

EXECUTIVE

Date:	Wednesday 12th November, 2025
Time:	6.00 pm
Venue:	Mandela Room

AGENDA

1. Welcome and Fire Evacuation Procedure

In the event the fire alarm sounds attendees will be advised to evacuate the building via the nearest fire exit and assemble at the Bottle of Notes opposite MIMA.

2. Apologies for Absence

To receive any apologies for absence.

3. Declarations of Interest

To receive any declarations of interest.

4. Minutes - Executive - 8 October 2025

5 - 18

To receive the minutes of the previous meeting.

5. Announcements from the Mayor

To receive any announcements from the Mayor.

6. Questions from Members of the Public (if any)

To receive questions from members of the public.

7. Questions from Elected Members (if any)

To receive questions from elected members.

8. Matters referred to Executive for reconsideration from Scrutiny or Council (if any)

To consider reports of Overview and Scrutiny Board or Full Council following the Call-In process or Councillor Call for Action.

9. Reports from the Overview and Scrutiny Board or a Scrutiny Panel

To receive any reports from the Overview and Scrutiny Board or Scrutiny Panels.

THE MAYOR

10. Delivery against the Continuous Improvement Plan - Progress Update 19 - 58

Report for Decision

EXECUTIVE MEMBER - ADULT SOCIAL CARE

11. Reprovision of Levick Court 59 - 72

Report for Decision

EXECUTIVE MEMBER - DEVELOPMENT

12. Middlehaven Housing 73 - 86

Report for Decision

EXECUTIVE MEMBER - ENVIRONMENT AND SUSTAINABILITY

13. 2025/26 Transport and Infrastructure Capital Programme Update 87 - 102

Report for Decision

EXECUTIVE MEMBER - FINANCE

14. Tees Valley Investment Zone Memorandum of Understanding 103 - 124

Report for Decision

EXECUTIVE MEMBER - NEIGHBOURHOODS

15. TS1 PSPO Extension - Consultation Results 125 - 140

Report for Decision

16. Warm Homes: Local Grant – Home Energy Efficiency Improvement Scheme 141 - 146

Report for Decision

17. Any other urgent items which in the opinion of the Chair, may be considered.

Charlotte Benjamin
Director of Legal and Governance Services

Town Hall
Middlesbrough
Tuesday 4 November 2025

MEMBERSHIP

Mayor C Cooke (Chair) and Councillors I Blades, T Furness, P Gavigan, L Henman, J Rostron, J Ryles, P Storey and N Walker

Assistance in accessing information

Should you have any queries on accessing the Agenda and associated information please contact Scott Bonner, 01642 729708, scott_bonner@middlesbrough.gov.uk

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EXECUTIVE

A meeting of the Executive was held on Wednesday 8 October 2025.

PRESENT: Mayor C Cooke (Chair) and Councillors I Blades, L Henman, J Rostron, J Ryles, P Storey and N Walker

PRESENT BY INVITATION: Councillors E Clynch, D Branson and L Young

ALSO IN ATTENDANCE: Councillor J McTigue

OFFICERS: S Bonner, M Adams, C Benjamin, C Cannon, G Field, L Grabham, R Horniman, A Humble, E Scollay and A Glover

APOLOGIES FOR ABSENCE: Councillors T Furness and P Gavigan

25/24 **WELCOME AND FIRE EVACUATION PROCEDURE**

The Mayor welcomed all those present to the meeting and explained the fire evacuation procedure.

25/25 **DECLARATIONS OF INTEREST**

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

25/26 **MINUTES - EXECUTIVE - 3 SEPTEMBER 2025**

The minutes of the Executive meeting held on 3 September 2025 were submitted and approved as a correct record.

25/27 **ANNOUNCEMENTS FROM THE MAYOR**

The Mayor stated that the Executive agenda had been updated since the approval of the constitution at Council. The processes underpinning agenda items six and seven (questions from members of the public and elected Members respectively) were being developed and would be in place for the next meeting of Executive.

NOTED.

25/28 **QUESTIONS FROM MEMBERS OF THE PUBLIC (IF ANY)**

None.

25/29 **QUESTIONS FROM ELECTED MEMBERS (IF ANY)**

None.

25/30 **MATTERS REFERRED TO EXECUTIVE FOR RECONSIDERATION FROM SCRUTINY OR COUNCIL (IF ANY)**

None.

