



Hartlepool  
Development  
Corporation

# Hartlepool Development Corporation Board

**Date:** Tuesday 2 September 2025 at 4:00pm

**Venue:** Hartlepool Town Hall Theatre, Raby Road, Hartlepool TS24 8AH

## **Membership:**

Mark Robinson (Independent Chair)

Councillor Brenda Harrison (Leader of Hartlepool Borough Council)

Sarah Bedford (Independent member)

Simon Corbett (Independent member)

Alison Gwynn (Independent member)

Councillor Pamela Hargreaves (Independent member)

Brenda McLeish (Independent member)

Lisa Molloy (Independent member)

Shane Moore (Independent member)

Martin Raby (Independent member)

Matt Storey (Independent member)

## **Associate Members:**

Denise McGuckin (Managing Director, Hartlepool Borough Council)

Tom Bryant (Chief Executive, TVCA)

## **Independent Adviser**

Victoria Fuller (Chief Constable, Cleveland Police)



Anything is possible

AGENDA	
1.	<b>Apologies for Absence</b>  To receive any apologies for absence.
2.	<b>Declarations of Interest</b>  To receive any declarations of interest.
3.	<b>Minutes of the previous meeting</b>  To approve as a correct record the minutes of the meetings held on 19 June 2025
4.	<b>Chair and Chief Operating Officer's Update</b>  To receive a verbal update from the Chair and Chief Operating Officer on key matters in relation to Hartlepool Development Corporation.
5.	<b>Annual Governance Statement</b>  To receive a report from the Interim Head of Governance seeking approval of the Draft Annual Governance Statement for Hartlepool Development Corporation
6.	<b>Planning Update</b>  To receive a report from the Head of Planning providing an update on the position of planning service delivery and the status of planning applications.
7.	<b>Q1 Budget Report and Medium-Term Financial Plan</b> <i>*This report is marked to follow; the new Interim Section 73 Officer is undertaking a significant review of the budget, and as a result this item is not anticipated to be ready until 26 August 2025.</i>

	<p>To receive and consider a report from the Interim Group Director of Finance and Resources presenting an update on the financial position of the Hartlepool Development Corporation.</p> <p><i>The appendix to this report is not for publication under the terms of paragraph 3 (information relating to the financial or business affairs of any particular person (including the authority holding that information)); of schedule 12a Local Government Act 1972.</i></p>
8.	<p><b>Urgent and Delegated Decisions</b></p> <p>To receive a report from the Chief Legal Officer and Monitoring Officer providing an update on urgent and delegated decisions since the last Board meeting.</p> <p><i>The appendices to this report are not for publication under the terms of paragraph 3 (information relating to the financial or business affairs of any particular person (including the authority holding that information)); of schedule 12a Local Government Act 1972.</i></p>
9.	<p><b>Date and Time of Next Meeting</b></p> <p>Tuesday 2 December 2025</p>

### Members of the Public - Rights to Attend Meeting

With the exception of any item identified above as containing exempt or confidential information under the Local Government Act 1972 Section 100A(4), members of the public are entitled to attend this meeting and/or have access to the agenda papers.

Persons wishing to obtain any further information on this meeting or for details of access to the meeting for disabled people, please contact:

[tvcastgovernance@teesvalley-ca.gov.uk](mailto:tvcastgovernance@teesvalley-ca.gov.uk)

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## Hartlepool Development Corporation Declaration of Interests Procedure

1. The purpose of this note is to provide advice and guidance to all members of the Development Corporation Board and Audit and Risk Committee on the procedure for declaring interests. The procedure is set out in full in the Development Corporation's Constitution under the "Code of Conduct for Members" (Appendix 2).

### Personal Interests

2. The Code of Conduct sets out in full, the principles on the general conduct of members in their capacity at the Development Corporation. As a general principle, members should act impartially and should not use their position at the Development Corporation to further their personal or private interests.
3. There are two types of personal interests covered by the Constitution:
  - a. **"disclosable pecuniary interests"**. In general, a disclosable pecuniary interest will involve any financial interests, such as paid employment or membership of a body, interests in contracts, or ownership of land or shares. Members have a pecuniary interest in a matter where there is a reasonable likelihood or expectation that the business to be considered will affect your well-being or financial position, or the well-being or financial position of the following persons:
    - i. a member of your family;
    - ii. any person with whom you have a close association;
    - iii. in relation to a) and b) above, their employer, any firm in which they are a partner, or a company of which they are a director;
    - iv. any person or body in whom persons described in a) and b) above have a beneficial interest in a class of securities exceeding the nominal value of £25,000; or
    - v. any body as described in paragraph 3 b) i) and ii) below.
  - b. **Any other personal interests.** You have a personal interest in any business of the Development Corporation where it relates to or is likely to affect:
    - i. 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;
    - ii. any body which:
      - exercises functions of a public nature;
      - is directed to charitable purposes;
      - one of whose principle purposes includes influencing 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).

### **Declarations of interest relating to the Councils' commercial role**

4. Financial relationships between the Development Corporation and individual councils do not in themselves create a conflict of interest for Council Leaders who are also Development Corporation Board members. Nor is it a conflict of interest if the Development Corporation supports activities within a council boundary. Nevertheless, there are specific circumstances where the Board may consider entering into direct contractual arrangements with a council, for example in relation to a particular commercial investment project, or in which that council is a co-funder. In these circumstances a non-pecuniary declaration of interest should be made by the Council Leader or their substitute.

### **Procedures for Declaring Interests**

5. In line with the Code of Conduct, members are required to adhere to the following procedures for declaring interests:

#### **Register of Interests**

6. Each member is required to complete a register of interests form with their personal interests, within 28 days of their appointment to the Development Corporation. If no declaration is received from elected members within 28 days the matter may be referred to the Head of Paid Service of your local authority and Leader of the political group you represent on your council for action. If a Declaration is not submitted within an appropriate timescale you may be prevented from attending committee meetings. Details of any personal interests registered will be published on the Development Corporation's website, with the full register available at the Development Corporation's offices for public inspection. The form will be updated on an annual basis but it is the responsibility of each member to notify the Monitoring Officer of any changes to the register throughout the year. Notification of a change must be made to the Monitoring Officer within 28 days of becoming aware of that change.

#### **Declaration of Interests at Meetings**

7. The Development Corporation will include a standing item at the start of each statutory meeting for declaration of interests. Where members are aware that any of their personal interests are relevant to an item of business being considered at a meeting they are attending, they must declare that interest either during the standing item on the agenda, at the start of the consideration of the item of business, or when the interest becomes apparent, if later.

8. Where members consider that their interest could be considered by the public as so significant that it is likely to prejudice the members' judgement then they may not participate in any discussion and voting on the matter at the meeting, but may attend the meeting to make representations, answer questions or give evidence relating to the business, before it is discussed and voted upon.
9. If the interest is a disclosable pecuniary interest (as summarised in paragraph 3a) then the member must leave the meeting room during discussion and voting on the item of business, but may make representations, give evidence and answer questions before leaving the meeting room. Failure to comply with the requirements in relation to disclosable pecuniary interests is a criminal offence.

### **Sensitive Information**

10. Members can seek the advice of the monitoring officer if they consider that the disclosure of their personal interests contains sensitive information.

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HARTLEPOOL DEVELOPMENT CORPORATION BOARD

Thursday, 19 June 2025 at 9.30am

Meeting held at Tees Valley Combined Authority

*(These minutes are in draft form until approved at the next Board meeting and are therefore subject to amendments.)*

<u>ATTENDEES</u>	
<b>Members</b>	
Mayor Ben Houchen (Chair)	Tees Valley Mayor
Councillor Brenda Harrison	Leader of Hartlepool Borough Council
Alison Gwynn	Independent Member
Councillor Pamela Hargreaves	Independent Member
Brenda McLeish	Independent Member
<b>Associate Member</b>	
Denise McGuckin	Managing Director, Hartlepool Borough Council
<b>Officers and other representatives</b>	
Tom Bryant	Interim Chief Executive, TVCA
Gary Macdonald	Group Director of Finance and Resources, TVCA
Beverley Bearne	Chief Operating Officer, HDC
Emma Simson	Group Chief Legal Officer and Monitoring Officer, TVCA
Hugh Grime	Head of Legal Services & Deputy Monitoring Officer, TVCA
Laura Metcalfe	Development Corporation Manager, TVCA
Justine Matchett	Lichfields
Neil Westwick	Lichfields
Kate Smith	Governance Officer, TVCA
<b>Apologies</b>	
Sarah Bedford	Independent Member
Simon Corbett	Independent Member
Martin Raby	Independent Member
Lisa Molloy	Independent Member
Matt Storey	Police and Crime Commissioner, Cleveland Police
Mark Webster	Chief Constable, Cleveland Police
Shane Moore	Independent Member

HDC 70/24	<b>APOLOGIES FOR ABSENCE</b>  The Chair welcomed everyone to the meeting.  Apologies were noted in the Attendees list.
HDC 71/24	<b>DECLARATIONS OF INTEREST</b>  Mayor Ben Houchen declared a non-pecuniary interest in relation to the statutory Audit recommendations and being a member of TVCA Cabinet.  Mayor Ben Houchen and Pamela Hargreaves declared non-pecuniary interest as members of the Board of Improvement.
HDC 72/24	<b>MINUTES OF THE PREVIOUS MEETING AND MATTERS ARISING</b>  Members were invited to raise any concern or amendment regarding the minutes of the meeting held on 6 March 2025.  Pamela Hargreaves (PH), Independent Member, asked when the Board can expect a copy of the final Terms and Conditions of the S106 agreement, which was being worked on with Jomast. Justine Matchett (JM) from Lichfields outlined that it is hoped to have a draft agreement by the end of next week. It has taken longer than anticipated following some technical concerns but is now moving forward. This will be circulated to the Board as soon as possible.  <b>RESOLVED</b> – That board <b>approves</b> the minutes of the meeting held on 6 March 2025 as correct record.
HDC 73/24	<b>HDC BOARD EXTERNAL AUDIT STATUTORY RECOMMENDATIONS</b>  Gary Macdonald (GM), Group Director of Finance and Resources presented a draft report to the Board in respect of the letter received from Ernst and Young LLP, External Auditors (EY).  GM outlined that the letter is the process by which the auditors can make recommendations and was received on 4 June 2025 from EY. The letter outlines concerns around capacity of services provided to the HDC Board.  Key points included: <ul style="list-style-type: none"><li>• This meeting is within the deadlines set out that a public meeting must be held before the end of the period of one month, beginning the day on which the letter was sent to the Board (4 June 2025).</li></ul>

- The 4 recommendations are set out in full text in the papers. It is recommended that all 4 recommendations are accepted fully.
- The papers are structured around the recommendations, with the first 2 covering TVCA support in relation to adequacy and capacity. It was stated that this is being worked on alongside the Chief Operating Officer for the DC.
- Point 3 relates to the Public Inspection period, and GM outlined that a clear working day will be left when accounts are uploaded on 30 June. Last year the accounts were published, and the inspection period was launched on the same day which was non-compliant. GM stated that there is now a process and detailed timetable to ensure this does not happen again.
- Assurances were also offered around the 2024/25 audit work, as referenced in Point 4, and Members were advised there is a detailed timetable which can deliver this.
- GM advised that resources are being looked at in order to future proof. Weekly meetings along with fortnightly updates and periodic senior department meetings are scheduled along with regular reports to the Board, and reporting arrangements are in place.
- Both interim and permanent resource is being put in place as part of a root and branch review.

Questions and comments were invited from members, and these included:

- Comments were made around capacity, and it was highlighted that the same team are covering the Combined Authority, 2 Development Corporations (DC) and the Airport. The Chair stated that the Best Value Notice (BVN) has been issued against the TVCA not the Development Corporation, and currently the DCs buy in services from the TVCA. The statutory letter has been received because there is a perceived material risk of buying in these services. It was highlighted that each DC Board will need to assess whether it is right and proper to continue to buy in these services. It was suggested to members that the Board will need to consider at the next meeting whether to continue to buy in from TVCA, or to employ their own finance staff. It will be the responsibility of the Board to carry out an **options appraisal** and look at the risks/benefits of insourcing or outsourcing.
- Board Members welcomed the intention of the Chief Operating Officer to carry out the options review to consider risk and workloads.
- GM added that, as part of the Internal Review there is dedicated resource for HDC, which has not been recruited to yet. In the process of assessing the bandwidth in terms of capacity and capability, which includes engagement with the 5 local authorities, and this may come back with additional resource. A certain level of specialist elements are always bought in, depending on projects, however the core team will be robust. The Chair highlighted that the Board would have to analyse and consider any service offer proposals.

	<ul style="list-style-type: none"> <li>Members also sought clarification regarding the hiring of interim staff, as referenced in Recommendation 1, and were advised by GM that interim resource has been secured for the year end. The Chair confirmed that from an HDC point of view the accounts are done and will be submitted on time. The Interim Chief Executive stated that all are working towards not being reliant on interim staff.</li> </ul> <p><b>RESOLVED – That the Board</b></p> <ol style="list-style-type: none"> <li><b>NOTED</b> the content of the letter from Ernst &amp; Young LLP;</li> <li><b>ACCEPTED</b> the four statutory recommendations and other actions as detailed in the letter referred to in (i) above and detailed in Paragraph 4 of this Report;</li> <li><b>APPROVED</b> the action to be taken to address the four statutory recommendations and other actions set out within this report at paragraphs 8-19 and at Appendices 2-5; and</li> <li><b>APPROVED</b> the proposed reporting arrangements as identified in paragraph 21 of this Report.</li> <li><b>NOTED</b> the intention to carry out an options review for bought-in services, which will be brought back to the Board for decision.</li> </ol>
<p>HDC 74/24</p>	<p><b>COO REPORT EXTERNAL AUDIT STATUTORY RECOMMENDATIONS</b></p> <p>Beverley Bearne (BB), Chief Operating Officer presented a draft report to the Board in respect of the letter received from Ernst and Young LLP, External Auditors.</p> <p>Members were assured by BB that the intention is to respond effectively to the letter, and the response will include a full range of options. External and internal resource is in place to have built-in resilience.</p> <p>Questions and comments were invited, and none were received.</p> <p><b>RESOLVED – That the Board:</b></p> <ol style="list-style-type: none"> <li><b>NOTED</b> the HDC Chief Operating Officer approach to securing the necessary assurances from TVCA support services following the receipt of statutory recommendations from the external auditor.</li> </ol>
<p>HDC 75/24</p>	<p><b>CHAIR'S UPDATE</b></p> <p>The Chair stated this is his last meeting as Chair and he is stepping down as Chair. He explained that the appointment of the new Chair is a Mayoral appointment, and the application process has been a formal process. He confirmed that the</p>

	<p>announcement of the new Chair is imminent and Members were advised that they would be notified of the appointment before a public announcement.</p> <p>Questions and comments were invited, and none were received.</p> <p><b>RESOLVED</b> – That the Board <b>NOTED</b> the update.</p>
<p>HDC 76/24</p>	<p><b>CHIEF OPERATING OFFICERS UPDATE</b></p> <p>Beverley Bearne (BB), the Chief Operating Officer provided the Board with an update on the activities of HDC since the last meeting.</p> <p><b>(Appendix 1 to this report is not for publication under the terms of paragraph 3 (information relating to the financial or business affairs of any particular person (including the authority holding that information); of schedule 12a Local Government Act 1972.)</b></p> <p>BB outlined that a lot of time has been spent getting into the details, and the report provides an overview of projects already in delivery.</p> <p>Key points include:</p> <ul style="list-style-type: none"> <li>• The 5-year strategic business plan is a reflection on what has been achieved to date and there is a focus on projects to drive forward over the next 5 years and ensure there is capacity and resource.</li> <li>• Development of an investment strategy and framework to bring forward development and work alongside the Finance team, to create a sustainable model for investment.</li> <li>• Marketing is important to get good news out at both a national and regional level.</li> <li>• A framework of documents will be put together over the next few months, so it is not so fragmented going forward.</li> </ul> <p>Questions and comments were invited from members:</p> <ul style="list-style-type: none"> <li>• Members agreed that there is excitement at the prospects, and it was suggested that one area which would benefit is the Middleton Grange Shopping Centre. It was highlighted that it is important to show the wider public what the Development Corporation is doing as the current work is not affecting people in Hartlepool. It would be beneficial for people who live in the town to see the work started.</li> <li>• The Managing Director of Hartlepool Council reported that feedback from the public regarding the film studios was positive and collaboration with the Combined Authority and Government was moving projects forward.</li> <li>• Members suggested that alternative venues should be sourced for holding meetings as it was felt that only having them at the Civic Centre was not always convenient, and gives an impression that the Council IS the Development Corporation.</li> </ul>

	<p><b>RESOLVED</b> – That the Board:</p> <ol style="list-style-type: none"> <li>i. <b>NOTED:</b> the updates provided in this report.</li> <li>ii. <b>APPROVED:</b> the development of:             <ol style="list-style-type: none"> <li>a. a 5-year strategic business plan;</li> <li>b. an annual action plan;</li> <li>c. an investment strategy; and</li> <li>d. a communications and marketing strategy.</li> </ol> </li> </ol>
<p>HDC 77/24</p>	<p><b>GOVERNANCE AND APPOINTMENTS</b></p> <p>The Group Chief Legal Officer and Monitoring Officer presented appointments for confirmation.</p> <ul style="list-style-type: none"> <li>• Head of Planning HDC – Julie Hurley</li> <li>• Deputy Head of Planning HDC – Alan Weston</li> </ul> <p>Additionally proposed amendments to the Constitution were outlined and include:</p> <ul style="list-style-type: none"> <li>• The Mayor stepping down as Chair</li> <li>• An amendment to increase number of Board members.</li> <li>• Minor amendments around Mayoral powers to appoint members to the Board</li> </ul> <p>Members were advised that the Constitution will go to Cabinet on 27 June 2025 for approval.</p> <p>Questions and comments were invited from members and none were raised.</p> <p><b>RESOLVED</b> – That the Board:</p> <ol style="list-style-type: none"> <li>i. <b>CONFIRMED:</b> the appointment of Julie Hurley as the Head of Planning for Hartlepool Development Corporation; and</li> <li>ii. <b>CONFIRMED:</b> the appointment of Alan Weston as Deputy Head of Planning for Hartlepool Development Corporation.</li> <li>iii. <b>APPROVED</b> the amendments to the Constitution documents as set out at Appendix 1;</li> </ol>
<p>HDC 78/24</p>	<p><b>PLANNING UPDATE</b></p> <p>The Deputy Head of Planning submitted a report which provided an update on planning applications within the Hartlepool Mayoral Development Corporation boundary for Hartlepool Development Corporation.</p>

	<p>Questions and comments were invited from members and are noted below:</p> <ul style="list-style-type: none"> <li>• It was noted that the members of the HDC Board also make up the HDC Planning Board. It was felt this is not particularly beneficial and was suggested that a separate Planning Board whose members had more connect with local Authority. The Managing Director advised that every Planning application from an officer perspective is connected. The Group Chief Legal Officer, Emma Simson (ES) outlined that this question has previously been raised, and advice is needed from both planners and Governance.</li> <li>• A member asked if there was an update on Article 4, and was advised by Lichfields that this will be happening in the next few weeks, and all papers are ready.</li> </ul> <p><b>RESOLVED</b> – That the Board <u>NOTED</u> the update.</p>
<p>HDC 79/24</p>	<p><b>QUARTER 4 BUDGET REPORT AND MEDIUM TERM FINANCIAL PLAN</b></p> <p>The Group Director of Finance and Resources provided an update on the financial position of Hartlepool Development Corporation for the period ending 31 March 2025 and presented a revised Medium-Term Financial Plan (MTFP).</p> <p>Questions and comments were invited from members and none were raised.</p> <p><b>RESOLVED</b> – That the Board:</p> <ol style="list-style-type: none"> <li><u>NOTED</u> the quarter 4 outturn position for 2024/25; and</li> <li><u>APPROVED</u> the revised Medium-Term Financial Plan.</li> </ol>
<p>HDC 80/24</p>	<p><b>URGENT AND DELEGATED DECISIONS</b></p> <p>The Group Chief Legal Officer and Monitoring Officer presented the Urgent and Delegated Decisions report, and informed members that the confidential appendices held commercial information which could not be public. If members wished to discuss then the session would have to be closed.</p> <p><b>The appendices to this report are not for publication under the terms of paragraph 3 (information relating to the financial or business affairs of any particular person (including the authority holding that information); of schedule 12a Local Government Act 1972.)</b></p> <p>The Chair suggested there should be a review of the Delegated Decision process – concerned that the Chair should not be involved in the technical sign-off.</p>

