - Employees	0	0	0	0
657	- Other	634	0	0	634
657	Total Direct Cost	634	0	0	634
0	Support Recharges	0	0	0	0
	Income		0	0	0
657	Gross Budget Requirement	634	0	0	634
0	Use Of Departmental Reserves				0
657	Net Budget Requirement	634	0	0	634

2023/2024 BUDGET - SERVICE UNIT: PUBLIC HEALTH - PHYSICAL ACTIVITY

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Public Health - Physical Activity</u>				
0	Direct costs - Employees	0	0	0	0
302	- Other	308	0	0	308
302	Total Direct Cost	308	0	0	308
0	Support Recharges	0	0	0	0
0	Income	0	0	0	0
302	Gross Budget Requirement	308	0	0	308
0	Use Of Departmental Reserves				0
302	Net Budget Requirement	308	0	0	308

2023/2024 BUDGET - SERVICE UNIT: PUBLIC HEALTH - GRANT

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Public Health - Grant</u>				
0	Direct costs - Employees	0	0	0	0
0	- Other	0	0	0	0
0	Total Direct Cost	0	0	0	0
0	Support Recharges	0	0	0	0
(9,360)	Income	(9,547)	0	0	(9,547)
(9,360)	Gross Budget Requirement	(9,547)	0	0	(9,547)
0	Use Of Departmental Reserves				0
(9,360)	Net Budget Requirement	(9,547)	0	0	(9,547)

NEIGHBOURHOODS & REGULATORY SERVICES

DETAILED REVENUE BUDGETS 2023/2024

2023/2024 BUDGET - NEIGHBOURHOODS & REGULATORY SERVICES SUMMARY

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	One Off Costs Funded From Depts Reserves	Total Budget 2023/2024 (2+3+4+5)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000	(6) £'000
	<u>NEIGHBOURHOODS & REGULATORY</u>					
(208)	Building Design Team	(91)	(4)	0	0	(95)
(903)	Car Parking	(917)	(4)	0	0	(921)
966	Community Safety & Engagement	1,020	(2)	0	0	1,018
(137)	Construction Support Service	(5)	(20)	0	0	(25)
89	Construction Team	172	0	0	0	172
326	Engineering & Design	327	0	0	0	327
2,869	Environmental Services	3,025	0	0	0	3,025
1,093	Facilities Management	1,237	(22)	0	0	1,215
149	Health and Safety	210	(1)	0	0	209
2,741	Highways & Transportation	2,921	(4)	0	0	2,917
(306)	Highways Trading	(172)	0	0	0	(172)
1,620	Passenger Transport	1,923	(44)	0	0	1,879
268	Planning & Development	286	(1)	0	0	285
917	Public Protection	948	(2)	0	0	946
137	Road Safety	152	0	0	0	152
412	Strategic Management & Admin	379	(27)	0	0	352
903	Street Lighting	958	(3)	0	0	955
2,413	Sustainable Transport (Inc Con Fares)	2,459	0	0	0	2,459
(84)	Vehicle Fleet	(94)	0	0	0	(94)
5,400	Waste & Environmental Services	6,025	(196)	0	0	5,829
18,665	Net Budget Requirement	20,763	(330)	0	0	20,433

2023/2024 BUDGET - SERVICE UNIT: BUILDING DESIGN TEAM

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Building Design Team</u>				
639	Direct costs - Employees	638	0	0	638
70	- Other	70	(4)	0	66
709	Total Direct Cost	708	(4)	0	704
520	Support Recharges	530	0	0	530
(1,437)	Income	(1,329)	0	0	(1,329)
(208)	Gross Budget Requirement	(91)	(4)	0	(95)
0	Use Of Departmental Reserves				0
(208)	Net Budget Requirement	(91)	(4)	0	(95)

Corporate Budget Savings

Savings relates to officer car mileage and subscriptions.

2023/2024 BUDGET - SERVICE UNIT: CAR PARKING

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Car Parking</u>				
211	Direct costs - Employees	219	0	0	219
727	- Other	742	0	0	742
938	Total Direct Cost	961	0	0	961
20	Support Recharges	20	0	0	20
(1,861)	Income	(1,898)	(4)	0	(1,902)
(903)	Gross Budget Requirement	(917)	(4)	0	(921)
0	Use Of Departmental Reserves				0
(903)	Net Budget Requirement	(917)	(4)	0	(921)

Corporate Budget Savings

Savings relate to increased staff and Member parking charges.

2023/2024 BUDGET - SERVICE UNIT: COMMUNITY SAFETY & ENGAGEMENT

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Community Safety & Engagement</u>				
828	Direct costs - Employees	888	0	0	888
260	- Other	178	(2)	0	176
1,088	Total Direct Cost	1,066	(2)	0	1,064
0	Support Recharges	0	0	0	0
(122)	Income	(46)	0	0	(46)
966	Gross Budget Requirement	1,020	(2)	0	1,018
0	Use Of Departmental Reserves				0
966	Net Budget Requirement	1,020	(2)	0	1,018

Corporate Budget Savings

Relates to officer car mileage and subscriptions.

2023/2024 BUDGET - SERVICE UNIT: CONSTRUCTION SUPPORT SERVICES

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Construction Support Services</u>				
304	Direct costs - Employees	327	(20)	0	307
141	- Other	141	0	0	141
445	Total Direct Cost	468	(20)	0	448
45	Support Recharges	45	0	0	45
(627)	Income	(518)	0	0	(518)
(137)	Gross Budget Requirement	(5)	(20)	0	(25)
0	Use Of Departmental Reserves				0
(137)	Net Budget Requirement	(5)	(20)	0	(25)

Corporate Budget Savings

Savings relate to restructure and realignment of duties of remaining staff.

2023/2024 BUDGET - SERVICE UNIT: CONSTRUCTION TEAM

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Construction Team</u>				
1,210	Direct costs - Employees	1,341	0	0	1,341
1,419	- Other	1,994	0	0	1,994
2,629	Total Direct Cost	3,335	0	0	3,335
426	Support Recharges	462	0	0	462
(2,966)	Income	(3,625)	0	0	(3,625)
89	Gross Budget Requirement	172	0	0	172
0	Use Of Departmental Reserves				0
89	Net Budget Requirement	172	0	0	172

2023/2024 BUDGET - SERVICE UNIT: ENGINEERING & DESIGN

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Engineering & Design</u>				
510	Direct costs - Employees	509	0	0	509
328	- Other	328	0	0	328
838	Total Direct Cost	837	0	0	837
216	Support Recharges	217	0	0	217
(728)	Income	(727)	0	0	(727)
326	Gross Budget Requirement	327	0	0	327
0	Use Of Departmental Reserves				0
326	Net Budget Requirement	327	0	0	327

2023/2024 BUDGET - SERVICE UNIT: ENVIRONMENTAL SERVICES

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Environmental Services</u>				
1,837	Direct costs - Employees	1,955	0	0	1,955
537	- Other	571	0	0	571
2,374	Total Direct Cost	2,526	0	0	2,526
989	Support Recharges	1,003	0	0	1,003
(494)	Income	(504)	0	0	(504)
2,869	Gross Budget Requirement	3,025	0	0	3,025
0	Use Of Departmental Reserves				0
2,869	Net Budget Requirement	3,025	0	0	3,025

2023/2024 BUDGET - SERVICE UNIT: FACILITIES MANAGEMENT

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Facilities Management</u>				
4,091	Direct costs - Employees	4,288	0	0	4,288
2,791	- Other	3,129	(22)	0	3,107
6,882	Total Direct Cost	7,417	(22)	0	7,395
268	Support Recharges	294	0	0	294
(6,057)	Income	(6,474)	0	0	(6,474)
1,093	Gross Budget Requirement	1,237	(22)	0	1,215
0	Use Of Departmental Reserves				0
1,093	Net Budget Requirement	1,237	(22)	0	1,215

Corporate Budget Savings

Savings relate to officer car mileage and subscriptions in addition to reduced building cleaning requirements.

2023/2024 BUDGET - SERVICE UNIT: HEALTH AND SAFETY

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Health and Safety</u>				
206	Direct costs - Employees	206	0	0	206
4	- Other	4	(1)	0	3
210	Total Direct Cost	210	(1)	0	209
0	Support Recharges	0	0	0	0
(61)	Income	0	0	0	0
149	Gross Budget Requirement	210	(1)	0	209
0	Use Of Departmental Reserves				0
149	Net Budget Requirement	210	(1)	0	209

Corporate Budget Savings

Savings relate to officer car mileage and subscriptions.

2023/2024 BUDGET - SERVICE UNIT: HIGHWAYS & TRANSPORTATION

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Highways & Transportation</u>				
726	Direct costs - Employees	758	0	0	758
3,550	- Other	3,692	(4)	0	3,688
4,276	Total Direct Cost	4,450	(4)	0	4,446
77	Support Recharges	128	0	0	128
(1,612)	Income	(1,657)	0	0	(1,657)
2,741	Gross Budget Requirement	2,921	(4)	0	2,917
0	Use Of Departmental Reserves				0
2,741	Net Budget Requirement	2,921	(4)	0	2,917

Corporate Budget Savings

Savings relate to officer car mileage and subscriptions.

2023/2024 BUDGET - SERVICE UNIT: HIGHWAYS TRADING

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Highways Trading</u>				
608	Direct costs - Employees	732	0	0	732
552	- Other	613	0	0	613
1,160	Total Direct Cost	1,345	0	0	1,345
595	Support Recharges	527	0	0	527
(2,061)	Income	(2,044)	0	0	(2,044)
(306)	Gross Budget Requirement	(172)	0	0	(172)
0	Use Of Departmental Reserves				0
(306)	Net Budget Requirement	(172)	0	0	(172)

2023/2024 BUDGET - SERVICE UNIT: PASSENGER TRANSPORT

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Passenger Transport</u>				
1,018	Direct costs - Employees	1,092	0	0	1,092
1,520	- Other	1,754	(37)	0	1,717
2,538	Total Direct Cost	2,846	(37)	0	2,809
494	Support Recharges	494	0	0	494
(1,412)	Income	(1,417)	(7)	0	(1,424)
1,620	Gross Budget Requirement	1,923	(44)	0	1,879
0	Use Of Departmental Reserves			0	0
1,620	Net Budget Requirement	1,923	(44)	0	1,879

Corporate Budget Savings

Savings relate to the phased implementation of 16+ SEND charges and increased charges for the sale of surplus seats for mainstream home to school transport.

2023/2024 BUDGET - SERVICE UNIT: PLANNING & DEVELOPMENT

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Planning Services</u>				
1,003	Direct costs - Employees	1,036	0	0	1,036
30	- Other	30	(1)	0	29
1,033	Total Direct Cost	1,066	(1)	0	1,065
13	Support Recharges	13	0	0	13
(778)	Income	(793)	0	0	(793)
268	Gross Budget Requirement	286	(1)	0	285
0	Use Of Departmental Reserves				0
268	Net Budget Requirement	286	(1)	0	285

Corporate Budget Savings

Savings relate to officer car mileage and subscriptions.

2023/2024 BUDGET - PUBLIC PROTECTION

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Public Protection</u>				
1,243	Direct costs - Employees	1,282	0	0	1,282
127	- Other	128	(2)	0	126
1,370	Total Direct Cost	1,410	(2)	0	1,408
44	Support Recharges	45	0	0	45
(497)	Income	(507)	0	0	(507)
917	Gross Budget Requirement	948	(2)	0	946
0	Use Of Departmental Reserves			0	0
917	Net Budget Requirement	948	(2)	0	946

Corporate Budget Savings

Savings relate to officer car mileage and subscriptions.

2023/2024 BUDGET - SERVICE UNIT: ROAD SAFETY

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Road Safety</u>				
157	Direct costs - Employees	173	0	0	173
20	- Other	20	0	0	20
177	Total Direct Cost	193	0	0	193
9	Support Recharges	9	0	0	9
(49)	Income	(50)	0	0	(50)
137	Gross Budget Requirement	152	0	0	152
0	Use Of Departmental Reserves				0
137	Net Budget Requirement	152	0	0	152

2023/2024 BUDGET - SERVICE UNIT: STRATEGIC MANAGEMENT & ADMIN

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	Strategic Management & Admin				
467	Direct costs - Employees	523	(27)	0	496
46	- Other	(23)	0	0	(23)
513	Total Direct Cost	500	(27)	0	473
942	Support Recharges	944	0	0	944
(1,043)	Income	(1,065)	0	0	(1,065)
412	Gross Budget Requirement	379	(27)	0	352
0	Use Of Departmental Reserves				0
412	Net Budget Requirement	379	(27)	0	352

Corporate Budget Savings

Savings relate to officer car mileage and subscriptions and removal of vacant admin post.

2023/2024 BUDGET - SERVICE UNIT: STREET LIGHTING

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	Street Lighting				
60	Direct costs - Employees	58	0	0	58
1,174	- Other	1,211	(3)	0	1,208
1,234	Total Direct Cost	1,269	(3)	0	1,266
96	Support Recharges	98	0	0	98
(427)	Income	(409)	0	0	(409)
903	Gross Budget Requirement	958	(3)	0	955
0	Use Of Departmental Reserves				0
903	Net Budget Requirement	958	(3)	0	955

Corporate Budget Savings

Savings relate to officer car mileage and subscriptions.

2022/2023 BUDGET - SERVICE UNIT: SUSTAINABLE TRANSPORT (Inc Concessionary Fares)

Approved Budget 2022/2023	Service Unit	Budget Projection 2022/2023	Corporate Budget Savings	One Off Costs	Total Budget 2022/2023 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Sustainable Transport (Incl. Concessionary Fares)</u>				
44	Direct costs - Employees	45	0	0	45
2,450	- Other	2,497	0	0	2,497
2,494	Total Direct Cost	2,542	0	0	2,542
2	Support Recharges	2	0	0	2
(83)	Income	(85)	0	0	(85)
2,413	Gross Budget Requirement	2,459	0	0	2,459
0	Use Of Departmental Reserves				0
2,413	Net Budget Requirement	2,459	0	0	2,459

2022/2023 BUDGET - SERVICE UNIT: VEHICLE FLEET

Approved Budget 2022/2023	Service Unit	Budget Projection 2022/2023	Corporate Budget Savings	One Off Costs	Total Budget 2022/2023 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Vehicle Fleet</u>				
552	Direct costs - Employees	660	0	0	660
3,383	- Other	3,618	0	0	3,618
3,935	Total Direct Cost	4,278	0	0	4,278
283	Support Recharges	295	0	0	295
(4,302)	Income	(4,667)	0	0	(4,667)
(84)	Gross Budget Requirement	(94)	0	0	(94)
0	Use Of Departmental Reserves				0
(84)	Net Budget Requirement	(94)	0	0	(94)

2022/2023 BUDGET - SERVICE UNIT: WASTE & ENVIRONMENTAL SERVICES

Approved Budget 2022/2023	Service Unit	Budget Projection 2022/2023	Corporate Budget Savings	One Off Costs	Total Budget 2022/2023 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Waste & Environmental Services</u>				
1,854	Direct costs - Employees	2,221	(125)	0	2,096
3,359	- Other	3,998	161	0	4,159
5,213	Total Direct Cost	6,219	36	0	6,255
1,233	Support Recharges	1,385	(92)	0	1,293
(1,046)	Income	(1,579)	(140)	0	(1,719)
5,400	Gross Budget Requirement	6,025	(196)	0	5,829
0	Use Of Departmental Reserves				0
5,400	Net Budget Requirement	6,025	(196)	0	5,829

Corporate Budget Savings

Savings relate to the implementation of charging for green waste and remodelling the service to meet expected increase for normal waste collection and disposal.

