

# **FINANCE AND POLICY COMMITTEE**

## **MINUTES AND DECISION RECORD**

### **10 FEBRUARY 2025**

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

**Present:**

Councillor Brenda Harrison (In the Chair)

Councillors: Gary Allen, Rachel Creevy, Tom Feeney, Pamela Hargreaves, Jim Lindridge, Sue Little, John Nelson, Karen Oliver and Mike Young

Also Present: Minna Ireland, Parish Council Co-opted Member

Officers: Denise McGuckin, Managing Director  
James Magog, Director of Finance, IT and Digital  
Hayley Martin, Director of Legal, Governance and HR  
Paul Dixon, Assistant Director, Corporate and Financial Services  
Craig Blundred, Director of Public Health  
Sally Robinson, Executive Director of Children's and Joint  
Commissioning Services  
Jill Harrison, Executive Director of Adult and Community Based  
Services  
Tony Hanson, Executive Director of Development, Neighbourhoods and  
Regulatory Services  
Tim Wynn, Strategic Asset Manager  
Steve Hilton, Communications and Marketing Team  
Denise Wimpenny, Principal Democratic Services Officer

#### **46. Apologies for Absence**

None.

#### **47. Declarations of Interest**

None.

#### **48. Minutes of the meeting held on 20 January 2025**

Received.

## **49. Matters arising from the Minutes**

In relation to Minute 45 – Medium Term Financial Strategy (MTFS), Councillor Young requested that the following votes in relation to the decision be noted:-

Councillor Young – against  
Councillor Lindridge – against  
Councillor Little – abstain

## **50. Capital Programme 2025/26 to 2027/28** *(Director of Finance, IT and Digital)*

### **Type of decision**

Budget and Policy Framework.

### **Purpose of report**

To seek approval to the Capital Strategy for 2025/26 to 2027/28 to be recommended to Council for approval. The strategy is a requirement of the Prudential Capital Code.

To seek approval to the Capital Programme new starts 2025/26 to 2027/28, to be recommended to Council for approval.

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

The Director of Finance, IT and Digital reported that the Council had, 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 brought 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 Capital Programme also included planned HRA investment. Decisions on HRA investment were subject to Business Cases and were included as part of the annual HRA Business Plan and updates provided to Finance and Policy Committee on a regular basis. The programme, details of which were appended to the report, included schemes previously approved, schemes due to conclude and amendments to existing schemes. New schemes were set out in Appendix 2. The programme including new start schemes for the period 2024/25 to 2027/28 were outlined, together with detailed scheme breakdowns for each area.

## Decision

1. That the Capital Strategy for 2025/26 to 2027/28, set out at Appendix 1 to the report, be recommended to Council for approval. The strategy was a requirement of the Prudential Capital Code;
2. That the Capital Programme new starts 2025/26 to 2027/28, as set out at Appendix 2 to the report, be recommended to Council for approval;
3. That the delegation to relevant policy committees to approve detailed schemes arising from confirmed specific grant allocations as set out in Appendix 2 to the report be approved;
4. That any capital receipts generated be considered for funding the existing capital programme or financial flexibility arrangements being used to fund revenue costs associated with service transformation as reported; and
5. That the capital programme (including new starts) set out on Appendices 3-9 to the report, be noted.

## 51. **Strategic Financial Management Report as at 31 December 2024** *(Director of Finance, IT and Digital)*

### Type of decision

Budget and Policy Framework.

### Purpose of report

The purpose of this report is to inform Members of:

- i) Forecast General Fund outturn for 2024/25;
- ii) Reserves Forecasts;
- iii) Forecast Housing Revenue Account outturn for 2024/25;
- iv) Corporate Income Collection Performance;
- v) Capital Programme Monitoring 2024/25;

### Issue(s) for consideration

The Director of Finance, IT and Digital reported that the financial circumstances facing the council remained challenging particularly given significant pressures within Children's Social Care. These pressures had continued into the third quarter of the 2024/25 financial year and were

detailed in the report. The overall position for the General Fund Outturn for 2024/25 identified a forecast overspend of £2.182m. However, it was highlighted that this position was after the approved use of £3.166m of the Budget Support Fund to balance the 2024/25 budget.

