

OVERVIEW AND SCRUTINY BOARD

A meeting of the Overview and Scrutiny Board was held on 28 February 2017.

PRESENT: Councillors E Dryden, A Hellaoui, L Lewis, T Mawston, J McGee, L McGloin, D Rooney, J Sharrocks, J A Walker and M Walters

PRESENT BY INVITATION: Mr D Budd - The Mayor

OFFICERS: B Carr, P Stephens and I Wright

APOLOGIES FOR ABSENCE: Councillor T Higgins, Councillor C Hobson.

DECLARATIONS OF INTERESTS

None Declared

1 MINUTES - OVERVIEW AND SCRUTINY BOARD - 17 JANUARY 2017

The minutes of the meeting of the Overview and Scrutiny Board held on 17 January 2017 were submitted and approved as a correct record.

2 ATTENDANCE OF EXECUTIVE MEMBERS AT THE OVERVIEW AND SCRUTINY BOARD

The Democratic Services Officer submitted a report to provide information in respect of the scheduled attendance of Members of the Executive at the Overview and Scrutiny Board (OSB). It was intended for Executive Members to provide updates on their respective work in terms of their aims, aspirations, objectives, priorities and any emerging issues.

The Chair welcomed the Mayor to the meeting. The Mayor advised the Board that he intended to talk about issues he dealt with outside the Council.

The Mayor advised that the SSI Task Force had been in operation for over one year. The Task Force had assisted many former SSI workers to access employment and training and enabled 97% of the workers to come off benefits. One issue that had arisen was that although the former SSI workers had accessed new employment, the new jobs paid less than their previous employment.

A member queried whether there was any funding available for the former SSI workers to set up a new business. The Mayor advised that a company that specialised in new business start-ups had been engaged to provide advice on the set up of businesses. People had been given initial individual advice as a first step to starting their own business and approximately 250 new businesses had been started. The Mayor advised that a tracking mechanism needed to be put in place to see how many of the businesses survived over a five-year period and how many people had been employed through the new business set-ups.

A member queried whether any of the people that had set up a new business were able to pay themselves a wage from the business. The Mayor advised that often when new businesses were set up, the initial optimism disappeared when it was realised that certain trades/professions were not commercially viable.

A member queried whether the issue with the pensions of SSI workers had been rectified. The Mayor advised that as far as he was aware, the issue had been resolved. Many of the former SSI workers had relocated to other companies such as TATA or British Steel. The statistics in relation to employment needed to be examined because although many people had gained new employment, the value of the new jobs in wages and monetary terms was much less than what the employees would have earned at SSI.

The Mayor advised that a South Tees Development Corporation had been created to support jobs and growth in South Tees. The South Tees Development Corporation would focus on the

regeneration of a 5,000 acre area south of the River Tees, including the SSI site. The land was owned by various businesses including Tata, British Steel and Thai Banks and there was a real possibility for development in the future. The Mayor advised that he had looked at what had happened in other towns such as the Don Valley in Sheffield. The Mayor highlighted that the South Tees Development Corporation was the only one outside of London.

The Mayor had been approached to be a member of an Estates Regional Panel which consisted of 17 members from across the country. The aim of the Panel was to develop a national estate regeneration strategy and work with up to 100 estates to tackle deprivation and transform them into vibrant communities. The Board was advised that £140 million would be made available to jump-start the regeneration. The loan funding would allow communities to lever in investment from the public and private sector to deliver ambitious projects that local people can be proud of.

The final meeting of the group was due to take place the following month. The Mayor highlighted that of the 17 members of the Estates Regional Panel, all but three lived in the London area.

The Mayor referred to the TVCA and advised that it was a relatively new authority that was likely to develop once the new metro Mayor was in place. It was commented that the TVCA Scrutiny Committee was taking time to develop. The Mayor advised that once the Mayor was in place it was likely that the TVCA would scrutinise issues that the TVCA had responsibility for such as transportation. The issue of developing a Call-In process had been discussed at the TVCA Scrutiny meeting however the Mayor advised that this was something that could be considered once the metro Mayor was in place.

Three new Senior Officers had recently been appointed by the TVCA. The Mayor advised that an Industrial Strategy for Tees Valley 2016-2026 had recently been developed. The strategy set out bold proposals to create 25,000 additional jobs by building on the area's strengths, improving skills and infrastructure, and supporting business growth.