RESOURCES AND DEVELOPMENT

DETAILED REVENUE BUDGETS 2023/2024

2023/2024 BUDGET - RESOURCES AND DEVELOPMENT DEPARTMENT
(INCL. LEGAL DEPARTMENT) SUMMARY

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	One Off Costs Funded From Depts Reserves	Total Budget 2023/2024 (2+3+4+5)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000	(6) £'000
	<u>Resources & Development</u>					
(16)	Benefits	243	(79)	0	0	164
(1,006)	Central Administration Recharges	(1,027)	0	0	0	(1,027)
131	Communications and Marketing	176	0	0	0	176
1,023	Corporate Finance	1,114	(2)	100	(100)	1,112
575	Corporate Strategy & Public Consultation	605	(27)	0	0	578
(143)	Council Tax & Housing Benefits	(143)	0	0	0	(143)
983	Customer and Support Services	1,081	(1)	0	0	1,080
330	Economic Growth	450	(49)	0	0	401
244	Internal Audit	251	(1)	0	0	250
68	Procurement	114	0	0	0	114
(138)	Registration Services	(138)	0	0	0	(138)
(87)	Reprographics	(89)	0	0	0	(89)
1,062	Revenues	1,067	(6)	0	0	1,061
(658)	Revenue & Benefits Central	(658)	0	0	0	(658)
548	Shared Services	615	(3)	0	0	612
153	Strategic Development and Sustainability	213	-113	0	0	100
(98)	Strategic Asset Management	(104)	-1	0	0	(105)
(18)	Strategic Management & Admin	(27)	0	0	0	(27)
392	Corporate Management Running Expenses	380	0	0	0	380
3,345	Net Budget Requirement	4,123	(282)	100	(100)	3,841

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	One Off Costs Funded From Depts Reserves	Total Budget 2023/2024 (2+3+4+5)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000	(6) £'000
	<u>Legal</u>					
41	Civic Attendants	43	0	0	0	43
162	Democratic Services	168	0	0	0	168
383	Human Resources	470	(1)	0	0	469
564	Legal Services	672	(7)	0	0	665
165	Municipal Elections and Registration of Electors	165	0	0	0	165
(4)	Other Office Services	1	0	0	0	1
97	Scrutiny Function	101	0	0	0	101
131	Support to Members	135	0	0	0	135
1,539	Net Budget Requirement	1,755	(8)	0	0	1,747

2023/2024 BUDGET - SERVICE UNIT: BENEFITS

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Benefits</u>				
698	Direct costs - Employees	728	(66)	0	662
43	- Other	50	0	0	50
741	Total Direct Cost	778	(66)	0	712
33	Support Recharges	22	(13)	0	9
(790)	Income	(557)	0	0	(557)
(16)	Gross Budget Requirement	243	(79)	0	164
0	Use Of Departmental Reserves				0
(16)	Net Budget Requirement	243	(79)	0	164

Corporate Budget Savings

Saving owing to a reduction in Benefit staff and supplies savings.

2023/2024 BUDGET - SERVICE UNIT: CENTRAL ADMINISTRATION RECHARGES

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Central Administration Recharges</u>				
0	Direct costs - Employees	0	0	0	0
0	- Other	0	0	0	0
0	Total Direct Cost	0	0	0	0
0	Support Recharges	0	0	0	0
(1,006)	Income	(1,027)	0	0	(1,027)
(1,006)	Gross Budget Requirement	(1,027)	0	0	(1,027)
0	Use Of Departmental Reserves				0
(1,006)	Net Budget Requirement	(1,027)	0	0	(1,027)

2023/2024 BUDGET - SERVICE UNIT: COMMUNICATIONS AND MARKETING

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Communications and Marketing</u>				
210	Direct costs - Employees	217	0	0	217
26	- Other	26	0	0	26
236	Total Direct Cost	243	0	0	243
(105)	Support Recharges	(67)	0	0	(67)
0	Income	0	0	0	0
131	Gross Budget Requirement	176	0	0	176
0	Use Of Departmental Reserves				0
131	Net Budget Requirement	176	0	0	176

2023/2024 BUDGET - SERVICE UNIT: CORPORATE FINANCE

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Corporate Finance</u>				
1,621	Direct costs - Employees	1,668	(2)	100	1,766
61	- Other	61	0	0	61
1,682	Total Direct Cost	1,729	(2)	100	1,827
24	Support Recharges	0	0	0	0
(683)	Income	(615)	0	0	(615)
1,023	Gross Budget Requirement	1,114	(2)	100	1,212
0	Use Of Departmental Reserves			(100)	(100)
1,023	Net Budget Requirement	1,114	(2)	0	1,112

Corporate Budget Savings

Saving owing to increased abatement target and car allowance savings.

2023/2024 BUDGET - SERVICE UNIT: CORPORATE STRATEGY & PUBLIC CONSULTATION

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Corporate Strategy & Public Consultation</u>				
577	Direct costs - Employees	593	(1)	0	592
15	- Other	30	(26)	0	4
592	Total Direct Cost	623	(27)	0	596
0	Support Recharges	0	0	0	0
(17)	Income	(18)	0	0	(18)
575	Gross Budget Requirement	605	(27)	0	578
0	Use Of Departmental Reserves				0
575	Net Budget Requirement	605	(27)	0	578

Corporate Budget Savings

Saving owing to staffing and supplies savings.

2023/2024 BUDGET - SERVICE UNIT: COUNCIL TAX & HOUSING BENEFITS

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Council Tax & Housing Benefits</u>				
0	Direct costs - Employees	0	0	0	0
24,000	- Other	24,000	0	0	24,000
24,000	Total Direct Cost	24,000	0	0	24,000
0	Support Recharges	0	0	0	0
(24,143)	Income	(24,143)	0	0	(24,143)
(143)	Gross Budget Requirement	(143)	0	0	(143)
0	Use Of Departmental Reserves				0
(143)	Net Budget Requirement	(143)	0	0	(143)

2023/2024 BUDGET - SERVICE UNIT: CUSTOMER/SUPPORT SERVICES

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Customer/Support Services</u>				
942	Direct costs - Employees	1,040	(1)	0	1,039
46	- Other	46	0	0	46
988	Total Direct Cost	1,086	(1)	0	1,085
0	Support Recharges	0	0	0	0
(5)	Income	(5)	0	0	(5)
983	Gross Budget Requirement	1,081	(1)	0	1,080
0	Use Of Departmental Reserves			0	0
983	Net Budget Requirement	1,081	(1)	0	1,080

Corporate Budget Savings

Saving owing to increased abatement target and car allowance savings.

2023/2024 BUDGET - SERVICE UNIT: ECONOMIC GROWTH

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Economic Growth</u>				
385	Direct costs - Employees	395	(32)	0	363
343	- Other	460	(192)	0	268
728	Total Direct Cost	855	(224)	0	631
95	Support Recharges	97	(1)	0	96
(493)	Income	(502)	176	0	(326)
330	Gross Budget Requirement	450	(49)	0	401
0	Use Of Departmental Reserves				0
330	Net Budget Requirement	450	(49)	0	401

Corporate Budget Savings

Savings relate to the removal of remaining business grants budget and transfer of the Hartlepool Enterprise Centre (HEC) to an external provider.

2023/2024 BUDGET - SERVICE UNIT: INTERNAL AUDIT

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Internal Audit</u>				
270	Direct costs - Employees	278	0	0	278
6	- Other	7	(1)	0	6
276	Total Direct Cost	285	(1)	0	284
0	Support Recharges	0	0	0	0
(32)	Income	(34)	0	0	(34)
244	Gross Budget Requirement	251	(1)	0	250
0	Use Of Departmental Reserves				0
244	Net Budget Requirement	251	(1)	0	250

Corporate Budget Savings

Saving owing to increased abatement target and car allowance savings.

2023/2024 BUDGET - SERVICE UNIT: PROCUREMENT

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Procurement</u>				
54	Direct costs - Employees	54	0	0	54
114	- Other	160	0	0	160
168	Total Direct Cost	214	0	0	214
0	Support Recharges	0	0	0	0
(100)	Income	(100)	0	0	(100)
68	Gross Budget Requirement	114	0	0	114
0	Use Of Departmental Reserves				0
68	Net Budget Requirement	114	0	0	114

2023/2024 BUDGET - SERVICE UNIT: REGISTRATION SERVICES

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Registration Services</u>				
0	Direct costs - Employees	0	0	0	0
0	- Other	0	0	0	0
0	Total Direct Cost	0	0	0	0
0	Support Recharges	0	0	0	0
(138)	Income	(138)	0	0	(138)
(138)	Gross Budget Requirement	(138)	0	0	(138)
0	Use Of Departmental Reserves				0
(138)	Net Budget Requirement	(138)	0	0	(138)

2023/2024 BUDGET - SERVICE UNIT: REPROGRAPHICS

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Reprographics</u>				
91	Direct costs - Employees	96	0	0	96
199	- Other	199	0	0	199
290	Total Direct Cost	295	0	0	295
0	Support Recharges	0	0	0	0
(377)	Income	(384)	0	0	(384)
(87)	Gross Budget Requirement	(89)	0	0	(89)
0	Use Of Departmental Reserves			0	0
(87)	Net Budget Requirement	(89)	0	0	(89)

2023/2024 BUDGET - SERVICE UNIT: REVENUES

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Revenues</u>				
857	Direct costs - Employees	854	(1)	0	853
217	- Other	222	(5)	0	217
1,074	Total Direct Cost	1,076	(6)	0	1,070
5	Support Recharges	5	0	0	5
(17)	Income	(14)	0	0	(14)
1,062	Gross Budget Requirement	1,067	(6)	0	1,061
0	Use Of Departmental Reserves				0
1,062	Net Budget Requirement	1,067	(6)	0	1,061

Corporate Budget Savings

Saving owing to increased abatement target and car allowance savings.

2023/2024 BUDGET - SERVICE UNIT: REVENUE & BENEFITS CENTRAL

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Revenue & Benefits Central</u>				
117	Direct costs - Employees	117	0	0	117
132	- Other	132	0	0	132
249	Total Direct Cost	249	0	0	249
0	Support Recharges	0	0	0	0
(907)	Income	(907)	0	0	(907)
(658)	Gross Budget Requirement	(658)	0	0	(658)
0	Use Of Departmental Reserves			0	0
(658)	Net Budget Requirement	(658)	0	0	(658)

2023/2024 BUDGET - SERVICE UNIT: SHARED SERVICES

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Shared Services</u>				
971	Direct costs - Employees	1,016	(1)	0	1,015
177	- Other	184	(2)	0	182
1,148	Total Direct Cost	1,200	(3)	0	1,197
0	Support Recharges	0	0	0	0
(600)	Income	(585)	0	0	(585)
548	Gross Budget Requirement	615	(3)	0	612
0	Use Of Departmental Reserves				0
548	Net Budget Requirement	615	(3)	0	612

Corporate Budget Savings

Saving owing to increased abatement target and car allowance savings.

2023/2024 BUDGET - SERVICE UNIT: STRATEGIC DEVELOPMENT AND SUSTAINABILITY

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Strategic Development and Sustainability</u>				
345	Direct costs - Employees	403	(55)	0	348
35	- Other	36	0	0	36
380	Total Direct Cost	439	(55)	0	384
59	Support Recharges	61	0	0	61
(286)	Income	(287)	(58)	0	(345)
153	Gross Budget Requirement	213	(113)	0	100
0	Use Of Departmental Reserves				0
153	Net Budget Requirement	213	(113)	0	100

Corporate Budget Savings

Savings relate to the removal of a post and the capitalisation of staffing costs.

2023/2024 BUDGET - SERVICE UNIT: STRATEGIC ASSET MANAGEMENT

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Strategic Asset Management</u>				
477	Direct costs - Employees	491	0	0	491
128	- Other	130	(1)	0	129
605	Total Direct Cost	621	(1)	0	620
29	Support Recharges	29	0	0	29
(732)	Income	(754)	0	0	(754)
(98)	Gross Budget Requirement	(104)	(1)	0	(105)
0	Use Of Departmental Reserves				0
(98)	Net Budget Requirement	(104)	(1)	0	(105)

Corporate Budget Savings

Savings relate to car mileage.

2023/2024 BUDGET - SERVICE UNIT: STRATEGIC MANAGEMENT & ADMIN

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Strategic Management & Admin</u>				
100	Direct costs - Employees	93	0	0	93
1	- Other	1	0	0	1
101	Total Direct Cost	94	0	0	94
0	Support Recharges	0	0	0	0
(119)	Income	(121)	0	0	(121)
(18)	Gross Budget Requirement	(27)	0	0	(27)
0	Use Of Departmental Reserves				0
(18)	Net Budget Requirement	(27)	0	0	(27)

2023/2024 BUDGET - SERVICE UNIT: CORPORATE MANAGEMENT RUNNING EXPENSES

These are 4 budgets, lettered from (A) to (D), which do not fall within a specific Service Unit.