	<p>Members agreed that there should be a review of delegations and come back with recommendations for Board to reconsider.</p> <p>Questions and comments were invited from members and none were raised.</p> <p><b>RESOLVED</b> – That the Board:</p> <ol style="list-style-type: none"> <li>i. <b>NOTED</b> the Delegated Decision detailed in paragraph 3 and confidential Appendix 1.</li> <li>ii. <b>NOTED</b> the Delegated Decision detailed in paragraph 4 and confidential Appendix 2.</li> <li>iii. <b>NOTED</b> the Delegated Decision detailed in paragraph 5 and confidential Appendix 3.</li> <li>iv. <b>NOTED</b> the Delegated Decision detailed in paragraph 6 and confidential Appendix 4.</li> <li>v. <b>NOTED</b> the Delegated Decision detailed in paragraph 7 and confidential Appendix 5.</li> <li>vi. <b>NOTED</b> the Delegated Decision detailed in paragraph 8 and confidential Appendix 6.</li> <li>vii. <b>NOTED</b> the Delegated Decision detailed in paragraph 9 and confidential Appendix 7.</li> <li>viii. <b>NOTED</b> the Urgent Decision detailed in paragraph 11 and confidential Appendix 8.</li> <li>ix. <b>NOTED</b> the Urgent Decision detailed in paragraph 12 and confidential Appendix 9.</li> <li>x. <b>NOTED</b> the Urgent Decision detailed in paragraph 13 and confidential Appendix 10.</li> <li>xi. <b>NOTED</b> the Urgent Decision detailed in paragraph 14 and confidential Appendix 11.</li> </ol>
<p>HDC 81/24</p>	<p><b>MIDDLETON GRANGE SHOPPING CENTRE</b></p> <p>The Chief Operating Officer provided the Board with an update on the operations of Middleton Grange Shopping Centre since the last update in March 2025.</p> <p><i>The Appendices to this report are not for publication under the terms of paragraph 3 (information relating to the financial or business affairs of any particular person (including the authority holding that information)); of schedule 12a Local Government Act 1972.</i></p> <p>The following are Confidential Appendices to this report:</p> <ul style="list-style-type: none"> <li>• Appendix 1 - Confidential Financial Update</li> <li>• Appendix 2 – Confidential Business Plan Update</li> <li>• Appendix 3 – Confidential Wayleaves</li> </ul>

	<p>Questions and comments were invited from Members and none were raised.</p> <p><b>RESOLVED</b> – That the Board:</p> <ul style="list-style-type: none"><li>i. <b>NOTED</b> the updates provided in this report and in confidential appendices 1 and 2; and</li><li>ii. <b>APPROVED</b> the recommendations to grant the wayleaves and the delegation outlined at paragraph 29 of this report.</li></ul>
HDC 69/24	<p><b>DATE AND TIME OF NEXT MEETING</b></p> <p>TBC</p> <p>(The meeting concluded at 10:08)</p>

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Agenda Item 5

Report to the Hartlepool Development Corporation Board

2 September 2025

Report of the Interim Head of Governance

## DRAFT ANNUAL GOVERNANCE STATEMENT

### SUMMARY

This report presents the Hartlepool Development Corporation's (HDC) draft Annual Governance Statement for 2024/2025.

### RECOMMENDATIONS

It is recommended that members **NOTE** the content of the draft Annual Governance Statement for 2024-25 included at Appendix 1 and **NOTE** that it was published as a draft with the draft Financial Statements for Hartlepool Development Corporation as detailed in this Report.

The Annual Governance Statement, together with the Financial Statements were presented to the Audit and Governance Committee as a draft in July 2025.

### DETAIL

1. The Accounts and Audit Regulations 2015 require all public authorities in England to conduct a review, at least once a year, of the effectiveness of its governance framework and produce an Annual Governance Statement which will be published to accompany its Statement of Accounts.
2. The draft Statement of Accounts (including narrative report) for the year 2024-2025 were published (with the Annual Governance Statement) in accordance with legislative requirements by 30 June 2025. This commenced a 30 working-day period of public inspection of those financial statements.
3. The draft Statement of Accounts and draft Annual Governance Statement were presented to the Hartlepool Development Corporation Audit and Governance Committee in July 2025 and are next to be presented to this Board in September

2025. The final Statement of Accounts and the Final Annual Governance Statement will be presented to this Board in December 2025, along with the External Audit opinion.

4. The Annual Governance Statement acknowledges Hartlepool Development Corporation's responsibility for ensuring that proper arrangements are in place around the governance of its affairs. Guidance on producing an effective Governance Statement confirms that approvers of the Statement should be aware of the process followed in order to draft it. Hartlepool Development Corporation's Annual Governance Statement includes a description of the key elements of its governance framework, how good governance is ensured in each of those elements, a description of the process applied in reviewing the effectiveness of this framework and an outline of the actions taken or proposed to be taken, to deal with significant governance issues.
5. For the year 2024/2025 the draft Annual Governance Statement identifies that whilst governance processes are in place, a number of events identify weaknesses in internal controls.
6. The draft Annual Governance Statement is attached at **Appendix 1**.

## FINANCIAL IMPLICATIONS

7. There are no direct financial implications arising from this report.

## LEGAL IMPLICATIONS

8. Publishing an Annual Governance Statement meets the Corporations Obligations under the Accounts and Audit Regulations 2015.
9. The Audit and Governance Committee were asked to note the draft Annual Governance Statement alongside the draft Financial Statements in July 2025 and recommended it for approval to the Hartlepool Development Corporation Board. The Final Annual Governance Statement, alongside the Final Financial Statements and External Audit Opinion, will be brought back to the Board in December 2025 for final approval.

## RISK ASSESSMENT

10. The report is categorised as low to medium risk. Existing management systems and daily routing activities are sufficient to control and reduce risk.



## CONSULTATION & COMMUNICATION

11. At this stage, the draft Annual Governance Statement has been shared with the Chair of the Board and the Chief Executive of Hartlepool Development Corporation, and the Development Corporation's external auditor, EY. Further consultation will be required as the approval process progresses.

## EQUALITY & DIVERSITY

12. No specific impacts on groups of people with protected characteristics have been identified.

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Post Title: Group Legal Manager  
Telephone Number: 01325 792600  
Email Address: [shaun.natrass@teesvalley-ca.gov.uk](mailto:shaun.natrass@teesvalley-ca.gov.uk)

Hartlepool Development Corporation  
Draft Annual Governance Statement 2024/25

**1. Establishment and Objectives**

Hartlepool Development Corporation is a Mayoral Development Corporation, created by Statute in February 2023, pursuant to the Localism Act 2011. It was created by the Hartlepool Development Corporation (Establishment) Order 2023 (Establishment Order), which came in to force on 27 February 2023. The Hartlepool Development Corporation (Functions) Order 2023 (Functions Order) was laid before Parliament on 21 April 2023, with all but Part 2 of this Order coming into force on 12 May 2023. Part 2 of the Functions Order, which relates to the Development Corporation's planning functions, came into force on 1 June 2023.

The objectives of the Development Corporation are set out in its Constitution and are to:

- a. 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. help attract public and private sector investment and thereby create and secure additional jobs, accessible to the people of the Tees Valley; and
- c. 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.

## 2. Masterplan and Purpose

Approved by the Development Corporation Board in April 2023, the Development Corporation has a Masterplan, which details its vision for the Development Corporation Area. The Development Corporation is creating opportunities to accelerate the regeneration of the town centre and key economic sites, leverage private investment to create jobs and drive growth, and build on Hartlepool's early steps in becoming a cultural centre. Created with stakeholders and partners, the Masterplan aims to “supercharge development in Hartlepool” by “accelerating the regeneration of Hartlepool – maximising the potential of its maritime past, manufacturing present and creative future”. It aims to create an imaginative, creative and ambitious, 21<sup>st</sup> century maritime town and:

- Deliver 2,400 new and high-quality jobs.
- Deliver 1,300 quality town centre homes
- Shape a thriving maritime economy centred around the waterfront
- Create clean and safer streets
- Support the Tees Valley transition to net zero
- Deliver well connected and bio-diverse open space in the town centre
- Create a thriving SME start-up and screen industries cluster around The Northern Studios
- Enable a contemporary and diverse retail and leisure experience.

At the point of creation, Hartlepool Development Corporation had clear ambitions for its area, which encompasses Oakesway Business Park, Queens Meadow Business Park, retail and leisure land – including Mill House Leisure Centre and Middleton Grange Shopping Centre, with public realm and civic buildings. To that end, in December 2023, the Corporation purchased Middleton Grange Shopping Centre, right in the heart of its focus area.

### 3. The Scope of Responsibility & Governance

Hartlepool Development Corporation is responsible for ensuring that its operations are conducted in accordance with the law and appropriate standards, ensuring proper standards of governance are employed. It is also responsible for making sure public money is used effectively and appropriately and is properly accounted for. It has a responsibility to ensure that it has proper arrangements in place for the governance of its affairs and effective exercise of its functions, including the management of risk. It also has a duty under the 1999 Local Government Act to make continuous improvements to the way it operates.

Good governance is key to the delivery of its organisational objectives. The Development Corporation governance function is delivered through a shared services agreement with the Tees Valley Combined Authority.

The effective and transparent oversight of its growing responsibilities is reliant upon maintaining robust governance arrangements, which ensure the effective delivery of its activities, good decision-making, transparency and the active identification and management of risk. This ensures that public money is safeguarded and properly accounted for and used economically, efficiently and effectively.

### 4. The Purpose of the Governance Framework

Meaningful and dynamic corporate governance establishes the conditions and culture for the Development Corporation to work effectively, economically, and ethically.

The governance framework comprises the systems and procedures the Development Corporation believes will achieve its strategic objectives and deliver its activities in an appropriate and cost-effective way.

Good governance is at the heart of ensuring successful delivery of its ambitions and plans for Hartlepool. A strong governance framework will enable the Development Corporation to monitor the achievement of these ambitious plans, ensuring transparency, public accountability and a system of internal control, which allows it to effectively manage and report on risk.

## 5. The Key Elements of the Governance Framework

The following arrangements are in place to quantify the quality of the Development Corporation's services, ensure that they are delivering its objectives and make certain that it is providing value for money.

### a. The Constitution

The responsibilities of those delivering services to the Development Corporation and its Board Members is clearly laid out in the Development Corporation's Constitution. The Constitution, subject to annual review, explicitly documents how the Development Corporation operates, responsibilities for specific functions, schemes of delegation and how decisions are made.

The Constitution clearly sets out how both the activities of the Board and Senior Officers will be subject to a robust set of checks and balances, and details how this scrutiny process will be delivered.

The Hartlepool Development Corporation Constitution can only be amended following agreement by the Tees Valley Combined Authority Cabinet ('Cabinet'), following a proposal from the Development Corporation Board.

Following establishment of the Development Corporation in February 2023, the Board formally adopted its Constitution on 20 March 2023. Following adoption of the Development Corporation Constitution, there have been a number of updates and revisions. The Constitution was most recently updated by TVCA Cabinet at its June 2025 meeting.

These arrangements are designed to be consistent with all legislative requirements and with the principles and best practice outlined in the Chartered Institute of Public Finance and Accountancy (CIPFA) guidance.

This Annual Governance Statement details how the Development Corporation has complied with this framework and how it has met its responsibilities under the Local Audit and Accountability Act 2014 and Accounts and Audit Regulations 2015.

b. The Board

The Board is the decision-making body of the Development Corporation. The Development Corporation Constitution in 2024/25 provided that the Tees Valley Mayor and an Elected Member of Hartlepool Council be among the Development Corporation's membership. For the year 2024/25 the Tees Valley Mayor has acted as Chair of the Board and the Leader of Hartlepool Borough Council as Vice Chair.

For the remainder of the Board, the membership is derived in accordance with the Localism Act 2011 (to be read in conjunction with the Tees Valley Combined Authority (Functions) Order 2017 and the Local Democracy, Economic Development and Construction Act 2009). The Membership of the Board is appointed by the Tees Valley Mayor. When considering the appointment of Members to the Corporation Board, prospective members are asked to complete a skills matrix highlighting the skills they will bring to the Board. This is reviewed alongside the skills matrix for the wider Board

as a whole, to ensure that the skills of the Board are appropriate for the requirements of the Development Corporation.

At its Annual General Meeting on 27 June 2024, TVCA Cabinet approved the proposal from the Tees Valley Mayor to appoint 11 Members to the Development Corporation Board, including the Mayor of the Tees Valley and the Leader of Hartlepool Borough Council. This was in recognition, by the Tees Valley Mayor, of the need to increase the scope and skillset of the Development Corporation Board. This was an increase in the number of members on the Board, which required an approval by the Board and an amendment to the Hartlepool Development Constitution, increasing members from a minimum of six (five Board members plus the TVCA Mayor) and a maximum of eight Board Members in total. At its meeting on 2 July 2024, the Development Corporation Board approved the increase of the Development Corporation Membership to a minimum of six and a maximum of ten Board Members in total, in addition to the Tees Valley Mayor and an elected Member of Hartlepool Borough Council.

Board Members should be clear about what is expected of them and in turn should receive appropriate support and training from the Development Corporation. Officers have ensured that Board Members are aware of what is expected of them, and what support is available from the Development Corporation. Following this, a formal appraisal process for Board Members will be introduced and implemented during the municipal year 2025/26. This initiative reflects the Corporation's ongoing commitment to strong governance and continuous improvement. The appraisal process will provide a structured framework for reviewing individual contributions, identifying development needs, and supporting the overall effectiveness of the Board. It will also help ensure that Members continue to bring the appropriate skills, experience, and strategic insight required to fulfil the Corporation's objectives and statutory responsibilities.

The Government guidance on *Mayoral Development Corporations in combined authorities and combined county authorities: Guidance on legislation and scrutiny* was published on 3 April 2025 and provides additional clarity and guidance on the Membership of Mayoral Development Corporations. Following publication of this guidance, the Tees Valley Mayor has stepped down from the Development Corporation Board, and Mark Robinson has been appointed to the Chair following an external recruitment process.

c. Planning Board

On its creation and pursuant to Section 202 of the Localism Act 2011, Hartlepool Development Corporation became the Planning Authority for the Development Corporation area. To that end, the Development Corporation has a Planning Board, which discharges these responsibilities in accordance with all appropriate regulations and legislation.

The Development Corporation has an approved Planning Scheme of Delegation to enable certain planning decisions to be taken by its Head of Planning, under delegation. All other relevant planning applications are considered by the Planning Board.

d. Audit & Governance Committee

The Audit & Governance Committee is a statutory committee, assuring sound governance and financial management of the Development Corporation. The majority of the Members of the Audit & Governance Committee are independent members, derived from the public and private sector, based on their skills and experience. The Tees Valley Combined Authority Audit & Governance Committee also appoints a representative to the Development Corporation Audit & Governance Committee – for the year 2024/25 this was the Hartlepool Borough Council representative. This ensures that there is a

clear link between the oversight of the Development Corporation and the oversight of the Tees Valley Combined Authority.

This committee oversees the operation of the Development Corporation risk management arrangements and financial management, considers and reviews its Internal Audit arrangements and reviews its Financial Statements.

To ensure that the Committee meets all its statutory responsibilities, the Committee approves annually and keeps up to date an annual work plan.

e. Risk Management Framework

The Development Corporation operates a comprehensive and proactive Risk Management Framework and Policy adopting ISO 31000 best practice and Orange Book guidance. The Risk Management Framework and Policy outlines its commitment to Risk Management and the approach to be followed to ensure effective identification, evaluation, and response to risk. Risk Management is an essential part of good operational and project management and is the responsibility of all those working across the Development Corporation. A comprehensive Strategic Risk Register is managed through a Risk Management automated platform, reviewed by Senior Officers on a regular basis in line with the Development Corporation's risk appetite and scrutinised by the Development Corporation's Audit & Governance Committee.

f. Internal Audit

For 2024/25 the Development Corporation's Internal Audit function was undertaken by TIAA Limited. Its purpose is to ensure compliance with the relevant standards and statutory requirements. The service liaises with relevant statutory and senior officers throughout the year to develop and maximise the effectiveness of the Development

Corporation's internal control systems and delivers an annual report on the quality of its processes.

As internal auditors, TIAA is afforded a period of time prior to the start of Audit & Governance Committees to enable Members to speak with the Auditor without officers in the room so that the Auditors and Members can discuss any concerns that may exist.

Internal Audit plans for the year are approved by the Development Corporation Audit & Governance Committee, following a discussion with Members and Senior Officers. The Audit & Governance Committee receives regular updates on the Internal Audit Plan throughout the year, and it will provide an annual report to the Development Corporation Board towards the end of the municipal year.

g. External Audit

The Development Corporation's External Audit service for the years 2023/2024 to 2028/2029 is provided by EY. The purpose of the External Auditor is to provide an opinion on the accounts and the Development Corporation's arrangements for securing economy, efficiency, and effectiveness in its use of resources.

The external auditor, EY, is the regulated and independent professional firm appointed with a statutory mandate to audit the Development Corporation. They are responsible to "those charged with governance". The Local Audit and Accountability Act 2014 sets out the framework for audit of local authorities, including development corporations.

On 4 June 2025, the Development Corporation's Auditor issued a letter to the Development Corporation under Section 24, Schedule 7(2) of the Local Audit and Accountability Act 2014, highlighting a number of concerns in relation to the capacity of the finance team within TVCA, which provides financial services to the Development

Corporation. Concerns were also raised in respect of the timeliness of the accounts inspection period and the publication of the Annual Governance Statement for the 2023/24 audit period. The Board has received a comprehensive report and action plan designed to address the statutory recommendations in full. This report was approved by Board on 19 June 2025, and the External Auditor has approved the statutory notice in response to the Auditor recommendations letter. This notice, alongside all relevant paperwork, will be published in line with statutory requirements.

h. Monitoring Officer

The Development Corporation has arrangements to ensure compliance with relevant laws, regulations, internal policies and procedures, and that expenditure is lawful. The Development Corporation utilises the Tees Valley Combined Authority's appointed Group Chief Legal Officer, who is the Development Corporation's Monitoring Officer, through a shared services arrangement. In addition to the Monitoring Officer, the Development Corporation has a dedicated legal advisor provided through the shared services arrangement with the Tees Valley Combined Authority. This is to ensure that the Monitoring Officer can advise on statutory responsibilities and the qualified legal advisor can focus on advising the Board on legal matters. It also ensures that the risk of any conflict of interest is reduced. The Government guidance on *Mayoral Development Corporations in combined authorities and combined county authorities: Guidance on legislation and scrutiny* which was published on 3 April 2025, provides clarity on the role of the Development Corporation's Monitoring Officer confirming that the Combined Authority's Monitoring Officer, should assume responsibility as Monitoring Officer for the Development Corporation.

i. Chief Finance Officer and Financial Arrangements

In accordance with the requirements of Section 73 of the 1985 Local Government Act, the Development Corporation has appointed a suitably qualified Chief Finance Officer. The Group Director of Finance and Resources for TVCA fulfils this statutory role. The Group Director of Finance and Resources also fulfils a similar role for the Tees Valley Combined Authority, South Tees and Middlesbrough Development Corporations, ensuring transparency on group finance and resources issues.

The Chief Finance Officer is responsible for:

- the operation of a robust system of budgetary control, including quarterly and annual financial reports indicating financial performance against forecasts;
- ensuring that the Authority's finance function is appropriately resourced;
- assessing the short, medium and long-term implications of all material business decisions;
- identifying and mitigating financial and organisational risks arising from them;
- aligning the Development Corporation's business and financial planning processes; and
- promoting good financial management throughout the organisation.

There are comprehensive budgeting systems in place and a robust system of budgetary control, including quarterly and annual financial reports, which indicate financial performance against forecasts. The Development Corporation's financial management arrangements conform to the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010).

j. Declarations of Interest and Code of Conduct

All Development Corporation Members are subject to a formal Code of Conduct, which forms part of the Development Corporation's Constitution and must complete, at least

annually, a formal Declaration of Interest, ensuring that this is kept up to date throughout the year.