The Director of Finance, IT and Digital highlighted salient points included in the report which included a summary of the forecast position by Directorate, budget savings monitoring arrangements, dedicated school grant, reserves position, housing revenue account position, income collection, sundry debts, council tax, business rates, capital outturn as well as details of capital receipts.

Members raised concerns regarding the business rates proposed for write off, details of which were set out in a confidential appendix attached to the report. A lengthy debate ensued during which the Committee questioned the arrangements around write offs including what constituted commercially sensitive information and why such debts weren't publicly available. Given the costs incurred by the Council in writing off such debts, views were expressed that a database including names of dissolved businesses leaving no assets should be retained, provided this was legally possible, as a means to monitor future debts. The Head of HR, Legal and Governance and Director of Finance IT and Digital agreed to explore this issue following the meeting.

In relation to a question regarding the reduction to Single person discount, the Director of Finance, IT and Digital responded providing overall numbers and advised that savings materialise through the Council Tax base set.

### **Decision**

1. That the forecast outturn position of £2.182m overspend and accompanying financial performance for the year be noted.
2. That the forecast use of reserves as set out in the report be noted.
3. That the 2024/25 forecast outturn in relation to the Housing Revenue Account as detailed in the report be noted.
4. That the capital programme position be noted.
5. That the write offs as detailed in section 6 of the report and confidential appendix N be approved.
6. That the feasibility of retaining a database to include names of dissolved businesses, as a means to prevent companies from resolving and restarting under an alternative name, be explored.

## **52. Community Safety Plan 2024 – 2027** *(Executive Director of Development, Neighbourhoods and Regulatory Services)*

### **Type of decision**

Budget and Policy Framework.

## **Purpose of report**

To consider and agree the Safer Hartlepool Partnership's Community Safety Plan 2024-2027 (see Appendix 1) for referral to Full Council for final approval and adoption.

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

The Executive Director of Development, Neighbourhoods and Regulatory Services reported that, under the Crime and Disorder Act 1998 and the Crime and Disorder Regulations 2007, the Safer Hartlepool Partnership (SHP) was required to develop and implement a Community Safety Strategy setting out how it intends to address crime and disorder, substance misuse, and re-offending issues in Hartlepool.

On 26 February 2024, the Safer Hartlepool Partnership approved the draft Community Safety Plan 2024-27 for public consultation. The Safer Hartlepool Partnership, at its meeting on 31 January 2025, considered the consultation responses and approved the plan for referral to this Committee.

The Plan provided an overview of recent activities to improve community safety in Hartlepool, along with key findings from the Partnership's Strategic Assessment and consultation with the public. The proposed strategic objectives and priorities for the 2024-2027 Plan was 'to make Hartlepool a safe, prosperous and enjoyable place to live, work and visit', under which the SHP's priorities are:

- Anti-social Behaviour;
- Drugs and Alcohol;
- Domestic Violence and Abuse; and
- Serious Violence.

Feedback from the consultation process was provided as outlined in the report and in terms of what respondents felt were missing from the priorities included:-

- Reducing crime and reoffending
- Providing greater visible police and warden presence
- Hate crime
- Challenge behaviours that make women and girls feel unsafe

In the discussion that followed presentation of the report, the Executive Director responded to issues arising from the report. Members raised the following views/comments/suggestions:-

- That the plan be amended to refer to the borough as opposed to the town.
- That the action plan produced in support of the Community Safety Plan considers, where appropriate, references to poor landlordism, domestic violence, hate crime, challenging behaviour, more detail around the impact of women and girls feeling unsafe, the importance of communities feeling safe and the importance of reducing potential attacks on individuals.
- Reference was made to links between disaster recovery, community resilience and social cohesion and the importance of joined up working between individuals and organisations in terms of establishing effective links were highlighted.

