

AD HOC SCRUTINY PANEL

A meeting of the Ad Hoc Scrutiny Panel was held on 24 November 2009.

PRESENT: Councillor Brunton (Chair), Councillors Elder, C Hobson, Kerr, McIntyre, McPartland and Williams.

OFFICERS: P Clark, S Harker and M Quinn.

****APOLOGIES FOR ABSENCE**

Apologies for absence were submitted on behalf of Councillor Dryden.

****DECLARATIONS OF INTEREST**

Name of Member	Type of Interest	Item/Nature of Interest
Councillor C Hobson.	Personal/Non Prejudicial.	Agenda Item 4 - Any matters arising relating to Site 44.
Councillor Brunton.	Personal/Non Prejudicial.	Agenda Item 4 - Any matters arising relating to Levick Trust.

TACKLING THE RECESSION LOCALLY

The Scrutiny Support Officer had submitted a report to present an outline purpose of the meeting to the Panel. Members of the Panel were recommended to receive detail on tackling the recession at a local level and determine the terms of reference and lines of enquiry for the scrutiny review.

The Overview and Scrutiny Board had determined that the Ad Hoc Scrutiny Panel would assess the Council's economic strategy, actions taken to date and those intended, which aimed to contribute towards local recovery.

The current recession was considered to be the worst in sixty years and had led to huge government deficits and years of damage to public spending plans. The Government launched a series of regional Grand Committees to be held locally to concentrate on regional economy and recovery and one of these meetings was held in Middlesbrough in September 2008.

A range of organisations were actively working to limit the impact of the recession and look towards recovery. The Panel discussed which organisations it would be useful to engage with during the course of the scrutiny.

It was acknowledged that this was a world-wide recession and whilst the Council had a duty to monitor what was happening and provide support and advice, it was important to be realistic in terms of those issues the Council could influence.

The Panel also discussed possible terms of reference around determining the level of impact the recession had had locally, assessing the actions taken by the Council, both directly and in a facilitating role, looking at how the business community had responded and increased links with public bodies.

NOTED

TACKLING THE RECESSION IN MIDDLESBROUGH

A report of the Interim Director of Regeneration was submitted to provide the Panel with information on how the recession was being tackled in Middlesbrough and set the local response within the national, regional and sub-regional context.

The report highlighted some of the impacts of the recession on Middlesbrough in terms of how it affected residents, business, the housing market and regeneration programmes. Details of specific responses in each of the areas that Middlesbrough as a partnership was looking to develop, were included. The Council's website provided information on a whole range of help and support available.

Middlesbrough Council's reaction to the recession was to ensure that all strategic partners worked together to consider the impact of the downturn on people and businesses in the town and develop appropriate responses. In April 2009 the Council's Executive considered a report that identified the issues affecting Middlesbrough and how the Council and its partners were responding. An outline Action Plan was developed and a copy was attached at Appendix 1 to the submitted report.

A partnership approach to tackling the recession had been identified as a priority for the Middlesbrough Local Strategic Partnership (LSP) and a dedicated Partnership Forum had been established. The Partnership's multi-agency Action Groups had developed action plans detailing how the recession would be addressed within their particular theme of the Sustainable Community Strategy and details were attached at Appendix 2 to the submitted report.

Concern was expressed that individual agencies would give priority to their own strategies rather than adopting the Action Group priorities. However, it was clarified that the Action Groups would report back progress on their priorities to the LSP Executive.

Middlesbrough LSP had also established a Financial Inclusion Group to bring together partners from the private, public, community and voluntary sectors to promote and improve financial inclusion across Middlesbrough. The Group's primary focus was on financial inclusion such as access to debt and money advice, access to affordable credit and banking services and financial literacy. The Group would focus on vulnerable groups and individuals within the community and would seek opportunities to promote consultation with residents and communities.

Middlesbrough was benefiting from a range of Government support through Business Link and working close with the University of Teesside to help businesses access the support they needed and maximise business opportunities in a difficult environment. The Council was helping businesses to manage business rates and rent arrears to enable them to maintain tenancies and continue trading. A reduction had been introduced in the number of days it took the Council to pay invoices from 30 days to 20 days.