The Mayor advised that in the Chancellor's Autumn Statement, 12 transport schemes had been announced and two of the schemes were based in the Tees Valley area. The funding would be used towards developing a business case to establish a Tees Crossing, improvements to the East/West links through Teesport to Darlington and for the A66 to be duelled from Scotch Corner over the Pennines and study to see how A66 could be improved.

The TVCA had received the first tranche of funding for the current financial year amounting to £15m from the Government. The Council had been notified that it was to receive £22m Regional Growth Funding which was very disappointing. A member queried whether other funding streams would be available. The Mayor advised that the authority had met with Sajid Javid and were lead to believe that the figure for RGF would be higher than the figure received. The Mayor had queried what would replace European Funding and he was advised that the Government were working on it. European Funding amounted to £170m so it was a huge loss.

The Mayor advised that, as part of the TVCA, he was expected to attend and take part in a number of diverse events/discussions including a visit to Huddersfield Football Club to talk about the M62 corridor and discussions about the Northern Powerhouse in Manchester.

The Mayor advised that he was Chair of the North East Culture Partnership and he attended the Association of North East Councils (ANEC) meeting from time to time along with the other 11 authorities involved in the group. The TVCA met with the local MPS and the Trade Unions on a two monthly basis.

A member queried how much of the work that the Mayor did was aimed at improving the image of the area to encourage people to come and work in Middlesbrough. The Mayor advised that the TVCA were employing people to help change the image and promote the area and the Investment Prospectus for the Tees Valley was an example of this.

A member advised that she had recently visited Camden and the people that she had spoken

to were shocked when she informed them of the number of female councillors that held positions of authority at Middlesbrough Council, and they viewed this as a very positive.

The Mayor advised that he had recently attended an event in Manchester in relation to the Northern City Region and he had asked for a photo with a number of women protesters outside. He had advised them that the Tees Valley area was probably the only region likely to elect a female Mayor. A member commented on the fact that many residents knew the names of their Councillors and knew how to access them. Middlesbrough Councillors were very approachable. It was highlighted that the Council needed to get the media on side.

A member commented on the transformation that had taken place in Leeds. A member advised that there had been lots of transformation in Middlesbrough, but the town needed to promote the changes. A member commented that young people appeared to be very positive about the town.

A member commented that the town was very welcoming to asylum seekers and refugees.

The Chair thanked the Mayor for his contribution to the meeting.

3

BUDGET AND BALANCED SCORECARDS: QUARTER THREE 2016/2017

The Strategic Director of Finance, Governance and Support submitted a report, the purpose of which was to advise the Overview and Scrutiny Board of expenditure against the Council's revenue and capital budgets, and its performance overall at Quarter Three 2016/17, and provide a position statement in respect of Treasury Management and General Reserves.

Paul Stephens, the Head of Performance and Partnerships and Ian Wright, the Head of Financial Planning and Support were in attendance at the meeting to present the report.

The Board was advised that the consolidated quarterly report, covered the Council's revenue position, Capital Programme position, reserve position, and Treasury Management. It was felt that this amalgamated report provided an integrated and comprehensive overview of performance within the Council and provided assurance that mitigating actions were in place to address underperformance.

The report stated that the overall revenue position at Quarter Three 2016/17 was a forecast budget saving of £0.019m (or 0.02%). The overall capital position at Quarter Three 2016/17 was a forecast underspend of £1.9m (or 5.4%). The Council's borrowing as at 31 December 2016 was £127.4m, and the reserves were forecasted to be £27.975m as at 31 March 2017.

Details of the performance of Outcome Areas at Quarter Three 2016/17 was included within the Balanced Scorecards at Appendix 1, and the consolidated action plan in response to all of the issues identified within the report was attached at Appendix 2 to the report.

In terms of Adult Social Care there was a forecast budget underspend of £0.112m. Early delivery of the 2017/18 budget savings had identified a saving of £1.241m. It was proposed that these savings would be transferred into the Change Fund in order to support future service transformation.

In respect of Finance, Governance and Support, there was a forecast budget underspend of £0.497m. The projected savings were due to an increased level of recovery of Housing Benefit overpayments (£205,000) and increased income from Council Tax court cost recoveries (£324,000). The £531,000 had been included in the Medium Term Financial Plan (MTFP). There was also a projected saving of £290,000 in the Community Support budget and it was proposed that this saving be transferred into a new Hardship Fund for Council Tax.