### **Decision**

1. That the content of the Community Safety Plan 2024-2027 be agreed for referral to Full Council subject to an amendment that the plan refer to the borough as opposed to the town.
2. That the comments of Members, as detailed above, be noted and fed into the plan and/or action plan as appropriate.

## **53. Housing Revenue Account Business Plan Update 2025/26** *(Executive Director of Development, Neighbourhoods and Regulatory Services)*

### **Type of decision**

Key (DNRS 10/23)

### **Purpose of report**

The report provided an updated Housing Revenue Account (HRA) Business Plan, while reviewing the recent performance of the HRA. It proposed a rent increase for 2024/25 and sought approval to refer the decision to Council. The report also sought approval of the expenditure budget for the HRA.

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

The Executive Director of Development, Neighbourhoods and Regulatory Services reported that the business plan covered key council housing priorities, showing how the Council intended to develop services to tenants, how key Government policy changes would be addressed and how it was intended to grow and develop the HRA portfolio. This year's plan provided an update on the key priorities for council housing and how these would be

delivered and achieved over the coming years and an overview of the financial sustainability of the HRA.

The report provided an update on the key challenges for the HRA moving forward and the issues around delivering an efficient and responsive repairs service. Key to this was ensuring the right level of income for the HRA and this was mainly from tenants rent. The report set out the background to rent setting and the factors which created additional pressures on the financial viability of the HRA. It was proposed that a rent increase of 2.7% be approved in line with the maximum allowable under the current rent policy. This HRA model had assumed this level of increase and this resulted in a minimal surplus to the HRA of £8,000 as detailed in Appendix 1. Without this proposed rent increase, the HRA budget would become unsustainable and result in a deficit.

In support of the report, the Executive Director, Neighbourhoods and Regulatory Services provided a detailed and comprehensive presentation which focussed on key policy changes, HRA performance, factors affecting HRA financial viability, rent setting and the HRA reserve position.

In the lengthy discussion that followed officers responded to issues raised arising from the report and presentation. Clarification was provided in relation to homelessness housing provision, referral process and right to buy arrangements. Members were advised that the Government were currently consulting on proposals to reform the right to buy scheme to protect housing stock. Concerns were raised in relation to the lengthy re-let periods and the challenges around difficult to let properties. Further background information was requested in relation to the reasons for such delays, general letting information by band, the costs associated with maintaining the Council's housing stock as well as details of how Council rents compared to other social landlords.

Members raised concerns in terms of the impact of the significant increase in repair costs. Emphasis was also placed upon the importance of bringing older properties back into use. A Member commented on the benefits of a flexible approach when setting rents and suggested that this issue be explored.

Following a brief adjournment due to a medical incident, the meeting reconvened with the following Elected Members and officers in attendance:-

Councillor Brenda Harrison (In the Chair)

Councillors: Gary Allen, Rachel Creevy, Tom Feeney, Pamela Hargreaves, Jim Lindridge, John Nelson, Karen Oliver and Mike Young

Also Present: Minna Ireland, Parish Council Co-opted Member

**Officers:**

Denise McGuckin, Managing Director  
James Magog, Director of Finance, IT and Digital  
Hayley Martin, Director of Legal, Governance and HR  
Paul Dixon, Assistant Director, Corporate and Financial Services  
Craig Blundred, Director of Public Health  
Jill Harrison, Executive Director of Adult and Community Based Services  
Tony Hanson, Executive Director of Development, Neighbourhoods and Regulatory Services  
Tim Wynn, Strategic Asset Manager  
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Whilst Members raised further concerns in relation to the impact of imposing any rental increases on hard pressed tenants, it was acknowledged that without the proposed rent increase the HRA would become unsustainable. In relation to an earlier query as to whether the Council's proposed rental increases were comparable with the rest of the Tees Valley, the Committee was advised that the Council were unable to share other housing providers data. Clarification was provided in response to a query raised regarding the funding arrangements for those tenants receiving housing benefit and universal credit to meet the additional rent demand.