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Victoria Park</u>				
0	Direct costs - Employees	0	0	0	0
0	- Other	0	0	0	0
0	Total Direct Cost	0	0	0	0
0	Support Recharges	0	0	0	0
(18)	Income	(25)	0	0	(25)
(18)	Gross Budget Requirement A	(25)	0	0	(25)
	<u>Corporate Management Running Expenses</u>				
291	Direct costs - Employees	293	0	0	293
6	- Other	6	0	0	6
297	Total Direct Cost	299	0	0	299
0	Support Recharges	0	0	0	0
0	Income	0	0	0	0
297	Gross Budget Requirement B	299	0	0	299
	<u>Trade Union Representative</u>				
18	Direct costs - Employees	18	0	0	18
0	- Other	0	0	0	0
18	Total Direct Cost	18	0	0	18
12	Support Recharges	13	0	0	13
0	Income	0	0	0	0
30	Gross Budget Requirement C	31	0	0	31
	<u>Central Council Expenses</u>				
0	Direct costs - Employees	0	0	0	0
83	- Other	75	0	0	75
83	Total Direct Cost	75	0	0	75
0	Support Recharges	0	0	0	0
0	Income	0	0	0	0
83	Gross Budget Requirement D	75	0	0	75
392	Gross Budget Requirement of (A) to (D)	380	0	0	380
0	Use Of Departmental Reserves				0
392	Net Budget Requirement	380	0	0	380

2023/2024 BUDGET - SERVICE UNIT: CIVIC ATTENDANTS

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Civic Attendants</u>				
53	Direct costs - Employees	51	0	0	51
0	- Other	0	0	0	0
53	Total Direct Cost	51	0	0	51
0	Support Recharges	0	0	0	0
(12)	Income	(8)	0	0	(8)
41	Gross Budget Requirement	43	0	0	43
0	Use Of Departmental Reserves				0
41	Net Budget Requirement	43	0	0	43

2023/2024 BUDGET - SERVICE UNIT: DEMOCRATIC SERVICES

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Democratic Services</u>				
141	Direct costs - Employees	147	0	0	147
21	- Other	21	0	0	21
162	Total Direct Cost	168	0	0	168
0	Support Recharges	0	0	0	0
0	Income	0	0	0	0
162	Gross Budget Requirement	168	0	0	168
0	Use Of Departmental Reserves				0
162	Net Budget Requirement	168	0	0	168

2023/2024 BUDGET - SERVICE UNIT: HUMAN RESOURCES & TRAINING

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Human Resources & Training</u>				
564	Direct costs - Employees	581	(1)	0	580
9	- Other	9	0	0	9
573	Total Direct Cost	590	(1)	0	589
0	Support Recharges	0	0	0	0
(190)	Income	(120)	0	0	(120)
383	Gross Budget Requirement	470	(1)	0	469
0	Use Of Departmental Reserves				0
383	Net Budget Requirement	470	(1)	0	469

Corporate Budget Savings

Saving owing to increased abatement target and car allowance savings.

2023/2024 BUDGET - SERVICE UNIT: LEGAL SERVICES

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Legal Services</u>				
712	Direct costs - Employees	811	(7)	0	804
38	- Other	38	0	0	38
750	Total Direct Cost	849	(7)	0	842
0	Support Recharges	3	0	0	3
(186)	Income	(180)	0	0	(180)
564	Gross Budget Requirement	672	(7)	0	665
0	Use Of Departmental Reserves				0
564	Net Budget Requirement	672	(7)	0	665

Corporate Budget Savings

Saving owing to Legal staff and supplies savings.

2023/2024 BUDGET - SERVICE UNIT: MUNICIPAL ELECTIONS AND REGISTRATION OF ELECTORS

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Municipal Elections and Registration of Electors</u>				
97	Direct costs - Employees	97	0	0	97
70	- Other	70	0	0	70
167	Total Direct Cost	167	0	0	167
0	Support Recharges	0	0	0	0
(2)	Income	(2)	0	0	(2)
165	Gross Budget Requirement	165	0	0	165
0	Use Of Departmental Reserves				0
165	Net Budget Requirement	165	0	0	165

2023/2024 BUDGET - SERVICE UNIT: OTHER OFFICE SERVICES

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Other Office Services</u>				
65	Direct costs - Employees	70	0	0	70
8	- Other	8	0	0	8
73	Total Direct Cost	78	0	0	78
0	Support Recharges	0	0	0	0
(77)	Income	(77)	0	0	(77)
(4)	Gross Budget Requirement	1	0	0	1
0	Use Of Departmental Reserves				0
(4)	Net Budget Requirement	1	0	0	1

2023/2024 BUDGET - SERVICE UNIT: SCRUTINY

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(6) £'000	(7) £'000
	<u>Scrutiny</u>				
119	Direct costs - Employees	123	0	0	123
1	- Other	1	0	0	1
120	Total Direct Cost	124	0	0	124
0	Support Recharges	0	0	0	0
(23)	Income	(23)	0	0	(23)
97	Gross Budget Requirement	101	0	0	101
0	Use Of Departmental Reserves				0
97	Net Budget Requirement	101	0	0	101

2023/2024 BUDGET - SERVICE UNIT: SUPPORT TO MEMBERS

Approved Budget 2022/2023	Service Unit	Budget Projection 2023/2024	Corporate Budget Savings	One Off Costs	Total Budget 2023/2024 (2+3+4)
(1) £'000		(2) £'000	(3) £'000	(4) £'000	(5) £'000
	<u>Support to Members</u>				
75	Direct costs - Employees	79	0	0	79
50	- Other	50	0	0	50
125	Total Direct Cost	129	0	0	129
6	Support Recharges	6	0	0	6
0	Income	0	0	0	0
131	Gross Budget Requirement	135	0	0	135
0	Use Of Departmental Reserves				0
131	Net Budget Requirement	135	0	0	135

COUNCIL

23 February 2023



Report of: Managing Director

Subject: BUSINESS REPORT

1. PAY POLICY 2023/2024

Under Section 38 of the Localism Act (2011), Full Council has to approve a Pay Policy Statement on an annual basis. The updated document for 2023/24 is attached at Appendix A for Council's consideration.

Full Council is requested to approve the Pay Policy Statement 2023/24 which is attached as Appendix A.

2. ELECTIONS - 4 MAY 2023 – POLLING STATIONS

Members are requested to note that due to unavailability and to ensure compliance with the Elections Act 2022, the following changes have been implemented:

POLLING DISTRICT	POLLING STATION ELECTORATE (APPROX)	NEW POLLING STATION	PREVIOUS POLLING STATION	COMMENTS
BURN VALLEY				
AC	1189	Artrium	Walmsley Hall	Although outside of the Ward, this location is on the Ward boundary and offers the elector improved disabled access and provides polling station staff with suitable amenities.

DE BRUCE				
BD	733	Hartlepool Rovers Quoit & Social Club	St Thomas Mores Parish Centre	Located next door to the now closed St Thomas Mores Church
THROSTON				
KB	755	The Gus Robinson Centre	Throston Youth Project	Change of name

3. SPECIAL URGENCY DECISIONS

In accordance with the requirements of the Access to Information Procedure Rules included in the Council's Constitution, Full Council is informed that no special urgency decision were taken in the period November 2022 – January 2023.

4. TREASURY MANAGEMENT STRATEGY 2023/24

- 4.1 The Local Government Act 2003 requires the Council to 'have regard to' the CIPFA Prudential Code and to set prudential indicators for the next three years to ensure that the Authority's capital investment plans are affordable, prudent and sustainable.
- 4.2 The Act therefore requires the Council to determine a Treasury Management Strategy for borrowing and to prepare an Annual Investment Strategy, which sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments. The Secretary of State has issued Guidance on Local Government Investments which came into force on 1st April, 2004. This guidance recommends that all Local Authorities produce an Annual Investment Strategy that is approved by full Council, which is also included in this report.
- 4.3 The Council is required to nominate a body to be responsible for ensuring effective scrutiny of the Treasury Management Strategy and policies, before making recommendations to Council. This responsibility has been allocated to the Audit and Governance Committee.
- 4.4 The recommended Treasury Management Strategy was considered by the Audit and Governance Committee on the 9th February 2023 and this report is attached as Appendix B.
- 4.5 The Audit and Governance Committee scrutinised the proposed Treasury Management strategy and approved that the recommended strategy be referred to full Council.

4.6. RECOMMENDATIONS

1. It is recommended that Members note the report and the recommendation from the Audit and Governance Committee to approve the following detailed recommendations for the 2023/24 Treasury Management Strategy and related issues;
2. **Borrowing Strategy 2023/24**
 - i) Core borrowing requirement – following the securing of exceptionally low interest rates approve that the remainder of the under borrowing is netted down against investments.
 - ii) To note that in the event of a change in economic circumstances that the Director of Resources and Development may take out additional borrowing if this secures the lowest long term interest cost.
 - iii) To authorise the Director of Resources and Development to implement Treasury Management arrangements which minimise the short and long term cost to the Council.
3. **Investment Strategy 2023/24**
 - iv) Approve the Counterparty limits as set out in paragraph 7.7 of Appendix B.
4. **Minimum Revenue Provision (MRP) Statement**
 - v) Approve the MRP statement outlined in paragraph 8.3 of Appendix B.
5. **Prudential Indicators 2023/24**
 - vi) Approve the prudential indicators outlined in Appendix C.



Hartlepool Borough Council

Pay Policy Statement 2023/24

Contents

	Page
1 Introduction	3
2 National and other Conditions of Service	3
3 Pay Structure	4
4 Remuneration on Appointment	5
5 Senior Management Remuneration	6
6 Additional Benefits	7
7 Changes to Salaries	10
8 Payments to all Employees upon Termination of Employment	10
9 Lowest Paid Employees	11
10 Employment or Engagement of Former Employees	12
11 Employment of Individuals under a Contract For Services	13
12 Income Tax and National Insurance	13
13 Use of Agency Workers	13
14 Apprentices	14
15 Use of Zero Hours Contracts	14
16 Contractors	14
17 Gender Pay Gap Information	14

1. INTRODUCTION

- 1.1 This Pay Policy Statement sets out Hartlepool Borough Council's policies in relation to the remuneration of its employees in accordance with Section 38 of the Localism Act 2011¹ and associated Government guidance.^{2 3} This Pay Policy Statement applies equally to all employees with the exception of those employed by schools with delegated budgets) regardless of status and seniority. This Pay Policy Statement is subject to annual review and must be approved by Full Council each financial year. The Pay Policy Statement will be published on the Council's website⁴ as soon as reasonably practicable after approval or amendment.
- 1.2 Hartlepool Borough Council (the 'Council') is committed to transparency and fairness in its payment and remuneration of all of its employees and will comply with all relevant employment legislation.
- 1.3 In 2023/24, the Council has an overall pay budget of £66.9m (excluding school staff) including on-costs for its workforce. It employs 2,028 people excluding those who are employed directly by schools in Hartlepool, in a variety of diverse roles.
- 1.4 The Council's values give us a desire to increase the standard of living for everyone. Given that the Council is the largest employer in Hartlepool and that approximately 76.7% of employees live in the town, it has a major influence on the economic wellbeing of the town and a direct impact on levels of inequality. The Council wants to do all in its power to make Hartlepool a fairer town and is committed to reducing inequality by leading by example and doing so through the way it operates as an organisation.

2. NATIONAL AND OTHER CONDITIONS OF SERVICE

- 2.1 The appropriate National Conditions of Service (as detailed in Table 1) are automatically incorporated into employee contracts of employment.

Table 1 – National Conditions of Service in use in the Council

Condition of Service	Type of Employees
Joint Negotiating Committee (JNC) for Local Authority Chief Executives	Managing Director
Joint Negotiating Committee (JNC) for Chief Officers in Local Authorities	Directors, Assistant Directors and some other senior managers

¹ Available at: <http://www.legislation.gov.uk/ukpga/2011/20/contents>

² Available at: [Openness and accountability in local pay: guidance - Publications - GOV.UK](#)

³ Available at: [Openness and accountability in local pay: supplementary guidance - Publications - GOV.UK](#)

⁴ Available at: https://www.hartlepool.gov.uk/downloads/download/305/pay_policy

The Soulbury Committee	Educational Improvement Professionals, Educational Psychologists and Young People's/Community Service Managers
Conditions Of Service for School Teachers in England And Wales ⁵	Head Teachers, Deputy/Assistant Head Teachers, all Leadership, Leading Practitioners, Teachers, Qualified and Unqualified Teachers
Joint Negotiating Committee for Youth and Community Workers	Youth and Community Workers
National Joint Council (NJC) for Local Government Services ('Green Book')– Part 2 only	All other employees

For legal and other reasons, some employees are employed on other conditions of service, for example as a result of TUPE transfers into the Council.

- 2.2 The Council's Single Status Agreement is automatically incorporated into the employment contract of NJC for Local Government Services employees.
- 2.3 Sections 1 (paragraphs 1.1.3 and 1.1.4 only), 3 (sub section 3.5 only), 5-9 and 12-16 of Part 2 of the Council's Single Status Agreement apply to all employees where their national conditions of service are silent.
- 2.4 For Youth & Community terms and conditions, an agreement was reached for an increase of £1,925 on all spinal column points applicable from 1st September 2022. An agreement for Soulbury has not been reached with the staff side rejecting an offer of £1,925 on all spinal column points.
- 2.5 NJC Local Government Services (Green Book) National Employers made an offer of £1,925 across all spinal column points relevant to Hartlepool Borough Council from 1st April 2022 and an additional one days paid leave from 1st April 2023 which was agreed. Chief Executives and Chief Officer National Employers made a final pay offer of £1,925 which has been accepted.

3. PAY STRUCTURE

- 3.1 The Council uses nationally negotiated pay rates included in the above national conditions of service as the basis for its local pay structure, which determines the pay bands of its workforce.
- 3.2 National pay awards are automatically applied to the national and local pay rates where employees are employed under the national conditions of service detailed in Table 1. Employees who continue to be employed under their pre

⁵ The Conditions of Service for School Teachers In England And Wales August 2000 is supplemented by the statutory School Teachers' Pay and Conditions Document available at <https://www.gov.uk/government/publications/school-teachers-pay-and-conditions>

transfer conditions of service following their TUPE (or similar) transfer to the Council are:

- not entitled to receive 'green book' pay awards where the value of the maximum of the employees pre transfer pay band is greater than the pay they would receive at the maximum of the pay band if they were employed under the appropriate Council conditions of service and/or if the employees are entitled to increments within their TUPE pay band as they are not at the maximum of their TUPE (or similar) pay band.
- entitled to receive 'green book' pay awards in all other circumstances.