25/31 **FINAL REPORT OF THE PEOPLE SCRUTINY PANEL - CHILDREN MISSING EDUCATION**

The former People Scrutiny Panel had undertaken a review entitled Children Missing Education. A copy of the full report was attached. The Scrutiny Panel had made six recommendations upon which a response was sought from the relevant service area.

The recommendations of the Scrutiny Panel were:

- A. Ensures that CME forms an integral part of Middlesbrough Council's Draft Poverty Strategy. CME, and its impact, should be explicitly referenced and included in any performance regime underpinning the strategy. Members of the Children's Scrutiny Panel should be briefed on how CME will feature within the Poverty Strategy no later than January 2026, or sooner if the strategy is available.
- B. Ensures that Education & Partnerships are fully prepared for the Children's Wellbeing in Schools Bill, in particular the monitoring of Elective Home Education and the implementation of a single unique identifier (SUI) for children. The Children's Scrutiny Panel should be briefed on the preparations, no later than December 2025.
- C. Establishes a Working Group between Primary Schools in the Central areas of Middlesbrough, Education and Partnerships, Stronger Communities and local Councillors to explore if further assistance can be provided in respect of the large transient community and the issues of school roll turnover. The Working Group should report back on its progress by March 2026.
- D. Establishes a Working Group between Education & Partnerships and Stronger Communities to understand the nature of the higher rate of CME in the Romanian community. The Working Group should produce an action plan to help reduce this number against the baseline average of 22, at the time of the review. The Working Group should provide a progress update against their action plan to the Children's Scrutiny Panel by March 2026.
- E. An update be provided to the Children's Scrutiny Panel that provides assurance to the on the ongoing work of assisting children at risk of permanent exclusion. This should happen no later than October 2026.
- F. An update be provided to the Children's Scrutiny Panel on the new Alternative Provision and the restructure of the Inclusion and Outreach Model. This should happen no later than April 2026.

The Deputy Mayor and Executive Member for Education and Culture and the Interim Director for Education and Partnerships submitted a service response to the recommendations of the Scrutiny Panel. A copy of the action plan was appended to the report.

The Chair of the Children's Scrutiny Panel introduced and presented the Scrutiny report and advised the review had been undertaken by the previous People Scrutiny Panel.

The Deputy Mayor and Executive Member for Education and Culture provided a response to the Scrutiny report and presented the Service Response.

The Deputy Mayor and Executive Member for Education and Culture commented that the work carried out by the Scrutiny was important and relevant to current developments.

The Mayor stated that this issue had been discussed extensively and remain an important matter. As such it was commented that an all-Member briefing be arranged to update all Members on the situation.

ORDERED that Executive:

1. **Notes the report of the People Scrutiny Panel into Children Missing Education and the accompanying recommendations; and**
2. **Approves the Action Plan prepared by the service in response to the recommendations.**

REASON

It was a requirement that Executive formally considered the Scrutiny Panel's report and confirmed the service area's response to the accompanying plan.

25/32

FINAL REPORT OF THE PLACE SCRUTINY PANEL – HOME TO SCHOOL TRANSPORT SERVICE

The Place Scrutiny Panel had undertaken a review entitled Home to School Transport Service. A copy of the full report was attached. The Scrutiny Panel had made seven recommendations upon which a response was sought from the relevant service area.

The recommendations of the Scrutiny Panel were:

- A. Investigate whether it would be cost effective to devolve the provision of Home to School Transport to individual schools, as they may be able to provide a more localised service. Ideally the funding could be passed directly to the schools making them responsible for controlling costs, ensuring there was no additional cost to the Local Authority.
- B. Review the eligibility requirements for free school travel, especially for post-16 students and for pupils who attend a school that is not in the catchment/nearest school by parental choice, but they meet the low-income criteria. There would need to be an option included for consideration of special circumstances.
- C. Ensure closer collaboration between Children's Services, Schools and the Home to School Transport Unit to make certain that the most cost-effective and suitable transport arrangements are in place for each student, particularly in relation to students with SEND. The requirement for transport assistance should be included as a consideration in SEND assessments.
- D. Prioritise the promotion of independent travel to all parents and students, increase the number of travel trainers and bus buddies and encourage greater use of personal travel budgets.
- E. Introduce a spare seat scheme to offer discretionary transport assistance on existing transport for students who are not eligible for free travel assistance, with an option for part payment of the full cost.
- F. Investigate whether increasing the Council's fleet of vehicles and reducing dependency on third party providers would be cost effective and whether this would enable better route planning.
- G. Explore whether entering into longer-term contracts with third party providers would provide for greater flexibility and consistency.

