

**OVERVIEW AND SCRUTINY BOARD**

A meeting of the Overview and Scrutiny Board was held on 20 February 2018.

**PRESENT:** Councillors Councillors J Sharrocks (Chair), J Blyth, E Dryden, T Higgins, L McGloin, D Rooney, M Storey and M Walters and J Young.

**OFFICERS:** S Bonner and B Carr.

**APOLOGIES FOR ABSENCE** Councillors L Lewis, T Mawston, J McGee, P Purvis..

**DECLARATIONS OF INTERESTS**

None Declared.

17/35 **MINUTES - OVERVIEW AND SCRUTINY BOARD - 12 DECEMBER 2017 AND 16 JANUARY 2018**

The minutes of the Overview and Scrutiny Board (OSB) held on 12 December 2017 and 16 January 2018 were submitted and approved as a correct record.

17/36 **REVIEW OF LEARNING AND DISABILITY RESPITE SERVICES - TASK AND FINISH GROUP**

The Chair of Middlesbrough Health Scrutiny Panel provided an update on the review of respite services in the area for those with learning disabilities. It was noted that two sites had been affected; Aysgarth in Stockton-on-Tees and Bankfields Court in Eston.

The Clinical Commissioning Group (CCG) had decided to introduce a revised assessment process for the provision of respite services, however there was no indication as to how this would work in detail. It was recommended that the Social Care and Adult Services Scrutiny Panel establish a Task and Finish group to consider the new assessment process, as there was the potential that any gaps in provision could have a financial implication on the Council.

It was explained that the Respite Review had proposed two options; the first was to close the bed based respite facilities at Aysgarth and Bankfields and offer a range of alternative respite options. The second was to maintain a bed based respite offer at Aysgarth and Bankfields but also offer a range of alternative options. The Joint Health Scrutiny Committee had recommended that neither option be pursued. However, option two had been approved by the CCG. The view was expressed that the alternative respite offer was not an ideal solution for adults with profound and severe learning disabilities, as some of the suggested respite options were not practical to meet their needs.

It was noted that the Joint Health Scrutiny Committee could not make a referral to the Secretary of State on this matter but individual Councils could. OSB was advised that Middlesbrough was minded to make a referral, if agreement on specific issues could not be reached. There were a number of issues that the Middlesbrough Health Scrutiny Panel were not satisfied with, including who the providers of the alternative respite care would be. It was acknowledged that the CCG's had followed due process when undertaking the review.

**ORDERED:** That the task and finish group should be established.

17/37 **FINAL REPORT OF THE ECONOMIC DEVELOPMENT AND INFRASTRUCTURE SCRUTINY PANEL - TEES VALLEY STRATEGIC TRANSPORT PLAN INCLUDING BUS FRANCHISING**

The Chair of the Economic Development and Infrastructure Scrutiny (EDIS) Panel outlined the Panel's main findings, conclusions and recommendations following a Scrutiny investigation of the Tees Valley Strategic Transport Plan including bus franchising.

The Economic Development and Infrastructure Scrutiny (EDIS) Panel recommended to the Executive:

- a) That in order to achieve the TVCA's transport vision for the Tees Valley and provide commuters, residents, and visitors with a world class public transport system, specifically with regard to the Bus Strategy and the powers provided by the Bus Services Act 2017, the TVCA should implement a franchised bus network.
- b) That the TVCA should ensure that the franchised Tees Valley bus network is efficient, affordable, reliable and safe for all users and there are opportunities for both small and larger operators to tender for services or routes.
- c) That the profit achieved by implementing bus franchising is re-invested directly into the network for initiatives including ticketing schemes with concessions for the young, elderly and unemployed; a single smartcard for the Tees Valley region; 24 hour bus routes, investment in new vehicles, free Wi-Fi and USB charging points on all buses.
- d) That any investment in new vehicles for the network, whether by operators or the Transport Authority, should have regard to environmental implications and options such as electric, hybrid or bio-methane buses selected.
- e) That Middlesbrough's Local Implementation Plan (LIP) aligns with the priorities in the TVCA's Strategic Transport Plan.

