

OVERVIEW AND SCRUTINY BOARD

A meeting of the Overview and Scrutiny Board was held on 22 July 2014.

PRESENT: Councillors N J Walker (Chair), C Hobson, Junier, McIntyre, P Purvis, P Sharrocks, M Thompson, J A Walker and Williams

PRESENT BY INVITATION: Councillor Budd, Deputy Mayor and Executive Member for Finance and Governance

OFFICERS: J Bennington, A Crawford, E Pout, J Shiel and P Slocombe.

APOLOGIES FOR ABSENCE were submitted on behalf of Councillors Cole, Mawston and Sanderson.

DECLARATIONS OF INTERESTS

There were no declarations of interest made at this point of the meeting.

1 MINUTES - OVERVIEW AND SCRUTINY BOARD 1 JULY 2014

The minutes of the meeting of the Overview and Scrutiny Board held on 1 July 2014 were submitted and approved as a correct record.

2 ATTENDANCE OF EXECUTIVE MEMBERS - DEPUTY MAYOR AND EXECUTIVE MEMBER FOR FINANCE AND GOVERNANCE

By way of introduction the Scrutiny Support Officer submitted a report which included the schedule previously agreed detailing proposed attendance by individual Members of the Executive to meetings of the Board. The process was part of the scrutiny arrangements of holding the Executive and Executive Members to account and for them to provide updates on their respective work, priorities and emerging issues and also provide the opportunity for the Board to identify any issues of concern.

The Chair welcomed the Deputy Mayor and Executive Member for Finance and Governance to the meeting who indicated that whilst the portfolio covered a wide range of issues not least the Council's capital and revenue budgets the subject of separate reports on the meeting's agenda he confirmed his intention to focus on Tees Valley and regional matters. The Deputy Mayor did however confirm that the main revenue budget pressures in the future related to the increasing demands in respect of children looked after and adult social care. Reference was also made to a review of the Council's Capital Programme a report on which was expected to be submitted to the Executive in October 2014.

An indication was given of the involvement with, and progress on various regional issues including the work by means of the Association of North East Councils (ANEC) to which the Deputy Mayor attended on a regular basis. Information was provided on a number of areas which demonstrated the scope for promoting Middlesbrough and also for such an organisation to collectively raise and promote issues at a national level such as alcohol and smoking related problems.

Other key regional issues included pressures as a result of an increasing number of children looked after, LA Pension scheme, Migration Network, development of credit unions, working collaboratively with regard to EU funding, Local Enterprise Partnership, supporting young people into work, impact of welfare reform and implications of the forthcoming Scottish referendum on independence.

The Board's attention was drawn to the complexities in relation to rail issues with particular regard to the disparity in transport funding. It was confirmed that the new rail station at James Cook University Hospital had recently been officially opened, a vital link in the area's transport infrastructure with up to 17 Northern Rail trains on the Esk Valley line calling at the station. It was considered that the number of trains should be increased. Specific reference was made

to the aspirations of the North East as outlined in the document entitled The North East Rail Statement which included details of Middlesbrough such as the electrification of the line from Northallerton to Middlesbrough and on to Teesport, improvements at Darlington Station, the requirement for a Middlesbrough to London service and improved capacity and speed on the East Coast mainline. The document was being used to assist in lobbying the Government for better services and funding arrangements.

Information was provided of ongoing cultural issues relating to arts, theatre and sport which involved joint working and a number of groups producing a local Case for Culture. Such joint working involved local businesses and universities with one of the aims of attracting and co-ordinating more festivals and appropriate events. Reference was made to attendance at a Parliamentary Select Committee with the emphasis on regional funding for culture and an opportunity of making a case for more control of and need for further funding mindful of its importance in the wider context of housing, regeneration and economic circumstances of the local area. It was noted that the result of the Select Committee was likely to be known in September 2014.

In commenting on the positive results of gaining a rail stop at James Cook University Hospital it was acknowledged that there was scope for improved bus services although reference was made to beneficial schemes arising from the Tees Valley Improvement Bus Network in relation to SMART tickets, better traffic light systems and junction improvements. It was suggested, however, that the matter could be a potential scrutiny topic of investigation by the Economic Regeneration and Transport Scrutiny Panel.

In response to clarification sought regarding ANEC the Deputy Mayor confirmed that the organisation had its own scrutiny arrangements and indicated that whilst it received an element of funding from the twelve local authorities its main role was working in collaboration avoiding duplication and pursuing common interests on areas such as responses to Government documents, promoting the area and work on identifying where savings could be achieved by joint working in different ways. Given the significance of such issues as transport and prevailing economic situation of the local area Members agreed the importance of retaining the Tees Valley identity within the North East context.