In terms of the summary of expenditure at Quarter Three, this was an improvement compared to the position at the end of Quarter Two (29.4% underspend), as a result of significant work undertaken to improve and embed the Council's Programme and Project Management Framework and associated capital monitoring processes. In recognition of the increased level of risk and unpredictability in some capital projects, while maintaining the required rigour in

respect of project management, going forward the target for capital expenditure within Balanced Scorecards had been amended from 100% to 95%.

In terms of the Loan Portfolio Trend, since 2011, cash balances had been allowed to run down to fund the capital fund programme, without additional borrowings, which had resulted in the drawdown of short-term loans.

In respect of Learning and Skills, performance had reduced at Quarter Three, with a number of measures off target. Improvement within educational attainment and the local skills profile were central to the achievement of the 2025 Vision for Middlesbrough. The Council had set aside £2m to invest in school improvement services between 2017/18 and 2019/20 and the plan to achieve best value from this investment would be developed in Quarter Four.

In terms of Safeguarding and Children's Care, there was a projected total pressure of £229,000 on the Adoption Service. £150,000 of this pressure was as a result of one-off adoption fee payments to an agency for five children that were planned to be adopted by the end of 2016/17. These children were currently within the in-house fostering system, and this would produce savings in future years. The remaining £79,000 pressure had resulted from an income shortfall on the sale of adoption places.

The Chair of Overview and Scrutiny Board advised that when children were adopted by people outside the area, the Council paid the agency fees and if a child from outside the Middlesbrough area was adopted within Middlesbrough, the Council received a fee.

A member queried whether the Council should be concerned about the financial situation. Members were advised that the Council had contingency growth of £1.5m each year built into the budget. It was highlighted that the Council had savings targets of £4.9m in 2018/19. The Interim Director of Children's Services and the Director of Education were currently working on a transformation plan as part of the Change Programme Phase 3.

A member queried whether any pressures were being placed on people looking after children and it was confirmed that this was not the case.

A member queried whether if the balances showed an underspend this meant that services were not being delivered. A member commented that an underspend was not necessarily a positive thing as the Council had allowed for that provision and members needed to ask why that service was not being provided. The member queried at what point officers would bring any concerns to the attention of members.

The Board was advised that the underspend in respect of Social care was partly due to the fact that people were being reabled so on-going social care services were not required. In terms of community support, people were not applying for the support as it was not required. If there was an issue that was impacting on the Council's performance, officers would highlight the issue.

The Chair of Overview and Scrutiny Board advised that if members had any concerns about performance, they could invite the appropriate service managers to the Overview and Scrutiny Board to request further information.

The Board was advised that the £350,000 projected savings in respect of Public Health would be transferred to the Public Health reserve at year-end.

A member queried whether there was any procedures in place that would trigger an alert in terms of the provision of services. The Board was advised that quarterly reviews were held and a series of clinics were held with officers and Directors and any concerns would be highlighted at those meetings. The member requested that officers consider members concerns and report back to a future meeting on the mechanism for triggering alerts.

Members were referred to a table included at Paragraph 76 of the report in respect of Performance and Risk. The Board was advised that the current position in respect of performance for the majority of service areas was 75% and above.

The Board was advised that the aim of the Council was to ensure that its ambitions were in line with the Mayor's Vision.

It was commented that the revised format of the report was much easier to understand.

ORDERED as follows:

That Overview and Scrutiny Board:

1. That the overall revenue position at Quarter Three 2016/17, namely a forecast budget saving of £0.019m (or 0.02%) be noted.
2. That the overall capital position at Quarter Three 2016/17, namely a forecast underspend of £1.9m (or 5.4%).
100. Notes the Council's borrowing at 31 December 2016 of £127.4m, and its forecast Reserves at 31st March 2017 of £27.975m be noted.
3. That the performance of Outcome Areas at Quarter Three 2016/17, as reflected within Balanced Scorecards at Appendix 1, and the consolidated action plan responding to all issues identified in the report, at Appendix 2 be noted.
4. That officers consider developing a mechanism for triggering concerns about performance issue.

4 **FINAL REPORT - ENVIRONMENT SCRUTINY PANEL - COMMERCIALISATION**

The Chair of the Environment Scrutiny Panel outlined the Scrutiny Panel's main findings, conclusions and recommendations following a scrutiny investigation of the topic of Commercialisation.

Members commented that the report was very good and suggested that future final reports follow the style of the report format.