The Chair described that one of the panel's intentions was to look at what the Tees Valley Combined Authority's (TVCA) plans were in relation to the Bus Service Act, passed by Government in an attempt to address various issues with transport. It was noted the TVCA looked at transport strategy covering all areas of the Tees Valley and all elements of transport infrastructure ranging from pedestrians to airports. The panel, however, examined Bus Services and the Bus Services Act to understand what provisions could be made with individual Councils and TVCA for Bus Services in the Tees Valley.

The panel received evidence from various sources, including private bus companies such as Tower Transit and MerseyTravel, experts such as Dr. Ian Taylor from Transport Quality of Life as well as Council officers.

The Bus Services Act provided for two options available for the TVCA; one being a formal arrangement between TVCA and Bus companies called an Enhanced Partnership. This option entailed bus companies and the TVCA working to provide a network of services for the good of the area. However it was noted that there was an element of good-will on behalf of the bus companies. The second option was Franchising whereby the TVCA would set routes and fares with all profits from fares being returned to the TVCA and distributed as it saw fit. Under franchising all routes would be tendered, meaning bus companies would bid to operate on them with resulting contracts containing a range of requirements as determined by the TVCA. Requirements could include environmentally friendly buses, for example.

The Chair of EDIS noted the Bus Services Act was intended to resolve issues surrounding bus services after de-regulation in the 1980s, after which an increase in fares and fewer services had been experienced.

The panel found that of the two options available, franchising was the best option for the TVCA. This would allow for cross-subsidising, meaning unprofitable services would be underwritten by profitable services instead of being withdrawn resulting in community centric services being maintained. Currently, 53% of profit made by bus companies was made through fares with 18% of that profit being apportioned to shareholders as dividends. With franchising all income would be received by the TVCA which would then be able to re-invest in the system. It was noted the remainder of the income for bus companies was received from central government through such things as concessionary fares which, again, would be received entirely by the TVCA.

A Member queried if bus operators had been approached as part of the investigation as it was

not apparent from the report. It was clarified the panel heard evidence from Tower Transit, who operated buses in the UK and internationally. Tower Transit were in favour of franchising because, as a small company, they would be able to compete in the market against larger companies. The Member commented the Leven Valley bus service, which no longer operated, had not been sustainable and was unlikely to have been forced out of business by larger companies, such as Stagecoach and Arriva. It was also commented the final report appeared not to be advocating franchising, citing Tower Transit finding it difficult to get into Transport for London. Other examples of the report advocating enhanced partnerships included increased customer satisfaction and numbers of young people using buses.

The Chair of EDIS responded that the paragraphs cited did speak favourably of enhanced partnerships, and the panel recognised its benefits. It was also clarified the panel had heard evidence from MerseyTravel who, while in favour of enhanced partnerships, also stated it is reliant on good-faith by bus companies as there is no statutory obligation on them to maintain such things as concessionary fares. The Chair acknowledged that while the evidence in favour of enhanced partnerships was positive, franchising was the preferred option as the TVCA would have a greater input to operations and pointed to Leven Valley and noted that under franchising that service could have been subsidised and kept running.

The Member commented that Stagecoach engaged with him as part of a public consultation and undertook changes to their services based on that consultation. It was also suggested that enhanced partnership should be the preferred option with franchising used as a potential punitive measure in the event bus companies act inappropriately. It was noted that, in the Panel's view, franchising offered more control over the bus system, meaning they would be more accountable to representative authorities whereas enhanced partnership did not allow this.

A Member emphasised there was an element of good-will on behalf of the Bus companies to act in the interests of communities by citing discussions she had with Stagecoach and how services had been altered that were not to the benefit of all residents within her ward.

