

# **ECONOMIC GROWTH AND REGENERATION COMMITTEE**

## **MINUTES AND DECISION RECORD**

10 December 2024

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

### **Present:**

Councillor Hargreaves (In the Chair)

Councillors Bailey-Fleet, Lindridge, Male and Scarborough

Parish Council representatives:

Stephen Smith (Greatham)

Officers:

Tony Hanson, Executive Director of Development, Neighbourhoods and Regulatory Services

Gemma Ptak, Assistant Director, Preventative and Community Based Services

Steve Hilton, Senior Public Relations Officer

Angela Armstrong, Principal Democratic Services and Legal Support Officer

### **17. Apologies for Absence**

Apologies for absence were received from Councillors Dodds and Young.

### **18. Declarations of Interest**

None.

### **19. Minutes of the meeting held on 26 November 2024**

As the minutes of the above meeting had not been published, they were deferred to the next meeting of the Committee.

### **20. Medium Term Financial Strategy (MTFS) 2025/26 to 2027/28** *(Director of Finance, IT and Digital and the Executive Director of Development, Neighbourhoods and Regulatory Services)*

**Type of decision**

## Budget and Policy Framework

### **Purpose of report**

To provide an update on the MTFS and to enable the Committee to scrutinise/comment on the savings proposals referred from the Finance and Policy Committee.

### **Issue(s) for consideration by the Committee**

The Executive Director of Development, Neighbourhoods and Regulatory Services reiterated that all councils across the country were facing significant financial challenges owing to the impact of inflation and demand on services along with historic inadequate increases in government funding to meet these challenges. As outlined at Finance and Policy Committee in November, the Council had a forecast budget deficit of £10.519m for 2025/26 and £13.122m over the full MTFS period.

As in previous years, addressing the deficit needed to be managed through budget saving actions which seek to minimise the impact on services where possible and use of reserves. With regard to savings, proposals totalling £2.954m had been proposed for 2025/26 and a total of £3.109m over the MTFS period. Pending publication of the local government finance settlement in late December, the acceptance of the proposals for 2025/26 and utilisation of reserves at the indicated level of £3.5m would leave a remaining budget gap of £4.065m. It is currently assumed that Hartlepool's allocation of the increases in government grants will meet this remaining gap for 2025/25. Should the government funding not be sufficient to close the remaining gap, additional savings will need to be identified and approved for 2025/26. Details of the individual savings were provided in Appendix B with the items relevant to this Committee shaded along with two items on the bottom of page one of Appendix B, subsidy for the National Museum of the Royal Navy and Council run events, that were a cross-cutting responsibility with the Adult Services Committee.

A discussion ensued during which Members acknowledged that in view of a number of challenging years due to the level of increase in the cost of living, rising inflation and the increasing demand for adults and children's social care. Difficult budgetary decisions were required and concern was expressed at the use of Council reserves. However, Members were hoping that a positive Government financial settlement would be announced over the next week or so to avoid even more difficult choices to be made in the new year.

During the discussions the increasing cost of children's social care was raised given this was a statutory function of the Council. However, it was noted that the majority of people in Hartlepool do not access this vital service for the children and the benefits of this service were not widely

known. Members were mindful that investing in children ultimately leads to investing in the future of Hartlepool and welcomed the ongoing discussions around the potential future provision of children's social care as an in-house service.

The Chair highlighted that the generation of income was paramount to the provision of Council services in the future and a lot of the income from within the responsibilities of this Committee was through undertaking capital projects. In addition to this, the importance of being more entrepreneurial and partnership working was key to supporting the future provision of Council services.

In relation to the future of public events, it was suggested that each event be considered on an individual basis but that work be undertaken to explore ways of partnering with local businesses and traders to generate funding and make events as near cost neutral as possible. The importance of events such as the annual fireworks display and Christmas light switch on was noted. These events were free and were well attended and may be the only events that some children and families were able to attend.

The Chair referred to the land and property review and highlighted the need to look at each asset individually with the view of achieving the best value and best use of each asset. In response to comments by Members relating to future housing provision, the Executive Director of Development, Neighbourhoods and Regulatory Services confirmed that the target for the development of housing in the Borough had been over achieved for the first time in many years and that officers regularly meet with developers who were looking to build in Hartlepool which supported the Council's growth ambitions.

that discussions were ongoing with potential developers and the Planning Department in relation to further developing the town.

In conclusion, the Chair commented that Members were hoping for a positive Government financial settlement in December and would keep the pressure on the Government for ongoing financial support to reduce the risk of even more difficult budgetary decisions being required in the future.

## **Decision**

The savings proposals detailed in Appendix B relating to the services within this Committee portfolio were approved to be reported back to Finance and Policy Committee on 20 January 2025.

The meeting concluded at 10.25 am

**H MARTIN**

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

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