In the interests of transparency, the member declarations are reviewed by the Monitoring Officer and published on the Development Corporation's website. The Chief Executive's Declaration of Interest is also published on the Development Corporation's website.

k. Gifts and Hospitality

The Development Corporation maintains a register of offers of Gifts and Hospitality made to its members and officers, even if these offers are declined. The Officer and Member Codes of Conduct prescribe how offers of gifts and hospitality should be dealt with.

l. Governance Arrangements

Through a Shared Services Agreement with the Tees Valley Combined Authority, a dedicated Governance team is in place to ensure that the Development Corporation is compliant with its regulatory responsibilities and to advise both members, employees and partner organisations. The team oversees a number of areas, including transparent decision-making, Declarations of Interest, Whistleblowing and Freedom of Information request handling.

m. Freedom of Information and Environmental Information Regulation Requests

The Development Corporation is subject to the provisions of the Freedom of Information Act 2000 and the Environmental Information Regulations 2004. The Governance team processes such requests on behalf of the Development Corporation.

A full-time Governance Officer is employed as a dedicated Freedom of Information Officer to handle all Freedom of Information requests along with support from the wider Governance team.

## 6. Governance Arrangements and Activity for 2024-2025.

### a. Hartlepool Development Corporation Board

During 2024/25, Hartlepool Development Corporation scheduled the following meetings to conduct its business:

- 20 May 2024 (*cancelled due to lack of business*)
- 17 June 2024 (*cancelled to allow for the appointment of Board Members at the TVCA Cabinet AGM*)
- 2 July 2024 – AGM (Attendance – 45%)
- 11 July 2024 (Attendance – 73%)
- 15 October 2024 (Attendance – 82%)
- 12 December 2024 (Attendance – 64%)
- 6 March 2025 (Attendance – 73%)

No meetings needed to be rearranged due to a lack of quoracy, but as noted above, two meetings were cancelled.

For the period 2024/25, the Development Corporation has carried out the following activities:

- (i) The Development Corporation has retained ownership of the Middleton Grange Shopping Centre. A shopping centre is a fast-moving commercial asset in respect of which decisions are often required relatively quickly. The Development Corporation has in place a Scheme of Delegation in relation to the shopping centre, which enables certain decisions to be made by officers outside of Board Meetings, within certain limited parameters. A number of decisions have been taken under the Scheme of Delegation, in relation to lettings, CAPEX, etc. and these are all reported to the next available Board meeting.
- (ii) Following a successful recruitment campaign, the Development Corporation successfully appointed three independent members to its Audit & Governance Committee.
- (iii) Approved the introduction of an Article 4 Direction in respect of planning for Houses in Multiple Occupation.
- (iv) Approved a Business Rates Policy.
- (v) Approved its Annual Governance Statement for 2023/24.
- (vi) Approved the Medium-Term Financial Plan and budget for 2024/25 in February 2024.
- (vii) Received updates on a number of matters including:
  - a. The Tees Valley Review
  - b. Creative Industries Cluster Focus Area
  - c. Urban Village Focus Area
  - d. Project Pipeline
  - e. Financial Matters, including regular budget updates and updates on the Medium-Term Financial Plan and Treasury Management activities.
  - f. Middleton Grange Shopping Centre

On 3 April 2025, in response to a recommendation in the Tees Valley Review, the Government issued *Mayoral Development Corporations in combined authorities and combined county authorities: Guidance on legislation and scrutiny*. The guidance was implemented in full at the TVCA AGM on 27 June 2025 and the Constitution was amended accordingly.

b. Planning Board

For the year 2024/25, the Planning Board membership has mirrored the membership of the Development Corporation Board.

During 2024/25, the Planning Board has considered 11 planning applications. In terms of the governance arrangements for the Planning Board, no Vice Chair of Planning has yet been appointed.

The Development Corporation Board has approved a Scheme of Delegation to the Head of Planning/Deputy Head of Planning to enable certain planning decisions to be taken by the Head of Planning/Deputy Head of Planning, with other matters reserved for the Planning Board.

In addition to the Scheme of Delegation, there is also an approved Terms of Reference and Speaking Note. For the year 2024/25, these planning documents were not incorporated into the Development Corporation's Constitution, but this will be addressed for the next municipal year.

c. Audit & Governance Committee

There are currently four members of the Development Corporation's Audit & Governance Committee.

Following its creation in February 2023, the Audit & Governance Committee was not able to meet formally until February 2025, some two years after the creation of the Development Corporation.

Although recruitment campaigns for membership for this Committee were launched, the Development Corporation found recruitment challenging. However, over time, three independent members have been appointed with two members being appointed in the year 2024/25 – in August 2024 and January 2025.

The Audit & Governance Committee met on 5 February 2025 (Attendance – 75%). The meeting of the Committee scheduled to take place in November 2024 was inquorate.

During the year 2024/25, the Audit & Governance Committee has carried out the following activities:

- Review of the Internal Audit Plan for 2024/25
- Received an update on the Summary of Internal Controls
- Received an update from its appointed External Auditors
- Reviewed draft financial statements and draft annual governance statement for 2023/24
- Received updates on risk
- Received updates on regulatory matters – access to information, complaints.

### Financial Reporting

During 2024/25, the Development Corporation maintained a robust and transparent financial reporting framework to support effective governance, strategic decision-making, and public accountability.

The following financial reports and processes were in place throughout the year:

- Monthly Financial Monitoring Reports: Provided internal oversight of revenue and capital expenditure against approved budgets. Reviews undertaken by the Development Corporation Manager and Group Financial Controller.
- Quarterly Budget Monitoring Reports: Presented to the Development Corporation Board, providing detailed analysis of financial performance, including updates on reserves, grant funding, and the financial position of key programmes and projects.
- Treasury Management Report: Delivered in accordance with the CIPFA Treasury Management Code, offering assurance on compliance with the Corporation's Treasury Management Strategy and borrowing activities.
- Annual Budget Report for 2024/25 and Medium-Term Financial Plan: Set out the Corporation's revenue and capital budgets for the year ahead, presented and approved by the Development Corporation board.
- Annual Statement of Accounts (Draft) prepared in line with statutory deadlines and accounting standards, providing a comprehensive view of the Development Corporation's financial position and performance for the financial year.
- Annual Treasury Management Strategy and Prudential Indicators: Approved by the Corporation as part of its budget-setting process, ensuring alignment with the Prudential Code.

These reporting arrangements have supported the Development Corporation in maintaining effective financial stewardship and have provided assurance to members and stakeholders throughout the year.

d. Access to Information – Freedom of Information Act 2000, Environmental Information Regulations 2004 and Data Protection Act 2018

For the period 2024/25 the Development Corporation has received:

- **one** Freedom of Information request
- **one** Subject Access Request
- **zero** requests under the Environmental Information Regulations 2004

The Development Corporation also received one complaint, which was still outstanding in terms of resolution at the end of the 2024/25 period. The organisation is taking steps to resolve the issue.

e. Internal Audit

As part of the 2024/25 internal audit planning process, an Audit Strategy and a standalone Internal Audit Report for Hartlepool Development Corporation (HDC) were initially requested from TIAA, the appointed internal auditor. However, due to the limited volume of activity within the Development Corporation during the period, it was determined that a standalone Internal Audit opinion would not be proportionate or feasible. Consequently, the internal audit approach for HDC was integrated into the overarching Tees Valley Combined Authority (TVCA) Internal Audit Strategy for 2024/25. Within this integrated strategy, internal audit reviews were scheduled to cover key areas, including procurement of consultants and governance arrangements.

An assurance review was conducted on the Development Corporation's project management, with specific focus on the Development Corporation's acquisition and management of the long lease for Middleton Grange Shopping Centre. The review examined the project's methodology, appraisal and approval processes, acquisition procedures, and the ongoing delivery and financial performance monitoring of the Centre.

The internal audit concluded that: *“There is a robust system of internal controls operating effectively to ensure that risks are managed and process objectives achieved.”*

The overall assessment was substantial assurance and no assurance or operational recommendations were identified as part of this review.

An assurance review of the Development Corporation’s governance was completed and received limited assurance. The review considered the role and operation of the Development Corporation’s Board and committees, to provide assurance that HDC has clearly defined governance arrangements in place and that they are operating in a robust and uniform manner. All recommendations have been accepted by the Development Corporation and actions to address the recommendations have been agreed with TIAA, with implementation by the end of the municipal year.

In TIAA’s opinion, sufficient assurance was carried out over the course of 2024/2025, resulting in an overall reasonable assurance audit report to be issued for the Development Corporation’s framework of governance, risk management and management of controls. To date the draft report has been received and concludes:

*“TIAA is satisfied that, for the areas reviewed during the year, Tees Valley Combined Authority, including areas reviewed at Middlesbrough Development Corporation and Hartlepool Development Corporation, has reasonable and effective risk management, control and governance processes in place.”*

f. External Audit

The external auditor, EY, has commenced its preparatory work for the annual audit. This includes detailed planning and risk assessment procedures to ensure a comprehensive

understanding of the Development Corporation's control environment and financial reporting processes. EY will present its Audit Strategy Memorandum at the next meeting of the Audit & Governance Committee. The Corporation remains committed to supporting the external audit process and ensuring full transparency and cooperation throughout.

Guidance anticipated for the sector and auditors on the rebuilding of assurance following disclaimed audits in previous years has not yet been published. Therefore, the focus of the external auditor for 2024/25 will be on the transactions and balances occurring in 2024/25 and not the rebuilding of assurance over prior periods. As a result, the external auditor expects to again modify its opinion on the 2024/25 statements and is currently considering the form of this modification.

g. Member Record of Interests

For the year 2024/25, all but one member of the Development Corporation Board and Audit & Governance Committee completed Declarations of Interest. The Board must be assured of a timely return of Record of Interests and will take steps to ensure this going forward.

## 7. Government Guidance on Mayoral Development Corporations

On 3 April 2025, the Ministry for Housing, Communities and Local Government issued *Mayoral Development Corporations in combined authorities and combined county authorities: Guidance on legislation and scrutiny*, in response to a recommendation in the Tees Valley Review. This Guidance makes a number of recommendations and clarifies the legislation in respect of Combined Authorities and Mayoral Development Corporations.

The guidance was implemented in full at the TVCA AGM on 27 June 2025 and the Constitution was amended accordingly.

## **8. Tees Valley Combined Authority Best Value Notice**

On 3 April 2025 the Government issued Tees Valley Combined Authority with a non-statutory Best Value Notice. Given the Development Corporation operates within the framework of the Tees Valley Combined Authority and receives services from it, it will need to consider TVCA's response to the Best Value Notice and ensure itself that the requirements contained therein have been addressed satisfactorily.

## **9. External Auditor Section 24 Notice**

As noted above, on 15 April 2025, the External Auditor for TVCA (EY) issued a letter under Section 24, Schedule 7(2) of the Local Audit and Accountability Act 2014 (Section 24 Letter), highlighting a number of concerns in relation to the capacity of the finance team within TVCA, which provides services to the Development Corporation.

Concerns were also raised in respect of the timeliness of the accounts inspection period and the publication of the Annual Governance Statement for the 2023/24 audit period. The Board has considered the impact of this letter on it, and how any identified risks are best addressed.

The Development Corporation and its Audit & Governance Committee will need to assure itself that the resource is in place to ensure the timely and compliant production and publication of Financial Statements and the Annual Governance Statement for 2024/25 and beyond. The Board has received a comprehensive report and action plan designed to address the statutory recommendations in full. This report was approved by the Board on 19 June 2025, and the External Auditors have approved the statutory

notice in response to the Auditor recommendations letter. This notice alongside all relevant paperwork will be published in line with statutory requirements.

## 10. Tees Valley Review

The Development Corporation must remain cognisant of the findings of the Tees Valley Review and ensure that the response to the recommendations, where these are relevant, continues to be embedded across all its work.

## 11. Conclusion

To address the concerns raised by the Development Corporation's external auditor in the Section 24 Letter, the Development Corporation will require assurances that it is able to meet all appropriate statutory deadlines, including ensuring that adequate internal processes are in place. Without these assurances, the Corporation cannot be satisfied that it is able to meet all relevant deadlines.

Learnings from the Tees Valley Review have been evidently beneficial, but the Development Corporation will need to assure itself that all appropriate changes and processes in respect of the recommendations of that review are embedded.

The Development Corporation will need to monitor the response to the Best Value Notice issued to the Tees Valley Combined Authority, given that it provides support services to the Development Corporation, to ensure that any effect on the Corporation is identified and addressed.

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## PLANNING UPDATE

### SUMMARY

Responsibility for the determination of planning applications within the Hartlepool Mayoral Development Corporation boundary lies with the Hartlepool Development Corporation [HDC].

In accordance with the approved Scheme of Delegation, 14 applications have been approved under delegated powers since the last Board Meeting on 11<sup>th</sup> June 2025. A further 4 applications will be reported to Board on 2<sup>nd</sup> September 2025.

### RECOMMENDATIONS

It is recommended that the Hartlepool Development Corporation Board note the updated position of planning service delivery and the status of planning applications submitted for consideration.

### DETAIL

1. Delivery of planning service functions relating to town and country planning and development control within the Hartlepool Mayoral Development Corporation area is now overseen by the Head of Planning with operational services delivered through Lichfields.
2. Since the Board meeting on 11<sup>th</sup> June 2025, 6 new planning applications have been submitted<sup>1</sup>. There are 18 valid planning applications currently being considered by HDC.
3. 14 applications have been determined under delegated powers since the last Board meeting. Details are provided in the accompanying schedule.

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<sup>1</sup> As of 13<sup>th</sup> August 2025 when report was prepared.

4. 2 applications at Queens Meadows Business Park will need to be reported to Board for determination, as required by the approved Scheme of Delegation.
5. Two applications have been submitted by the same application, the first of which proposes the erection of up to 210 dwellings and the second proposes the erection of 14no. employment buildings and up to a further 451,000sqft of employment floorspace. Officers have been liaising with the Applicant in response to objections received from consultees. Discussions between officers and the Applicant are ongoing. Two member site visits have now taken place. The applications were due be considered by the Board on 11<sup>th</sup> June 2025 however this meeting was not quorate and so this consideration has been deferred.
6. Local planning authorities in England are required to submit quarterly returns to central government to provide summary information relating to the number and status of planning and related applications in each quarter. The last submission was made by the Hartlepool Mayoral Development Corporation on 29<sup>th</sup> April 2025 and future quarterly returns will be submitted as required.
7. There are no new enforcement cases to report. There are now a total 3 enforcement cases ongoing.

## **FINANCIAL IMPLICATIONS**

8. There are no financial implications.

## **LEGAL IMPLICATIONS**

9. Planning Powers were conferred on to the Hartlepool Mayoral Development Corporation on 1 June 2023 giving HDC the power to determine planning applications within the redline boundary.

## **RISK ASSESSMENT**

10. This subject matter of this report is categorised as low risk. Existing management systems and daily routine activities are sufficient to control and reduce risk.

## **CONSULTATION & COMMUNICATION**

11. The subject of this report is a matter for HDC Board information only therefore no additional consultation and communication has been undertaken

## EQUALITY & DIVERSITY

12. This report does not impact on groups of people with protected characteristics.

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## Hartlepool Development Corporation

### Delegated Planning Decisions since last Board Meeting on 11<sup>th</sup> June 2025

Application Number	Address	Summary of Development	Delegated Decision	Decision
HMDC/2024/0015	Land to the rear of Deepdale Solutions, Queens Meadow	Reserved matters application for the appearance, landscaping, layout and scale for development for 2no. employment buildings (Use Class B2 and B8) and discharge of conditions 5, 7, 8, 9, 11, 13, 14, 15 and 16 on application H/2022/0208 for Outline planning permission with all matters reserved for B2 & B8 uses of the land	16th July 2025	Granted
HMDC/2024/0017	73 Church Street	Discharge of condition 4 to Prior Notification (P/2022/0016) for a proposed change of use from Class E to MA into 1, 5 bed apartment.	26th July 2024	Granted
HMDC/2024/0018	Land to the rear of Deepdale Solutions, Queens Meadow	Variation of Condition 6 (Flood Risk and Drainage) and 12 (BNG) on outline consent H/2022/0208	16th July 2025	Granted
HMDC/2024/0036	18 Whitby Street	Change of use to 15 student apartments	4th July 2025	Granted
HMDC/2024/0044	42-46 Church Street, Hartlepool	Full Planning Application - Change of use and alterations to create 25 bed HMO (Sui Generis)	17th July 2025	Granted
HMDC/2024/0045	42-46 Church Street, Hartlepool	Listed Building Consent - Change of use and alterations to create 25 bed HMO (Sui Generis)	17th July 2025	Granted
HMDC/2024/0055	3-5 Scarborough Street	Change of use from offices (Class E) to 7 bed HMO (Sui Generis) and associated external alterations to front	11th June 2025	Granted

		and rear elevations (amended description).		
HMDC/2024/0063	Queens Meadow Business Park, Hartlepool	Erection of café (use class E(b)) with associated parking	24TH June 2025	Withdrawn
HMDC/2025/0020	Hartlepool College Of Further Education, Stockton Street, Hartlepool, TS24 7NT	Installation of an electric spray booth and paint mixing room	10th July 2025	Granted
HMDC/2025/0021	Community Drug Centre, Whitby Street	Discharge of conditions 4, 8, 10, 11 and 15 on HMDC/2024/0046 (proposed demolition of existing substance misuse treatment centre and erection of building to be used a substance misuse treatment centre (Use Class E) with associated car parking and landscaping.	20th June 2025	Granted
HMDC/2025/0024	Bus Shelter 1701-0069, Winterbottom Avenue, Opposite Howbeck Lane	Replace existing Double-sided internally illuminated 6-sheet Bus Shelter advertising displays with Double-sided digital displays. Replacement digital displays will portray static advertising images that change every 10 seconds.	28th July 2025	Granted
HMDC/2025/0038	Queens Meadow Business Park	Non-material amendment to amend the design of Plot 1 in relation to application HMDC/2023/0019 for Hybrid application seeking (1) full planning permission for the erection of 2no. employment buildings (Use Class E(G)/B2/B8) with associated access, parking, landscaping and infrastructure; and (2) outline planning permission for the erection of 1no. employment building (Use Class E(G)/B2/B8) with associated access, parking,	24th June 2025	Granted

		landscaping and infrastructure with all matters reserved		
HMDC/2025/0045	TMD Friction UK Ltd, Oakesway, Hartlepool, TS24 0RE	Application to determine if prior approval is required for proposed installation, alteration or replacement of other Solar Photovoltaics (PV) equipment on the Roofs of Non-domestic Buildings	11th August 2025	Granted

## Current Live Applications

Application Number	Address	Summary of Development	Status
<a href="#">HMDC-2023-0031</a>	Land east of Queens Meadow Business Park, Hartlepool	Outline planning application (with all matters reserved apart from access) for the erection of up to 210 dwellings (Use Class C3) with associated infrastructure, access and landscaping	Received 5 <sup>th</sup> December 2023  Under consideration and will come to Board on 11 <sup>th</sup> June 2025  SITE VISIT UNDERTAKEN
<a href="#">HMDC-2023-0032</a>	Land at Queens Meadow Business Park	Hybrid application for 1) Outline planning permission (with all matters reserved) for the erection of up to 451,000sqft of employment floorspace (Use Class B2/B8) with associated infrastructure, access and landscaping; and 2) full planning permission for the erection of 14no. employment buildings (Use Class B2/B8) with associated infrastructure, access and landscaping	Received 5 <sup>th</sup> December 2023  Under consideration and will come to Board on 11 <sup>th</sup> June 2025  SITE VISIT UNDERTAKEN
<a href="#">HMDC-2024-0037</a>	Land at Maritime Avenue, Fleet Avenue and Mainsforth Terrace	Section 73 application to vary conditions 2,3 7, 10, 11, 16, 17, 18 and 19 of planning permission H/FUL/0638/01 for the construction of apartments, houses, offices, food takeaway unit, retail outlet, business units, nursing home, nursery school/creche together with associated parking and external works units, nursing home, nursery school/creche together with associated parking and external works	Received 4 <sup>th</sup> September 2024.  Validated 31 <sup>st</sup> October 2024.  BOARD MINDED TO GRANT SUBJECT TO COMPLETION OF S106 AGREEMENT  DISCUSSIONS WITH APPLICATION STILL ONGOING
<a href="#">HMDC-2024-0054</a>	Saica Pack	Discharge of conditions 6, 8, 9, 12, 13, 14, 17, 19, 20, 21, 24 on HMDC-2024-0038 (Erection of employment building with associated access, infrastructure and landscaping).	Received and validated on 12 <sup>th</sup> December 2024  Under Consideration
<a href="#">HMDC-2025-0009</a>	47 Church Street, Hartlepool	Discharge of conditions 1, 2, 3, 4, 5, 7, and 8 on HMDC/2024/0031 for Change of use to 13-bed HMO (Sui Generis)	Received 7 <sup>th</sup> February 2025  Validated 7 <sup>th</sup> March 2025  Under Consideration

