

OVERVIEW AND SCRUTINY BOARD

A meeting of the Overview and Scrutiny Board was held on 9 December 2014.

PRESENT: Councillors N J Walker, (Chair), Arundale (as substitute for C Hobson), Dryden, Kerr (as substitute for J Walker), P Sharrocks, M Thompson and Williams

PRESENT BY INVITATION: Councillor Brunton, Executive Member for Education and Skills

OFFICERS: A Crawford, S Lightwing, V Robertson, J Shiel and C Walker

APOLOGIES FOR ABSENCE were submitted on behalf of Councillors Cole, C Hobson, Mawston, McIntyre, P Purvis and J A Walker.

DECLARATIONS OF INTERESTS

There were no Declarations of Interest made at this point of the meeting.

1 MINUTES - OVERVIEW AND SCRUTINY BOARD - 11 NOVEMBER 2014

The minutes of the meeting of the Overview and Scrutiny Board held on 11 November 2014 were taken as read and approved as a correct record.

2 ATTENDANCE OF COUNCILLOR BRUNTON - EXECUTIVE MEMBER FOR EDUCATION AND SKILLS

The Scrutiny Support Officer advised that a schedule had been prepared for individual Members of the Executive to attend meetings of the Overview and Scrutiny Board to provide updates on their respective work in terms of their aims, aspirations, objectives, priorities and any emerging issues or pressures. The process was part of the scrutiny arrangements of holding the Executive to account and also provided the opportunity for the Board to identify or highlight any issues of concern or difficulty.

The Chair welcomed Councillor Brunton, Executive Member for Education and Skills, to the meeting. Councillor Brunton indicated that it was her intention to talk about her role as well as answer any questions on the Children and Learning Service.

The Executive Member explained that she had been a School Governor for twenty six years and was currently Chair of a Primary School Governing Body and the Complementary Education Governing Body as well as a Governor at two secondary schools. As a School Governor, the Executive Member also had extensive experience of OFSTED Inspections.

Since taking on the portfolio in May 2014, the Executive Member had visited all Middlesbrough secondary schools and met with Headteachers. Meetings had also taken place with Governor Support and Governor Training Officers and several briefings had been organised for Elected Members. The Head of Achievement had been asked to produce a quarterly newsletter for all Members to keep them up to date about what was happening with education in Middlesbrough.

The importance of engaging schools and governors was emphasised. The Executive Member had asked Headteachers how they tracked pupil progress and what measures they put in place if pupils were not achieving the required levels of progress. Middlesbrough was a disadvantaged area and sadly many pupils had mental health needs and found it difficult to sit and listen and learn. Primary Schools tended to work together in clusters and shared best practice.

The Executive Member had also met with David Laws, Education Minister, to seek his views on how Elected Members could help education in Middlesbrough. Several specialist subject advisers had been engaged to work in secondary schools and promote best practice taken from other schools out of the area.

The Executive Member expressed her view that Middlesbrough would benefit from a good vocational establishment for those pupils who were not able to achieve good academic results. There was a danger of losing a generation of qualified skilled people to work in local industries and who might not have gone through the University route.

In response to a query regarding pupils for whom English was a second language, the Executive Member commented that this did not appear to be an issue. There were some Middlesbrough schools where there was a high percentage of pupils from Eastern Europe but they were coping well. Some schools invited parents into school to learn English to assist them to support their own children's learning.

In relation to the development of Academies, the Executive Member stated that there had to be a benefit to pupils. The conversion of a school to an academy did not automatically lead to an improvement in standards.

In relation to a query regard the recruitment of foster carers, the Executive Member explained that this issue was not in her remit but was included in the portfolio of the Executive Member for Children's Social Care. However, the Executive Members for Education and Skills, Children's Social Care and Supporting Communities met regularly and worked closely together as their portfolios were inter-twined. The Executive Member confirmed that foster carer recruitment was improving but there was still a lack of carers for teenage boys in particular. It was clarified that apprenticeships were part of the Executive Member for Supporting Communities' portfolio.

The Executive Member stated that she had not encountered any problems engaging with Headteachers and one of the issues identified through her meetings was the transition from primary to secondary education. The Executive Member stated that a longer transition period from primary to secondary would undoubtedly help pupils.

A Member highlighted that the Outwood Academy in particular was achieving good results whereas previously it had been a failing school. The Executive Member explained that Outwood Academy had very strict policies and excluded pupils with behavioural difficulties. Excluded pupils continued their studies in Complementary Education and achieved good results.

ORDERED that the Executive Member for Education and Skills be thanked for the information provided.

3 **1ST CAPITAL MONITORING & REVIEW 2014/2015**

A report was presented to provide the Overview and Scrutiny Panel with an update on the Council's capital programme 2013/2014 to 2016/2017 as at 31 August 2014. The report identified the changes to the capital programme since it was last reported to Members in the 2013/2014 Capital Outturn report. The capital budget for 2014/2015 was £76.9 million and the four year capital budgets had increased by £2 million overall to a total of £162.5 million.

The major changes to the programme included the following:

- Additional capital resources of £3.4 million had been identified to support the programme and additional expenditure from School Contributions (£1.5 million) and Grants and Contributions (£1.9 million).
- £12.8 million of projects had been re-profiled from 2014/2015 to 2015/2016. Four million related to two projects - the Middlesbrough Sports Village (£2 million) and the TWI Project - South West Iron Masters (£2 million) had been re-profiled forward from 2015/2016 into 2014/2015.
- Middlesbrough Sports Village enhancements including increasing the hall size and the addition of a velodrome had added £2.5 million to the project costs. This had been met through utilising capacity in IT investment and accommodation budgets.