- 3.3 All other pay-related allowances are the subject of either nationally or locally negotiated rates, having been determined from time to time in accordance with collective bargaining machinery.
- 3.4 In determining its grading structure and setting remuneration levels for any posts which fall outside the scope of nationally set pay grades, the Council takes account of the need to ensure value for money in respect of the use of public expenditure. This is balanced against the need to recruit and retain employees who are able to deliver high quality services to the community and the need to comply with pay related legislation e.g. in relation to equal pay, national minimum wage and the national living wage.
- 3.5 In line with good employment practice, JNC for Local Authority Chief Executives and JNC for Chief Officers in Local Authorities jobs have been evaluated using the LGA Senior Managers job evaluation scheme and NJC for Local Government Services jobs have been evaluated using the bespoke NJC job evaluation scheme. This is to ensure that jobs are graded fairly and equitably. Both job evaluation schemes used are substantial schemes. For legal and other reasons, a limited number of employees pay is not consistent with the current grading structures, for example, as a result of TUPE transfers.
- 3.6 No job evaluation scheme exists for the remainder of jobs i.e. those on Teachers, Youth and Community workers and Soulbury conditions of service, however, those employees are placed within nationally defined grading structures.
- 3.7 As part of its overall and ongoing monitoring of alignment with external pay markets both within and outside the sector, the Council will use available benchmark information as appropriate.
- 3.8 Periodic equal pay audits will be undertaken and pay structures and allowances will be reviewed as necessary.

4. REMUNERATION ON APPOINTMENT

- 4.1 New appointments are subject to the Council's Recruitment and Selection Policy and will generally be made to the agreed pay structures at the bottom spinal column point of all pay bands unless there are special circumstances

and payment at a higher level can be objectively justified. Appointment of all officer posts, with the exception of those identified in paragraph 5 below, is the responsibility of the Managing Director as Head of Paid Service or his/her nominee, and may not be made by Elected Members.

- 4.2 Where employees are redeployed into a lower graded post because of ill health (where this is supported by the Council's Occupational Health Advisor) or as an alternative to redundancy they will generally be appointed to the highest spinal column point within the lower grade so as to minimise financial loss and where eligible, receive salary protection in line with the terms and conditions of employment negotiated in the Council's Single Status Agreement. From time to time, it may be necessary to take account of external pay levels in the labour market in determining starting salary levels and the use of market forces supplements in order to attract and retain employees with particular experience, skills and capacity.
- 4.3 The Council does not make any "golden hello" payment or any other incentive payments at recruitment other than market forces supplements where these are determined in accordance with the provisions in Table 3.

5. SENIOR MANAGEMENT REMUNERATION

- 5.1 The definition of 'Senior Management' in this statement mirrors the definition of 'Chief Officer' as detailed in Section 42(2) of the Localism Act 2011 i.e.
- the head of its paid service designated under section 4(1) of the Local Government and Housing Act 1989;
 - its monitoring officer designated under section 5(1) of that Act;
 - a statutory chief officer mentioned in section 2(6) of that Act;
 - a non-statutory chief officer mentioned in section 2(7) of that Act;
 - a deputy chief officer mentioned in section 2(8) of that Act.

Within Hartlepool, the above definition includes employees on JNC for Local Authority Chief Executives, JNC for Chief Officers in Local Authorities and NJC for Local Government conditions of service plus employees employed on other terms and conditions of employment as a result of TUPE (or similar) transfers.

- 5.2 Appointments to the posts of Managing Director, Directors and other Chief Officer posts are subject to the Council's Officer Employment Procedure Rules.⁶

In accordance with Government guidance⁷ the Council has agreed a salary structure for its senior posts and will make any appointment to a vacancy on this structure at the salaries referred to in this statement. In the case of the appointment of the Managing Director/Head of Paid Service, the appointment is made by Full Council. Directors and other Chief Officers are appointed by

⁶ Available at https://www.hartlepool.gov.uk/info/20004/council_and_democracy/370/hartlepool_borough_councils_constitution

⁷ Link to [Openness and Accountability in Local Pay: Guidance under section 40 of the Localism Act](#) published in February 2012

the Council's Appointments Panel. The number of senior posts attracting salaries of £100,000 or higher will not be increased without the prior approval of full Council.

- 5.3 The 'Senior Management' salary bands for implementation as at 1 April 2023 are set out in Table 2 below.
- 5.4 Any increments due are implemented automatically on an annual basis.
- 5.5 In respect of Chief Officers (those posts below the Managing Director and Directors), the Council operates with a number pay bands to provide operational and strategic flexibilities, whilst providing a robust and competitive pay strategy to retain and attract high calibre staff.

Table 2 – Salary bands of 'Senior Management'

Role	Annual Salary Band as at 1 April 2023	No of Points in Pay Band
Managing Director	£156,884	1
Executive Directors	£112,611 - £123,678	6
Directors	£95,000 - £99,500	3
Director of Public Health	£87,341 - £93,443	3
Chief Officer – Band A	£87,341 - £93,443	3
Chief Officer – Band B	£78,191 - £84,292	3
Chief Officer – Band C	£65,988 – £75,141	4
Chief Officer – Band D	£60,297 - £62,845	3

- 5.6 Information on 'Senior Management' responsibilities and remuneration will be published on the Council's website⁸ in line with Local Government Transparency Code 2015⁹ and the Accounts and Audit Regulations 2015¹⁰.

6. ADDITIONAL BENEFITS

- 6.1 Employees receive/have access to additional benefits (in addition to basic salary) as outlined in the Table 3 below.

Table 3 – Additional Benefits

Employees	Additional Benefit
All officers involved in delivering local, Parliamentary and/or European elections and/or referenda	Duty payments in connection with elections as determined locally in consultation with the other Tees Valley Councils and/or by statute depending on the duties concerned.

⁸ Available at: https://www.hartlepool.gov.uk/info/20004/council_and_democracy/430/local_government_transparency_code

⁹ Available at: <https://www.gov.uk/government/publications/local-government-transparency-code-2015>

¹⁰ Available at: <http://www.legislation.gov.uk/uksi/2015/234/contents/made>

Employees in Development Scheme posts	Progression through pay bands where pre-determined progression criteria are met.
All employees whose pay reduces as a consequence of organisational change, job evaluation or redeployment	The pay protection arrangements detailed in the Council's Single Status Agreement apply to all employees as a means of assisting employees to adjust to a reduction in pay arising from organisational change, job evaluation or redeployment. At the end of the year protection period the standard pay arrangements apply.
All employees who are members of public sector pension schemes	<p>The Council operates the Local Government Pension Scheme (LGPS), the Teachers' Pension Scheme (TPS) and the NHS Pension Scheme (PHPS) and makes employer pension contributions, as required, for all employees who elect to participate in one of the above schemes.</p> <p>The employer pension contributions from 1 April 2023 are as follows:</p> <p>Local Government Pension Scheme -12.4% of pensionable pay</p> <p>Teachers' Pension Scheme - 23.68% of pensionable pay</p> <p>NHS Pension Scheme – 20.68% of pensionable pay</p> <p>The contribution rates are regularly reviewed and set by actuaries advising the various Pension Funds.</p>
All employees in posts where there are particular recruitment and/or retention difficulties	<p>As a general rule, the pay bands provide relevant and adequate compensation to attract and retain employees for the vast majority of posts and the necessity to apply a salary supplement should not exist. There may be specific circumstances, however, where an additional market forces supplement may be required to either attract hard to recruit categories of employees or to retain such employees within the employment of the Council.</p> <p>In all circumstances a business case will need to be developed (and reviewed regularly) to support the payment of market supplements which will be approved by</p>

	<p>members in relation to posts subject to the Council's Officer Employment Procedure Rules¹¹ and by the Director of Legal, Governance and Human Resources in relation to all other posts.</p> <p>The market forces supplement arrangements detailed in the Council's Single Status Agreement apply to all employees.</p>
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Table 3 (cont.) – Additional Benefits

Posts/Employees	Additional Payment
Employees registered and in receipt of Childcare Vouchers via the Council run Scheme on 5 April 2018.	Able to continue to access the Council's Childcare Voucher scheme through a salary sacrifice arrangement in accordance with His Majesty's Revenues and Customs (HMRC) rules and at no cost to the Council.
All employees who are members of the Local Government Pension Scheme and pay Additional Voluntary Pension contributions	Able to access a Shared Cost Salary Sacrifice AVC scheme.
All employees (excluding those with less than 6 months service with the Council and those without the appropriate fixed term contract length)	<p>Able to access via Vivup, the Council's Employee Benefits Platform, a range of schemes through a salary sacrifice arrangement in accordance with His Majesty's Revenue and Customs (HMRC) rules and at no cost to the Council.</p> <p>Home and Electronics Cycle to Work Bike Shop</p>
All employees	The Council pay a range of allowances/premium payments as detailed in National Conditions of Service (see Table 1).
All employees employed under the National Joint Council (NJC) for Local Government Services conditions of service	The Council pay a range of allowances/premium payments as detailed in the Council's Single Status Agreement subject to employees meeting the criteria for payment.

¹¹ Available at https://www.hartlepool.gov.uk/info/20004/council_and_democracy/370/hartlepool_borough_councils_constitution

7. CHANGES TO SALARIES

- 7.1 Changes in salary for employees will occur only as a result of
- the application of the provisions in Table 3.
 - promotion.
 - significant changes to an employee's role which results in a different pay band being appropriate (as confirmed by the outcome of an appropriate job evaluation process, where appropriate).
 - an honorarium or ex-gratia payment being appropriate to recognise circumstances or events not covered by conditions of service.
 - progression of a maximum of one increment each year within previously agreed pay bands based on service.
 - changes in the working arrangements of employees. .
- 7.2 The Council does not currently award any performance related pay or bonuses to any of its employees or require them to have an element of their basic pay 'at risk' to be 'earned back' through meeting pre agreed objectives.

8. PAYMENTS TO ALL EMPLOYEES UPON TERMINATION OF EMPLOYMENT

- 8.1 Employees who cease to hold office or be employed by the Council will receive payments based on entitlement within their contract of employment, their general terms and conditions and existing policies in relation to the Local Government Pension Scheme¹², specifically the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 and Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011¹³.
- 8.2 In accordance with the Council's Constitution, the determination of voluntary redundancy or early retirement applications which do not generate sufficient savings to ensure that the costs of the application (including salary paid in lieu, redundancy compensation, strain on the pension fund, holiday pay and any bonuses, fees or allowances paid) are recovered within a pay-back period of 3.05 years or less are considered by members of the Personnel Sub Committee and only approved in exceptional circumstances. Officers determine all other early retirement applications in accordance with the pay-back period of 3.05 years. This arrangement complies with previous Audit Commission guidance, has worked very well for a number of years and is an effective and efficient way of dealing with early retirement applications.
- 8.3 The Localism Act 2011 and associated guidance, identifies that all severance packages for employees leaving the Council over £100,000 must be voted on by Full Council before they can be approved.

¹² Available at: <http://www.lgpsregs.org/>

¹³ Available at: <http://timeline.lge.gov.uk/regidx.html>

- 8.4 On 22nd May 2022 the Government published ‘Statutory Guidance on the making and disclosure of Special Severance Payments by Local Authorities’¹⁴.

The wording of the guidance is based on a Leader and Cabinet System and therefore isn’t wholly applicable/relevant to our Committee system of governance. In Hartlepool, Special Severance payments will be approved according to the following process:

- payments of £100,000 and above will be approved by a vote of Full Council, as set out in the Localism Act 2011
- payments of £20,000 and above, but below £100,000, will be personally approved and signed off by the Managing Director as Head of Paid Service, with a clear record of the Monitoring Officer and s151 Officers approval, in consultation with the Leader of the Council.
- payments below £20,000 will be approved according to the Council’s scheme of delegation.

All payments will be recorded on an Officer Decision Record.

In accordance with the guidance, severance payments to the Head of Paid Service will only be made with the approval of a panel including two independent persons.

9. LOWEST PAID EMPLOYEES

- 9.1 The Council defines lowest paid employees from 1st April 2022 as employees remunerated at NJC for Local Government Services spinal column point 3 (equivalent to £20,812 per annum, £10.79 per hour) subject to any National Agreement on the pay award.
- 9.2 The Council introduced its Single Status Agreement on 1st April 2007. The lowest paid employees within the Council are appointed to jobs which have been evaluated using the NJC Job Evaluation Scheme and are remunerated accordingly.
- 9.3 The relationship between the rates of pay for the lowest paid and for senior management is determined by the processes used for determining pay and grading structures as set out earlier in this Policy Statement.
- 9.4 The Council’s ‘median pay multiple’, which complies with the Local Government Transparency Code 2015¹⁵, is the ratio between the taxable earnings of the highest paid employee and the median taxable earnings of the whole of the Council’s workforce. The Managing Director is the highest paid employee.

¹⁴ Available at: <https://www.gov.uk/government/publications/special-severance-payments>

¹⁵ Available at <https://www.gov.uk/government/publications/local-government-transparency-code-2015>

9.5 The 2022 'pay multiple' with comparative data is detailed in Table 5.

Table 5 – 'Pay Multiple'

Date	Taxable earnings of the highest paid employee	Median taxable earnings of the whole of the Council's workforce	Pay multiple based upon the taxable earnings of the highest paid employee
31 March 2018	£129,847	£18,352	7.08
31 March 2019	£134,288	£19,325	6.95
31 March 2020	£138,855	£19,988	6.95
31 March 2021 *	£122,548	£20,487	5.98
31 st March 2022	£137,173	£20,014	6.53

N.B. The pay multiple changes each year as a consequence of a combination of the taxable earnings of the highest paid employee increasing due to incremental progression within the pay band, the time they are in post and the median taxable earnings of the whole of the Council's workforce changing.

* The pay multiple at 31 March 2021 reflects total taxable pay paid to the highest paid employee, which includes a part year impact at the Managing Director pay level. If the post holder has been Managing Director for the full year the pay multiple would be 6.6

9.6 The Council will aim to ensure that the basic pay 'pay multiple' does not exceed a value of ten.

10. EMPLOYMENT OR ENGAGEMENT OF FORMER EMPLOYEES

10.1 The Council will generally not re-employ or engage any individual under a contract of service or a contract for services whom has previously been employed by the Council and left that employment with the benefit of a severance, early retirement or redundancy payment under voluntary arrangements, unless it is in the best interests of the Council to do so or there are exceptional circumstances which would justify doing so.

The Council is mindful of its obligations under equality legislation and as such is limited in its ability to adopt a policy that it will not employ people of an age that has entitled them to pension access on leaving former employment in the public sector or to propose that such applicants be employed on less favourable terms than other applicants. It expects all applicants for any posts to compete and be appointed on merit.

Any proposed appointment under this provision will only be made following exhaustion of all recruitment policies and procedures and in accordance with

the Officer Employment Procedure Rules ¹⁶ Elected Members will approve all appointments for Head of Paid Service, Directors and Chief Officers reporting to a Director or Head of Paid Service. In respect of all other posts the Managing Director (in her/his role as Head of Paid Service) will formally approve any appointments.