<b>Application Number</b>	<b>Address</b>	<b>Summary of Development</b>	<b>Status</b>
HMDC/2025/0015	21-27 Scarborough Street	Change of use of ground floor to Class E and first floor to 3no. Class C3 residential flats, erection of 2 storey rear extension, replacement timber windows, refurbishments to front elevations and associated internal alterations (Retrospective)	Received 15 <sup>th</sup> July 2025 Validated 15 <sup>th</sup> July 2025 Under Consideration
HMDC/2025/0022	Land at entrance to Queens Meadow Business Park	Erection of drive-thru restaurant (Use Class E), Petrol Filling Station (Sui Generis) and Electric Vehicle charging stations, with associated car parking, landscaping, and other works	Received 23 <sup>rd</sup> April 2025 18 <sup>th</sup> June 2025 Under consideration
<a href="#">HMDC-2025-0025 - The Vault</a>	The Vault, 28 Whitby Street	Change of Use from licensed premises (Sui Generis) to flexible office / workshop space (Class E) and external alterations including change to roof pitch	Received 23 <sup>rd</sup> May 2025 Validated 23 <sup>rd</sup> May 2025 Under Consideration
<a href="#">HMDC-2025-0026 - 21 to 25 Whitby Street</a>	21-25 Whitby Street	Change of use of upper floors from residential (Class C3) to flexible office / workshop space and ancillary uses within Use Class E (Ground floor to remain in Class E Use) and external alterations.	Received 23 <sup>rd</sup> May 2025 Validated 23 <sup>rd</sup> May 2025 Under Consideration
<a href="#">HMDC-2025-0027 - The Northern Studios</a>	10-14 Church Street, 16 Church Street, The Northern Studios, & Land South of Surtees Street	Partial demolition, material changes to the external appearance and Change of Use from Class E to Sui Generis (development ancillary to a Film Studio) of 10-14 Church Street, Partial demolition, internal and external renovations, and change of use from a licensed premises (Sui Generis) to a use ancillary to a film studio (Sui Generis) of The Shades (16 Church Street), partial demolition with replacement studio extensions to The Northern Studios, 2 'unit bases' (trailer parking / lay down area / siting of temporary support buildings), stopping up of John Street and Surtees Street, proposed substation and security building, entrance feature, associated infrastructure and engineering works, security fencing, car parking, and landscaping works.	Received 23 <sup>rd</sup> May 2025 Validated 23 <sup>rd</sup> May 2025 Under Consideration

Application Number	Address	Summary of Development	Status
HMDC/2025/0029			
<a href="#">HMDC-2025-0030 - The Shades (16 Church Street)</a>	The Shades Hotel, 16 Church Street	Listed Building Consent for 'Proposed repairs and renovation including removal of stucco render from external walls and replacement with lime based render, faience restoration, stone repairs, removal of existing paint covering to stone work and replacement with specialist paint coating, restoration of stained glass window, replacement of windows and doors, installation of lift and associated partial removal of stone slab; and demolition of rear extension.'	Received 23 <sup>rd</sup> May 2025 Validated 23 <sup>rd</sup> May 2025 Under Consideration
HMDC/2025/0034	Land adjacent to slipway into Jackson Dock	Change of use and external alterations to create multi-functional Public Events Space	Received 5 <sup>th</sup> June 2025 Invalid
HMDC/2025/0039	Community Drug Centre, Whitby Street	Discharge of condition 3 on HMDC/2024/0046 (proposed demolition of existing substance misuse treatment centre and erection of building to be used a substance misuse treatment centre (Use Class E) with associated car parking and landscaping).	Received 26 <sup>th</sup> June 2025 Validated 26 <sup>th</sup> June 2025 Under consideration
HMDC/2025/0041	7/7A Bank Chambers, Church Square	Change of use of vacant beauty salon (Use Class E) at ground floor into Bar (Use Class Sui Generis) and upper floors into 8-bed HMO.	Received 2 <sup>nd</sup> July 2025 Validated 7 <sup>th</sup> July 2025 Under consideration
HMDC/2025/0043	10A Tower Street	Change of use of ground floor from Class E to Bar (Sui Generis)	Received 2 <sup>nd</sup> July 2025 Validated 2 <sup>nd</sup> July 2025 Under consideration
HMDC/2025/0046	The Ward Jackson, 7 Church Square, Hartlepool, TS24 7EU	Replacement of damaged windows to principal elevations and roof works including, removal of HVAC equipment, re-roofing, installation of new plant screen and reinstatement of HVAC equipment	Received 31 <sup>st</sup> July 2025 Validated 1 <sup>st</sup> August 2025 Under consideration
HMDC/2025/0047	48 Church Street	Discharge of conditions 3 and 4 on HMDC/2025/0002 (Change of use of ground floor and lower ground floor	Received 8 <sup>th</sup> August 2025 Under consideration

Application Number	Address	Summary of Development	Status
		to bar and restaurant premises E(b) (Retrospective) and alterations to rear elevation to provide enlarged opening with double doors to refuse store).	

### Current Enforcement Cases

Address	Unauthorised Works and date reported	Requirement of Enforcement Notice	Status
37 Church Street	Installation of white UPVC window frames 6 <sup>th</sup> November 2023	Remove and replace with timber frames	Timber frames have been installed but officers reviewing design.
9 Upper Church Street	Removal of front dormer window	Reinstate timber dormer	Period for compliance ended 20 <sup>th</sup> April. Papers currently being prepared by solicitors to enable prosecution in magistrate's court.
Engineers Social Club, 28 Raby Road, TS24 8AE	Unauthorised felling of 4 TPO'd trees. 26 <sup>th</sup> March 2025	N/A	Discussions underway with new owner regarding re-planting and wider plans for the site.

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The appendices to this report are not for publication under the terms of paragraph 3 (information relating to the financial or business affairs of any particular person (including the authority holding that information); of schedule 12a Local Government Act 1972.)

Agenda Item 8

Report to the Hartlepool Development Corporation Board

2 September 2025

Report of Group Legal Manager

## URGENT & DELEGATED DECISIONS

### SUMMARY

This report provides an update for the Hartlepool Development Corporation (HDC) Board of Delegated and Urgent Decisions taken since the last Development Corporation Board meeting on 19 June 2025

### RECOMMENDATIONS

It is recommended that the Hartlepool Development Corporation Board:

- i. **NOTES** the Delegated Decision detailed in paragraph 3 and confidential **Appendix 1**.
- ii. **NOTES** the Delegated Decision detailed in paragraph 4 and confidential **Appendix 2**.
- iii. **NOTES** the Delegated Decision detailed in paragraph 5 and confidential **Appendix 3**.
- iv. **NOTES** the Delegated Decision detailed in paragraph 6 and confidential **Appendix 4**.
- v. **NOTES** the Delegated Decision detailed in paragraph 7 and confidential **Appendix 5**.
- vi. **NOTES** the Delegated Decision detailed in paragraph 8 and confidential **Appendix 6**.
- vii. **NOTES** the Delegated Decision detailed in paragraph 9 and confidential **Appendix 7**.
- viii. **NOTES** the Delegated Decision detailed in paragraph 10 and confidential **Appendix 8**.
- ix. **NOTES** the Delegated Decision detailed in paragraph 11 and confidential **Appendix 9**.
- x. **NOTES** the Urgent Decision detailed in paragraph 12 and confidential **Appendix 10**.
- xi. **NOTES** the Urgent Decision detailed in paragraph 13 and confidential **Appendix 11**.
- xii. **NOTES** the Urgent Decision detailed in paragraph 14 and confidential **Appendix 12**.
- xiii. **NOTES** the Urgent Decision detailed in paragraph 15 and confidential **Appendix 13**.
- xiv. **NOTES** the Urgent Decision detailed in paragraph 16 and confidential **Appendix 14**.
- xv. **NOTES** the Urgent Decision detailed in paragraph 17 and confidential **Appendix 15**.
- xvi. **NOTES** the Urgent Decision detailed in paragraph 18 and confidential **Appendix 16**.

## DETAIL

1. Attached to this report are eight Delegated Decision Forms and seven Urgent Decision Forms.
2. The records contain commercially sensitive information pertaining to tenants of Middleton Grange Shopping Centre and information in respect of which a claim to legal professional privilege could be maintained in legal proceedings. The details of some of the delegated and urgent decisions are therefore not for publication under paragraph 3 (information relating to the financial or business affairs of any particular person (including the authority holding that information)) and paragraph 5 (Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings) of Schedule 12A of the Local Government Act 1972.

### Delegated Decisions

3. The Delegated Decision below has been taken in line with the Delegations to Senior Officers as set out in Part 4 of the HDC Constitution:
  - a. A decision was made to serve an enforcement notice on the owner of a property in the Hartlepool area following unauthorised works to a property. The Board delegated the authority to the Monitoring Officer to withdraw, conduct, settle or appeal any administrative action and/or any legal proceedings on behalf of the Development Corporation- page 70 of the HDC constitution.
  - b. A copy of the Delegated Decision form, recording the action taken by those officers to whom delegated authority was given, is attached at confidential **Appendix 1**.
4. The Delegated Decision below has been taken in line with the Delegations to Senior Officers as set out in Part 4 of the HDC Constitution:
  - a. A decision was made to serve a notice under Section 12 of the Torts (Interference with Goods) Act 1977 on a Tenant who ceased operating and vacated a unit at the centre at the end of April 2025. The tenant left behind a number of items at the unit. Hartlepool Development Corporation is currently an involuntary bailee of the goods and must not dispose of the goods until a formal legal process under Section 12 of the Torts (Interference with Goods) Act 1977 whereby the Tenant has been given an opportunity to collect the goods before the goods subsequently vest in HDC and can be sold or otherwise disposed of.

The Board delegated the authority to the Monitoring Officer to withdraw, conduct, settle or appeal any administrative action and/or any legal proceedings on behalf of the Development Corporation- page 70 of the HDC constitution.

- b. A copy of the Delegated Decision form, recording the action taken by those officers to whom delegated authority was given, is attached at confidential **Appendix 2**.
5. The Delegated Decision below has been taken in line with the Middleton Grange Shopping Centre Scheme of Delegation, as agreed by the board on 11 July 2024, under item 10.3:
  - a. A decision was made to agree and award new lease terms with an existing Tenant of a unit within Middleton Grange Shopping Centre. The lease terms were negotiated by external property retail consultants engaged on behalf of Hartlepool Development Corporation. The Board delegated authority to Hartlepool Development Corporation Statutory Officers to enter into any letting with a rent value up to £150,000pa.
  - b. A copy of the Delegated Decision form, recording the action taken by those officers to whom delegated authority was given, is attached at confidential **Appendix 3**.
6. The Delegated Decision below has been taken in line with the Middleton Grange Shopping Centre Scheme of Delegation, as agreed by the board on 11 July 2024, under item 10.3:
  - a. A decision was made to agree a rent review with an existing Tenant of a unit within Middleton Grange Shopping Centre. The rent review terms were negotiated by external property retail consultants engaged on behalf of Hartlepool Development Corporation. The Board delegated authority to Hartlepool Development Corporation Statutory Officers to enter into any letting with a rent value up to £150,000pa.
  - b. A copy of the Delegated Decision form, recording the action taken by those officers to whom delegated authority was given, is attached at confidential **Appendix 4**.
7. The Delegated Decision below has been taken in line with the Delegations to Senior Officers as set out in Part 4 of the HDC Constitution:
  - a. A decision was made to serve a notice under Section 12 of the Torts (Interference with Goods) Act 1977 on a Tenant who ceased operating and vacated a unit at the centre in June 2025. The Tenant left behind a number of items at the unit. Hartlepool Development Corporation is currently an involuntary bailee of the goods and must not dispose of the

goods until a formal legal process under Section 12 of the Torts (Interference with Goods) Act 1977 whereby the tenant has been given an opportunity to collect the goods before the goods subsequently vest in HDC and can be sold or otherwise disposed of. The Board delegated the authority to the Monitoring Officer to withdraw, conduct, settle or appeal any administrative action and/or any legal proceedings on behalf of the Development Corporation - page 70 of the HDC constitution.

- b. A copy of the Delegated Decision form, recording the action taken by those officers to whom delegated authority was given, is attached at confidential **Appendix 5**.
8. The Delegated Decision below has been taken in line with the Delegations to Senior Officers as set out in Part 4 of the HDC Constitution:
  - a. A decision was made to enter into a Settlement Deed with a tenant of the Middleton Grange Shopping Centre which provides that HDC shall pay a financial settlement sum to the Tenant in lieu of the Tenant and HDC each releasing the other of all actions, claims, rights, demands etc in this matter. An additional decision was made to enter into a Deed of Surrender with the Tenant to surrender the Tenant's lease at the Centre. The Board delegated the authority to the Monitoring Officer to withdraw, conduct, settle or appeal any administrative action and/or any legal proceedings on behalf of the Development Corporation - page 70 of the HDC constitution.
  - b. A copy of the Delegated Decision form, recording the action taken by those officers to whom delegated authority was given, is attached at confidential **Appendix 6**.
9. The Delegated Decision below has been taken in line with the Delegations to Senior Officers as set out in Part 4 of the HDC Constitution:
  - a. A decision was made to commence CRAR proceedings against a Tenant at the Middleton Grange Shopping Centre to recover rent arrears. Despite being continuously chased for the debt and threatened with legal action, the Tenant had failed to pay rent and service charge in connection with their occupation of a unit at the Centre. It is considered that commencing CRAR proceedings against the Tenant is an effective way of pursuing debt. The Board delegated the authority to the Monitoring Officer to withdraw, conduct, settle or appeal any administrative action and/or any legal proceedings on behalf of the Development Corporation- page 70 of the HDC constitution.

- b. A copy of the Delegated Decision form, recording the action taken by those officers to whom delegated authority was given, is attached at confidential **Appendix 7**.
10. The Delegated Decision below has been taken in line with the Middleton Grange Shopping Centre Scheme of Delegation, as agreed by the board on 11 July 2024, under item 10.3.
  - a. A decision was made to agree to the terms of a renewal lease and complete a renewal lease with a Tenant at the Middleton Grange Shopping Centre. The lease terms were negotiated by external property retail consultants engaged on behalf of Hartlepool Development Corporation. The Board delegated authority to Hartlepool Development Corporation Statutory Officers to enter into any letting with a rent value up to £150,000pa.
  - b. A copy of the Delegated Decision form, recording the action taken by those officers to whom delegated authority was given, is attached at confidential **Appendix 8**.
11. The Delegated Decision below has been taken in line with the Middleton Grange Shopping Centre Scheme of Delegation, as agreed by the board on 11 July 2024, under item 10.3.
  - a. A decision was made to agree to the terms of a new lease and complete a new lease with a Tenant at the Middleton Grange Shopping Centre. The lease terms were negotiated by external property retail consultants engaged on behalf of Hartlepool Development Corporation. The Board delegated authority to Hartlepool Development Corporation Statutory Officers to enter into any letting with a rent value up to £150,000pa.
  - b. A copy of the Delegated Decision form, recording the action taken by those officers to whom delegated authority was given, is attached at confidential **Appendix 9**.

### Urgent Decisions

12. The Urgent Decision below was taken in respect of Middleton Grange Shopping Centre on 28 April 2025 by the Interim Chief Executive exercising his delegated power in accordance with Procedure Rule 20, Hartlepool Development Corporation Constitution:

- a. A decision was made to approve acceptance of an offer from a Tenant at Middleton Grange Shopping Centre to settle their rent and service charge arrears. The decision authorised HDC to enter into a Settlement Agreement with the Tenant to formalise the settlement and to delegate to the Group Chief Legal Officer and Monitoring Officer authority to sign the Settlement Agreement on behalf of HDC; to approve the writing off of the remaining rent arrears; to authorise the commissioning of a survey and preparation of a schedule of dilapidations in respect of the unit and, if required, issuing of a dilapidations claim to secure reinstatement of the Premises to a satisfactory condition.
  - b. A copy of the Urgent Decision recording the action the action taken by those officers who exercised their delegated authority in accordance with the HDC Constitution is attached at confidential **Appendix 10**.
13. The Urgent Decision below was taken in respect of Middleton Grange Shopping Centre on 30 May 2025 by the Interim Chief Executive exercising his delegated power in accordance with Procedure Rule 20, Hartlepool Development Corporation Constitution:
  - a. A decision was made to approval a six-month contract extension for Cool Blue to continue marketing and communications services at Middleton Grange Shopping Centre through to 30 November 2025.
  - b. A copy of the Urgent Decision recording the action the action taken by those officers who exercised their delegated authority in accordance with the HDC Constitution is attached at confidential **Appendix 11**.
14. The Urgent Decision below was taken in respect of Middleton Grange Shopping Centre on 18 May 2025 by the Interim Chief Executive exercising his delegated power in accordance with Procedure Rule 20, Hartlepool Development Corporation Constitution:
  - a. A decision was made to issue a wayleave agreement to a telecommunications operator to install electronic communication apparatus at a unit within the Middleton Grange Shopping Centre. The equipment is required by the tenant to upgrade the telecommunication accessibility in the unit in order to facilitate technology upgrades. As the cables and equipment are being installed outside of the tenant's unit, HDC consent was required.
  - b. A copy of the Urgent Decision recording the action the action taken by those officers who exercised their delegated authority in accordance with the HDC Constitution is attached at confidential **Appendix 12**.

15. The Urgent Decision below was taken in respect of Middleton Grange Shopping Centre on 10 July 2025 by the Chief Executive exercising his delegated power in accordance with Procedure Rule 20, Hartlepool Development Corporation Constitution:
  - a. A decision was made to oppose the granting of a new lease of a Unit to a Tenant at the Middleton Grange Shopping Centre. The unit currently occupied by the Tenant is located within an area of the Centre which is intended to be re-developed as part of the Hartlepool Town Deal. The Town Deal includes a 'reimagining' of the Centre and is intended to include delivery of a restored and repurposed Grade II heritage building, the former Binns Department Store designed for new flexible, mixed use space and new civic public space. On the basis that this part of the Centre is intended to be re-developed and the continued occupation of the Unit by the Tenant may result in difficulties obtaining vacant possession of the Unit to enable re-development, a decision was made for HDC to oppose the grant of the new lease. As the Unit is located within an area of the Centre which is intended to be re-developed, the intended re-development scheme cannot take place while the Tenant remains in occupation of the Unit.
  - b. A copy of the Urgent Decision recording the action the action taken by those officers who exercised their delegated authority in accordance with the HDC Constitution is attached at confidential **Appendix 13**.
16. The Urgent Decision below was taken in respect of Middleton Grange Shopping Centre on 22 July 2025 by the Chief Executive exercising his delegated power in accordance with Procedure Rule 20, Hartlepool Development Corporation Constitution:
  - a. A decision has been made to agree to terms of a new lease with a Prospective Tenant. The lease terms were negotiated by external property retail consultants engaged on behalf of Hartlepool Development Corporation.
  - b. A copy of the Urgent Decision recording the action the action taken by those officers who exercised their delegated authority in accordance with the HDC Constitution is attached at confidential **Appendix 14**.
17. The Urgent Decision below was taken in respect of Middleton Grange Shopping Centre on 29 July by the Chief Executive exercising his delegated power in accordance with Procedure Rule 20, Hartlepool Development Corporation Constitution:
  - a. A Tenant occupied a unit at the Middleton Grange Shopping Centre under a lease which ended in June 2025. The Tenant vacated the

premises in June 2025. Asset managers for Middleton Grange Shopping Centre inspected the unit following the Tenant's departure and advised that the unit had not been left in a compliant condition in accordance with the terms of the lease. A decision has been made to authorise the commissioning of a survey and preparation of a Schedule of Dilapidations in respect of the unit and authorise the issue of a dilapidations claim against the Tenant to recover costs from the Tenant as a result of their failure to comply with the reinstatement provisions of the Lease.

- b. A copy of the Urgent Decision recording the action the action taken by those officers who exercised their delegated authority in accordance with the HDC Constitution is attached at confidential **Appendix 15**.
18. The Urgent Decision below was taken in respect of Middleton Grange Shopping Centre on 29 July by the Chief Executive exercising his delegated power in accordance with Procedure Rule 20, Hartlepool Development Corporation Constitution:
  - a. Hartlepool Development Corporation, as landlord of Middleton Grange Shopping Centre, received notice from an insolvency practitioner that a Tenant of a unit in the Centre proposed a restructure to their business due to financial difficulties. The Tenant commenced a procedure under Part 26A of the Companies Act 2006 to restructure its company debts and obligations to various creditors and instructed insolvency practitioners to propose a restructuring plan to its creditors. As the landlord of the Tenant, HDC is a creditor for the purposes of the rent, service charge, utilities and rates obligations under the Tenant's lease. A meeting of the creditors was held by the Tenant's insolvency practitioner at the beginning of August 2025 and it was open to HDC whether it wishes to vote at the meeting (either by attending or by proxy) or abstain from voting. A decision has been made for HDC to vote in favour of the Tenant's restructuring plan via proxy and to authorise the Group Legal Manager to complete and sign the relevant forms on HDC's behalf to give effect to this decision.
  - b. A copy of the Urgent Decision recording the action the action taken by those officers who exercised their delegated authority in accordance with the HDC Constitution is attached at confidential **Appendix 16**.