The Chair of the Children and Learning Scrutiny Panel queried if there would be any set-up costs associated with the implementation of franchising. The Chair of EDIS clarified there would be some costs involved, however this would depend on how the system was implemented. The intention of the panel was not to examine the detail of implementation but rather to look at the issue on a broader scale. It was also commented that Middlesbrough had very good links running North/ South but not East/ West and that Middlesbrough only had two bus companies operating in it with franchising potentially resolving this.

With regards to the report's Terms of Reference C: to examine Middlesbrough's Local Implementation Plan (LIP) prior to submission to the TVCA it was noted the panel did not examine this due to time constraints.

The Chair of Corporate Affairs Committee queried if this issue would be considered by the panel in the future. The Chair of EDIS confirmed that Middlesbrough's LIP refers to all facets of transport within the town and the panel focussed on bus provision only. It was also commented that the panel would seek feedback from officers on how the LIP developed and how it was being implemented more generally.

A Member commented that transport in the Tees Valley needed to be organised so residents had access to a reliable system and franchising seemed to be the most suitable way of doing this. The Chair of EDIS made reference to the South Tees Development Corporation and its work on the former SSI steel manufacturing site. It was commented that that effective transport links, including bus services, could assist Teesside residents in accessing multi-billion pound regeneration and investment projects. It was also commented that Stagecoach on Teesside generated approximately 13% profit, which was double the profit it generated in other areas. It was noted if Stagecoach generated the London average profit (3.8%), under a franchised scheme, this would generate £2.4m per year for TVCA to spend on buses, resulting in more money for the bus system.

The Chair of OSB suggested the report should reflect that the Executive work with the Mayor

to influence the TVCA.

**ORDERED:** The recommendations should reflect that the Executive works with the Mayor to advise the TVCA to adopt franchising before the findings and recommendations of the Economic Development and Infrastructure Scrutiny Panel be endorsed and referred to the Executive.

17/38

**FINAL REPORT OF THE ECONOMIC DEVELOPMENT AND INFRASTRUCTURE SCRUTINY PANEL - LED LIGHTING**

The Chair of the Economic Development and Infrastructure Scrutiny (EDIS) Panel outlined the Panel's main findings, conclusions and recommendations following a scrutiny investigation into LED Lighting.

The Economic Development and Infrastructure Scrutiny (EDIS) Panel recommended to the Executive:

- a) That, whilst the Panel acknowledged the various factors which contributed to the increase of £2.5 million on the original costing of the scheme, where possible, any similar projects should be fully funded at the outset to ensure the maximum savings possible were achieved by the Council.
- b) That, prior to submission of any bid for funding for Phase 2 of the LED Lighting Scheme, Panel should be given the opportunity to examine the detailed requirements in terms of fittings, coverage and costs of the Scheme to ensure that the Council was receiving value for money from Phase 2.

The Chair explained that the Council had the option of replacing existing lamps with like-for-like bulbs, or with LEDs. The benefits of LEDs included a longer operating life, and reduced costs with regard to energy bills. Due to the overall cost of the initiative, and with other priorities within the department, it was decided the rollout would be carried out in two phases. Phase 1 had been completed with lamps replaced in key areas, but phase 2 was yet to start.

It was commented that savings had been realised although lower than expected, for reasons that included a government reduction in carbon tax rates during the course of the installation. This resulted in less money being provided to the Council for saving energy. Another reason was energy consumption projections were slightly lower than anticipated meaning that, while substantial savings had been made, had not been as much as hoped.

One of the Panel's recommendations was that future projects of this nature be done in a single phase as the overall cost of this project would be £2 million more than with a single phase. The Panel also requested to be informed as to the progress phase 2 of the installation to assist with the scrutiny process. The overall results of the installation were beneficial to the Council and savings had been realised.

It was also noted there were different types of LED lights available at different prices and it was stated that while there were cheaper variants these tended to be of lower quality. It was noted that other Councils had pursued cheaper LED lighting but had found they needed replacing shortly after installation at great cost. Because of this Middlesbrough had opted for more expensive variants that would last longer.