- 10.2 The approach to the employment of individuals already in receipt of a local government pension is set by the Teesside Pension Fund.

11. EMPLOYMENT OF INDIVIDUALS ALREADY UNDER A CONTRACT FOR SERVICES

- 11.1 The Council does not generally support engaging individuals under a 'contract for services' where the Council is not required to make either pension or national insurance contributions for such individuals as it supports the Government's commitment to tackling all forms of tax avoidance and recognises that public appointments that involve arrangements whereby savings in tax and National Insurance contributions are made may be at the expense of other taxpayers or other parts of the public sector. However there may be exceptional circumstances where engaging an individual under these terms is the most effective and efficient way of meeting the Council's needs. If this situation applies formal approval will be sought from members in relation to posts subject to the Officer Employment Procedure Rules ¹⁸ and from the Managing Director (in his/her role as head of the paid service) in respect of other posts and individuals will be sourced through an appropriate procurement process, including IR35 checks, and in accordance with the Council's Contract Procedure Rules which ensure the Council is able to demonstrate the maximum value for money benefits from competition in securing the relevant service.

12. INCOME TAX AND NATIONAL INSURANCE

- 12.1 The Council does not enter into arrangements with individual employees to minimise their tax and national insurance contributions other than via salary sacrifice schemes in accordance with His Majesty's Revenues and Customs (HMRC) rules.

13. USE OF AGENCY WORKERS

- 13.1 The Council does not generally support using agency workers. However there may be circumstances where engaging agency workers is the most efficient and effective way of meeting the Council's needs. If this situation applies, formal approval will be sought from the relevant Assistant Director. Agency workers operating in the Council will be remunerated on the pay of comparable employees after 12 weeks of qualifying service.

¹⁶ Available at:

https://www.hartlepool.gov.uk/downloads/file/5261/hartlepool_borough_councils_constitution_2019-20 Part 4, p109.

14. APPRENTICES

- 14.1 Apprentices are paid the appropriate national minimum wage (depending upon individual circumstances).
- 14.2 Employees with substantive jobs who undertake apprenticeships within their current duties and responsibilities will continue to be paid in accordance with their contract of employment.

15. USE OF ZERO HOUR CONTRACTS

- 15.1 The Council does not generally support the use of zero hour contracts and has acted to end such contracts, with the exception of where an individual employee has specifically requested to remain on such a contract. There may be circumstances where an individual employee requests the use of a zero based hour contract. The Director of Legal, Governance and Human Resources **must** consult with the Managing Director before the use of any such contracts are approved. Where employees are employed on a zero hour contract they are employed on a permanent or fixed term basis, are entitled to request a review of their contracted hours at any time after six months in post and are not prevented from working for other employers.

16. CONTRACTORS

- 16.1 The Council requires that contractors comply with the national minimum wage and national living wage legislation. All new and extended Council contracts are encouraged to pay NJC for Local Government Services spinal column point 3 (see 9.1 above) and avoid the use of zero hour contracts (see 15.1 above).
- 16.2 The Council will encourage all local employers employing 250 or more employees to publish their pay multiple.

17. GENDER PAY GAP INFORMATION

- 17.1 The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 requires all local authorities with more than 250 employees to publish gender pay gap data based on a 'snapshot' date of 31 March of the previous year to the year in which the data is published. This is published annually on the Council's website.
- 17.2 The gender pay gap is defined as the average pay gap between male and female staff in hourly pay. The council is required to publish the mean and median differences between male and female employees and the proportions of each gender in each pay quartile.
- 17.3 Further requirements stipulate the need to publish information related to bonuses received by each gender, however the council does not pay bonuses, and as such the council does not report under these headings.

AUDIT AND GOVERNANCE COMMITTEE

9th February 2023



Report of: Director of Resources and Development

Subject: TREASURY MANAGEMENT STRATEGY 2023/24
AND THIRD QUARTER REVIEW 2022/23

1. PURPOSE OF REPORT

- 1.1 The purposes of the report is to:
- i. Provide the third quarter update of the 2022/23 Treasury Management activity; and
 - ii. Enable the Audit and Governance Committee to scrutinise the recommended 2023/24 Treasury Management Strategy before it is referred to the full Council for approval.

2. BACKGROUND

- 2.1 The Treasury Management Strategy covers:
- the borrowing strategy relating to the Council's core borrowing requirement in relation to its historic capital expenditure (including Prudential Borrowing);
 - the borrowing strategy for the use of Prudential Borrowing for capital investment approved as part of the Medium Term Financial Strategy; and
 - the annual investment strategy relating to the Council's cash flow.
- 2.2 The Treasury Management Strategy needs to ensure that the loan repayment costs of historic capital expenditure do not exceed the available General Fund revenue budget, which was reduced as part of the Medium Term Financial Strategy in previous years. Similarly, for specific business cases the Treasury Management Strategy needs to ensure loan repayment costs do not exceed the costs built into the business cases. As detailed later in the report these issues are being managed successfully.
- 2.3 The Local Government Act 2003 requires the Council to 'have regard to' the CIPFA (Chartered Institute of Public Finance and Accountancy) Prudential Code and to set prudential indicators for the next three years to ensure capital investment plans are affordable, prudent and sustainable.

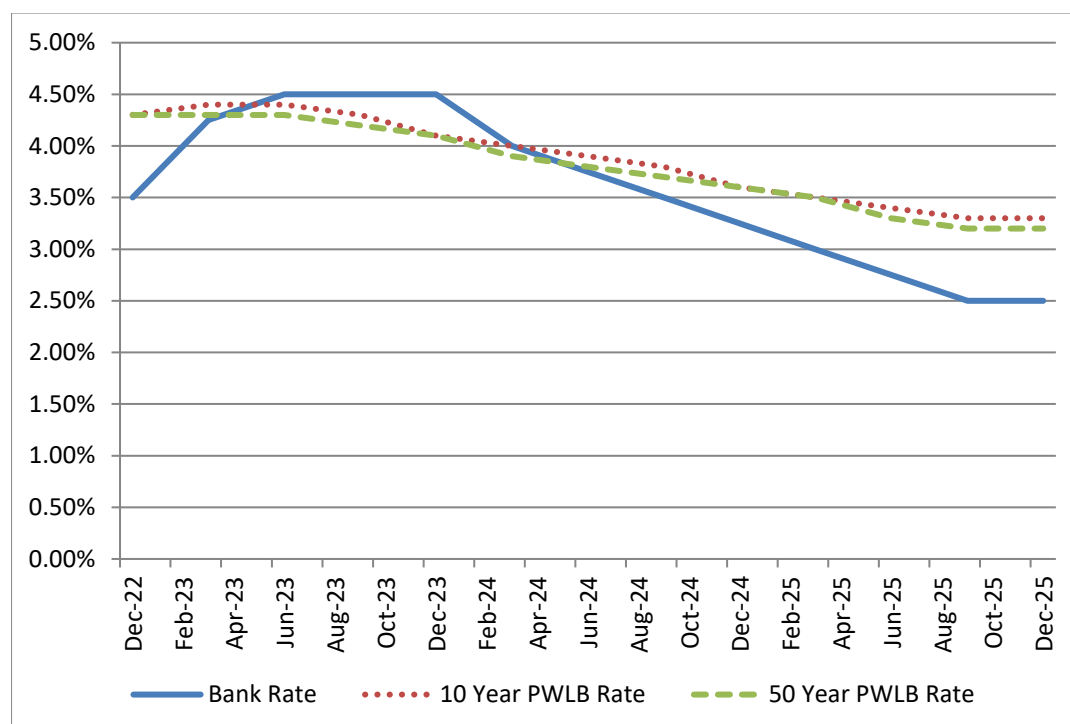
- 2.4 The Act requires the Council to set out a Treasury Management Strategy for borrowing and to prepare an Annual Investment Strategy, which sets out the policies for managing investments and for giving priority to the security and liquidity of those investments. The Secretary of State has issued Guidance on Local Government Investments which came into force on 1st April, 2004, and has subsequently been updated, most recently in 2021. The 2021 Prudential and Treasury Management Codes has a new prudential indicator for 2023/24 the Liability Benchmark (LB) and details are provided in paragraph 8.8.
- 2.5 The Council is required to nominate a body to be responsible for ensuring effective scrutiny of the Treasury Management Strategy and policies, before making recommendations to full Council. This responsibility has been allocated to the Audit and Governance Committee.
- 2.6 This report covers the following areas:
- Economic background and outlook for interest rates;
 - Treasury Management Strategy 2022/23 3rd Quarter review;
 - Treasury Management Strategy 2023/24; and
 - Minimum Revenue Provision and Interest Cost and Other Regulatory Information 2023/24

3. ECONOMIC ENVIRONMENT AND OUTLOOK FOR INTEREST RATES

- 3.1 **UK** – The UK economy has faced an extended and ongoing period of economic uncertainty. Inflation continues to be an economic pressure and at the 15th December 2022 meeting the Bank of England's Monetary Policy Committee (MPC) voted 6-3 to raise Bank Rate by 0.50% from 3.0% to 3.50%. It is expected the by Bank of England that inflation will fall from its peak in October as energy price inflation drops out of the calculation. However, domestic price pressures remain strong and the Bank of England is expected to raise interest rates further.
- 3.2 The Chancellor's Autumn Statement on 17th November 2022 succeeded in restoring the Government's fiscal credibility in the eyes of the financial markets. The package included net spending increases in 2023/24 and 2024/25, and fiscal tightening after 2024/25.
- 3.3 The Office for Budget Responsibility's revised growth forecast up to 2025 are set out in the following table:

Year	March 2022 Growth Forecast	November 2022 Growth Forecast
2022	3.8%	4.2%
2023	1.8%	(1.4%)
2024	2.1%	1.3%
2025	1.8%	2.6%

- 3.4 **European Union (EU)** – As at November 2022, GDP had increased by 0.2% in quarter 3. The unemployment rate fell to a record low in October. Whilst this resilience is not expected to last, the recession which is thought to be underway may not be as bad as initially expected. The energy crisis, though severe, has eased a little and national governments have announced generous levels of fiscal support.
- 3.5 **USA** – Growth has slowed and forecasters expect a mild recession in 2023. However, core inflation is likely to fall sharply, which analysts think will convince the Federal Reserve to begin cutting interest rates again by end of 2023.
- 3.6 **Other Economies** – In China, gross domestic product (GDP) rose by 3% in 2022, the second slowest rate in almost half a century. The sudden relaxation of its strict zero-Covid rules, have led to a rapid rise in Covid cases that will likely be a drag on growth in the early part of 2023. In Japan, headline inflation increased to 3.7% in October, the strongest since December 1990. The Government's supplementary budget aimed at dampening inflation should bring inflation back below the Bank's 2% target by Q2 2023.
- 3.7 **Interest Rate Forecasts**
- 3.8 Link Asset Services (the Council's Treasury Management advisors) continue to update their interest rate forecasts to reflect statements made by the Governor of the Bank of England and changes in the economy.
- 3.9 Expectations remain for Bank Rate to peak at 4.5% which reflects a view that the MPC are keen to further demonstrate its anti-inflation credentials by delivering a succession of rate increases. However, there are several challenges ahead that could see the Bank leave rates at an elevated level for longer, once the peak is reached by mid-2023. The major challenges are the tight labour market, the war in Ukraine and the implications for further energy subsidies for UK households and businesses.
- 3.10 Link anticipate the Bank of England will be keen to loosen monetary policy when the worst of the inflationary pressures are behind us – but that timing will be one of fine judgement; cut too soon, and inflationary pressure may well build up further; cut too late and any downturn or recession may be prolonged.
- 3.11 Economic and interest rate forecasting remains difficult with so many influences impacting on the economy. UK gilt yields (i.e. Government borrowing) and PWLB rates forecasts made by Link Asset Services may be liable to further amendment depending on how the political and economic developments transpire over the next year, including Bank of England decisions.
- 3.12 Interest Rate Forecast up to December 2025



- 3.13 Against the background of the above forecasts for interest rates the decision to borrow for the Highlight when interest were much lower has secured a fixed interest rate of 2.31% for 40 years. This provides a significant recurring annual saving for the Council.

4. TREASURY MANAGEMENT STRATEGY 2022/23 3rd QUARTER REVIEW

- 4.1 The Treasury Management Strategy for 2022/23 was approved by Council on 24th February 2022. The Council's borrowing and investment position as at 31st December 2023 is summarised as follows:

	£m	Average Rate
PWLB Loans	28.0	3.42%
Market Loan (Annuity)	16.7	2.31%
Market Loans (Maturities)	25.0	3.92%
Non-Market Loans (Maturities)	0.3	0.00%
Market Loans (LOBOs)	20.0	4.12%
Gross Debt	90.0	3.49%
Strategic Investments	25.0	5.2%
Day to Day Investments	29.8	1.9%
Gross Investments	54.8	3.61%
Net Debt as at 31-12-22	35.2	

- 4.2 The Council continues to keep under review the most opportune approach to borrowing. Given the increase in interest rates experienced during 2022, no additional borrowing has been entered into, with cash balances being used to manage the capital programme in the short to medium. This ensures that the Council is not exposed to increased costs at a time of volatility and relatively high interest rates. The position will be kept under review, with the potential for short term borrowing options if these are determined to be most

cost effective, when the need to borrow arises, pending a reduction in longer term rates.

- 4.3 The increase in interest rates also presented the Council with an opportunity to maximise investment returns over the short to medium term. Detailed cash flow modelling has allowed investments to be placed for a longer time period (up to a year) with a number of institutions, so as to achieve the higher rates of investment interest now available. This pro-active approach will enable the Council to generate an additional forecast £2.5m over the coming three financial years, making a significant one-off contribution to the Medium Term Financial Plan, thus reducing the need for service reductions elsewhere in the Council.
- 4.4 In maximising these returns, the Council has reviewed its list of counter parties and increased both category A and category B by £5m each. This is still deemed to be prudent and remains low in comparison to other Local Authorities. Risk is spread amongst a number of institutions. The principals and hierarchy of security / liquidity / rate of return continue to be closely adhered to.

5 TREASURY MANAGEMENT STRATEGY 2023/24

- 5.1 Prudential Indicators and other regulatory information in relation to the 2023/24 Treasury Management Strategy is set out in Appendix A.
- 5.2 The key elements of the Treasury Management Strategy which Members need to consider are the Borrowing and Investment Strategies, detailed in section 6 and 7.