ORDERED that the Deputy Mayor and Executive Member for Finance and Governance be thanked for the information provided which was noted.

3 **EXECUTIVE FORWARD WORK PROGRAMME**

As part of the Board's remit in terms of holding the Executive to account a report of the Executive Office Manager was submitted which identified the forthcoming issues to be considered by the Executive as outlined in Appendix A to the report submitted.

NOTED

4 **CAPITAL OUTTURN 2013/2014**

In a report of the Executive Director Commercial and Corporate Services the Board was provided with an update on the Council's capital programme 2013/2014 to 2016/2017 as at 31 March 2014.

Following a major review of the capital programme in July 2013 the programme had been agreed at £151 million funded from a number of sources including; government grants, affordable borrowing, capital receipts, external funding and direct revenue funded contributions.

The Board was reminded that the Council had embarked on a further appraisal and review of the capital priorities to be completed by October 2014 with a greater emphasis on Member involvement and achievement of outcomes in line with Council priorities.

It was confirmed that the change in gross expenditure since the last review was an increase of £9.377 million (Wellbeing Care & Learning (£1, 765,000), Economic Development & Communities (£4,627,000), Commercial & Corporate (£2, 985,000) and that resources had increased by £13.274 million resulting in a net increase of £3.897 million.

It was reported that the changes to resources available came from school contributions (+£1.4 million), grants and contributions (+£2.1 million), borrowing for the Cleveland Mall Hotel paid for by the developer (+£5.8 million), affordable borrowing (+ £3.8 million) and other (£0.2 million).

The significant expenditure variations to the programme were set out in the report submitted.

The Board's attention was drawn to schemes to the value of £31.987 million which had been re-profiled into later years from 2013/2014. Schemes totalling £555,000 had been brought forward into 2013/2014. Details of the key schemes were outlined in the report.

In July 2013 the level of over-programming for the four year programme (expenditure exceeding resources) was reported as £4,766 million. The capital investment review within the Change Programme identified capital financing savings that addressed the over-programming issue. The overall impact of additional resources and changes to gross expenditure was shown as £9,809,000 over programming.

It was reported that the capital programme was now under-programmed by £5 million by securing additional contributions and capital receipts. Capital resources had been estimated to be £5 million in excess of the current agreed capital programme. Such resources could be used to meet additional capital priorities or reduce the revenue cost of borrowing.

The overall programme allowing for changes in expenditure and resources was summarised at Appendix D of the report submitted.

Following Members' questions further information was provided on a number of issues including assurances around the loan support scheme in respect of the Cleveland Mall Hotel, schools supported capital expenditure, changes from leasing to purchasing new vehicles as it was more economical and a revised cost of replacing vehicles was in place.

ORDERED that the information provided be noted.

5 **REVENUE OUTTURN 2013/2014**

In a report of the Executive Director Commercial and Corporate Services the Board was advised of the unaudited final revenue outturn position for 2013/2014.

On 4 March 2013 the Council had set its revenue budget for 2013/2014 as £140.402 million and a Council Tax increase of 1.96% had been approved. In setting the 2013/2014 budget, reductions of approximately £12.7 million had been identified.

The Council had approved additional investment in key areas of £1.82 million for care for children and young people, £1.25 million for care for older people and vulnerable adults, £0.68 million for environment services and £0.5 million for other services.

The Board was given explanations for the major variations from budget for each service area as set out in the report and a full analysis given in Appendix A of the report submitted.

It was reported that as a result of the effective management of budgets by the Council during 2013/2014, additional savings of £3.6 million had been generated which would contribute to a sustainable approach to future Council budgets.

The report set out a net saving of £3.6 million, £2.5 million from early achievement of savings mainly staffing savings and £1.1 million other savings which were mainly one-off savings achieved towards the end of the financial year, for example, £660,000 of top sliced

government grant returned towards the year end.

The outturn position was summarised as Wellbeing, Care and Learning (-£916,000), Neighbourhoods and Communities (-£1,072,000), Transformation (-£363,000), Central Costs (-£1,727,000), change in government funding (£480,000), a total of (-£3, 598,000) which represented an underspend of 1.6% of the gross budget.

Members sought further clarification on a number of areas. Although in terms of children looked after the attempts to reduce costs by accommodating as many placements as possible in-house were acknowledged Members requested additional details of the overall numbers involved.

Whilst noting the continuing budget pressures in relation to Ayresome Industries it was confirmed that the gap had narrowed and an improved situation was expected next year. Members acknowledged the valuable service and mindful of the new staffing structure it was suggested that there was scope for improved marketing and a further update could be provided to the Board in due course.

The Board was pleased to note the savings of -£281,000 had been achieved on the Waste Disposal budget following the new refuse and recycling collection arrangements which had resulted in a reduction of waste sent to landfill and increased recycling rates. It was suggested that such positive results should be more widely publicised.