- Two regeneration projects - the Cultural Development Fund (£180,000) and the General Opportunities Pot (£1,161,000) had been identified as no longer required and had released £1,341,000 back to the programme for new projects.

The capital programme was under-programmed by £6.4 million. This under-programming could be used to meet additional capital priorities or reduce the revenue cost of borrowing. This was currently being considered by Executive as part of the review of capital priorities.

The change in gross expenditure since the last review was an increase of £2.033 million. Resources had increased by £3.378 million, a net increase of £1.345 million. The changes in gross expenditure since the last review by Outcome were summarised in the submitted report, with the significant expenditure variations to the programme detailed in paragraphs 15 to 29. The key schemes that had been re-profiled and the reasons were set out in paragraphs 33 to 52. Members were informed that future reports would provide details of ten key schemes and a progress report on each would be provided.

In response to a query regarding housing regeneration in Gresham it was confirmed that originally the Homes and Communities Agency (HCA) had provided funding for the redevelopment. Unfortunately the funding was cut in 2010/2011 leaving the Council to fund the project. The 2014/2015 expenditure was estimated on anticipated property acquisitions. Estimates for the acquisition costs of a number of properties from a private landlord and social housing provided had been included in Gresham Phases 1 and 2a and both deals were anticipated to be concluded in the current financial year but if delayed could slip into 2015/2016.

A Member referred to the costs for the current Transporter Bridge Enhancement and painting works and highlighted concern that due to unforeseen technical problems the costs had increased. It was noted that a detailed report would be presented to the Executive and the cost was not expected to exceed £4 million. The Chair commented that the Economic Regeneration and Transport Scrutiny Panel would also receive an update on the situation in the new year.

It was suggested that it would be helpful to produce an article in a future edition of the Lovemiddlesbrough magazine, explaining the difference between capital and revenue funding.

ORDERED that the information provided was received and noted.

4 **LOCAL GOVERNMENT ASSOCIATION NATIONAL PROCUREMENT STRATEGY**

The Chair had identified this subject as a possible issue for scrutiny following its recent consideration at a North East Purchasing Organisation (NEPO) meeting.

Local authorities in England were being encouraged to improve the way they commissioned public services and managed suppliers via the Local Government Association's (LGA's) National Procurement Strategy (NPS). The strategy aimed to help local government get better value from the £38 billion spent nationally every year with suppliers.

The Chair had highlighted the issue of supporting local economies and thereby maximising economic, social and environmental benefits as being of particular importance. The Chair referred to a report from the LGA setting out national standards for Councils. It appeared that Middlesbrough already had these standards in place.

The Council's Strategic Commissioning and Procurement Officer provided an overview of the Council's procurement strategy and how it supported the local market whilst adhering to regulations and restrictions. Details of a Spend Analysis System (SAS) for Middlesbrough Council in 2013/2014 were tabled.

The proportion of spend on SMEs (Small Medium Enterprises) was 38.33%; with 18.19% spent on the VCS (Voluntary Community Sector)/Third Sector. Within the Tees Valley area, 37% was spent on suppliers in Middlesbrough which was a total of £18 million.

Middlesbrough's expenditure on local suppliers in comparison with twelve other north east Local Authorities was the highest at 23%. Of the total of £29 million spent by the twelve Local Authorities, 62% was spent in the Tees Valley.

Middlesbrough Council used local suppliers where possible however a significant amount of money was still spent outside of the Authority. Procurement worked with service areas to use local suppliers wherever possible within the regulations. In addition, training had been carried out with local suppliers to assist them with the tendering process.

Nationally there was a focus on social values and how that could be encouraged in procurement processes. Middlesbrough was working with Redcar and Cleveland to establish some social value task groups across the Tees Valley. The Public Services (Social Value) Act 2012 required public authorities to have regard to economic, social and environmental well-being in connection with public service contracts.

Middlesbrough's Strategic Commissioning and Procurement service was currently being reviewed and restructured and this was viewed as an opportunity to try and work consistently across the Council with service areas to understand what they were procuring and why. The Council was confident that its procurement process was open and transparent and any challenges could be met.

With regard to influencing the Council partners to encourage local procurement, it was confirmed that this was the case. Whilst partners had their own policies and procedures, the Council tried to promote the purchase of local supplies and employment of local labour. As well as NEPO, the Council could also access other public sector purchasing frameworks including Crown Commercial Services and Yorkshire Purchasing Organisation (YPO). One example was the purchase of school meals through NEPO. It was clarified that once a contract value was more than £172,000 the Council was bound by OJEU regulations to go out to tender.

AGREED that the information provided was received and the current position noted.

5 **FINAL REPORT OF THE ECONOMIC REGENERATION AND TRANSPORT SCRUTINY PANEL - WI-FI TOWN**

The Final Report on the Economic Regeneration and Transport Scrutiny Panel's findings, conclusions and recommendations following its investigation of Middlesbrough: Wi-Fi Town was presented.

It was highlighted that at a meeting of the Council held on 26 November 2014, the Mayor had announced that capital programme funding had been allocated to provide public Wi-Fi in Middlesbrough.

ORDERED that:

1. the Economic Regeneration and Transport Scrutiny Panel's final report should be used to assist with the process of establishing Wi-Fi in Middlesbrough through capital programme funding.
2. the findings and recommendations of the Economic Regeneration and Transport Scrutiny Panel be endorsed and the Panel's report be referred to the Executive.

At this point in the meeting, the Fire Alarm was sounded and the building evacuated. The meeting adjourned immediately and Agenda Items 8, 9, 10, 11, 12 and 13 were deferred to the next meeting.