The Executive Member for Environment and Sustainability and the Director for Environment and Community Services submitted a service response to the recommendations of the Scrutiny Panel. A copy of the action plan was appended to the report.

The Chair Children's Scrutiny Panel introduced and presented the Scrutiny report and advised the review had been undertaken by the previous People Scrutiny Panel.

Following a question from a Member in the public gallery, a conversation took place regarding eligibility criteria for children using Home to School Transport services. It was stated this area was complex, and while there was a hierarchy of need, each service user's eligibility was assessed on a case-by-case basis. It was also commented that generalisations should be avoided when discussing the topic.

In the absence of the Executive Member for Environment and Sustainability, the Mayor provided a response to the Scrutiny report and presented the Service Response.

It was queried what the impact would be if the Home to School Transport service was handed to Schools. It was commented that, while this would prove difficult, the Mayor stated it would be beneficial for a worked example to be created which would provide a clear understanding of the challenges involved.

ORDERED that Executive:

1. **NOTES** the content of the Environment Scrutiny Panel's final report on Waste Management.
2. **APPROVES** The action plan, as amended, developed in response to the Scrutiny Panel's recommendations.

The Mayor submitted a report for Executive consideration the purpose of which was to set out a proposed Information Strategy for the Council.

This was the second Information Strategy developed by the Council and built on the progress made in the previous Strategy.

The Strategy would act as the basis for efforts to improve and exploit information for the benefit of Middlesbrough and its residents within an ethical framework. It also closely interlinked with the Council's emerging Digital Strategy and Transformation Strategy. Both of which relied on information being held appropriately to enable improved services to customers to be delivered.

An effective Information Strategy would deliver the following benefits:

- Enhanced decision making by ensuring accurate and timely decisions are taken, using excellent data and intelligence.
- Improved operational efficiency through use of efficient information management to support activity to transform and streamline services through the Council's transformation programme and business as usual performance management.
- Ensuring good data security and compliance with information governance legislation, regulations and standards.
- Improving the Council's ability to use data to drive innovation.
- The Information Strategy, found at Appendix 1 of the report, set out:
- The legislative, regulatory and governance framework that the Strategy will operate within.
- The vision of the strategy, which is that 'the right information will be available to the right users, at any time, accessible and used ethically to support achievement of the Council Plan.'
- The current position of the plan and its ambitions over the next four years
- The key principles that underpin the Strategy which are derived from government's seven information principles for the public sector and
- The strategic objectives of the strategy.

Following adoption of the Strategy, progress would be overseen by the existing Information Strategy working group. This comprised representatives from ICT and Information Governance and was chaired by the Senior Information Risk Owner (SIRO). This group would develop and deliver a detailed implementation plan for the key actions identified in the strategy. Progress against this Strategy would be reported annually within the Annual SIRO report to Audit Committee.

OPTIONS

The Council could choose to operate without a strategy, however codifying its activities against a stated vision provides the best chance of achieving that vision and improving outcomes for the residents and businesses of Middlesbrough.

ORDERED That Executive approves the Information Strategy 2025-2029.

REASONS

Having a strategy in place to manage information effectively was vital for a complex organisation. It enhanced decision-making, improved operational efficiency, ensured data security and compliance, facilitated collaboration, and supported innovation and growth. Prioritising information management would enhance the ability of the Council to achieve the Council Plan objectives.

The Executive Member for Environment and Sustainability submitted a report for Executive consideration. The purpose of the report was to set out the decisions and delegations the Council needs to take to be able to work with the other authorities in respect of undertaking

financial close with the preferred bidder and the subsequent structures for managing the disposal contract.

Seven Local Authorities had joined together to procure a contractor to design, build, operate and finance a new Energy Recovery Facility to be located in the Tees Valley (TV ERF).