The Environment Scrutiny Panel recommended to the Executive:

1. That consideration be given by EPCS to developing the Catering Service by way of utilising the new function kitchen being installed as part of the Town Hall refurbishment scheme, with a view to providing function catering for Council events and external functions, such as weddings. This provision should be promoted at the point enquiries/bookings are made, for example, function catering to be offered by the registry office as part of a package when wedding bookings are made.
2. That EPCS puts into place a business plan, as soon as possible, addressing commerciality and branding, and that this be submitted to the Environment Scrutiny Panel for consideration within the next six months.
3. That consideration be given by EPCS to establishing an identified person responsible for managing contracts across the services.
4. The Panel recognises that obtaining new and larger contracts is limited by the absence of a Contracts Manager. The Panel recommends that EPCS explores the capacity to create a contracts management team to enable it to bid for new work and to grow the business. It is expected the new function would work closely and in co-operation with the enthusiastic Operations Managers within the Service.
5. That EPCS examines areas where individual members of staff are employed on more than one contract with the authority to look at how costs can be reduced in the administration of salaries.
6. With regard to Fleet Services, in the absence of a fully costed business plan, the Panel

feels unable to make solid recommendations, however, in the short term, recommends the following:-

a) That consideration be given to introducing a shift system, outside of current operating hours, which would optimise the use of fleet vehicles and minimise vehicle down-time.

b) The recruitment of apprentices to assist in filling an identified skills gap and that this is progressed as soon as possible.

7. That EPCS, in conjunction with Marketing and Communications, explores the benefits of branding and marketing in order to build on Middlesbrough's strong reputation and to promote the services via a range of media, such as the Council's website, intranet, Love Middlesbrough magazine, appropriate trade magazines, and advertising in public buildings such as libraries, community hubs and on Council vehicles, where appropriate.

8. That customer feedback and monitoring of services (including customer satisfaction surveys) be clearly defined and consistent across the services to help shape service development/improvement, branding and marketing.

9. That work on the Council-wide 'Commercialisation Strategy' is progressed as quickly as possible and that the Environment Scrutiny Panel receive an update with regard to the progress made within the next six months.

ORDERED that the findings and recommendations of the Environment Scrutiny Panel be endorsed and referred to the Executive.

5 **EXECUTIVE FORWARD WORK PROGRAMME**

The Chief Executive submitted a report which identified the forthcoming issues to be considered by the Executive as outlined in Appendix A to the report.

The report provided the Overview and Scrutiny Board with the opportunity to consider whether any item contained within the Executive Forward Work Programme should be considered by the Board or referred to a Scrutiny Panel.

NOTED

6 **SCRUTINY PANEL PROGRESS REPORTS**

The Vice-Chair of Economic Regeneration and Transport Scrutiny Panel advised that the panel had looked at the topic of the regeneration of Linthorpe Road and decided that there should be no changes in respect of the current situation with bus lanes and in terms of available parking facilities, it was highlighted that the Clarendon Road car park was available for parking. The Panel intended to receive an update in respect of Gresham at the next meeting.

The Chair of Environment Scrutiny Panel advised that the Panel were currently looking at the topic of 'No Ball Games' signs. The Panel was looking at the legality and procedure for erecting No Ball Games signs. The Panel intended to speak to the Thirteen group regarding their policy on this issue.

The Chair of the Community Safety and Leisure Scrutiny Panel provided the Board with an update in respect of the Panel's current topic of Sextortion. The Panel were due to look at on-line exploitation. The Chair of Overview and Scrutiny Board advised that the Chair check if the subject was part of the terms of reference of the topic before commencing this strand of the investigation.

The Chair of Children and Learning Scrutiny Panel provided Members with an update in respect of the Panel's current topic of kinship carers/connected persons. The Board was advised that the Final Report was to be discussed at the next meeting of the Panel. The next topic that the Panel would be investigating was School Exclusions.

The Chair of Social Care and Adult Services Scrutiny Panel provided the Board with an update in respect of the Panel's current topic of Safeguarding Adults. The Board was advised that the Final Report in respect of this topic was currently being drafted.

The Chair of Health Scrutiny Panel advised that the Panel had received further information from the South Tees Clinical Commissioning Group and South Tees Hospitals NHS Foundation Trust regarding temporary changes to Breast Radiology Services at James Cook University Hospital.

The Panel had also received further information from the South Tees Clinical Commissioning Group and South Tees Hospitals NHS Foundation Trust on the development of appropriate clinical care pathways for diagnosis, care and support in respect of FASD.