## FINANCIAL IMPLICATIONS

18. The financial implications in relation to each Delegated and Urgent Decision are identified within each decision form.



## LEGAL IMPLICATIONS

19. The decisions referred to in this report have been taken in accordance with the Hartlepool Development Corporation Constitution and delegations from the Board. Middleton Grange Shopping Centre Scheme of Delegation was agreed by the board on 11 July 2024, under item 10.3. The main body of the report identifies the specific delegations exercised by the Statutory Officers in accordance with the Scheme of Delegation and Constitution.

## RISK ASSESSMENT

20. This report is categorised as low to medium risk. Existing management systems and daily routine activities are sufficient to control and reduce risk.

## CONSULTATION & COMMUNICATION

21. Save for where provided in the Urgent or Delegated Decision Record, no consultation is required in relation to reporting to the Board.

## EQUALITY & DIVERSITY

22. It is not expected that the content of this report will have an adverse effect on any individual with protected characteristics.

**Name of Contact Officer:** Shaun Natrass  
**Post Title:** Group Legal Manager  
**Telephone Number:** 01325 792600  
**Email Address:** [Shaun.Natrass@teesvalley-ca.gov.uk](mailto:Shaun.Natrass@teesvalley-ca.gov.uk)



## RECORD OF THE EXERCISE OF DELEGATIONS TO CHIEF OFFICERS AS DETAILED IN THE HDC CONSTITUTION

This form should be used to record decisions taken in accordance with the delegations provided in the Hartlepool Development Corporation Constitution to one or more Chief Officers (as relevant) – Chief Executive, Section 73 Officer and Monitoring Officer.

<b>OFFICER:</b> DEPUTY MONITORING OFFICER	<b>DATE DECISION TAKEN:</b> 9 July 2025
<b>DECISION NO:</b> HDC AF12-2025	
<b>REFERENCE – TYPE OF DELEGATION</b> MO1(a)	<b>DELEGATION POWER AND PAGE OF CONSITUTION</b> Page 70 - 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>DETAILS OF DECISION:</b>  <u>Background</u>  Hartlepool Development Corporation (“HDC”), as local planning authority, served a notice under Section 171A of the Town and Country Planning Act 1990 dated 14 February 2024 (“Enforcement Notice”) on the owner of a property in the Hartlepool area (“the Owner”) following unauthorised works to a property (“the Property”), the confidential details of which are set out in Appendix A to this decision record.  The Notice required the Owner to submit architectural and construction plans for approval to reinstate the property to its former condition for HDC’s approval and thereafter to carry out such works within a specified period. A copy of the Notice can be found at confidential Appendix B to this decision record.  The Owner has subsequently failed to comply with the Notice and the property remains in the same condition following the unauthorised works. Section 179 of the Town and Country Planning Act 1990 makes it an offence  It is proposed that HDC serve further warning notice upon the Owner to allow for further time to comply with the Notice. Thereafter, should the Owner to comply with HDC’s requirements, HDC should issue court proceedings in order to prosecute the Owner for failure to comply with the Notice.  <u>Decision</u>  The following decisions have been made:  1. The Deputy Monitoring Officer authorises the service of a warning notice upon the Owner requiring compliance with the Notice; and 2. Should the Owner fail to comply with the requirements of the warning notice within the timeframe stipulated in the warning notice, the Deputy Monitoring Officer authorises the initiation of court proceedings to prosecute the Owner for failure to comply with the Notice.	

**FINANCIAL IMPLICATIONS:**

There are no financial implications arising directly from this decision.

**PROCESS OF PARTNER CONSULTATION:**

Prior to making this decision, the Deputy Monitoring Officer consulted with the Head of Planning and Chief Executive.

**ALTERNATIVE OPTIONS CONSIDERED AND REJECTED:**

Not to issue the warning notice or issue court proceedings – the unauthorised works will remain in situ and there will be no action taken to address the Owner's failure to comply with planning legislation.

**ACTUAL OR PERCEIVED CONFLICT OF INTEREST BY ANY OF THE DECISION-MAKERS:**

The Deputy Monitoring Officer of Hartlepool Development Corporation is also the Deputy Monitoring Officer of Tees Valley Combined Authority. This creates a perceived conflict of interest. By exercising this delegation, under the Hartlepool Development Corporation Constitution, the Deputy Monitoring Officer has considered whether this creates an actual conflict of interest. This decision will not adversely affect the Tees Valley Combined Authority, and as such, the decision maker is content that no actual conflict arises, such that the decision can be made free from such conflict.

**ANY OTHER INFORMATION TO BE INCLUDED AS PART OF THE DECISION RECORD:**

Please see the confidential details set out in Confidential Appendix A.

**SIGNATURE:**



DEPUTY MONITORING OFFICER

DATE: 14/07/2025

Date Reported to HDC Board

*Once fully complete and signed off please return to the Governance Team.*



## RECORD OF THE EXERCISE OF DELEGATIONS TO CHIEF OFFICERS AS DETAILED IN THE HDC CONSTITUTION

This form should be used to record decisions taken in accordance with the delegations provided in the Hartlepool Development Corporation Constitution to one or more Chief Officers (as relevant) – Monitoring Officer.

<b>OFFICER:</b>  Emma Simson, Group Chief Legal Officer and Monitoring Officer	<b>DATE DECISION TAKEN:</b>  22 May 2025
<b>DECISION NO:</b>  HDC AF-09-2025	
<b>REFERENCE – TYPE OF DELEGATION</b>  MO1(a) – Delegation to Monitoring Officer	<b>DELEGATION POWER AND PAGE OF CONSITUTION</b>  To withdraw, conduct, settle or appeal any administrative action and/or any legal proceedings on behalf of the Development Corporation – page 70 of HDC Constitution
<b>DETAILS OF DECISION:</b>  <p><u>Background:</u>          A tenant of Middleton Grange Shopping Centre (details of which are set out in confidential Appendix A to this record) served notice to vacate a unit at the Centre in January 2025. The tenant subsequently ceased operating and vacated a unit at the centre at the end of April 2025.</p> <p>The tenant has left behind a number of items at the unit, details of which are listed in confidential Appendix B to this record.</p> <p>Hartlepool Development Corporation (“HDC”) is currently an involuntary bailee of the goods and must not dispose of the goods until a formal legal process under Section 12 of the Torts (Interference with Goods) Act 1977 whereby the tenant has been given an opportunity to collect the goods before the goods subsequently vest in HDC and can be sold or otherwise disposed of.</p> <p><u>Decision:</u>          Decision taken to serve a notice under Section 12 of the Torts (Interference with Goods) Act 1977, a copy of which is attached to this record at confidential Appendix C.</p> <p>Appendices A, B and C to this record are not for publication on the basis that they contain information relating to the financial or business affairs of a particular person (Paragraph 3 of Schedule 12a Local Government Act 1972) and information in respect of which a claim to legal professional privilege could be maintained in legal proceedings (Paragraph 5 of Schedule 12a Local Government Act 1972).</p>	
<b>FINANCIAL IMPLICATIONS:</b>  There are no financial implications arising from this decision.	





## RECORD OF THE EXERCISE OF DELEGATIONS TO CHIEF OFFICERS AS DETAILED IN THE MIDDLETON GRANGE SHOPPING CENTRE SCHEME OF DELEGATION JUNE 2024

This form should be used to record decisions taken in accordance with the delegations provided in the Hartlepool Development Corporation Constitution to one or more Chief Officers (as relevant) – Chief Executive, Section 73 Officer and Monitoring Officer.

<b>OFFICER:</b> Interim Chief Executive, Section 73 Officer and Monitoring Officer	<b>DATE DECISION TAKEN:</b> 13 June 2025
<b>DECISION NO:</b> HDC AF10-2025	
<b>REFERENCE – TYPE OF DELEGATION</b> Delegation to HDC Statutory Officers - Middleton Grange Shopping Centre Scheme of Delegation (June 2024)	<b>DELEGATION POWER</b> Delegation to HDC Statutory Officers – Any letting with rent level up to £150,000 pa.
<b>DETAILS OF DECISION:</b>  <u>Background</u>  Hartlepool Development Corporation, as landlord of Middleton Grange Shopping Centre, is negotiating terms with a tenant of a unit within the Centre, the details of which are set out in confidential appendix A (“the Tenant”), to agree the renewal of their lease.  The Tenant has served a break notice to bring their current lease to end with effect from 3 August 2025. Notwithstanding the service of that notice, the Tenant has indicated their wish to remain at the Centre and has provisionally agreed the terms upon which the Tenant is willing to renew their lease.  Terms of the new lease have been negotiated by Barker Proudlove, HDC’s external retail property consultants, and a provisional agreement with the Tenant has now been reached. The proposed Heads of Terms are summarised in the attached confidential Appendix B and are set out in full in JLL’s recommendation at confidential Appendix C.  <u>Decision</u>  A decision has been made to agree to the terms of the renewal lease to the Tenant on the terms set out in the attached recommendation at confidential Appendix C and completion of the renewal lease on those terms.	
<b>FINANCIAL IMPLICATIONS:</b>	

The new proposed lease terms will result in a negative impact on the Net Operating Income of the unit. The terms also impose a cap on the service charge which the tenant is required to pay which will result in HDC being required to cover any service charge above this cap.

Should the Tenant proceed to vacate the unit as they have previously indicated was their intention, HDC could be liable for the full void costs for the unit which are estimated at £95,000 per annum.

The fees associated with the transaction are as follows:

Anthony Collins Solicitors:	£950.00 plus VAT
Barker Proudlove:	£1,500.00 plus VAT
JLL:	£1,500.00 plus VAT
<u>Total:</u>	<u>£3,950.00 plus VAT</u>

#### PROCESS OF PARTNER CONSULTATION:

There has been no partner consultation prior to making this decision.

#### ALTERNATIVE OPTIONS CONSIDERED AND REJECTED:

Not to agree to the recommended renewal terms – this may result in the Tenant refusing to renew their lease at consequently no longer operating from the Centre. This would consequently mean that HDC would need to cover the void costs for the unit and would result in the loss of a major national retailer at the Centre.

#### ACTUAL OR PERCEIVED CONFLICT OF INTEREST BY ANY OF THE DECISION-MAKERS:

The Interim Chief Executive of Hartlepool Development Corporation is also the Interim Chief Executive of Tees Valley Combined Authority. This creates a perceived conflict of interest. By exercising this delegation, under the Hartlepool Development Corporation Constitution, the Interim Chief Executive has considered whether this creates an actual conflict of interest. This decision will not adversely affect the Tees Valley Combined Authority, and as such, the decision maker is content that no actual conflict arises, such that the decision can be made free from such conflict.

The Group Director of Finance & Resources of Hartlepool Development Corporation is also the Group Director of Finance & Resources of Tees Valley Combined Authority. This creates a perceived conflict of interest. By exercising this delegation, under the Hartlepool Development Corporation Constitution, the Group Director of Finance & Resources has considered whether this creates an actual conflict of interest. This decision will not adversely affect the Tees Valley Combined Authority, and as such, the decision maker is content that no actual conflict arises, such that the decision can be made free from such conflict.

The Group Chief Legal Officer and Monitoring Officer of Hartlepool Development Corporation is also the Group Chief Legal Officer and Monitoring Officer of Tees Valley Combined Authority. This creates a perceived conflict of interest. By exercising this delegation, under the Hartlepool Development Corporation Constitution, the Group Chief Legal Officer and Monitoring Officer has considered whether this creates an actual conflict of interest. This decision will not adversely affect the Tees Valley Combined Authority, and as such, the decision maker is content that no actual conflict arises, such that the decision can be made free from such conflict.

#### ANY OTHER INFORMATION TO BE INCLUDED AS PART OF THE DECISION RECORD:

None

# TEES VALLEY

<p>SIGNATURE: </p> <p>INTERIM CHIEF EXECUTIVE</p> <p>DATE: <b>7/7/25</b></p>	<p>SIGNATURE: </p> <p>GROUP CHIEF LEGAL OFFICER AND MONITORING OFFICER</p> <p>DATE: <b>7/7/25</b></p>	<p>SIGNATURE: </p> <p>GROUP DIRECTOR OF FINANCE &amp; RESOURCES</p> <p>DATE: <b>7/7/25</b></p>
<p>Date Reported to HDC Board</p>		



## RECORD OF THE EXERCISE OF DELEGATIONS TO CHIEF OFFICERS AS DETAILED IN THE MIDDLETON GRANGE SHOPPING CENTRE SCHEME OF DELEGATION JUNE 2024

This form should be used to record decisions taken in accordance with the delegations provided in the Hartlepool Development Corporation Constitution to one or more Chief Officers (as relevant) – Chief Executive, Section 73 Officer and Monitoring Officer.

<b>OFFICER:</b> Interim Chief Executive, Section 73 Officer and Monitoring Officer	<b>DATE DECISION TAKEN:</b> 16 June 2025
<b>DECISION NO:</b> HDC AF11-2025	
<b>REFERENCE – TYPE OF DELEGATION</b> Delegation to HDC Statutory Officers - Middleton Grange Shopping Centre Scheme of Delegation (June 2024)	<b>DELEGATION POWER</b> Delegation to HDC Statutory Officers – Any letting with rent level up to £150,000 pa.
<b>DETAILS OF DECISION:</b>  <u>Background</u>  Hartlepool Development Corporation, as landlord of Middleton Grange Shopping Centre, has been negotiating a rent review with a tenant of a unit within the Centre, the details of which are set out in confidential appendix A (“the Tenant”).  The Tenant’s lease, which commenced in 2018, provides for a rent review date in December 2024. HDC’s external retail property consultants, Barker Proudlove, have negotiated the rent review terms and provisional agreement has been reached with the Tenant.  The proposed rent review terms are set out in confidential Appendix A.  A copy of JLL’s recommendation is set out in confidential Appendix B.  <u>Decision</u>  A decision has been made to:  1. Agree to the rent review for the remainder of the lease term on the terms set out in confidential Appendix A; and 2. Agree that a rent review memorandum be signed by the Group Chief Legal Officer and Monitoring Officer to record and formalise the rent review.	





**FINANCIAL IMPLICATIONS:**

The recommendation is to agree a rent review at the same rental amount as the existing rent for the remainder of the lease term. The business plan assumes a lower rental figure for this unit therefore, in agreeing that the rent will remain at the same level, the unit will continue to achieve a higher than expected rent.

There will therefore be no change to financial implications as a result of the decision.

**PROCESS OF PARTNER CONSULTATION:**

There has been no partner consultation prior to making this decision.

**ALTERNATIVE OPTIONS CONSIDERED AND REJECTED:**

Not to agree to the recommended rent review terms and to seek a higher rent – this may result in a dispute with the Tenant which could ultimately lead to them vacating the unit at the end of the lease term. As the unit continues to achieve a higher rent than is anticipated in the business plan, it is not recommended that the rent review terms are agreed.

**ACTUAL OR PERCEIVED CONFLICT OF INTEREST BY ANY OF THE DECISION-MAKERS:**

The Interim Chief Executive of Hartlepool Development Corporation is also the Interim Chief Executive of Tees Valley Combined Authority. This creates a perceived conflict of interest. By exercising this delegation, under the Hartlepool Development Corporation Constitution, the Interim Chief Executive has considered whether this creates an actual conflict of interest. This decision will not adversely affect the Tees Valley Combined Authority, and as such, the decision maker is content that no actual conflict arises, such that the decision can be made free from such conflict.

The Group Director of Finance & Resources of Hartlepool Development Corporation is also the Group Director of Finance & Resources of Tees Valley Combined Authority. This creates a perceived conflict of interest. By exercising this delegation, under the Hartlepool Development Corporation Constitution, the Group Director of Finance & Resources has considered whether this creates an actual conflict of interest. This decision will not adversely affect the Tees Valley Combined Authority, and as such, the decision maker is content that no actual conflict arises, such that the decision can be made free from such conflict.

The Group Chief Legal Officer and Monitoring Officer of Hartlepool Development Corporation is also the Group Chief Legal Officer and Monitoring Officer of Tees Valley Combined Authority. This creates a perceived conflict of interest. By exercising this delegation, under the Hartlepool Development Corporation Constitution, the Group Chief Legal Officer and Monitoring Officer has considered whether this creates an actual conflict of interest. This decision will not adversely affect the Tees Valley Combined Authority, and as such, the decision maker is content that no actual conflict arises, such that the decision can be made free from such conflict.

**ANY OTHER INFORMATION TO BE INCLUDED AS PART OF THE DECISION RECORD:**

None

**SIGNATURE:**

**INTERIM CHIEF EXECUTIVE**

**DATE:** 7/7/25

**SIGNATURE:**

**GROUP CHIEF LEGAL OFFICER AND MONITORING OFFICER**

**DATE:** 7/7/25

**SIGNATURE:**

**GROUP DIRECTOR OF FINANCE AND RESOURCES**

**DATE:** 7/7/25



Hartlepool Development Corporation

# TEES VALLEY

Date Reported to HDC Board



## RECORD OF THE EXERCISE OF DELEGATIONS TO CHIEF OFFICERS AS DETAILED IN THE HDC CONSTITUTION

This form should be used to record decisions taken in accordance with the delegations provided in the Hartlepool Development Corporation Constitution to one or more Chief Officers (as relevant) – Monitoring Officer.

<b>OFFICER:</b>  DEPUTY MONITORING OFFICER	<b>DATE DECISION TAKEN:</b>  14 July 2025
<b>DECISION NO:</b>  HDC AF13-2025	
<b>REFERENCE – TYPE OF DELEGATION</b>  MO1(a) – Delegation to Monitoring Officer	<b>DELEGATION POWER AND PAGE OF CONSITUTION</b>  To withdraw, conduct, settle or appeal any administrative action and/or any legal proceedings on behalf of the Development Corporation – page 70 of HDC Constitution
<b>DETAILS OF DECISION:</b>  <p><u>Background:</u>          A tenant of Middleton Grange Shopping Centre (details of which are set out in confidential Appendix A to this record) served notice to vacate a unit at the Centre in December 2024. The tenant subsequently ceased operating and vacated the unit in June 2025.</p> <p>The tenant has left behind a number of items at the unit, details of which are listed in confidential Appendix B to this record.</p> <p>Hartlepool Development Corporation (“HDC”) is currently an involuntary bailee of the goods and must not dispose of the goods until a formal legal process under Section 12 of the Torts (Interference with Goods) Act 1977 whereby the tenant has been given an opportunity to collect the goods before the goods subsequently vest in HDC and can be sold or otherwise disposed of.</p> <p><u>Decision:</u>          Decision taken to serve a notice under Section 12 of the Torts (Interference with Goods) Act 1977, a draft copy of which is attached to this record at confidential Appendix C.</p> <p>Appendices A, B and C to this record are not for publication on the basis that they contain information relating to the financial or business affairs of a particular person (Paragraph 3 of Schedule 12a Local Government Act 1972) and information in respect of which a claim to legal professional privilege could be maintained in legal proceedings (Paragraph 5 of Schedule 12a Local Government Act 1972).</p>	
<b>FINANCIAL IMPLICATIONS:</b>  There are no financial implications arising from this decision.	

**PROCESS OF PARTNER CONSULTATION:**

There has been no consultation undertaken prior to this decision.

**ALTERNATIVE OPTIONS CONSIDERED AND REJECTED:**

Not to issue the notice – this would mean that the items remain in situ at the unit and would prevent HDC from being able to re-let the unit.

**ACTUAL OR PERCEIVED CONFLICT OF INTEREST BY ANY OF THE DECISION-MAKERS:**

The Deputy Monitoring Officer for Hartlepool Development Corporation is also the Deputy Monitoring Officer for Tees Valley Combined Authority. This creates a perceived conflict of interest. By exercising this delegation, under the Hartlepool Development Corporation Constitution, the Deputy Monitoring Officer has considered whether this creates an actual conflict of interest. This decision will not adversely affect the Tees Valley Combined Authority, and as such, the decision maker is content that no actual conflict arises, such that the decision can be made free from such conflict.