The seven Councils which include Darlington Borough Council, Durham County Council, Hartlepool Borough Council, Middlesbrough Council, Newcastle City Council, Redcar and Cleveland Borough Council and Stockton Borough Council (the Authorities) had a statutory obligation to provide waste management services to their collective 1.5m residents. The Tees Valley Councils currently operated residual waste disposal services as a group under a single contract with Suez and which included Redcar and Cleveland Borough Council, Hartlepool Borough Council, Stockton Borough Council and Middlesbrough Borough Council. Darlington Borough Council was part of the group but currently had its own separate waste treatment and disposal contract. Durham County Council and Newcastle City Council currently had their own separate residual waste disposal contracts with SUEZ.

All existing waste treatment / disposal contracts with SUEZ had been extended to cover the period until the new ERF was in operation.

To align with these dates, the procurement programme was originally due to have Final Tenders submitted and evaluated in early 2022, with a Preferred Tenderer to be appointed by July 2022 and Contract Award / Financial Close aimed to be achieved by November 2022.

The project was now at a stage where a preferred bidder had been selected, and seven local authorities were working towards financial close of that procurement process.

Middlesbrough along with six other Local Authorities in the North East had undertaken a procurement for the disposal of residual waste. The Council was now at a stage in that process where a preferred bidder had been nominated and was working towards financial close of that procurement process. The price per tonne achieved through the procurement process was currently £143, which was the average price over the life of the contract at 25/26 prices and indexed at CPI. This was below the ceiling limit that was set.

The negotiations would continue to financial close with a view to reducing the price per tonne further.

The 2025/26 budget for residual waste disposal was £5.6m. The price paid under the current arrangements for residual waste disposal was £128.29 per tonne with an estimated inflationary rise to £144.97 per tonne in 2029/2030. The average annual tonnage was currently around 39,000 tonnes. This was expected to reduce over the next several years following the introduction of the Government's Simpler Recycling Initiatives.

In order to allow the council to fulfil its requirements as part of the process there are a number of decisions and delegations that need to be made and granted. These are outlined below in the recommendations.

Agreeing to the recommendations is in line with the councils of objectives of delivering Best Value and its Environment objectives. The price per tonne provides value for money in respect of the disposal of Middlesbrough's residual waste. It also allows Middlesbrough to increase its level of recycling in the town without affecting the contractual arrangements with the successful bidder.

A conversation took place regarding the implications of not proceeding with the project as outlined in the report. It was discussed that not proceeding as detailed in the report would have negative financial impacts for the Council as it would lose the negotiation benefits of a wider partnership.

In terms of the environmental impacts, Member's attention was drawn to section 4.85 to 4.95 of the report which detailed the environment factors associated with the Energy Recovery Facility.

Following a question from a Member in the public gallery, a conversation took place regarding how recycling could be improved across the town and if waste collected by volunteers could

contribute to this. It was clarified that improving recycling rates was challenging but work was underway to address this with

A Member queried if the Council would benefit financially from the energy created at the Energy Recovery Facility and what fuels would be required as part of the start up process. It was clarified the Council could realise some benefit from the Energy Recovery Facility and that diesel generators would be used as part of the start process.

The Mayor proposed that the recommendations in the report be amended. The recommendations should state that, where delegated authority was afforded to officers in consultation with the Mayor, this should also include the Executive Member for Environment and Sustainability or relevant portfolio holder.

OPTIONS

The seven Councils were required to undertake a procurement process due to their existing waste treatment contract arrangements due to expire in 2026. By procuring this contract together, economies of scale provide enhanced value for money for the Councils.

if this approach was not agreed, then the Council would have to undertake a fresh procurement of a merchant contract. It was expected that this would deliver a higher gate price due to the lack of competition in the market.

The benefits of forming a Local Authority SPV to be the contracting entity with the Contractor included:

- **Separate legal entity** - The Project would sit on the balance sheet of the Local Authority SPV, rather than the full Project sitting on Hartlepool Borough Council's balance sheet (with all assets and liabilities running through their accounts);
- **Shared ownership** - The Project assets (and liabilities) would be owned by the Local Authority SPV, which in turn would be wholly owned by all of the Councils;
- **Transparency** - Each of the Councils would be entitled to appoint a director to the Board, having visibility over the activities of the Local Authority SPV and direct involvement in the decision-making process;
- **Flexibility** - The agreement would allow any future changes to the Councils' relationships to occur.