ORDERED that the information provided be noted.

6 **BALANCED SCORECARDS**

In a report of the Executive Director Commercial and Corporate Services the planned introduction of the concept of the Balanced Scorecard was introduced and sought the Board's views on the involvement of the Board with regard to the process.

As part of the Council's Change Programme, the Corporate Management Team had required the replacement of the Council's current Performance Management Framework and other service monitoring processes with an integrated Balanced Scorecard approach, to be implemented during 2014/2015.

Balanced Scorecards would provide a single and simple 'dashboard' view of progress towards each of the Council's nine targeted outcomes.

It was explained that scorecards presented performance across four perspectives (Customer, Business, Finance and People), which though clearly interrelated, had previously been reported upon separately, together with an assessment of high level risks.

The report set out progress to date and confirmed the next steps of the process which included confirmation of the service-specific measures to be used in Scorecards and intelligent targets with a presumption that 'floor targets' would be set for all measures in order to clearly flag where performance was unacceptable.

It was intended for the final draft Scorecards and proposed monitoring arrangements to be submitted to Executive on 12 August 2014 for approval. Scorecards would be piloted 'in the round' at Leadership Management Team (LMT) in October with the process refined thereafter and rolled out across the organisation by the end of March 2015.

The report gave an indication of the proposed format for Scorecards. The performance of each measure within the Scorecard would be RAG rated, and these aggregated to provide a RAG assessment of performance for each perspective, and for the Scorecard overall.

The proposed monitoring arrangements for Scorecards were outlined as follows:-

(a) within 3 weeks of Quarter End - production of 9 x Scorecards and summary report;

- (b) within 4 weeks of Quarter End - LMT consideration and agreement of revisions to Scorecards and improvement actions;
- (c) next OSB - Board's review of Scorecards and LMT response and consideration of impact on scrutiny work programme;
- (d) next Executive - Executive consideration of Scorecards and LMT and OSB responses;
- (e) post-Executive - review and revise process and implement improvements.

It was proposed to introduce the new arrangements after September 2014 and quarterly Balanced Scorecard reports, summarising overall performance and agreed actions to address any issues identified, together with the nine single page Scorecards would be submitted to the Board for consideration.

Members expressed support for the proposed changes to monitoring and performance and acknowledged the potential for more easily identifying the triggers for scrutiny involvement.

It was hoped that future information would provide further comparative data and more easily identify where improvements had been achieved in overall terms or otherwise.

Reference was made to the scope for scrutiny to be involved with, and influence, the Council's Change Programme as shown in the selection of a number of scrutiny topics of investigation agreed by the Board at its meeting held on 1 July 2014.

ORDERED that the planned introduction of the Balanced Scorecard model within the Council be noted and the intention for quarterly Balanced Scorecard reports to be submitted to the Board be supported.

7

PARKING ENFORCEMENT ON PRIVATE LAND

Further to the meeting of the Board held on 1 July 2014 the Chair outlined the Board's findings, conclusions and recommendations on the subject of enforcement in relation to parking in privately operated car parks, and on private land, in Middlesbrough.

The Board considered the following recommendations:-

1 That the Executive calls on the Government to:-

- (a) To protect the motorist and local economy by creating a 'level playing field' in respect of car parking enforcement, and so to introduce appropriate regulations relating to the conduct and licensing of private car park operators who are entitled to access records from the DVLA. This could be funded from the charge made by the DVLA when supplying such information.
- (b) In the interests of consistency and fairness, use national statutory limits for penalties and discounts that currently apply to local authorities in respect of all car parks, irrespective of whether they belong to local authorities or private operators.
- (c) Introduce a statutory appeals process to be followed by POPLA, or appropriate body that involves mandatory suspension of the higher penalty charge while the appeal process is followed, together with a short period of grace to pay the discounted amount following an unsuccessful appeal.

2. That the Council considers whether action is necessary, and could be taken, to regulate private parking companies operating on Council-owned land in any future leases.

ORDERED that the findings and recommendations of the Overview and Scrutiny Board be referred to the Executive.

8 PROTECTING CHILDREN FROM SEXUAL EXPLOITATION - FINAL REPORT OF THE COMMUNITY SAFETY AND LEISURE SCRUTINY PANEL

The Chair of the Community Safety and Leisure Scrutiny Panel presented the Panel's findings, conclusions and recommendations of the scrutiny investigation on the issue of Child Sexual Exploitation.