6. BORROWING STRATEGY 2023/24

- 6.1 Borrowing strategies are needed for the core borrowing requirement and the borrowing requirement related to specific business cases, as outlined in the following paragraphs.
- 6.2 **Core Borrowing Requirement**
- 6.3 The continuing objective of the Council's Treasury Management Strategy is to fund the core annual borrowing requirement at the lowest possible long term interest rate.
- 6.4 Owing to the continued low Base Rate the Treasury Management Strategy has been to net down investments and borrowings. The existing Treasury Management Strategy has always recognised that this approach was not sustainable in the longer term as the one-off resources which have been used to temporarily avoid long term borrowing would be used up.
- 6.5 Total borrowing remains below the CFR and the strategy continues an element of netting down investments and borrowing. This is at a level that is forecast to be sustainable. However, it may be appropriate to take out

further borrowing and the position will be kept under constant review. A decision to borrow up to the CFR may be taken by the Director of Resources and Development if it is in the best interests of the Council to do so. It is recommended that the Director of Resources and Development is authorised to implement Treasury Management arrangements which minimise the short and long term cost to the Council.

6.6 Borrowing Requirement Business Cases (including the Housing Revenue Account)

6.7 The financial viability of each business case is assessed on an individual basis reflecting the specific risk factors for individual business cases. This includes the repayment period for loans and fixed interest rates for the duration of the loan. This assessment is designed to ensure the business case can be delivered without a General Fund budget pressure and corresponding increase in the overall budget deficit.

6.8 In order to ensure that the above objectives are achieved a strategy of fully funding the borrowing for business cases has been adopted in recent years. However, given the current interest rate forecasts it is recommended that a strategy of temporarily internally funding business cases may be appropriate in order to mitigate counterparty risk. The timing of long term borrowing decisions will then be managed carefully to ensure that interest rates are fixed at an affordable level.

6.9 Borrowing in Advance of Need

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

7. INVESTMENT STRATEGY 2023/24

7.1 The Department of Levelling Up, Housing and Communities (DLUHC) issued investment guidance in 2010, updated in 2017, and this forms the structure of the Council's policy. The key intention of the Guidance is to maintain the current requirement for authorities to invest prudently and that priority is given to security and liquidity before interest return. This Council has adopted the CIPFA publication Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes and applies its principles to all investment activity. In accordance with the Code, the Director of Resources and Development has produced Treasury

Management Practices covering investment counterparty policy which requires approval each year.

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

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

7.3 Counterparty Selection Criteria

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

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

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

7.7 As detailed in paragraph 4.4, the counter party investment limits for category A were increased to £20m and for category B to £15m. This change increases the flexibility on investments and enables the Council to secure higher interest rates from larger investments, whilst retaining the primary investment objective of safeguarding the Council's money. This strategy will secure investment income of £2.5m over three years to support the Medium Term Financial Position i.e. £1m for 2023/24, £1m for 2024/25 and £0.5m for 2025/26. The table below shows the proposed limits in 2023/24 for the Council:

Category	Fitch	Moody's	Standard & Poor's	Proposed Counterparty Limit	Proposed Time Limit
A	F1+/AA-	P-1/Aa3	A-1+/AA-	£20m	1 Year
B	F1/A-	P-1/A3	A-1/A-	£15m	1 Year
C	Debt Management Office/Treasury Bills/Gilts			£40m	1 Year
D	Part Nationalised Banks			£15m	1 Year
E	Other Local Authorities Individual Limits per Authority: - £8m County, Metropolitan or Unitary Councils - £3m District Councils, Police or Fire Authorities			£40m	1 Year
F	Three Money Market Funds (AAA) with maximum investment of £3m per fund			£9m	Liquid (instant access)

7.8 Specified and Non-Specified Investments

7.9 DLUHC regulations classify investments as either Specified or Non-Specified. Specified Investment is any investment not meeting the Specified definition.

7.10 The investment criteria outlined above is different to that used to define Specified and Non-Specified investments. This is because it is intended to create a pool of high quality counterparties for the Council to use rather than defining what its investments are.

7.11 Specified Investments are sterling investments of not more than one-year maturity, or those which could be for a longer period but where the Council has the right to be repaid within twelve months if it wishes. These are low risk assets where the possibility of loss of principal or investment income is small. These would include investments with:

- The UK Government (such as the Debt Management Office, UK Treasury Bills or a Gilt with less than one year to maturity).
- Other Councils
- Pooled investment vehicles (such as Money Market Funds) that have been awarded a high credit rating (AAA) by a credit rating agency.
- A body that has been awarded a high credit rating by a credit rating agency (such as a bank or building society). This covers bodies with a minimum rating of A- (or the equivalent) as rated by Standard and Poor's, Moody's or Fitch rating agencies. Within these bodies, and in accordance with the Code, the Council has set additional criteria to set the time and amount of monies which will be invested in these bodies.

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

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

8. **MINIMUM REVENUE PROVISION AND INTEREST COSTS AND OTHER REGULATORY INFORMATION 2023/24**

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

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

8.3 The budget strategy is based on the following MRP statement and Council is recommended to formally approve this statement:

- For capital expenditure incurred before 1st April 2008 the Council's MRP policy is to calculate MRP based on a 50 year annuity repayment.
 - i. Where MRP has been overcharged in previous years, the recovery of the overcharge will be implemented by reducing the MRP in relation to this capital expenditure by reducing future MRP charges that would otherwise have been made. It should be noted that this will ensure the debt will be paid off by 2056/57 whereas the previous 4% reducing balance MRP charge would have left debt of £9.4m at this date.
 - ii. The total MRP after applying the adjustment will not be less than zero in relation to this capital expenditure.
 - iii. The cumulative amount adjusted for will never exceed the amount overpayment.
- From 1st April 2008 the Council calculates MRP based on asset life for all assets or where prudential borrowing is financed by a specific annuity loan, MRP will be calculated according to the actual annuity loan repayments.

- DLUHC revised its MRP guidance in 2017, which would impact on any future changes to the Council's MRP policy, however the guidance is not retrospective. The approved MRP policy implemented prior to the DLUHC changes is therefore compliant with these revisions and will be carried forward in the future years, until such time as a prudent approach is considered to be appropriate.
- MRP in relation to the A19/ Elwick Road / North Lane junction and Elwick Road / Hartlepool Western Link Project will be applied using a 40 year straight line basis, with additional annual Voluntary Revenue Provision (VRP) applied to reflect S106 income to achieve repayment over a 7 to 10 year period. Where additional VRP is made any 'overpayment' may be used to reduce future MRP charges if S106 receipts are delayed.

8.4 **CIPFA Treasury Management Code of Practice**

8.5 The Council will adopt the updated CIPFA Treasury Management Code of Practice published 20th December 2021.

8.6 CIPFA requires full adoption from 1st April 2023. The main objective of the 2021 code was to respond to the major expansion of local authority investment into the purchase of non-financial investments, particularly property. The council has not adopted these owing to the high risk, so no significant changes will need to be made to our existing arrangements.

8.7 The revised Treasury Management Code requires the implementation of the following:

- 1. Adopt a new liability benchmark treasury indicator** to support the financing risk management of the capital financing requirement, with material differences between the liability benchmark and actual loans explained, this is detailed in the following paragraphs;
- 2. A knowledge and skills register** for officers and members involved in the treasury function;
- 3. Reporting to members on a quarterly basis;**
- 4. Have consideration for Environmental, social and governance (ESG) issues.**

8.8 The current loans are above the liability benchmark and the excess will be invested.

8.9 **Treasury Management Advisors**

8.10 The Council uses Link Asset Services – Treasury as its external treasury management advisors.

8.11 The Council recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers.

- 8.12 It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

8.13 Markets in Financial Instruments Directive (MIFID II)

- 8.14 On 3rd January 2018 an updated version of the European Union's Markets in Financial Instruments Directive (known as MIFID II) came into effect. It is designed to offer greater protection for investors and inject more transparency into financial markets. Under MIFID II all local authorities will be classified as "retail" counterparties and will have to consider whether to opt up to "professional" status and for which type of investments

- 8.15 Local authorities that choose not to opt up or do not meet the minimum criteria for opting up (i.e. minimum investment balances of £10m) may face a reduction in the financial products available to them, a reduction in number of brokers and asset managers that will be able to engage with and may face increased fees.

- 8.16 Local authorities that choose to opt up must be able to satisfy some quantitative tests, and each Financial Institution will independently determine whether the Authority meet the qualitative test of being appropriately knowledgeable, expert and experienced. Financial Institutions also need to satisfy themselves that the Authority can make its own investment decisions and understands the risks involved.

- 8.17 The Council choose to opt up in order to maintain the Council's ability to operate effectively under the new regime.

9. FINANCIAL CONSIDERATIONS

- 9.1 As detailed in preceding paragraphs.

10. RISK IMPLICATIONS

- 10.1 There is a risk in relation to the level of interest rates the Council is able to secure for long term borrowing and the proposals detailed in this report are designed to manage these risks.
- 10.2 There are also risk implication in relation to the investment of surplus cash and these are addressed in the strategy recommended in section 6.

11. LEGAL CONSIDERATIONS

- 11.1 The report details how the Council will comply with the relevant legal and regulatory requirements in relation to Treasury Management activities.

12. CHILD AND FAMILY POVERTY

12.1 None.

13. EQUALITY AND DIVERSITY CONSIDERATIONS

13.1 None.

14. SECTION 17 OF THE CRIME AND DISORDER ACT 1998 CONSIDERATIONS

14.1 None

15. STAFF CONSIDERATIONS

15.1 None

16. ASSET MANAGEMENT CONSIDERATIONS

16.1 None

17. CONCLUSION

17.1 For over a decade UK and international interest rates were at a historically and unprecedented low level and this included the Bank of England base rating being 0.5% or less since 2009. It was always anticipated that this position would not be sustained, although the change to slightly higher rates was expected to be gradual and the new 'normal' interest rates would still remain low by historic standards.

17.2 During this period the Council's treasury management strategy minimised the net cost to the Council by netting down investments and borrowings. The strategy also carefully managed the timing on long terms borrowing decision to support individual businesses cases for capital investment, including securing borrowing for Highlight at an interest rate fixed for 40 years of 2.31%.

17.3 The significant economic turmoil of the last year, which is driven by the invasion of Ukraine by Russia, has result in an unprecedented spike in inflation. This has result in central banks across the world increasing interest rates. The political uncertainty over the summer result in an additional temporary spike in interest rates which lasted for a few weeks. During this period the Council acted to secure average interest rates of 5.16% - compared to current and forecast investments rates for the next 12 months of 4.57%. This has been done whilst maintaining the primary Treasury Management objective of security of the Council's money, whilst securing significant interest income to support the budget over the period 2023/24 to 2025/26.

17.4 The report sets out how the Council will comply with the regulatory framework to ensure the Council achieves the lowest borrowing costs and

security for any temporary cash investments made by the Council. Within this framework and the more uncertain / volatile financial environment officers will continue to actively manage borrowing and investments to support the overall financial position of the Council.

18. RECOMMENDATIONS

18.1 It is recommended that Members approve that the following proposals are referred to full Council:

18.2 **Treasury Management Strategy 2022/23 3rd Quarter Review**

- i) Note the 2022/23 Treasury Management 3rd Quarter Position detailed in Section 4.

18.3 **Treasury Management Strategy 2023/24 (Prudential Indicators)**

- ii) Approve the prudential indicators outlined in Appendix A.

18.4 **Borrowing Strategy 2023/24**

- iii) **Core borrowing requirement** – following the securing of exceptionally low interest rates approve that the remainder of the under borrowing is netted down against investments.
- iv) To note that in the event of a change in economic circumstances that the Director of Resources and Development may take out additional borrowing if this secures the lowest long term interest cost.
- v) To authorise the Director of Resources and Development to implement Treasury Management arrangements which minimise the short and long term cost to the Council.

18.5 **Investment Strategy 2023/24**

- vi) Approve the Counterparty limits as set out in paragraph 7.7.

18.6 **Minimum Revenue Provision (MRP) Statement**

- vii) Approve the MRP statement outlined in paragraph 8.3 above.

19. REASON FOR RECOMMENDATIONS

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

20. CONTACT OFFICER

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DRAFT

**TREASURY MANAGEMENT STRATEGY 2023/24 REGULATORY INFORMATION
AND PRUDENTIAL INDICATORS**

1. INTRODUCTION

- 1.1 The regulatory information and prudential indicators for the 2023/24 Treasury Management Strategy are set out below.

2. PRUDENTIAL INDICATORS

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

3. CAPITAL EXPENDITURE AND FINANCING REQUIREMENT

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

(13) APPENDIX C

3.4 Councils ultimately need to fund the CFR by borrowing money from the Public Works Loan Board (PWLb) or banks. The CFR is then repaid over a number of years reflecting the long term benefits of capital expenditure. In simple terms the CFR represents the Council's outstanding mortgage, although the legislation and accounting requirements are significantly more complex.

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

Capital Financing & Borrowing Requirement	2022/23 Revised £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000
CFR at 1st April	112,761	122,943	126,803	139,978
Capital Expenditure Financed by New Borrowing	12,778	6,464	15,567	12,167
Less Repayment of CFR	(2,596)	(2,604)	(2,392)	(2,358)
CFR at 31st March	122,943	126,803	139,978	149,787
Less assets held under Finance Lease	(400)	(383)	(367)	(351)
Borrowing Requirement	122,542	126,420	139,610	149,436
Corporate Borrowing Requirement	80,136	79,504	90,503	98,873
Business Case Borrowing Requirement	31,422	33,822	34,079	34,595
Housing Revenue Account Borrowing Requirement	10,985	13,094	15,029	15,969
Borrowing Requirement	122,542	126,420	139,610	149,436

3.6 As part of the Medium Term Financial Strategy the Council is required to approve the 2023/24 capital programme summarised as follows:

Capital Expenditure	2022/23 Revised £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000
New Approved Capital Expenditure	48,586	32,381	43,613	20,393
Capital Expenditure for the Year	48,586	32,381	43,613	20,393
Financed by:				
Capital grants and contributions	32,343	25,844	28,046	6,226
Other Capital Funding	3,465	73	0	2,000
Capital Expenditure to be funded from New Prudential Borrowing	12,778	6,464	15,567	12,167
Total Funding	48,586	32,381	43,613	20,393
Non-HRA Capital Expenditure	43,144	28,951	40,115	19,336
HRA Capital Expenditure	5,442	3,430	3,498	1,057
Total Capital Expenditure	48,586	32,381	43,613	20,393

4. AFFORDABILITY PRUDENTIAL INDICATORS

- 4.1 The affordability of the approved Capital Investment Programme was assessed when the capital programme was approved and revenue costs are built into the Medium Term Financial Strategy or individual business cases. The 'Affordability Prudential Indicators' are detailed below and are intended to give an indication of the affordability of the planned capital expenditure financed by borrowing in terms of the impact on Council Tax and the Net Revenue Stream.