**ANY OTHER INFORMATION TO BE INCLUDED AS PART OF THE DECISION RECORD:**

None

**SIGNATURE:**



DEPUTY MONITORING OFFICER

DATE: **15/07/2025**

*NB only include Chief Officer(s) required for the specific delegation*

Date Reported to HDC Board

*Once fully complete and signed off please return to the Governance Team.*



## RECORD OF THE EXERCISE OF DELEGATIONS TO CHIEF OFFICERS AS DETAILED IN THE HDC CONSTITUTION

This form should be used to record decisions taken in accordance with the delegations provided in the Hartlepool Development Corporation Constitution to one or more Chief Officers (as relevant) – Chief Executive, Section 73 Officer and Monitoring Officer.

<b>OFFICER:</b> DEPUTY MONITORING OFFICER	<b>DATE DECISION TAKEN:</b> 18 July 2025
<b>DECISION NO:</b> HDC AF14-2025	
<b>REFERENCE – TYPE OF DELEGATION</b> MO1a – Delegation to Monitoring Officer	<b>DELEGATION POWER AND PAGE OF CONSITUTION</b> The Monitoring Officer is authorised to institute, prosecute, defend, withdraw, conduct, settle or appeal any administrative action and/or any legal proceedings on behalf of the Development Corporation – page 70
<b>DETAILS OF DECISION:</b>  <u>Background</u>  Hartlepool Development Corporation (“HDC”), as landlord for Middleton Grange Shopping Centre (“the Centre”), received a letter of claim from a tenant (“the Tenant”) of Middleton Grange Shopping Centre in December 2024. The details of the Tenant’s claim are set out in Confidential Appendix A.  <u>Decision</u>  The Deputy Monitoring Officer has made the following decisions:  <ol style="list-style-type: none"><li>1. To enter into a Settlement Deed with the Tenant which provides that HDC shall pay a financial settlement sum to the Tenant in lieu of the Tenant and HDC each releasing the other of all actions, claims, rights, demands etc in this matter, the details of which are set out in Confidential Appendix B; and</li><li>2. To enter into a Deed of Surrender with the Tenant to terminate the Tenant’s lease at the Centre.</li></ol> The appendices to this record of delegated decision are not for publication under the terms of paragraph 3 (information relating to the financial or business affairs of any particular person (including the authority holding that information)) and paragraph 5 (Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings) of Schedule 12A of the Local Government Act 1972.	
<b>FINANCIAL IMPLICATIONS:</b>  HDC will be required to pay the Tenant a financial settlement sum in accordance with the terms of the Settlement Deed. The financial settlement sum will be paid from HDC’s existing budget.	
<b>PROCESS OF PARTNER CONSULTATION:</b>  Not applicable.	



**ALTERNATIVE OPTIONS CONSIDERED AND REJECTED:**

Not to enter into the Settlement Deed and Deed of Surrender with the Tenant – this could potentially lead to the Tenant issuing court proceedings against HDC and HDC being required to incur additional legal fees and court costs.

**ACTUAL OR PERCEIVED CONFLICT OF INTEREST BY ANY OF THE DECISION-MAKERS:**

The Deputy Monitoring Officer of Hartlepool Development Corporation is also the Deputy Monitoring Officer of Tees Valley Combined Authority. This creates a perceived conflict of interest. By exercising this delegation, under the Hartlepool Development Corporation Constitution, the Deputy Monitoring Officer has considered whether this creates an actual conflict of interest. This decision will not adversely affect the Tees Valley Combined Authority, and as such, the decision maker is content that no actual conflict arises, such that the decision can be made free from such conflict.

**ANY OTHER INFORMATION TO BE INCLUDED AS PART OF THE DECISION RECORD:**

None.

**SIGNATURE:**



DEPUTY MONITORING OFFICER

DATE: 18 July 2025

Date Reported to HDC Board

*Once fully complete and signed off please return to the Governance Team.*



## RECORD OF THE EXERCISE OF DELEGATIONS TO CHIEF OFFICERS AS DETAILED IN THE HDC CONSTITUTION

This form should be used to record decisions taken in accordance with the delegations provided in the Hartlepool Development Corporation Constitution to one or more Chief Officers (as relevant) – Monitoring Officer.

<b>OFFICER:</b>  GROUP LEGAL MANAGER	<b>DATE DECISION TAKEN:</b>  22 July 2025
<b>DECISION NO:</b>  HDC AF15-2025	
<b>REFERENCE – TYPE OF DELEGATION</b>  MO1(a) – Delegation to Monitoring Officer	<b>DELEGATION POWER AND PAGE OF CONSITUTION</b>  To withdraw, conduct, settle or appeal any administrative action and/or any legal proceedings on behalf of the Development Corporation – page 70 of HDC Constitution
<b>DETAILS OF DECISION:</b>  <u>Background:</u> A tenant of Middleton Grange Shopping Centre (“the Tenant”) has failed to pay rent and service charge in connection with their occupation of a unit at the Centre. The details are set out in confidential Appendix A to this record.  In relation to the rent arrears, it is recommended that Hartlepool Development Corporation (“HDC”) commences Commercial Rent Arrears Recovery (“CRAR”) proceedings against the Tenant in order to claim the rent owed to HDC. CRAR is a statutory procedure under the Tribunal Courts and Enforcement Act 2007 whereby a landlord of a commercial premises may take control of a tenant’s goods in order to sell them to satisfy rent arrears debt owed to the landlord. Under this procedure, the Tenant will be given 7 days’ notice to pay the arrears, after which the enforcement agents will take control of the goods. CRAR can only be used for rent arrears and cannot be used for service charge arrears.  HDC’s asset managers, JLL, have continuously chased for the debt and have threatened the Tenant with legal action however the rent and service charge arrears remain outstanding. It is considered that commencing CRAR proceedings against the Tenant is an effective way of pursuing debt.  JLL’s recommendation is set out at confidential Appendix B to this record.  <u>Decision:</u>  A decision has been made to commence CRAR proceedings against the Tenant to recover rent arrears.  Appendices A and B to this record are not for publication on the basis that they contain information relating to the financial or business affairs of a particular person (Paragraph 3 of Schedule 12a Local Government Act 1972) and information in respect of which a claim to legal professional privilege could be maintained in legal proceedings (Paragraph 5 of Schedule 12a Local Government Act 1972).	

**FINANCIAL IMPLICATIONS:**

The costs associated with the CRAR proceedings is payable by the Tenant therefore the CRAR proceedings will be at nil cost to HDC.

**PROCESS OF PARTNER CONSULTATION:**

The Chair of HDC Board and the HDC's Chief Operating Officer were consulted prior to making this decision.

**ALTERNATIVE OPTIONS CONSIDERED AND REJECTED:**

1. Not to commence CRAR – this is not considered an option on the basis that the arrears have been accruing for some time and action is required to recover the debt owed to HDC.
2. Commence court proceedings against the Tenant to recover the debt – there is an overriding duty for any claimant in civil court proceedings to exhaust all other options before court proceedings are commenced.

**ACTUAL OR PERCEIVED CONFLICT OF INTEREST BY ANY OF THE DECISION-MAKERS:**

The Group Legal Manager for Hartlepool Development Corporation is also the Group Legal Manager for Tees Valley Combined Authority. This creates a perceived conflict of interest. By exercising this delegation, under the Hartlepool Development Corporation Constitution, the Group Legal Manager has considered whether this creates an actual conflict of interest. This decision will not adversely affect the Tees Valley Combined Authority, and as such, the decision maker is content that no actual conflict arises, such that the decision can be made free from such conflict.

**ANY OTHER INFORMATION TO BE INCLUDED AS PART OF THE DECISION RECORD:**

None

**SIGNATURE:**



**GROUP LEGAL MANAGER**

(with the necessary delegations for the Monitoring Officer)

**DATE:**

24th July 2025

*NB only include Chief Officer(s) required for the specific delegation*

Date Reported to HDC Board

*Once fully complete and signed off please return to the Governance Team.*



## RECORD OF THE EXERCISE OF DELEGATIONS TO CHIEF OFFICERS AS DETAILED IN THE MIDDLETON GRANGE SHOPPING CENTRE SCHEME OF DELEGATION JUNE 2024

This form should be used to record decisions taken in accordance with the delegations provided in the Hartlepool Development Corporation Constitution to one or more Chief Officers (as relevant) – Chief Executive, Section 73 Officer and Monitoring Officer.

<b>OFFICER:</b> Chief Executive, Group Financial Controller and Group Legal Manager	<b>DATE DECISION TAKEN:</b> 22 July 2025
<b>DECISION NO:</b> HDC AF16-2025	
<b>REFERENCE – TYPE OF DELEGATION</b> Delegation to HDC Statutory Officers - Middleton Grange Shopping Centre Scheme of Delegation (June 2024)	<b>DELEGATION POWER</b> Delegation to HDC Statutory Officers – Any letting with rent level up to £150,000 pa.
<b>DETAILS OF DECISION:</b> <u>Background</u> Hartlepool Development Corporation, as landlord of Middleton Grange Shopping Centre, is negotiating terms with a tenant of a unit within the Centre, the details of which are set out in confidential appendix A (“the Tenant”), to agree the renewal of their lease.  The Tenant has indicated their wish to remain at the Centre and has provisionally agreed the terms upon which the Tenant is willing to renew their lease.  Terms of the new lease have been negotiated by Barker Proudlove, HDC’s external retail property consultants, and a provisional agreement with the Tenant has now been reached. The proposed Heads of Terms are summarised in the attached confidential Appendix B and are set out in full in JLL’s recommendation at confidential Appendix C.  <u>Decision</u> A decision has been made to agree to the terms of the renewal lease to the Tenant on the terms set out in the attached recommendation at confidential Appendix C and completion of the renewal lease on those terms.	
<b>FINANCIAL IMPLICATIONS:</b> The new proposed lease terms will result in a negative impact on the Net Operating Income of the unit however the proposed new rent is higher than the anticipated rent as set out in the business plan. The Tenant will continue to be liable to pay a service charge for the unit.	



The fees associated with the transaction are as follows:

Anthony Collins Solicitors:	£950.00 plus VAT
Barker Proudlove:	£2,187.50 plus VAT
JLL:	£2,000.00 plus VAT
<u>Total:</u>	<u>£5,137.00 plus VAT</u>

**PROCESS OF PARTNER CONSULTATION:**

There has been no partner consultation prior to making this decision.

**ALTERNATIVE OPTIONS CONSIDERED AND REJECTED:**

Not to agree to the recommended renewal terms – this may result in the Tenant refusing to renew their lease at consequently no longer operating from the Centre. This would consequently mean that HDC would need to cover the void costs for the unit and would result in the loss of a major national retailer at the Centre.

**ACTUAL OR PERCEIVED CONFLICT OF INTEREST BY ANY OF THE DECISION-MAKERS:**

The Chief Executive of Hartlepool Development Corporation is also the Chief Executive of Tees Valley Combined Authority. This creates a perceived conflict of interest. By exercising this delegation, under the Hartlepool Development Corporation Constitution, the Chief Executive has considered whether this creates an actual conflict of interest. This decision will not adversely affect the Tees Valley Combined Authority, and as such, the decision maker is content that no actual conflict arises, such that the decision can be made free from such conflict.

The Group Financial Controller of Hartlepool Development Corporation is also the Group Financial Controller of Tees Valley Combined Authority. This creates a perceived conflict of interest. By exercising this delegation, under the Hartlepool Development Corporation Constitution, the Group Financial Controller has considered whether this creates an actual conflict of interest. This decision will not adversely affect the Tees Valley Combined Authority, and as such, the decision maker is content that no actual conflict arises, such that the decision can be made free from such conflict.

The Group Legal Manager of Hartlepool Development Corporation is also the Group Legal Manager of Tees Valley Combined Authority. This creates a perceived conflict of interest. By exercising this delegation, under the Hartlepool Development Corporation Constitution, the Group Legal Manager has considered whether this creates an actual conflict of interest. This decision will not adversely affect the Tees Valley Combined Authority, and as such, the decision maker is content that no actual conflict arises, such that the decision can be made free from such conflict.

**ANY OTHER INFORMATION TO BE INCLUDED AS PART OF THE DECISION RECORD:**

None

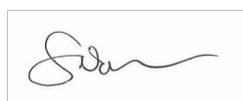
**SIGNATURE:**



**CHIEF EXECUTIVE**

**DATE: 7 August 2025**

**SIGNATURE:**



**GROUP LEGAL MANAGER**  
(with the necessary delegations for the Monitoring Officer)

**DATE: 7 August 2025**

**SIGNATURE:**



**GROUP FINANCIAL CONTROLLER**  
(with the necessary delegations for the Group Director of Finance & Resources)

**DATE: 7 August 2025**

**Date Reported to HDC Board**



## RECORD OF THE EXERCISE OF DELEGATIONS TO CHIEF OFFICERS AS DETAILED IN THE MIDDLETON GRANGE SHOPPING CENTRE SCHEME OF DELEGATION JUNE 2024

This form should be used to record decisions taken in accordance with the delegations provided in the Hartlepool Development Corporation Constitution to one or more Chief Officers (as relevant) – Chief Executive, Section 73 Officer and Monitoring Officer.

<b>OFFICER:</b> Chief Executive, Group Financial Controller and Group Legal Manager	<b>DATE DECISION TAKEN:</b> 22 July 2025
<b>DECISION NO:</b> HDC AF17-2025	
<b>REFERENCE – TYPE OF DELEGATION</b> Delegation to HDC Statutory Officers - Middleton Grange Shopping Centre Scheme of Delegation (June 2024)	<b>DELEGATION POWER</b> Delegation to HDC Statutory Officers – Any letting with rent level up to £150,000 pa.
<b>DETAILS OF DECISION:</b> <u>Background</u> Hartlepool Development Corporation (“HDC”), as landlord of Middleton Grange Shopping Centre, is negotiating terms with a new prospective tenant, the details of which are set out in confidential appendix A (“the Prospective Tenant”), to agree a new lease of a unit in the Centre.  The Prospective Tenant has indicated their wish to occupy a unit at the Centre and has provisionally agreed the terms upon which the Prospective Tenant is willing to enter into a lease with HDC.  Terms of the new lease have been negotiated by Barker Proudlove, HDC’s external retail property consultants, and a provisional agreement with the Prospective Tenant has now been reached. The proposed Heads of Terms are summarised in the attached confidential Appendix B and are set out in full in JLL’s recommendation at confidential Appendix C.  <u>Decision</u> A decision has been made to agree the terms of the new lease to the Prospective Tenant as set out in the attached recommendation at confidential Appendix C and completion of the new lease on those terms.	
<b>FINANCIAL IMPLICATIONS:</b> The new proposed lease terms will result in a positive impact on the Net Operating Income of the unit on the basis that the unit is currently unoccupied and has remained unoccupied since February 2025. The proposed rent is higher than	



the assumptions in the business plan. The Proposed Tenant will be required to pay a proportionate amount towards the service charge.

The fees associated with the transaction are as follows:

Anthony Collins Solicitors:	£950.00 plus VAT
Barker Proudlove:	£1,500.00 plus VAT
JLL:	£2,000.00 plus VAT
<u>Total:</u>	<u>£4,450.00 plus VAT</u>

**PROCESS OF PARTNER CONSULTATION:**

There has been no partner consultation prior to making this decision.

**ALTERNATIVE OPTIONS CONSIDERED AND REJECTED:**

Not to agree to the recommended lease terms – this may result in the Prospective Tenant refusing to enter into a lease with HDC and consequently no longer wishing to operate their business from the Centre. This would consequently mean that HDC would need to continue to cover the void costs for the unit as the unit would remain unoccupied.

**ACTUAL OR PERCEIVED CONFLICT OF INTEREST BY ANY OF THE DECISION-MAKERS:**

The Chief Executive of Hartlepool Development Corporation is also the Chief Executive of Tees Valley Combined Authority. This creates a perceived conflict of interest. By exercising this delegation, under the Hartlepool Development Corporation Constitution, the Chief Executive has considered whether this creates an actual conflict of interest. This decision will not adversely affect the Tees Valley Combined Authority, and as such, the decision maker is content that no actual conflict arises, such that the decision can be made free from such conflict.

The Group Financial Controller of Hartlepool Development Corporation is also the Group Financial Controller of Tees Valley Combined Authority. This creates a perceived conflict of interest. By exercising this delegation, under the Hartlepool Development Corporation Constitution, the Group Financial Controller has considered whether this creates an actual conflict of interest. This decision will not adversely affect the Tees Valley Combined Authority, and as such, the decision maker is content that no actual conflict arises, such that the decision can be made free from such conflict.

The Group Legal Manager of Hartlepool Development Corporation is also the Group Legal Manager of Tees Valley Combined Authority. This creates a perceived conflict of interest. By exercising this delegation, under the Hartlepool Development Corporation Constitution, the Group Legal Manager has considered whether this creates an actual conflict of interest. This decision will not adversely affect the Tees Valley Combined Authority, and as such, the decision maker is content that no actual conflict arises, such that the decision can be made free from such conflict.

**ANY OTHER INFORMATION TO BE INCLUDED AS PART OF THE DECISION RECORD:**

None

<p><b>SIGNATURE:</b></p>  <p><b>CHIEF EXECUTIVE</b></p> <p><b>DATE: 19/08/2025</b></p>	<p><b>SIGNATURE:</b></p>  <p><b>GROUP LEGAL MANAGER</b> (with the necessary delegations for the Monitoring Officer)</p> <p><b>DATE: 19/08/2025</b></p>	<p><b>SIGNATURE:</b></p>  <p><b>GROUP FINANCIAL CONTROLLER</b> (with the necessary delegations for the Group Director of Finance &amp; Resources)</p> <p><b>DATE: 19/08/2025</b></p>
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# TEES VALLEY

Date Reported to HDC Board



**DELEGATED DECISION IN CASE OF URGENCY  
(PROCEDURE RULE 20 – HARTLEPOOL DEVELOPMENT  
CORPORATION CONSTITUTION)**

This form should be used to record decisions taken under urgent decision arrangements by the Chief Executive in consultation with the Chair of the Hartlepool Development Corporation Board, Group Director of Finance & Resources and Monitoring Officer, where the decision needs to be taken urgently and it is not practicable to form a quorate meeting of the board.

A record of this decision must be submitted to the next HDC Board. An annual record is also maintained by the Monitoring Officer.

<b>OFFICER:</b> INTERIM CHIEF EXECUTIVE	<b>DATE DECISION TAKEN:</b> 28 April 2025
<b>DECISION NO:</b> HDC UD 05-2025	<b>DELEGATION POWER AND PAGE OF CONSTITUTION:</b> Procedure Rule 20, Hartlepool Development Corporation Constitution

**DETAILS OF DECISION:**

Background

A tenant ("the Tenant") occupied a unit at Middleton Grange Shopping Centre ("the Premises") under a lease which expired in April 2024 ("the Lease"). The Lease was excluded from the provisions of sections 24-28 of the Landlord and Tenant Act 1954 and therefore the Tenant occupied the Premises under the same Lease terms.

Following expiry of the Lease in April 2024, the Tenant initially engaged with Jones Lang LaSalle ("JLL"), asset managers for Middleton Grange Shopping Centre, and indicated that they wished to assign the Lease to a family member. The Tenant also indicated to JLL that the outgoings for the unit were having a detrimental impact on their business. JLL later became aware that the Fire Brigade served an enforcement notice on the Tenant due to a failure to address various health and safety issues at the Premises including carrying out fixed wire testing, fire alarm testing and maintenance.

In January 2025, the Tenant served a Section 27 notice on Hartlepool Development Corporation ("HDC") as landlord of the Premises confirming that they are bringing the Lease to an end with effect from April 2025. The Tenant subsequently vacated the Premises at the end of April 2025.

The Tenant has accrued rent and service charge arrears, details of which are set out in confidential Appendix A.

Jones Lang LaSalle ("JLL"), asset managers for Middleton Grange Shopping Centre, have engaged with the Tenant in order to understand their financial position and to negotiate a proposed settlement to the debt which has accrued. The Tenant has advised that trade from the Premises was reducing and that they have been struggling to make ends meet for some time which has led to their departure from the Centre. The Tenants made an initial offer to settle and JLL have negotiated this figure.

JLL have put forward a recommendation to HDC to accept the offer of payment in full and final settlement of the rent and service charge arrears. JLL recommend that the majority of the amount is allocated to the service charge arrears to allow these to be cleared in full and for the remaining balance to be allocated to the rent arrears.