The Council was also accelerating planned maintenance of its own buildings and would spend £30 million over the next ten years on leisure and community centres and administrative and social care buildings. Potentially this investment would stimulate the local economy through the use of local tradesmen and suppliers and the Council was also seeking views on contract packaging to best meet local needs. Through the North East Regional Improvement and Efficiency Partnership, the Council was looking at contract packaging, including breaking work up into lots, on the basis of location and product type, to allow more companies to bid for work.

At a Tees Valley and regional level there was a strategic approach to ensure that the area was well placed to take advantage of the recovery. Recovery would come eventually and it was important that Middlesbrough was not left behind as it had been in terms of house building following the last recession.

More widely, the Council's investment plans aimed to secure a better future for Middlesbrough by addressing the fundamental issues affecting the town. The five-year Capital Programme amounted to £328 million and was the largest since Middlesbrough became a Unitary Authority. The Council had a direct influence over how it spent its Capital Programme and planned maintenance programmes could be brought forward. Consideration was also being given to developing a site at Levick House with 50% grant funding from the Government.

The Government had introduced a range of measures to support house building through the economic downturn and there was some evidence that these measures were beginning to have a positive impact. Funding from the Government's Kickstart Housing Delivery Programme had been secured for sites at Trinity Crescent and West Lane to enable them to continue to

completion. Another Government funded scheme was HomeBuy Direct, through which the Developer and Government provided the purchaser with an equity loan for up to 30 percent of the cost of a new home. This scheme had been successful at Parkside Gardens, on the former Middlesbrough General Hospital site, where six of the last seven sales had been the result of HomeBuy Direct.

It was highlighted that these stimulus measures came from central government and the general concept was that they looked to maintain momentum on stalled development sites within the private sector. The Council's role was to ensure that developers were aware of these funds and encouraged to take advantage of them.

With regard to the increase in unemployment, a multi-agency package of support had been put in place for individuals. This included advice on changing jobs and re-skilling, support for those recently redundant and looking for work, support for people suffering longer-term barriers to employment such as mental health problems, debt and drink/drugs problems and apprenticeships for young people in deprived communities. There had been a massive impact on levels of youth employment with one in five unemployed nationally. The Council had secured resources from the Future Jobs Fund which commenced in October with 150 jobs due to be introduced primarily focused on the 18-24 year old unemployed from hotspot areas. Around £8 million had been committed to create 1,253 jobs across the Tees Valley over the next year.

With regard to children and families, within the Children's Trust Action Plan there was reference to the National Curriculum that included financial awareness. There was a recognition that young people at school would benefit from this kind of provision and could help raise awareness within their own families.

The voluntary sector could also play a role in starting a movement to keep young people busy by getting them involved in voluntary work. It was acknowledged that the recession had also impacted on the voluntary sector in terms of the funding streams available.

The key issue for the Council was increasing awareness about the whole range of assistance available to help people through the recession. One particular area highlighted was to encourage residents to apply for benefits such as council tax, or tax credits, which often remained unclaimed. It was important for the Council and its partners to promote the advice and support that were on offer as widely as possible.

AGREED as follows that:

1. the following Terms of Reference be approved:
 - To determine the level of impact the recession has had locally.
 - To assess the actions taken by the Council, both directly and in a facilitating role.
 - To look at how the business community have responded and increased links with public bodies.
2. representatives from Jobcentre Plus, Erimus Housing, Town Centre Forum, Local Strategic Partnership, University of Teesside, Chamber of Trade, Citizens Advice Bureau, Credit Unions, Middlesbrough College and the Council's Director of Resources, be invited to meet with the Panel.
3. the Senior Scrutiny Officer would arrange for representatives from the Local Strategic Partnership, Citizens' Advice Bureau and Job Centre Plus to attend the next meeting of the Ad Hoc Scrutiny Panel.

ANY OTHER URGENT BUSINESS

The Chair had not been notified of any other urgent business.

DATE AND TIME OF NEXT MEETING

The date and time of the next meeting of the Ad Hoc Scrutiny Panel would be agreed in consultation with the Chair and Members would be notified.