4.2 Incremental Impact of Capital Expenditure on Housing Rent Levels

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

	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000
Weekly Housing Rent Levels	£0.00	£0.00	£0.00	£0.00

4.4 Ratio of Financing Costs to Net Revenue Stream

- 4.5 This shows the net cost of capital borrowing as a percentage of the net budget. The decrease reflects significant savings from locking into historically low interest rates and re-profiling of MRP as outlined in the report.

	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
Non-HRA financing cost to General Fund Net Revenue Stream	4.96%	4.40%	4.40%	4.74%

4.6 Ratio of Finance Costs to HRA Net Revenue Stream

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

	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
HRA financing cost to HRA Net Revenue Stream	32.23%	30.70%	33.19%	33.25%

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

5. BORROWING PRUDENTIAL INDICATORS**5.1 Debt Projections 2022/23 – 2025/26**

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

Debt and Investment Projections	2022/23 Revised £'000	2023/24 Estimated £'000	2024/25 Estimated £'000	2025/26 Estimated £'000
Long Term Borrowing 1 April	90,655	90,655	90,655	90,655
Expected change in Long Term Debt	0	0	0	9,000
Debt at 31 March	90,655	90,655	90,655	99,655
Borrowing Requirement	122,542	126,420	139,610	149,436
Under Borrowing	(31,887)	(35,765)	(48,955)	(49,781)
Non-HRA Debt	79,670	77,561	75,626	83,686
HRA Debt	10,985	13,094	15,029	15,969
Total Debt	90,655	90,655	90,655	99,655

5.3 Although the Council has reduced the level of under borrowing in recent years the table, coupled with the funding position outlined at paragraph 6.2, shows that an element of core borrowing can continue to be temporarily deferred by netting down investments and borrowing.

5.4 Limits to Borrowing Activity

5.5 Within the prudential indicators there are a number of key indicators to ensure the Council operates its activities within well defined limits.

5.6 The Council needs to ensure that total borrowing does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2022/2023 and the following two financial years. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue purposes. The following table demonstrates that borrowing will not exceed the CFR.

External Debt	2022/23 Revised £'000	2023/24 Estimated £'000	2024/25 Estimated £'000	2025/26 Estimated £'000
Gross Borrowing	90,655	90,655	90,655	99,655
Other Long Term Liabilities	400	383	367	351
Total Gross Borrowing	91,055	91,038	91,022	100,006
Borrowing Requirement	122,542	126,420	139,610	149,436

5.7 The following table shows two key limits for the monitoring of debt. The Operational Limit is the likely limit the Council will require and is aligned closely with the actual CFR on the assumption that cash flow is broadly

neutral. The Authorised Limit for External Debt is a further key prudential indicator to control the overall level of borrowing. This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by the Council. In practice it needs to take account of the range of cash flows that might occur for the Council in addition to the CFR. This also includes the flexibility to enable advance refinancing of existing loans.

Borrowing Limits	2022/23 Revised £'000	2023/24 Estimated £'000	2024/25 Estimated £'000	2025/26 Estimated £'000
Operational Limit	133,000	136,000	150,000	159,000
Authorised limit	143,000	146,000	160,000	169,000

6. INVESTMENT PRUDENTIAL INDICATORS AND OTHER LIMITS ON TREASURY ACTIVITY

6.1 Investment Projections 2022/23 – 2025/26

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

2021/22 Outturn £'000	Year End Resources	2022/23 Revised £'000	2023/24 Estimate £'000	2024/25 Estimate £'000	2025/26 Estimate £'000
63,008	Balances and Reserves	58,000	53,000	48,000	43,000
(5,210)	Collection Fund Adjustment Account*	0	0	0	0
3,639	Provisions	3,639	3,639	3,639	3,639
61,437	Total Core Funds	61,639	56,639	51,639	46,639
5,646	Working Capital**	5,400	5,400	5,400	5,400
67,083	Resources Available for Investment	67,039	62,039	57,039	52,039
(22,106)	(Under)/over borrowing	(31,887)	(35,765)	(48,955)	(49,781)
44,977	Expected Investments	35,152	26,274	8,084	2,258

* It is not possible to estimate the Collection Fund Adjustment Account balance owing to the uncertainty in relation to business rates.

** The working capital balance is an estimate of debtors and creditors at year end based on the average working capital over the last three years.

6.3 Sensitivity to Interest Rate Movements

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

Impact on Revenue Budgets	2023/24 Estimated 1% £'000	2023/24 Estimated -1% £'000
Interest on Borrowing	358	(358)
Investment income	(263)	263
Net General Fund Borrowing Cost	95	(95)

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

6.6 The limits are:

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

Limits on Variable Interest Rates	2022/23 Upper £'000	2023/24 Upper £'000	2024/25 Upper £'000
Borrowing	75%	75%	75%
Investments	100%	100%	100%

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

Limits on Fixed Interest Rates	2022/23 Upper £'000	2023/24 Upper £'000	2024/25 Upper £'000
Borrowing	100%	100%	100%
Investments	100%	100%	100%

- iii) Maturity structure of borrowing – Limits for the 'Maturity Structure of Borrowing' are intended to reduce exposure to large fixed rate sums falling due for refinancing. In the opinion of the Chief Finance Officer limits on fixed and variable rates for **borrowing** are unhelpful and could lead to higher costs of borrowing. Previous experience has shown that it is possible to move from a position of predominantly fixed rate borrowing to variable rate borrowing and then back to fixed rate borrowing over a period of two years. In the Chief Finance Officer's professional opinion

(13) APPENDIX C

this proactive management of investments and borrowing continues to provide the most cost effective strategy for the Council, whilst not exposing the Council to unnecessary risk. The Council should ensure maximum flexibility to minimise costs to the revenue budget in the medium term. These limits are detailed in the following table:

Maturity Structure of fixed interest rate borrowing 2022/23				
	2022/23	2022/23	2023/24	2023/24
	Lower Limit	Upper Limit	£000	£000
			Lower Limit	Upper Limit
Under 12 months	0	90%	0	90%
12 months to 2 years	0	100%	0	100%
2 years to 5 years	0	100%	0	100%
5 years to 10 years	0	100%	0	100%
10 years to 20 years	0	100%	0	100%
20 years to 30 years	0	100%	0	100%
30 years to 40 years	0	100%	0	100%
40 years to 50 years	0	100%	0	100%
50 years to 60 years	0	100%	0	100%
60 years to 70 years	0	100%	0	100%

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

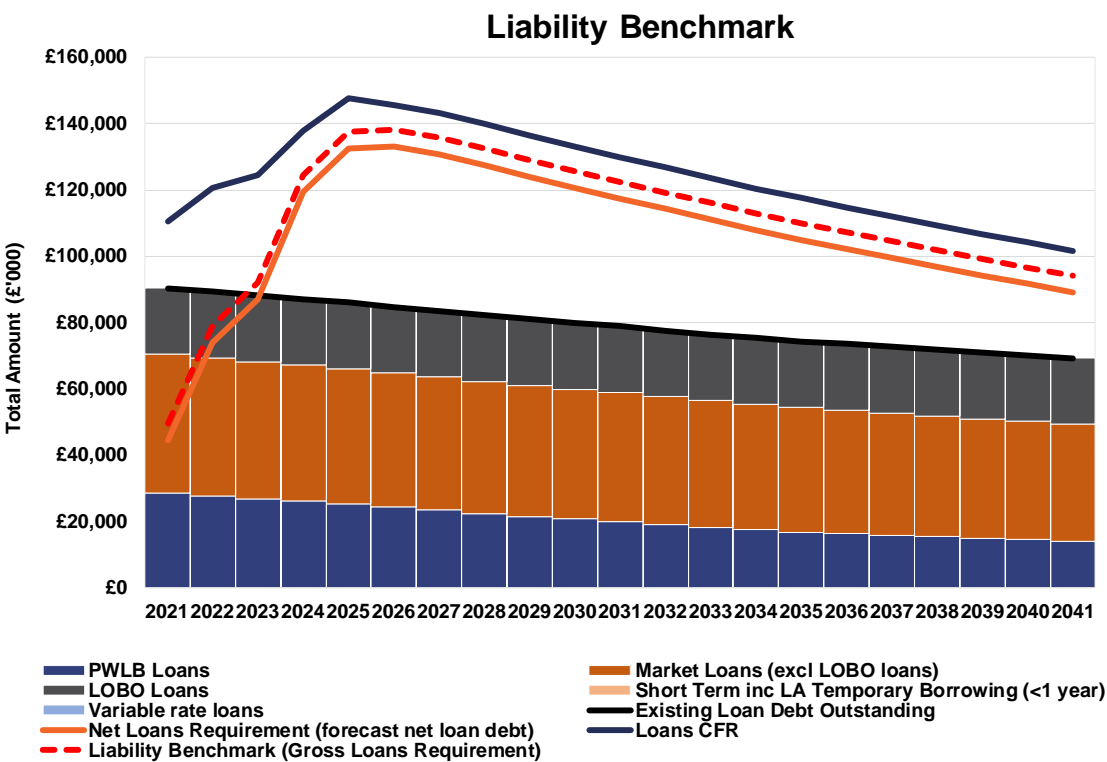
Limit for Maximum Principal Sums Invested > 364 days			
	1 year	2 years	3 years
	£000	£000	£000
Maximum	20,000	0	0

6.7 Liability Benchmark

6.8 The liability benchmark treasury indicator is to support the financing risk management of the capital financing requirement, with material differences between the liability benchmark and actual loans. The liability benchmark is a long-term forecast of the Authority's gross loan debt based on its current capital programme and other forecast cash flow movements.

6.9 The chart therefore tells an authority how much it needs to borrow, when and to match maturities with its planned borrowing needs.

6.10 Liability Benchmark





Report of: Managing Director

Subject: BUSINESS REPORT (2)

5. STATUTORY OFFICER

Following the approval by Finance and Policy Committee of the revised structure, which provides a small recurring saving, and the decision of the Appointments Panel to appoint James Magog as the Director of Finance, IT and Digital. Council is asked to designate the post and individual as Section 151 officer with effect from 1st June 2023.

Public questions for Council

Meeting Date: 23 February 2023

1.	From: Georgia Churchill
	To: Chair of Children's Services Committee
	<p>Question</p> <p>As Member of Youth Parliament, I would like to ask for councillors cooperation in making sure the Well-being in Schools Report is acknowledged and used by all schools with in Hartlepool. May I also ask for further cooperation in my work within schools in the future?</p>
2.	From: Owen Twidale
	To: Chair of Neighbourhood Services Committee
	<p>Question:</p> <p>Has the impact on small businesses been formally assessed with regards to reintroducing parking charges in the town centre?</p>

Member questions for Council

Meeting: 23 February 2023

.	From: Councillor Brash
	To: Councillor Young Chair of Economic Growth and Regeneration Committee
	Question: <i>Can the chair of economic growth explain why he does not believe Hartlepool businesses should receive a discounted rate for trading at the forthcoming Tall Ships event?</i>

Cleveland Police and Crime Panel

A meeting of Cleveland Police and Crime Panel was held on Tuesday 5 July 2022.

Present: Cllr Tony Riordan (Chair), Cllr Barrie Cooper (Vice Chair), Cllr Graham Cutler, Cllr Stefan Houghton, Cllr Karen King, Cllr Tom Mawston, Paul McGrath, Cllr Steve Nelson, Luigi Salvati, Cllr Norma Stephenson OBE

Officers: Steve Newton, Alison Pearson (Redcar and Cleveland Borough Council).

Also in attendance: Steve Turner (Police and Crime Commissioner) Lisa Oldroyd, and Rachelle Kipling (Commissioner's Office)

Apologies: Cllr Carrie Cook, Cllr Chris Jones, Cllr Shane Moore, Cllr Kevin Tiplady, Mayor Andy Preston

PCP 01/22 Appointment of Chair for 2022/23

It was moved by Councillor Graham Cutler and seconded by Councillor Stefan Houghton that Councillor Tony Riordan be appointed Chair of the Panel for the municipal year 2022/23.

A vote took place and it was **RESOLVED** that Councillor Tony Riordan be appointed Chair of the Panel for the municipal year 2022/23.

PCP 02/22 Appointment of Vice Chair for 2022/23

It was moved by Councillor Graham Cutler and seconded by Luigi Salvati that Councillor Barrie Cooper be appointed Vice Chair of the Panel for the municipal year 2022/23.

A vote took place and it was **RESOLVED** that Councillor Barrie Cooper be appointed Vice Chair of the Panel for the municipal year 2022/23.

PCP 03/22 Declarations of Interest

There were no interests declared.

PCP 04/22 Minutes of the meetings held on 31 March 2022 and Attendance Matrix

Consideration was given to the minutes of the meeting held on 31 March 2022 and the attendance matrix for 2021/22.

Regarding the attendance matrix, Councillor Stefan Houghton advised that the overall number of meetings he attended was mistakenly recorded as 4 when it should have read 5.

RESOLVED that the minutes of the meeting held on 31 March 2022 be agreed as a correct record and the attendance matrix be amended to record Cllr Stefan Houghton as being present at 5 meetings of the panel.

**PCP
05/22** **Cleveland Divert**

Representatives from the Cleveland Custody Diversion Scheme (Divert) attended the Panel to provide information on the programme.

Currently, Cleveland had one of the highest reoffending rates in England and Wales standing at 34%. The Divert Programme was delivered in partnership with Cleveland Police and the Probation Service North East and offered an alternative way to engage with first time and low-level offenders, instead of sending them to court and prosecuting them. The aim of the approach was to break the cycle of reoffending.

The presentation outlined the various pathways available to support the offender to address issues in their lives that led to the criminal behaviour. It was noted that gambling addiction had recently been included within the remit of the programme.

Data was provided on the number of accepted referrals, the number of restorative interventions and the increase in referral rates on the previous 12 months. The Panel requested further detail in relation to referrals by local authority area.

The Panel welcomed the presentation and thanked the Divert team for their work.

RESOLVED that the information be noted.

**PCP
06/22** **Quarter 4 2021/22 Police and Crime Plan Performance Report**

The Commissioner presented his Police and Crime Plan Performance and Delivery Report which covered the period up to the end of quarter 4 (March 2022).