JLL has also recommended that acceptance of the offer is without prejudice to any potential claim for dilapidations HDC may have following the Tenants vacating the Premises. On the basis that an enforcement notice was served by the Fire Brigade, it is likely that the Premises will be left in a poor condition after the tenants vacate and therefore HDC will need to secure reinstatement to a satisfactory condition by way of a dilapidations claim.

A copy of JLL's recommendation is attached to this request as confidential Appendix B.

Decisions

The following decisions have been made:

- (1) Approve acceptance of the Tenant's offer to settle the rent and service charge arrears in the sum set out in confidential appendix A;
- (2) Authorise HDC to enter into a Settlement Agreement with the Tenant to formalise the settlement and to delegate to the Group Chief Legal Officer and Monitoring Officer authority to sign the Settlement Agreement on behalf of HDC;
- (3) Approve the writing off of rent arrears in the sum set out in confidential appendix A; and
- (4) Authorise the commissioning of a survey and preparation of a schedule of dilapidations in respect of the unit and, if required, issuing of a dilapidations claim to secure reinstatement of the Premises to a satisfactory condition.

**FINANCIAL IMPLICATIONS:**

The Tenant has not paid rent or service charge at the Premises since September 2024. This has led to an accrual of rent and service charge, details of which are set out in confidential appendix A.

JLL's costs of preparing the schedule of dilapidations is £1,800 plus VAT. JLL will also charge a fee for the negotiation of the claim which will be 6% of the claim value up to the value of £100,000 and 5% of the claim value between £100,001-£250,000.

It is expected that this cost will be recovered from the tenant, although this is not guaranteed. HDC will cover these costs initially and will attempt to recover the cost from the Tenant in the dilapidations claim.

**EXISTING BOARD DECISION WHICH ASSIGNED THE NECESSARY FUNDING:**

There has been no board decision and no funding has been assigned in relation to this decision.

**PROCESS OF PARTNER CONSULTATION:**

There has been no consultation undertaken prior to this decision.

**ALTERNATIVE OPTIONS CONSIDERED AND REJECTED:**

Not to accept the settlement offer – HDC could consider alternative means of debt recovery such as issuing a money claim and pursuing the debt via the courts or by petitioning for bankruptcy of the Tenant. JLL have been advised by the settlement sum offered by the Tenant is their best and final offer. It is not considered that pursuing a claim for the debt in full would result in recovery of more than this amount on the basis that HDC would likely incur substantial legal costs in dealing with the claim.

**ACTUAL OR PERCEIVED CONFLICT OF INTEREST BY ANY OF THE DECISION-MAKERS:**

The Interim Chief Executive of Hartlepool Development Corporation is also the Interim Chief Executive of Tees Valley Combined Authority. This creates a perceived conflict of interest. By exercising this delegation, under the Hartlepool Development Corporation Constitution, the Interim Chief Executive has considered whether this creates an actual conflict of interest. This decision will not adversely affect the Tees Valley Combined Authority, and as such, the decision maker is content that no actual conflict arises, such that the decision can be made free from such conflict.

**SIGNATURE:**



**INTERIM CHIEF EXECUTIVE**

**DATE: 15/05/2025**

**SIGNATURE:**



**CHAIR OF HDC BOARD  
TEES VALLEY MAYOR**  
(as at the date of the decision  
– 28 April 2025)

**DATE: 16/07/2025**

**SIGNATURE:**



**CHIEF LEGAL OFFICER AND  
MONITORING OFFICER**  
(pp Deputy Monitoring Officer)

**DATE: 14/07/2025**

**SIGNATURE:**



**GROUP DIRECTOR OF  
FINANCE & RESOURCES**

**DATE: 15/07/2025**

*All sections below are for Governance Team use only*

**DATE REPORTED TO MANAGEMENT GROUP:**

*Once fully complete and signed off please return to the Governance Team.*

## DELEGATED DECISION IN CASE OF URGENCY (PROCEDURE RULE 20 – HARTLEPOOL DEVELOPMENT CORPORATION CONSTITUTION)

This form should be used to record decisions taken under urgent decision arrangements by the Chief Executive in consultation with the Chair of the Hartlepool Development Corporation Board, Group Director of Finance & Resources and Monitoring Officer, where the decision needs to be taken urgently and it is not practicable to form a quorate meeting of the board.

A record of this decision must be submitted to the next HDC Board. An annual record is also maintained by the Monitoring Officer.

<b>OFFICER:</b> Interim Chief Executive	<b>DATE DECISION TAKEN:</b> 30 May 2025
<b>DECISION NO:</b> HDC UD 07-2025	<b>DELEGATION POWER AND PAGE OF CONSTITUTION:</b> Procedure Rule 20, Hartlepool Development Corporation Constitution

## **DETAILS OF DECISION:**

### Purpose

To seek approval to extend the current contract with Cool Blue Brand Communications Limited ("Cool Blue"), the appointed marketing and communications agency for Middleton Grange Shopping Centre, for an additional six-month period, taking the contract to the end of November 2025.

### Background

Hartlepool Development Corporation ("HDC") entered into a contract with Cool Blue on 17<sup>th</sup> May 2024 for the provision of marketing and communications at Middleton Grange Shopping Centre. The current contract is due to expire on 31 May 2025 and included an option to extend the contract for a period of six months.

Cool Blue, a local marketing and communications agency with strong retail and placemaking credentials, is leading and delivering the marketing and communications strategy for Middleton Grange Shopping Centre. Its portfolio includes work with Grainger Market in Newcastle, Barker & Stonehouse, and collaborations with city councils and developers, making it well-placed to support the transformation of the centre.

Its work is aimed at:

- Raising awareness of Middleton Grange Shopping Centre
- Increasing footfall and consumer spend
- Creating engaging community-focused events
- Supporting tenants through marketing and promotional activity

### Achievements to Date

To date, Cool Blue has delivered a marketing programme, including:

- **Brand Refresh** – New visual identity rolled out across digital and physical assets; photography campaign in progress to showcase the centre.
- **Website** – New site launched in November 2024. Web traffic has increased significantly – 283,000 active users since launch (compared to 50,000 in the previous comparable period).
- **Events** – Successful Halloween and Christmas events, with Halloween increasing footfall by 13%. Easter event marketing is underway with radio and digital campaigns.
- **PR & Media Coverage** – More than 13 pieces of media coverage following December's 8.7% year-on-year footfall increase.
- **Digital Campaigns** – Christmas campaign with Bauer Media reached more than 175,000 impressions; a new burst is planned for Easter.
- **Social Media** – 25% increase in engagement, 5% increase in followers, 462,400 total reach across platforms, and TikTok presence launched.
- **Consumer Engagement** – 949 new subscribers on the consumer database; regular newsletters implemented.
- **Tenant Relations** – Improved coordination and promotional support for tenants.
- **Site Signage** – Design and production of new signage currently underway.
- **Photography** – Project to improve centre photography for the purposes of marketing across the website and marketing literature is currently underway.

### Proposal

To grant a six-month extension to Cool Blue's contract, taking it through to 30 November 2025.

During this period, HDC will continue to oversee media communications and press release approvals. A new tender process will be developed and initiated concurrently with this extension period to ensure capabilities beyond November.

It is not feasible to wait until the next HDC Board on 5 June 2025 to enable HDC Board to make a decision on the basis that contract expires on 31 May 2025 and the extension is required to be exercised in advance of this date.

#### Rationale

- Cool Blue has not yet completed a full 12 months of work under the contract due to a delay in arranging for contract to be entered into. Extending the contract with Cool Blue ensures continuity of voice, message, and delivery.
- HDC requires time to undertake a procurement process to appoint a new provider for marketing and communications
- Trust and collaboration with tenants have been built over time. Sustaining these relationships is critical to ongoing marketing success.
- Preparations for summer activities must follow closely on from Easter, requiring immediate planning. Delays due to agency handover would result in lost momentum and missed opportunities.
- Substantial growth in footfall, digital engagement, and media visibility demonstrate that Cool Blue's efforts are driving real impact.
- Allows time to properly scope and procure a future marketing contract while maintaining delivery standards and results in the interim.

#### **Six-month plan for Cool Blue**

During the proposed extension period, Cool Blue's work will be focused on deepening engagement, building on momentum, and delivering measurable impact. Key priorities include:

##### **1. Event Strategy & Delivery**

- Develop and deliver a calendar of events aligned with key seasonal opportunities (e.g. Summer Holidays, Back to School, Halloween, Christmas).
- Maximise footfall and dwell time through high-impact promotional activity and community engagement – with a focus on a range of demographics.

##### **2. Marketing Campaigns**

- Plan and deliver integrated marketing campaigns tied to seasonal moments, centre-specific initiatives (e.g. Summer Holidays, Back to School, Halloween, Autumn Sales), key dates in the retail calendar.
- Use a multi-channel approach (radio, digital, social, print, and in-centre signage) to drive awareness and footfall with targeted advertising to key demographics.

##### **3. Tenant Engagement & Support**

- Maintain and grow relationships with tenants.
- Proactively identify and support promotional opportunities for individual businesses within the centre.
- Increase tenant participation in centre-wide campaigns.

##### **4. Digital Marketing & Social Media Growth**

- Continue to enhance the centre's digital presence through consistent and creative content delivery.
- Drive follower growth, engagement and reach across all social media platforms including TikTok, Facebook, Instagram and X.
- Grow consumer database and increase engagement with monthly newsletters.

##### **5. PR and Media Relations**

- Deliver regular press activity to raise the centre's profile regionally and within retail trade media.
- Position Middleton Grange as a vibrant community destination through positive storytelling and media coverage.

**6. Performance Reporting and Insight**

- Provide monthly reporting across all channels.
- Analyse performance data to inform campaign direction and optimise outcomes.

**7. Website Management & Content**

- Regular updates and content creation for the website, including event promotion, news stories and tenant features.

**8. Brand development**

- Continue to develop the MGSC brand including styling and photography for marketing literature
- Provide graphic design services to produce marketing campaigns

Decision made

Approval of a six-month contract extension for Cool Blue to continue marketing and communications services at Middleton Grange Shopping Centre through to 30 November 2025.

**FINANCIAL IMPLICATIONS:**

The total Budget for six-Month Extension is set out in confidential Appendix A to this record.

This budget includes all strategy, content creation, event support, media liaison, digital campaign planning, reporting and tenant engagement.

This cost is recovered via the service charge to tenants.

**EXISTING BOARD DECISION WHICH ASSIGNED THE NECESSARY FUNDING:**

There are no existing board decisions in respect of this proposal.

**PROCESS OF PARTNER CONSULTATION:**

There has been no partner consultation in respect of this decision.

**ALTERNATIVE OPTIONS CONSIDERED AND REJECTED:**

A new tender process would need to be developed should the extension be rejected and a new agency be appointed. The procurement process would mean that there will be a period (estimated 2-months) to appoint a new agency. They will then need to be inducted and work with the incumbent agency to do a handover, therefore we are estimating a period of 4-months whereby the delivery of marketing and communications will be minimal during this time.

**ACTUAL OR PERCEIVED CONFLICT OF INTEREST BY ANY OF THE DECISION-MAKERS:**

The Interim Chief Executive of Hartlepool Development Corporation is also the Interim Chief Executive of Tees Valley Combined Authority. This creates a perceived conflict of interest. By exercising this delegation, under the Hartlepool Development Corporation Constitution, the Interim Chief Executive has considered whether this creates an actual conflict of interest. This decision will not adversely affect the Tees Valley Combined Authority, and as such, the decision maker is content that no actual conflict arises, such that the decision can be made free from such conflict.

**ACTUAL OR PERCEIVED CONFLICT OF INTEREST BY ANY OF THE CONSULTEES:**

The Group Director of Finance and Resources of Hartlepool Development Corporation is also the Group Director of Finance and Resources of Tees Valley Combined Authority. This creates a perceived conflict of interest. By exercising this delegation, under the Hartlepool Development Corporation Constitution, the Group Director of Finance and Resources has considered whether this creates an actual conflict of interest. This decision will not adversely affect the Tees Valley Combined Authority, and as such, the decision maker is content that no actual conflict arises, such that the decision can be made free from such conflict.

The Group Chief Legal Officer and Monitoring Officer of Hartlepool Development Corporation is also the Group Chief Legal Officer and Monitoring Officer of Tees Valley Combined Authority. This creates a perceived conflict of interest. By exercising this delegation, under the Hartlepool Development Corporation Constitution, the Group Chief Legal Officer and Monitoring Officer has considered whether this creates an actual conflict of interest. This decision will not adversely affect the Tees Valley Combined Authority, and as such, the decision maker is content that no actual conflict arises, such that the decision can be made free from such conflict.

**SIGNATURE:**



**INTERIM CHIEF EXECUTIVE**

**DATE: 25/06/2025**

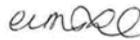
**SIGNATURE:**



**CHAIR OF HDC BOARD  
TEES VALLEY MAYOR**  
(as at the date of the decision – 30 May 2025)

**DATE: 16/07/2025**

**SIGNATURE:**



**GROUP CHIEF LEGAL OFFICER AND MONITORING OFFICER**

**DATE: 07/07/2025**

**SIGNATURE:**



**GROUP DIRECTOR OF FINANCE & RESOURCES**

**DATE: 15/07/2025**

*All sections below are for Governance Team use only*

**DATE REPORTED TO BOARD**

*Once fully complete and signed off please return to the Governance Team.*



## DELEGATED DECISION IN CASE OF URGENCY (PROCEDURE RULE 20 – HARTLEPOOL DEVELOPMENT CORPORATION CONSTITUTION)

This form should be used to record decisions taken under urgent decision arrangements by the Chief Executive in consultation with the Chair of the Hartlepool Development Corporation Board, Group Director of Finance & Resources and Monitoring Officer, where the decision needs to be taken urgently and it is not practicable to form a quorate meeting of the board.

A record of this decision must be submitted to the next HDC Board. An annual record is also maintained by the Monitoring Officer.

<b>OFFICER:</b> INTERIM CHIEF EXECUTIVE	<b>DATE DECISION TAKEN:</b> 18 May 2025
<b>DECISION NO:</b> HDC UD 06-2025	<b>DELEGATION POWER AND PAGE OF CONSTITUTION:</b> Procedure Rule 20, Hartlepool Development Corporation Constitution
<b>DETAILS OF DECISION:</b>  <u>Background</u>  Hartlepool Development Corporation (“HDC”), as landlord, has been approached by a telecommunications operator with a request for a wayleave agreement for the installation of electronic communication apparatus at a unit within Middleton Grange Shopping Centre.  The wayleave agreement will provide a telecommunications operator with consent to install cables and terminating equipment shown on the plans attached to this request at Appendix A (confidential appendix). The equipment is required by the tenant to upgrade the telecommunication accessibility in the unit in order to facilitate technology upgrades. For example, tills and stock control equipment. HDC’s asset managers, JLL, have advised that, due to the nature of Middleton Grange Shopping Centre’s construction, it is not possible for a tenant to connect directly into this equipment without some cables/equipment being either located or running through the common parts of the Centre. As the cables and equipment are being installed outside of the tenant’s unit, HDC consent is required.  Advice has been given by Addleshaw Goddard that the wayleave agreement has been drafted in accordance with the other wayleave agreements at Middleton Grange Shopping Centre. A summary of the wayleave agreement terms is attached to this request at Appendix B (confidential appendix).  Appendix C sets out the details of the parties to this transaction (confidential appendix).  <u>Decision</u>  The following decisions have been made:  (1) Approve the terms of the wayleave agreement attached to this request at Appendix B; and (2) Agree authority for the Group Chief Legal Officer and Monitoring Officer to sign, seal and complete the wayleave agreement attached to this request at Appendix A.  Appendices A, C and B to this Record of Decision are not for publication under the terms of paragraph 3 (information relating to the financial or business affairs of any particular person (including the authority holding that information)) of schedule 12a Local Government Act 1972.	
<b>FINANCIAL IMPLICATIONS:</b>  There are no financial implications arising from this decision.	

**EXISTING BOARD DECISION WHICH ASSIGNED THE NECESSARY FUNDING:**

There is no board decision and no funding has been assigned.

**PROCESS OF PARTNER CONSULTATION:**

The Chair of HDC Board, Group Director of Finance & Resources and Chief Legal Officer (Monitoring Officer) were consulted prior to this decision.

**ALTERNATIVE OPTIONS CONSIDERED AND REJECTED:**

Not to grant the wayleave – this could have potential repercussions on the viability of the tenant operating from the unit which could potentially lead to them not to renew their lease and to vacate the Centre. This would have a detrimental effect as would result in the loss of a national retailer at the Centre.

**ACTUAL OR PERCEIVED CONFLICT OF INTEREST BY ANY OF THE DECISION-MAKERS:**

The Interim Chief Executive of Hartlepool Development Corporation is also the Interim Chief Executive of Tees Valley Combined Authority. This creates a perceived conflict of interest. By exercising this delegation, under the Hartlepool Development Corporation Constitution, the Interim Chief Executive has considered whether this creates an actual conflict of interest. This decision will not adversely affect the Tees Valley Combined Authority, and as such, the decision maker is content that no actual conflict arises, such that the decision can be made free from such conflict.

**SIGNATURE:**



**INTERIM CHIEF EXECUTIVE**

**DATE: 27.05.2025**

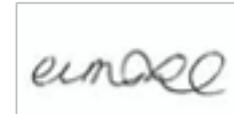
**SIGNATURE:**



**CHAIR OF HDC BOARD  
TEES VALLEY MAYOR**  
(as at the date of the decision  
– 18 May 2025)

**DATE: 07/07/2025**

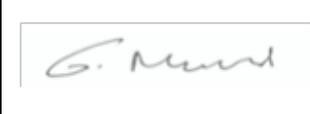
**SIGNATURE:**



**MONITORING OFFICER**

**DATE: 23.06.2025**

**SIGNATURE:**



**GROUP DIRECTOR OF  
FINANCE & RESOURCES**

**DATE: 23.06.2025**

**All sections below are for Governance Team use only**

**DATE REPORTED TO MANAGEMENT GROUP:**

*Once fully complete and signed off please return to the Governance Team.*



**DELEGATED DECISION IN CASE OF URGENCY  
(PROCEDURE RULE 20 – HARTLEPOOL DEVELOPMENT  
CORPORATION CONSTITUTION)**

This form should be used to record decisions taken under urgent decision arrangements by the Chief Executive in consultation with the Chair of the Hartlepool Development Corporation Board, Group Director of Finance & Resources and Monitoring Officer, where the decision needs to be taken urgently and it is not practicable to form a quorate meeting of the board.

A record of this decision must be submitted to the next HDC Board. An annual record is also maintained by the Monitoring Officer.

<b>OFFICER:</b> CHIEF EXECUTIVE	<b>DATE DECISION TAKEN:</b> 10 July 2025
<b>DECISION NO:</b> HDC UD 08-2025	<b>DELEGATION POWER AND PAGE OF CONSTITUTION:</b> Procedure Rule 20, Hartlepool Development Corporation Constitution

## **DETAILS OF DECISION:**

### Background

Hartlepool Development Corporation ("HDC"), as landlord of Middleton Grange Shopping Centre ("Centre"), has received a notice under Section 26 of the Landlord and Tenant Act 1954 ("the Notice") from a tenant which currently occupies a unit ("the Unit") within the Centre ("the Tenant") requesting a lease renewal, a copy of which is attached to this decision record as Confidential Appendix A. The Notices requests that HDC grants the Tenant a new lease of the same unit from the date of expiry of its existing lease.

The unit currently occupied by the Tenant is located within an area of the Centre which is intended to be re-developed as part of the Hartlepool Town Deal. The Town Deal includes a 'reimagining' of the Centre and is intended to include delivery of a restored and repurposed Grade II heritage building, the former Binns Department Store designed for new flexible, mixed use space and new civic public space.

Section 26 of the Landlord and Tenant Act 1954 requires HDC, as landlord of the Centre, to serve a counter-notice on the Tenant within two months of the notice should it wish to oppose the grant of the new lease requested by the Tenant. On the basis that this part of the Centre is intended to be re-developed and the continued occupation of the Unit by the Tenant may result in difficulties obtaining vacant possession of the Unit to enable re-development, it is proposed that HDC opposes the grant of the new lease. As the Unit is located within an area of the Centre which is intended to be re-developed, the intended re-development scheme cannot take place while the Tenant remains in occupation of the Unit.

JLL, asset managers for HDC, and Barker Proudlove, retail property consultants for HDC, are continuing to engage with the Tenant to offer suitable alternative accommodation within the Centre to enable the Tenant to move to an alternative unit to continue trading from the Centre.

It is therefore proposed that HDC opposes the grant of the new lease to the Tenant on the grounds set out in Confidential Appendix B.