ORDERED that Executive:

1. Where the recommendations in the report that reference delegated authority in consultation with the Mayor should also include "relevant Executive Member with portfolio responsibility" where applicable.
2. Approves the creation of the Local Authority Special Purpose Vehicle (LA SPV).
3. Appoints the Director of Environment and Community Services as the Council's Director on the Board of the LA SPV and authorises them and any successors; or any substitute or deputy appointed by the Director of Environment and Community Services should they be unavailable, to take all decisions on behalf of the Council as Director on the Board of the LA SPV for the good governance of the LA SPV and the Energy Recovery Facility.
4. Authorises the Council to subscribe for shares in and to be a shareholder of the LA SPV; and to issue a Shareholder Resolution to approve and adopt the Articles of Association.
5. Appoints the Section 151 Officer as the Council's Shareholder Representative and Authorises that Shareholder Representative to appoint an alternative representative to act as their substitute or deputy and authorises the Shareholder Representative and their alternative to make decisions under the Shareholder Agreement, articles of association etc including the making of shareholder resolutions, including a shareholder resolution to approve and adopt the Articles of Association on behalf of the Council.
6. Authorises the Council to enter into the Shareholders' Agreement and Delegates Authority to Director of Environment and Community Services (in

- consultation with the Mayor and supported by the Monitoring Officer and Section 151 Officer) to finalise and agree and enter into the Shareholder Agreement.
7. Delegates Authority to Director of Environment and Community Services (in
 8. consultation with the Mayor and supported by the Monitoring Officer and Section 151 Officer) to authorise the LA SPV to enter into the Shareholder Agreement.
 9. Authorises the LA SPV the enter into the Service Level Agreement and Delegates Authority to the Director of Environment and Community Services (in consultation with the Mayor and supported by the Monitoring Officer and Section 151 Officer) to finalise and agree the Service Level Agreement.
 10. Authorises the Council to enter into the Waste Supply and Support Agreement ("WSSA") and Delegates Authority to the Director of Environment and Community Services (in consultation with the Mayor and supported by the Monitoring Officer and Section 151 Officer) to finalise, agree and enter into the WSSA with the LA SPV.
 11. Delegates Authority to the Director of Environment and Community Services (in consultation with the Mayor and supported by the Monitoring Officer and Section 151 Officer) to authorise the LA SPV to enter into the WSSA.
 12. Authorises the LA SPV to award the Contract, enter into the Project Agreement with the successful Contractor and to enter into the 50 year lease with Teesworks for the site and Delegates Authority to the Director of Environment and Community Services (in consultation with the Mayor and supported by the Monitoring Officer and Section 151 Officer) to finalise and agree the Project Agreement, Lease and any associated agreements and documentation.
 13. Delegates Authority to the Director of Environment and Community Services (in consultation with the Mayor and supported by the Monitoring Officer and Section 151 Officer) to finalise and agree the Business Plan for the LA SPV and provide sufficient resources to allow the LA SPV to reach Financial Close and then to monitor and manage the Contract on behalf of, and with, the Councils for the term.
 14. Delegates Authority to Director of Environment and Community Services (in consultation with the Mayor and supported by the Monitoring Officer and Section 151 Officer) to enter into Local Government (Contracts) Act 1997 Council certificates in relation to the WSSA.
 15. Delegates Authority to the Director of Environment and Community Services (in consultation with the Mayor and supported by the Monitoring Officer and Section 151 Officer) to finalise and agree the Secondment Agreement and to authorise the LA SPV to enter into the Secondment Agreement.
 16. Delegates Authority to the Director of Environment and Community Services (in consultation with the Mayor and supported by the Monitoring Officer and Section 151 Officer) to authorise, finalise, agree and enter into the Cost Equalisation Agreement. Authorises the Council to enter into a Guarantee of the Project Agreement and a Guarantee of the Lease and Delegates Authority to the Director of Environment and Community Services (in consultation with the Mayor and supported by the Monitoring Officer and Section 151 Officer) to agree finalise and to enter into the Council Guarantees.
 17. Delegates Authority to the Director of Environment and Community Services (in consultation with the Mayor and supported by the Monitoring Officer and Section 151 Officer) to authorise the LA SPV to enter into and be a party to the Council's Guarantee of the Project Agreement and the Guarantee of the Lease.
 18. Delegates Authority to the Director of Environment and Community Service (in consultation with the Mayor and supported by the Monitoring Officer and Section 151 Officer) to authorise the LA SPV to enter into a Novation of the Option Agreement, Side Deed with the Estate Owner and Environmental Deed and to authorise the LA SPV to enter into all other necessary agreements or legal documentation to enable the project to reach financial completion and to monitor and manage the contract.
 19. Delegates Authority to the Director of Environment and Community Service (in consultation with the Mayor and supported by the Monitoring Officer and Section 151 Officer) to authorise the Council to act as Guarantor in respect of the LA SPV Side Deed with the Estate Owner and Environmental Deed and to authorise the Council to enter into all other necessary agreements or legal documentation on behalf of the Council to enable the project to reach financial

completion and to monitor and manage the contract.