In relation to the strategic outcome to 'build confidence and put the pride back into Cleveland Police' a Panel Member asked for comparative data in relation to complaints and public confidence levels to provide more context and an indicator of trend.

The Commissioner advised that comparator figures would be included in the next performance report and extended an invitation for any panel member to attend the next face to face public consultation session in Stockton.

A panel member also asked when the expected increase in the number of special constables was likely to be achieved. Data appeared to indicate a slight reduction in current headcount.

The Commissioner advised that he had raised this issue through his own scrutiny arrangements to understand why the figures were not yet showing an increase. He confirmed his commitment to increase the number of special constables by the end of his term of office.

In relation to the strategic outcome to 'work collectively with partners to reduce crime, specifically serious violence' clarification was sought on stop and search data and in particular, the rates of stop and search for BAME communities.

The Commissioner advised that further, more detailed data was available on the Cleveland Police website and a link to this information would be provided to the panel members. As had been discussed at the last meeting, it was confirmed that stop and search data was presented to the Strategic Independent Advisory Group (IAG) for scrutiny on a regular basis. The Commissioner's invitation to Panel Member to attend an IAG meeting remained.

In relation to the objective 'use of technology to combat crime', a Panel member asked about the mobile phone app that had been developed for residents to report crime.

The Commissioner advised that it was an additional method of reporting and did not replace other methods of reporting. Where an emergency response was required, residents were still able use 999.

In relation to grants and commissioning, a Panel Member asked if a process had been confirmed to bid for further funding to support the continuation of the Cleveland Unit for the Reduction of Violence (CURV) beyond the current commitment.

The Commissioner advised that at this point it was unclear what the process might be, but work was taking place to establish the unit's sustainability in the long term.

RESOLVED that the Panel note the information and the requested additional data be provided.

**PCP
07/22**

Commissioner's Scrutiny Programme

Consideration was given to a report that provided an update on the Police and Crime Commissioner's scrutiny programme.

Holding the Chief Constable to account was the key duty of the Police & Crime Commissioner and must encompass all the functions of the Chief Constable and functions of those who were under the Chief Constable's direction and control.

The Commissioner had a range of scrutiny approaches in place to engage with the Chief Constable and hold Cleveland Police to account. These take place on a daily, weekly and monthly schedule and include a range of meetings, data and feedback from partners and the public.

Since the last Police and Crime Panel the Commissioner had held three formal scrutiny meetings which were held on 19 April, 9 May and 13 June and focused on the Force Control Room, Enabling Services and quarterly performance monitoring.

RESOLVED that the report be noted.

**PCP
08/22**

Decisions of the Commissioner and Forward Plan

Consideration was given to a report that provided an update on decisions made by the Police and Crime Commissioner and the Forward Plan.

The Police and Crime Commissioner made all decisions unless specifically delegated within the Scheme of Consent/Delegation. All decisions demonstrated that they were soundly based on relevant information and that the decision-making process was open and transparent.

In addition, a forward plan was included and published on the OPCC's website which included items requiring a decision in the future. This was attached to the report.

Each decision made by the Commissioner was recorded on a decision record form with supporting background information appended. Once approved it was published on the OPCC's website.

Decisions relating to private/confidential matters would be recorded; although, it may be appropriate that full details were not published.

Decisions made since the last meeting of the Police and Crime Panel were attached to the report.

RESOLVED that the report be noted.

**PCP
09/22**

OPCC Communications and Engagement

The Commissioner presented his report detailing the communication activity of the PCC's office between 1 March 2022 and 31 May 2022.

He advised that he felt there was more that could be done to promote the positive work of the Office.

RESOLVED that the report be noted.

**PCP
10/22**

Police and Crime Panel Annual Report

The Panel considered the proposed outline content of the Police and Crime Panel Annual Report and agreed that it should include:

- Chair's foreword
- What is the Cleveland Police and Crime Panel?
- Panel membership
- Panel role and responsibilities
- The Panel's core programme of work
- Key activities and achievements (including the work of Task and Finish Groups)
- Contact details and further information sources

The Panel requested that the report be made available in alternative formats and a small number of hard copies be printed to circulate to libraries and other resident contact points.

RESOLVED that a draft report be prepared for the next meeting of the Panel.

PCP 11/22 Police and Crime Panel Scrutiny Work Programme and Training Needs 2022/23

The Panel considered their work programme for 2022/23 and training needs.

It was felt that the annual review of the local policing precept should continue to be undertaken by a Task and Finish Group in order to facilitate sufficient time and analysis of the financial arrangements of the PCC and commissioned services. The Task and Finish Group would make its recommendations to the Panel.

Membership of the Task and Finish Group should remain as one representative from each of the four Local Authorities and a Non-Political Independent Member. Following changes to Panel Membership, a replacement nomination was required from Hartlepool Council. Subject to receipt of that nomination, Membership of the Group would continue to be:

Hartlepool – to be advised
Middlesbrough – Councillor Barrie Cooper
Redcar and Cleveland – Councillor Graham Cutler
Stockton – Councillor Steve Nelson
Non-Political Independent Member – Luigi Salvati

With respect to training, it was agreed that training for new Members of the Panel and refresher training for existing Members of the Panel be arranged.

RESOLVED that:

1. The Chair request a nomination from Hartlepool Council to participate in the Task and Finish Group established to review the Local Policing Precept.
2. Training be arranged for Members of the Panel.

PCP 12/22 Members' Questions to the Commissioner

The following question had been submitted by Councillor Barrie Cooper for response by the Commissioner:

"How many off road motorcycles, the ones without registration plates, have been seized in the last 6 months and how many prosecutions followed. If the answer is very few then can we have a strategy update?"

The Commissioner responded that the question related to an operational matter rather than a matter that was directly in the scope of the Panel's role to hold the Commissioner to account.

He advised that without information from communities on the ownership and location of the off-road vehicles it was difficult to progress and requested that panel members encourage residents within their own communities to share this information.

The Chair of the Panel sought the views of the Panel on inviting the Chief Constable to the next meeting of the Panel to discuss the matter in more detail. The Panel agreed this course of action.

The following question had been submitted by Paul McGrath for response by the Commissioner:

"Over 30 police forces in the UK (including North Yorkshire and Northumbria) are working in partnership with POLICE NOW to recruit and develop outstanding graduates for uniform and detective roles. Why is Cleveland not participating in this scheme?"

The Commissioner responded that Cleveland Police was working in partnership with POLICE NOW as part of a range of measures to increase recruitment. He advised that he believed that more than one route was necessary and was working with the College of Policing and the Police Apprenticeship Programme. Ultimately, the decisions on recruitment were a matter for the Chief Constable.

RESOLVED that the Chief Constable be invited to the next meeting of the Panel.

**PCP
13/22** **Public Questions**

There were no questions from members of the public.

**PCP
14/22** **Forward Plan**

Members were presented with the Forward Plan for the Panel 2022/23. Panel Members asked if the list of possible future presentation topics could be shared with the Panels to enable them to make suggestions on the order and priority of topics.

RESOLVED that the Forward Plan 2022/23 be noted and the requested information on presentation topics be shared with the Panel.

**PCP
15/22** **Exclusion of the Public**

RESOLVED that under Section 100A(4) of the Local Government Act 1972 the public be excluded from the meeting for the following items of business on the grounds that they involved the likely disclosure of exempt information as defined in paragraphs 1 and 2 of Part 1 of Schedule 12A of the Act.

**PCP
16/22**

Complaints Update

The Panel considered a report of the Monitoring Officer detailing a new complaint matter that had been received and providing an update on an existing complaint matter.

RESOLVED

With regard to the new matter:

1. The Panel be confirmed as the relevant panel for the matter.
2. The matter be recorded and notified to the Police and Crime Commissioner.
3. The complaint be progressed as agreed by the Panel.

With regard to the existing matter:

4. The complaint be progressed as agreed by the Panel.

Cleveland Police and Crime Panel

A meeting of Cleveland Police and Crime Panel was held on Tuesday 13 September 2022.

Present: Cllr Tony Riordan (Chair), Cllr Barrie Cooper (Vice Chair), Cllr Pauline Beall (substituting for Councillor Norma Stephenson), Cllr Graham Cutler, Cllr Chris Jones, Cllr Stefan Houghton, Paul McGrath, Cllr Tom Mawston, Cllr Steve Nelson, Luigi Salvati,

In attendance: Cllr Tony Grainge

Officers: Steve Newton, Alison Pearson, Rae Puggmurr (Redcar and Cleveland Borough Council).

Apologies: Cllr Carrie Richardson, Cllr Shane Moore, Cllr Norma Stephenson OBE, Andy Preston.

The Panel held a minute's silence as a mark of respect following the sad death of Her Majesty the Queen.

Prior to the commencement of the formal business of the meeting, the Chair informed Panel Members that the Police and Crime Commissioner had advised he would not be attending the meeting as he felt that holding the meeting was not appropriate during the period of national mourning. He had further advised that his staff would also not be attending the meeting. The Chair confirmed that advice had been sought and official guidance confirmed that where meetings had been summonsed, they should proceed as planned. As such, the meeting was taking place in accordance with the notice that had been issued.

The Panel agreed that the items of business that could not be progressed due to the absence of the Police and Crime Commissioner would be deferred to the next meeting.

PCP 17/22 Declarations of interest

There were no interests declared.

PCP 18/22 Minutes of the meeting held on 5 July 2022 and Attendance Matrix

Consideration was given to the minutes of the meeting held on 5 July 2022 and the attendance matrix.

Regarding the attendance matrix, Councillor Chris Jones requested that his attendance record be amended to confirm that in addition to submitting his apologies for the last meeting, a substitute had attended in his place.

RESOLVED that the minutes of the meeting held on 5 July 2022 be agreed as a correct record and the attendance matrix be amended to accurately reflect that

a substitute had attended the meeting on Councillor Jones' behalf.

Arising from the minutes, the chair advised that he had progressed the request for stop and search data which had been raised as an action at the last meeting.

**PCP
19/22** **Off Road Motorcycles/Public Safety**

The Chair advised that, following the request of the Panel at its last meeting, an invitation had been extended to the Chief Constable to attend the meeting and provide an update to Members on actions being taken to address problems with off-road motorcycles and concerns regarding public safety.

The Chief Constable had declined the invitation stating that he did not wish for the boundaries of scrutiny and accountability to be stretched and would instead provide the Police and Crime Commissioner with a comprehensive report in advance of the meeting. In addition, he also extended an open invitation for any Panel Members to visit the Force Control Room to gain a more detailed insight on the Force's position and how incidents were prioritised and responded to.

Members expressed disappointment at the situation and the inability to progress a discussion on this matter at the meeting with the relevant parties.

Due to the absence of the Police and Crime Commissioner it was proposed by Councillor Tom Mawston and seconded by Luigi Salvati that this item, along with items 5 to 10 as listed on the agenda, are deferred to the next meeting.

RESOLVED that this item, and items 5 to 10 as listed on the agenda, are deferred to the next meeting.

**PCP
20/22** **Annual Report of the Commissioner 2021/22**

RESOLVED that, due to the absence of the Police and Crime Commissioner, this item be deferred to the next meeting.

**PCP
21/22** **Quarter 1 2022/23 Police and Crime Plan Performance Report**

The Chair advised that he had met with the Commissioner's Office to discuss the presentation of simplified data, the inclusion of comparator data and information indicating the direction of performance. Panel Members also highlighted the need for information to be shared in a timely manner.

RESOLVED that, due to the absence of the Police and Crime Commissioner, this item be deferred to the next meeting.

**PCP
22/22** **Commissioner's Scrutiny Programme**

RESOLVED that, due to the absence of the Police and Crime Commissioner, this item be deferred to the next meeting.

**PCP
23/22** **Decisions of the Commissioner and Forward Plan**

RESOLVED that, due to the absence of the Police and Crime Commissioner, this item be deferred to the next meeting.

**PCP
24/22** **Communication, Consultation and Engagement Update**

RESOLVED that, due to the absence of the Police and Crime Commissioner, this item be deferred to the next meeting.

**PCP
25/22** **Members' Questions to the Commissioner**

RESOLVED that, due to the absence of the Police and Crime Commissioner, this item be deferred to the next meeting.

**PCP
26/22** **Public Questions**

There were no questions from members of the public.

**PCP
27/22** **Police and Crime Panel Annual Report**

Members considered the draft content of the Police and Crime Panel Annual Report 2021/22. No issues or queries were raised.

RESOLVED that the draft content of the Police and Crime Panel Annual Report 2021/22 be agreed.

**PCP
28/22** **Forward Plan**

Members considered the Forward Plan. The Chair advised that the Police and Crime Commissioner had requested the date of the next meeting to be rearranged if possible to enable him to attend a parliamentary debate.

RESOLVED that the forward plan be noted and the date of the next meeting be rearranged.

**PCP
29/22** **Exclusion of the Public**

RESOLVED that under Section 100A(4) of the Local Government Act 1972 the public be excluded from the meeting for the following items of business on the grounds that they involved the likely disclosure of exempt information as defined in paragraphs 1 and 2 of Part 1 of Schedule 12A of the Act.

**PCP
30/22** **Complaint Update**

The Panel considered a report of the Monitoring Officer detailing five new complaint matters that had been received and providing an update on an existing complaint matter.

RESOLVED

With regard to the new matters:

Complaint 1 (2022 02)

RESOLVED

1. The Panel be confirmed as the relevant panel for the matter.
2. The matter be recorded and notified to the Police and Crime Commissioner.
3. The complaint be progressed as agreed by the Panel.

Complaint 2 (2022 03)

RESOLVED

1. The Panel be confirmed as the relevant panel for the matter.
2. The matter be recorded and notified to the Police and Crime Commissioner.
3. The complaint be progressed as agreed by the Panel.

Complaint 3 (2022 04)

RESOLVED

1. The Panel be confirmed as the relevant panel for the matter.
2. The matter be recorded and notified to the Police and Crime Commissioner.
3. The complaint be progressed as agreed by the Panel.

Complaint 4 (2022 05)

RESOLVED

1. The Panel be confirmed as the relevant panel for the matter.
2. The matter be recorded and notified to the Police and Crime Commissioner.
3. The complaint be progressed as agreed by the Panel.

Complaint 5 (2022 06)

RESOLVED

1. Further information be sought from the complainant to enable the Panel to determine whether the complaint meets the definition of a complaint for the purposes of the regulations

With regard to the update on an existing complaint (2022 01):

RESOLVED

1. The complaint be progressed as agreed by the Panel.