Confidential Appendix B to this decision record sets out the confidential details of this decision.

Confidential Appendix C to this decision record sets out JLL's recommendation to oppose the lease renewal.

### Requested decision

A decision has been made as follows:

1. HDC opposes the grant of a new lease of the Unit to the Tenant on the grounds specified above; and
2. The Deputy Monitoring Officer (pursuant to a delegation from the Group Chief Legal Officer and Monitoring officer dated 8 July 2025) is authorised to sign and serve a counter-notice pursuant to Section 26 of the Landlord and Tenant Act 1954 to oppose the grant of a new lease to the Tenant.

It is not feasible to wait until the next HDC Board on the basis that a counter-notice must be served on the Tenant by no later than 15 July 2025.

Appendices A, B and C to this Record of Decision are not for publication under the terms of paragraph 3 (information relating to the financial or business affairs of any particular person (including the authority holding that information)) and paragraph 5 (Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings) of Schedule 12A of the Local Government Act 1972.

## **FINANCIAL IMPLICATIONS:**

HDC has incurred costs to date in the sum of £700 plus VAT in obtaining external legal advice on the Section 26 notice and it is expected that HDC will incur further legal costs in the sum of £700 plus VAT in responding to the Section 26 notice.

Should the Tenant contest HDC's counternotice by applying to Court for a lease renewal, HDC will incur legal costs in dealing with this. Such legal costs will be paid from HDC's existing professional fees budget.

As a result of HDC opposing the grant of a new lease, HDC will be liable for paying the Tenant a statutory compensation sum in accordance with the Landlord and Tenant Act 1954 as detailed in confidential Appendix B to this decision record.

Once the Tenant has vacated the Unit and the existing lease has been brought to an end, HDC will be liable for the Unit's holding costs which are set out in Confidential Appendix B.

Should the Tenant wish to re-locate to another unit in the Centre, the Tenant will be responsible for the costs in connection with that unit, such as rent, service charge and utilities. Any proposal to grant a lease of a new unit to the Tenant will be subject to a separate delegated decision at the relevant time.

**EXISTING BOARD DECISION WHICH ASSIGNED THE NECESSARY FUNDING:**

Not applicable.

**PROCESS OF PARTNER CONSULTATION:**

The Chair of Hartlepool Development Corporation, the Group Director of Finance and Resources and the Group Chief Legal Officer and Monitoring Officer were consulted prior to this decision.

**ALTERNATIVE OPTIONS CONSIDERED AND REJECTED:**

Not to oppose the lease renewal.

Should HDC not oppose the lease renewal within the timeframe set out under Section 26 of the Landlord and Tenant Act 1954, HDC will be required to grant the tenant a new lease. This would mean that the Tenant would remain in occupation of the Unit for a further period.

**ACTUAL OR PERCEIVED CONFLICT OF INTEREST BY ANY OF THE DECISION-MAKERS:**

The Chief Executive of Hartlepool Development Corporation is also the Chief Executive of Tees Valley Combined Authority. This creates a perceived conflict of interest. By exercising this delegation, under the Hartlepool Development Corporation Constitution, the Chief Executive has considered whether this creates an actual conflict of interest. This decision will not adversely affect the Tees Valley Combined Authority, and as such, the decision maker is content that no actual conflict arises, such that the decision can be made free from such conflict.

**SIGNATURE:**



**CHIEF EXECUTIVE**

**DATE:** 31 July 2025

**SIGNATURE:**



**CHAIR OF HDC BOARD**

**DATE:** 31 July 2025

**SIGNATURE:**



**DEPUTY MONITORING OFFICER**

**DATE:** 18 July 2025

**SIGNATURE:**



**GROUP FINANCIAL CONTROLLER**

**DATE:** 31 July 2025

*All sections below are for Governance Team use only*

**DATE REPORTED TO BOARD**

*Once fully complete and signed off please return to the Governance Team.*



## DELEGATED DECISION IN CASE OF URGENCY (PROCEDURE RULE 20 – HARTLEPOOL DEVELOPMENT CORPORATION CONSTITUTION)

This form should be used to record decisions taken under urgent decision arrangements by the Chief Executive in consultation with the Chair of the Hartlepool Development Corporation Board, Group Director of Finance & Resources and Monitoring Officer, where the decision needs to be taken urgently and it is not practicable to form a quorate meeting of the board.

A record of this decision must be submitted to the next HDC Board. An annual record is also maintained by the Monitoring Officer.

<b>OFFICER:</b> CHIEF EXECUTIVE	<b>DATE DECISION TAKEN:</b> 22 July 2025
<b>DECISION NO:</b> HDC UD09-2025	<b>DELEGATION POWER AND PAGE OF CONSTITUTION:</b> Procedure Rule 20, Hartlepool Development Corporation Constitution
<b>DETAILS OF DECISION:</b>  <u>Background</u>  Hartlepool Development Corporation (“HDC”), as landlord of Middleton Grange Shopping Centre, is negotiating terms with a new prospective tenant, the details of which are set out in confidential appendix A (“the Prospective Tenant”), to agree a new lease of a unit in the Centre.  The Prospective Tenant has indicated their wish to occupy a unit at the Centre and has provisionally agreed the terms upon which the Prospective Tenant is willing to enter into a lease with HDC.  Terms of the new lease have been negotiated by Barker Proudlove, HDC’s external retail property consultants, and a provisional agreement with the Prospective Tenant has now been reached. The proposed Heads of Terms are summarised in the attached confidential Appendix B and are set out in full in JLL’s recommendation at confidential Appendix C.  It is not feasible to wait until the next HDC Board on the basis that approval to the lease terms must be sought as soon as possible in order to secure the Prospective Tenant’s occupation of the Centre.  <u>Decision</u>  A decision has been made to agree the terms of the new lease to the Prospective Tenant as set out in the attached recommendation at confidential Appendix C and completion of the new lease on those terms.  Appendices A, B and C to this Record of Decision are not for publication under the terms of paragraph 3 (information relating to the financial or business affairs of any particular person (including the authority holding that information)) and paragraph 5 (Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings) of Schedule 12A of the Local Government Act 1972.	
<b>FINANCIAL IMPLICATIONS:</b>  The new proposed lease terms will result in a positive impact on the Net Operating Income of the unit on the basis that the unit is currently unoccupied and has remained unoccupied since February 2025. The proposed rent is higher than the assumptions in the business plan. The Proposed Tenant will be required to pay a proportionate amount towards the service charge.  The fees associated with the transaction are as follows:  Anthony Collins Solicitors: £950.00 plus VAT Barker Proudlove: £27,000.00 plus VAT	

JLL:	£18,000.00 plus VAT
<u>Total:</u>	<u>£45,950.00 plus VAT</u>

**EXISTING BOARD DECISION WHICH ASSIGNED THE NECESSARY FUNDING:**

Not applicable

**PROCESS OF PARTNER CONSULTATION:**

There was no partner consultation prior to this decision however the Chair of Hartlepool Development Corporation, the Group Financial Controller and the Deputy Monitoring Officer were consulted prior to this decision.

**ALTERNATIVE OPTIONS CONSIDERED AND REJECTED:**

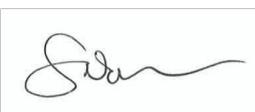
Not to agree to the recommended lease terms – this may result in the Prospective Tenant refusing to enter into a lease with HDC and consequently no longer wishing to operate their business from the Centre. This would consequently mean that HDC would need to continue to cover the void costs for the unit as the unit would remain unoccupied.

**ACTUAL OR PERCEIVED CONFLICT OF INTEREST BY ANY OF THE DECISION-MAKERS:**

The Chief Executive of Hartlepool Development Corporation is also the Chief Executive of Tees Valley Combined Authority. This creates a perceived conflict of interest. By exercising this delegation, under the Hartlepool Development Corporation Constitution, the Chief Executive has considered whether this creates an actual conflict of interest. This decision will not adversely affect the Tees Valley Combined Authority, and as such, the decision maker is content that no actual conflict arises, such that the decision can be made free from such conflict.

The Group Financial Controller of Hartlepool Development Corporation is also the Group Financial Controller of Tees Valley Combined Authority. This creates a perceived conflict of interest. By exercising this delegation, under the Hartlepool Development Corporation Constitution, the Group Financial Controller has considered whether this creates an actual conflict of interest. This decision will not adversely affect the Tees Valley Combined Authority, and as such, the decision maker is content that no actual conflict arises, such that the decision can be made free from such conflict.

The Group Legal Manager of Hartlepool Development Corporation is also the Group Legal Manager of Tees Valley Combined Authority. This creates a perceived conflict of interest. By exercising this delegation, under the Hartlepool Development Corporation Constitution, the Group Legal Manager has considered whether this creates an actual conflict of interest. This decision will not adversely affect the Tees Valley Combined Authority, and as such, the decision maker is content that no actual conflict arises, such that the decision can be made free from such conflict.

<p><b>SIGNATURE:</b></p>  <p><b>CHIEF EXECUTIVE</b></p> <p><b>DATE:</b> 7 August 2025</p>	<p><b>SIGNATURE:</b></p>  <p><b>CHAIR OF HDC BOARD</b></p> <p><b>DATE:</b> 23 July 2025</p>	<p><b>SIGNATURE:</b></p>  <p><b>GROUP LEGAL MANAGER</b> (with the necessary delegations for the Monitoring Officer)</p> <p><b>DATE:</b> 7 August 2025</p>	<p><b>SIGNATURE:</b></p>  <p><b>GROUP FINANCIAL CONTROLLER</b> (with the necessary delegations for the Group Director of Finance &amp; Resources)</p> <p><b>DATE:</b> 7 August 2025</p>
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**DATE REPORTED TO BOARD**

Once fully complete and signed off please return to the Governance Team.

## DELEGATED DECISION IN CASE OF URGENCY (PROCEDURE RULE 20 – HARTLEPOOL DEVELOPMENT CORPORATION CONSTITUTION)

This form should be used to record decisions taken under urgent decision arrangements by the Chief Executive in consultation with the Chair of the Hartlepool Development Corporation Board, Group Director of Finance & Resources and Monitoring Officer, where the decision needs to be taken urgently and it is not practicable to form a quorate meeting of the board.

A record of this decision must be submitted to the next HDC Board. An annual record is also maintained by the Monitoring Officer.

<b>OFFICER:</b> CHIEF EXECUTIVE	<b>DATE DECISION TAKEN:</b> 29 July 2025
<b>DECISION NO:</b> HDC UD 11-2025	<b>DELEGATION POWER AND PAGE OF CONSTITUTION:</b> Procedure Rule 20, Hartlepool Development Corporation Constitution
<b>DETAILS OF DECISION:</b>  <u>Background</u>  A tenant (“the Tenant”) occupied a unit at Middleton Grange Shopping Centre (“the Premises”) under a lease which ended in June 2025 (“the Lease”).  The Tenant served a break notice on Hartlepool Development Corporation (“HDC”) as landlord of the Premises in December 2024 confirming that they intend to vacate the Premises. The Tenant subsequently vacated the Premises in June 2025.  Jones Lang LaSalle (“JLL”), asset managers for Middleton Grange Shopping Centre, have inspected the Premises following the Tenant’s departure and have advised that the Premises has not been left in a compliant condition in accordance with the terms of the Lease.  JLL have recommended that HDC commission and serve upon the Tenant a Schedule of Dilapidations in order recover costs from the Tenant as a result of their failure to comply with the reinstatement provisions of the Lease. The Lease requires HDC to serve the Schedule of Dilapidations upon the Tenant by no later than 56 days following the end of the lease term.  It is not feasible for HDC Board to make a decision on this on the basis that the Schedule of Dilapidations must be commissioned, undertaken and served on the Tenant before the next scheduled HDC Board meeting.  Confidential details of the Tenant are set out in confidential Appendix A.  A copy of JLL’s recommendation is attached to this request as confidential Appendix B.  Photographs showing the condition of the Premises can be found at confidential Appendix C.  <u>Decisions</u>  The following decisions have been made: <ol style="list-style-type: none"> <li>(1) Authorise the commissioning of a survey and preparation of a Schedule of Dilapidations in respect of the Premises; and</li> <li>(2) Authorise the issue of a dilapidations claim against the Tenant to recover costs from the Tenant as a result of their failure to comply with the reinstatement provisions of the Lease.</li> </ol>	
<b>FINANCIAL IMPLICATIONS:</b>	

JLL's costs for preparing the Schedule of Dilapidations is £1,800 plus VAT. JLL will also charge a fee for the negotiation of the claim which will be 6% of the claim value up to the value of £100,000 and 5% of the claim value between £100,001-£250,000.

It is expected that this cost will be recovered from the tenant, although this is not guaranteed. HDC will cover these costs initially and will attempt to recover the cost from the Tenant in the dilapidations claim.

The Tenant has historically paid all rent and service charges on time therefore it is considered that there is a reasonable chance of successful recovery of a sum sought under the dilapidations claim.

**EXISTING BOARD DECISION WHICH ASSIGNED THE NECESSARY FUNDING:**

There has been no board decision and no funding has been assigned in relation to this decision.

**PROCESS OF PARTNER CONSULTATION:**

There has been no consultation undertaken prior to this decision.

**ALTERNATIVE OPTIONS CONSIDERED AND REJECTED:**

Not to authorise the commissioning of a survey and preparation of a Schedule of Dilapidations and a claim to be made against the Tenant – this would likely result in HDC incurring costs in reinstating the Premises to a re-lettable condition.

**ACTUAL OR PERCEIVED CONFLICT OF INTEREST BY ANY OF THE DECISION-MAKERS:**

The Chief Executive of Hartlepool Development Corporation is also the Chief Executive of Tees Valley Combined Authority. This creates a perceived conflict of interest. By exercising this delegation, under the Hartlepool Development Corporation Constitution, the Chief Executive has considered whether this creates an actual conflict of interest. This decision will not adversely affect the Tees Valley Combined Authority, and as such, the decision maker is content that no actual conflict arises, such that the decision can be made free from such conflict.

<p><b>SIGNATURE:</b></p>  <p><b>CHIEF EXECUTIVE</b></p> <p><b>DATE:</b> 7 August 2025</p>	<p><b>SIGNATURE:</b></p>  <p><b>CHAIR OF HDC BOARD</b></p> <p><b>DATE:</b> 29 July 2025</p>	<p><b>SIGNATURE:</b></p>  <p><b>GROUP LEGAL MANAGER</b> (with the necessary delegations for the Monitoring Officer)</p> <p><b>DATE:</b> 29 July 2025</p>	<p><b>SIGNATURE:</b></p>  <p><b>GROUP FINANCIAL CONTROLLER</b> (with the necessary delegations for the Group Director of Finance &amp; Resources)</p> <p><b>DATE:</b> 7 August 2025</p>
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Once fully complete and signed off please return to the Governance Team.



## DELEGATED DECISION IN CASE OF URGENCY (PROCEDURE RULE 20 – HARTLEPOOL DEVELOPMENT CORPORATION CONSTITUTION)

This form should be used to record decisions taken under urgent decision arrangements by the Chief Executive in consultation with the Chair of the Hartlepool Development Corporation Board, Group Director of Finance & Resources and Monitoring Officer, where the decision needs to be taken urgently and it is not practicable to form a quorate meeting of the board.

A record of this decision must be submitted to the next HDC Board. An annual record is also maintained by the Monitoring Officer.

<b>OFFICER:</b> CHIEF EXECUTIVE	<b>DATE DECISION TAKEN:</b> 29 July 2025
<b>DECISION NO:</b> HDC UD 10-2025	<b>DELEGATION POWER AND PAGE OF CONSTITUTION:</b> Procedure Rule 20, Hartlepool Development Corporation Constitution
<b>DETAILS OF DECISION:</b>  <u>Background</u>  Hartlepool Development Corporation (“HDC”), as landlord of Middleton Grange Shopping Centre, has received notice from an insolvency practitioner that a tenant of a unit in the Centre (“the Tenant”) is proposing to restructure their business due to financial difficulties.  The Tenant has commenced a procedure under Part 26A of the Companies Act 2006 to restructure its company debts and obligations to various creditors and has instructed insolvency practitioners to propose a restructuring plan to its creditors. As the landlord of the Tenant, HDC is a creditor for the purposes of the rent, service charge, utilities and rates obligations under the Tenant’s lease.  HDC’s asset managers, JLL, have reviewed the restructuring plan proposal on behalf of HDC and have provided a summary. A copy of JLL’s summary can be found attached to this record at confidential Appendix A.  A meeting of the creditors is due to be held by the Tenant’s insolvency practitioner at the beginning of August 2025 and it is open to HDC whether it wishes to vote at the meeting (either by attending or by proxy) or abstain from voting. It is JLL’s recommendation that HDC votes at the meeting in favour of the restructuring plan for the reasons set out in the Financial Implications section of this record.  In order for the restructuring plan to be passed and put into effect, the whole proposal requires a 75% vote in favour. If a creditor does not vote but the Plan is successful and sanctioned by the Court, they will still be bound by the outcome of the plan from the effective date. Should the plan not be passed by the creditors, it is likely that the Tenant will be placed into administration.  It is not feasible to wait until the next HDC Board on the basis that HDC must indicate its intention to vote at the creditors meeting by 29 July 2025.  <u>Decision</u>  A decision has been made for HDC to vote in favour of the Tenant’s restructuring plan via proxy and to authorise the Group Legal Manager to complete and sign the relevant forms on HDC’s behalf to give effect to this decision.  Appendices A and B to this Record of Decision are not for publication under the terms of paragraph 3 (information relating to the financial or business affairs of any particular person (including the authority holding that information)) of Schedule 12A of the Local Government Act 1972.	

**FINANCIAL IMPLICATIONS:**

The proposed restructuring plan, if implemented, will result in a negative NOI for the unit on the basis that the rent will reduce from the effective date of the plan. However, it is considered that the plan, if implemented, will be result in a more favourable position for HDC than the alternative, administration of the Tenant company and the Tenant leaving the Centre.

A summary of the plan's effect on HDC can be found at confidential Appendix B.

**EXISTING BOARD DECISION WHICH ASSIGNED THE NECESSARY FUNDING:**

Not applicable

**PROCESS OF PARTNER CONSULTATION:**

There was no partner consultation prior to this decision however HDC's Chief Operating Officer, the Chair of Hartlepool Development Corporation, the Group Financial Controller and the Group Legal Manager were consulted prior to this decision.

**ALTERNATIVE OPTIONS CONSIDERED AND REJECTED:**

To either vote against the Tenant's restricting plan or to abstain from voting. Should the plan not receive the required number of votes, this may lead to the Tenant company entering administration and the loss to HDC being greater than if the plan had been implemented.

**ACTUAL OR PERCEIVED CONFLICT OF INTEREST BY ANY OF THE DECISION-MAKERS:**

The Chief Executive of Hartlepool Development Corporation is also the Chief Executive of Tees Valley Combined Authority. This creates a perceived conflict of interest. By exercising this delegation, under the Hartlepool Development Corporation Constitution, the Chief Executive has considered whether this creates an actual conflict of interest. This decision will not adversely affect the Tees Valley Combined Authority, and as such, the decision maker is content that no actual conflict arises, such that the decision can be made free from such conflict.

The Group Financial Controller of Hartlepool Development Corporation is also the Group Financial Controller of Tees Valley Combined Authority. This creates a perceived conflict of interest. By exercising this delegation, under the Hartlepool Development Corporation Constitution, the Group Financial Controller has considered whether this creates an actual conflict of interest. This decision will not adversely affect the Tees Valley Combined Authority, and as such, the decision maker is content that no actual conflict arises, such that the decision can be made free from such conflict.

The Group Legal Manager of Hartlepool Development Corporation is also the Group Legal Manager of Tees Valley Combined Authority. This creates a perceived conflict of interest. By exercising this delegation, under the Hartlepool Development Corporation Constitution, the Group Legal Manager has considered whether this creates an actual conflict of interest. This decision will not adversely affect the Tees Valley Combined Authority, and as such, the decision maker is content that no actual conflict arises, such that the decision can be made free from such conflict.

**SIGNATURE:**



**CHIEF EXECUTIVE**

**DATE:** 31 July 2025

**SIGNATURE:**



**CHAIR OF HDC BOARD**

**DATE:** 30 July 2025

**SIGNATURE:**



**GROUP LEGAL MANAGER**  
(with the necessary delegations  
for the Monitoring Officer)

**DATE:** 30 July 2025

**SIGNATURE:**



**GROUP FINANCIAL CONTROLLER**  
(with the necessary delegations  
for the Group Director of  
Finance & Resources)

**DATE:** 31 July 2025

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**DATE REPORTED TO BOARD**

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