The Board considered the following recommendations:-

- a) That the MSCB and the Wellbeing, Care and Learning departments undertake a short sharp review of their operational and strategic plans against the 7 principles of the See Me Hear Me framework contained within the Office of the Children's Commissioner Document, If only someone had listened, and any other appropriate national guidance to ensure that and that officers are confident that their policies and procedures are robust. The MSCB and the Wellbeing, Care and Learning department should report back to the panel in 6 months on this matter. (paragraph 40 of the report)
- b) That the Council consider adding information to the JSNA about the prevalence of CSE and determine appropriate commissioning decisions and priorities. (paragraph 45)
- c) That the Council makes representation to the Government to ask them to alter the process for applications made to the Driver and Vehicle Standards Agency (DVSA) (formally Vehicle and Operator Services Agency - VOSA) for a Public Service Vehicle (PSV) licence to operate a public hire vehicle of 9 seats or more. The Council would suggest that the DVSA process is aligned to the Council's licence application process (for private hire licences for vehicles of less than 8 seats) which ensures that all drivers have undertaken a DBS check and that any drivers involved with the exploitation of children would have their licence suspended. (paragraph 57)
- d) That the Licensing Team and the Council's safeguarding team review their lines of communication to ensure that there is a robust method of sharing information between the teams and ensure that the teams are confident that their process of information sharing is fit for purpose. In particular when details are received by the licencing team that these are shared with the VEMT, Perpetrators group (paragraph 61)
- e) That a 6 monthly update is provided to the panel from the Executive Member for Children's Services and the Deputy Director - Safeguarding on how the problem is being addressed and if the objectives of the VEMT are being implemented and an update on progress against targets with regard to CSE. (paragraph 96)
- f) The panel were extremely supportive of the work of the VEMT. The panel would like to see that, through the Council's representative on the VEMT group,
 - (i). That the VEMT explore methods of improving information sharing, especially between the LSCB and the health sector. (paragraph 99)
 - (ii). The VEMT's work to engage with local businesses to raise the awareness of CSE is given a high priority. (paragraph 100).
- g) Following the mapping exercise on CSE training that the Council is undertaking the Wellbeing, Care and Learning Department should ensure (paragraph 102):
 - (i). That all foster carers and residential care home staff have received up to date training on spotting the signs of sexual exploitation and know who to contact if they have suspicions or an incident to report.
 - (ii). That an e-learning training course on CSE awareness should be offered to all Councillors and council staff, especially front line workers. Details should be kept of who has received the training and when any refresher training needs to be offered.

(iii). That a well-publicised dedicated contact officer is named so that that people can contact should they suspect that CSE is taking place. (paragraph 44 (i)).

h) That the agencies involved in Operation Stay Safe, which had been funded by the Youth Crime Action Plan, be asked to consider if it is possible to increase the number of nights they undertake the operation which is currently 20 nights per year. (paragraph 104)

i) Whilst recognising that a number of Middlesbrough's secondary schools are now independently run academies, the panel want the Children, Families and Learning Department to consider:

(i). How schools can be assisted to employ non-teaching staff who can maintain the preventative work around safeguarding and CSE and have the capacity to deal with any CSE issues where they may occur. Schools may wish to explore ways to pool budgets to ensure that they have sufficient funding for training and can share costs to maximise resources. (paragraph 137 (i))

(ii). Finding a small amount of funding to provide trained counsellors for schools (again this could be completed with pooled budgets and schools sharing the resource. (paragraph 130)

(iii). Helping and encouraging schools to introduce mechanism for an officially recognised system of supervision for teaching staff involved in dealing with CSE. (paragraphs 40 (vi) and 135)

(iv). Entering into a dialogue with schools and other agencies which involve working with young people in order to share the best practice and experiences in Acklam School across the town. (paragraph 134)

(v). Ensuring all schools are regularly reminded of the warning signs of child sexual exploitation.

The Board supported the undertaking of such an important scrutiny investigation and endorsed the conclusions and recommendations of the Panel.

Members referred to paragraphs 56 and 57 of the Final Report and indicated that:-

(1) In respect of the last sentence of paragraph 56 the Licensing Department no longer informed the driver's employer if any of their driver's licences had been suspended;

(2) In respect of paragraph 57 at least two or three taxi firms insisted minibuss drivers should have a DBS check.

ORDERED that the findings and recommendations of the Community Safety and Leisure Scrutiny Panel be endorsed and referred to the Executive subject to appropriate revision to take into account (1) and (2) above.

9

SCRUTINY PANELS - PROGRESS REPORTS

A report of the Chair of each Scrutiny Panel was submitted which outlined progress on current activities.

In terms of the overall process it was suggested that when Scrutiny Panels are examining specific Ward based issues the respective Ward Councillors should be informed accordingly.

Specific reference was made to the topics of investigation in respect of the Ad Hoc Scrutiny Panel the membership for which would shortly be pursued.

NOTED

10 **CALL-IN**

It was confirmed that no requests had been received to call-in a decision.

NOTED