It was queried why certain areas were chosen for phase one. It was confirmed the original plan for replacing street lighting dated to prior 2015. As other priorities existed at that time the decision was taken to undertake the installation over two phases. The areas identified for phase 1 were those with higher levels of Anti-Social Behaviour or experiencing faulty lighting. Other lamps, such as those illuminating road signs, were not wearing out as quickly and were not deemed to be as important as those illuminating main roads. Some of the work that was to be carried out included main arterial roads where there was little pedestrian footfall.

**ORDERED:** That the findings and recommendations of the Economic Development and Infrastructure Scrutiny Panel be endorsed and referred to the Executive.

17/39 **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**

17/40 **REVIEW OF OVERVIEW AND SCRUTINY PROCEDURE RULES**

The Chair of OSB provided an overview of the updated Call-In protocols and the associated Call-In pro-forma. The protocols were intended to be presented to OSB on the 16th January 2018. However, as that meeting was used for a Call-In they had been submitted to the Constitution and Member Development committee on the 19th January 2018 where they were approved albeit with two minor amendments. The amended protocols now included a requirement for Call-In's only in exceptional circumstances and provided guidance about the use of Call-Ins and information on the Call-In meeting. The protocol also amended the relevant section of the Members' Handbook.

It was queried how the new protocols had changed as discussions with officers indicated the only changes were for Call-In proposers to provide reasons for the Call-In. The Principal Democratic Services Officer explained the updated protocols were intended to strengthen the Call-In procedure generally and to provide clarity for the reason for the Call-In.

The Chair of OSB explained the protocols also provided clarity on the use of witnesses and identifying who they would be. It was queried when the new procedures would be effective and it was confirmed this would be from 28th March when they were considered by full Council.

A Member commented that the updated protocols were an improvement on the existing protocols and expressed thanks to the officers involved for their work.

**ORDERED:** That the new Call-In protocols be accepted and submitted to Council for approval.

17/41 **UPDATE - MERGER OF LINTHORPE SURGERY AND OAKFIELD MEDICAL PRACTICE**

The Chair of Health Scrutiny provided OSB with an update of the merger of Linthorpe Surgery and Oakfield Medical practice. It was clarified that this initiative was being undertaken due to difficulties in recruiting and retaining GPs in Middlesbrough with the merger making recruitment potentially more attractive to GPs.

OSB was also advised that there would likely be more mergers such as this given the difficulties currently facing GP Practices.

A Member raised a concern that in some cases mergers were not proceeding smoothly with communication difficulties being experienced between GP surgeries and hospitals.

**NOTED**

17/42 **SCRUTINY PANEL PROGRESS REPORTS**

The Chair of the Children and Learning Scrutiny Panel advised the panel was currently examining the Voice of the Child and that work was progressing well. Work undertaken in

Hemlington Links was also very gratifying and the panel felt a lot came from the session and the next session would look at final recommendations.

The Chair of the Economic Development and Infrastructure Scrutiny Panel advised the next panel meeting would examine the Council's parking strategy with their next topic being a Council House Delivery Vehicle including witnesses from University College London.

The Chair of the Corporate Affairs Committee provided an update on the committee's work including the introduction of the General Data Protection Regulation (GDPR).

The Chair of Health Scrutiny Panel confirmed the panel would continue to examine the review of respite care discussed at point 4. It was also noted that due to the current situation with wider healthcare issues, such as the financial difficulties it faces, Health Scrutiny remained a busy area. Work was also continuing around Capital Care Organisations as a result of Sustainable Transformation Partnerships (STPS). As these cover a large geographic footprint they required examination so they could be better understood. Roseberry Park and the issues with the building would also be examined.

The Chair of the Environment Scrutiny Panel advised their next meeting would explore final recommendations and were awaiting information regarding junk jobs and waste collection. It was noted, however, there had been difficulties in getting some statistical information from Council systems. The Chair of OSB offered to assist the Panel in this matter should it be required.

**NOTED**