The following decision was agreed with no dissent.

**Decision**

1. That a proposed rent increase of 2.7% for 2025/26 be referred to Council on 20 February 2025 for approval, noting the overall contents and strategy of the Housing Revenue Account Business Plan 2025/26.
2. That the full Housing Revenue Account expenditure budget for 2025/26 be approved, as detailed in Appendix 1 to the report.
3. That the use of £225,000 of Major Repairs Reserve as match funding towards the Social Housing Decarbonisation Fund Phase 3 be approved, subject to the grant bid being successful.
4. That further background information be provided following the meeting in relation to the reasons for delays in re-lets, general letting information by band as well as the costs associated with maintaining the Council's housing stock.
5. That the feasibility of adopting a flexible approach in terms of setting rents be explored.



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

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

## **55. Recovery Grant Update** (*Executive Director of Adult and Community Based Services*)

### **Purpose of report**

To provide the Committee with an update on recovery planning and allocation of the recovery grant which was received after the violence and disorder in Hartlepool in August 2024.

To seek approval for authorisation of proposed spend and further spend to be delegated to the Assistant Director of Preventative and Community Based Services in consultation with members of the Finance and Legal Group operating within the governance of the Recovery Co-ordination arrangements that had been established.

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

The Executive Director of Adult and Community Based Services referred to the allocation of a £600K recovery grant to each local authority where violence and disorder had occurred. Finance and Policy Committee, on 25 November 2024, had approved the allocation of £50k to the immediate tidy up and response and £60k for a financial wellbeing commission to support those experiencing or at risk of financial exclusion.

The £60k had been invested with three local voluntary sector organisations to increase capacity over a six month period to support residents to maximise their income, the outcomes of which were provided. A further £70k had been committed to the development of a comprehensive engagement process and development of a Cohesion Strategy for Hartlepool, the benefits of which were included in the report. The Pride in Place Operational Group had been working to establish key physical, environment and community projects to support the recovery efforts and had identified projects to the value of £125k. The works would need to start immediately to ensure they were completed at the earliest opportunity in line with grant conditions. Projects included improvements in street lighting, days of action in targeted communities, environmental maintenance and improvements to some areas of disrepair.

Further plans were being developed by Operational Groups and based on emerging discussions and identified priorities it was proposed that indicative allocations be made to each group details of which were provided. Following these allocations an indicative balance of £75,000 remained which may be used to implement the cohesion work, prioritising collaborative approaches or to contribute to other emerging key priorities as operational groups further develop their plans.

The recovery grant conditions required the Council to commit the full allocation by 31 March 2025.

Officers responded to queries arising from the report. Clarification was provided in relation to the membership, purpose, role and remit and priorities of the various groups.

The Committee welcomed progress to date on the recovery process and commented on the benefits of the proposals to the residents of Hartlepool.

In concluding the debate, the Chair expressed appreciation to the Assistant Director of Preventative and Community Based Services and all teams involved in co-ordinating the recovery arrangements in Hartlepool.

## **Decision**

The Committee:-

1. Noted the approach that had been taken to the coordination of recovery in Hartlepool.
2. Authorised allocation of £125k to the Pride in Place Group to progress with key improvement schemes as part of the recovery process.
3. Delegated authorisation for approval and amendment of the remaining spend to the Assistant Director of Community Based Services in consultation with members of the Finance and Legal Group (Leader of the Council, Chair of Adult & Community Based Services Committee, Managing Director, Executive Director of Adult and Community Based Services, Director of Finance and Digital and Director of Legal and HR) to ensure that timely decisions can be made, for spend that meets the grant outcomes and is relevant to the recovery process.

## **56. Date and Time of Next Meeting**

It was reported that the next meeting would be held on Monday 7 April 2025 at 5.00 pm in the Civic Centre, Hartlepool.

The meeting concluded at 12.30 pm.

**H MARTIN**

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

**PUBLICATION DATE: 19 FEBRUARY 2025**