REASONS

The recommendations allowed the Council to move to financial close on the procurement of the TVERF.

The TVERF provided a value for money method of disposing of Middlesbrough's residual waste.

The TVERF met all environmental regulations.

The TVERF contract allows Middlesbrough to significantly increase its recycling rates and other environmental objectives of the council.

The TVERF has a robust governance and management structure to ensure value for money.

A Local Authority Special Purpose Vehicle (LA SPV) is required to be established as a Limited Company incorporated and registered at Companies House. It would be the Contracting entity representing the seven Councils (the Shareholders) and will enter into the Project Agreement with the successful Contractor and the lease with South Tees Development Corporation Teesworks for the site.

The regulation and management of the LA SPV shall be governed by the Shareholders' Agreement (SHA). Each Council (Shareholder) will be required to formally enter into the Shareholders' Agreement approximately three months in advance of the Project Agreement being entered into with the successful Contractor (Financial Close).

There will be a Service Level Agreement between Redcar and Cleveland Borough Council as the 'host authority' to provide support services to the LA SPV. The Service Level Agreement is required to be formally entered into by the seven Councils in parallel with the Councils entering into the Shareholders' Agreement.

The terms of the commercial arrangements between the seven Councils (the Shareholders) in relation to the LA SPV will be defined and governed by the Waste Supply and Support Agreement (WSSA). The WSSA is required to be formally entered into by the seven Councils (Shareholders) in parallel with the LA SPV awarding the Contract and entering into the Project Agreement with the successful Contractor.

A Business Plan for the LA SPV was being produced which detailed the 'structural' and operational costs of the Company that would administer the ERF contract.

As outlined in the Local Government (Contracts) Act 1997 (LGCA) - In a public private project such as the TV ERF Project, it was typical for the Project Agreement (and to the extent applicable, the funder direct agreement) to be certified by the procuring authority. In the case of the Project, the collaborative nature, and innovative structure of the public sector parties means this is not possible (as none of the Councils would be party to the Project Agreement). Each of the Councils was, however, party to the WSSA, pursuant to which the LA SPV would provide waste management services. The WSSA therefore satisfied the LGCA criteria for certification.

There would be a Secondment Agreement between the Host Authority (Redcar and Cleveland Borough Council) and the LA SPV, whereby the Host Authority shall second the Secondtees to the LA SPV.

The five Tees Valley Authorities had previously agreed to equalise all costs in relation to the transfer and haulage of Contract Waste to the TV ERF.

HOUSEHOLD SUPPORT FUND 2025/26 AMENDMENT

The Executive Member for Finance submitted a report for Executive consideration the purpose of which sought approval for changes required to the Household Support Fund (HSF) scheme previously approved for the 2025/26 financial year).

On 30 October 2024, the Secretary of State for Work and Pensions announced that the HSF would be extended for a further 12 months from 1 April 2025 to 31 March 2026.

Each Local Authority was required to prepare a local scheme to determine how the funding would be provided and allocated. The grant amount allocated to Middlesbrough was £2,914,447.24.

Government guidance required Local Authorities to clearly advertise the scheme to residents, including publication on the Council website. The value of the individual awards was to be determined by Local Authorities in accordance with the parameters set out in the guidance.

The current scheme was approved by Executive on 14 May 2025 and was based on the Council's previous successful HSF schemes. The original 2025/26 scheme included a payment amount for pensioners who were no longer eligible for the state Winter Fuel Payment under the changed criteria introduced in 2024. This would have meant that those in receipt of Council Tax Reduction (CTR) or Attendance Allowance who were not eligible for the Winter Fuel Payment from the Government could have received an equivalent amount to the Winter Fuel Payment in full from Middlesbrough Council's HSF of £300 or £200 depending on age. £340,000 was allocated to enable this to happen.

On 9 June 2025 the Government amended the criteria for the Winter Fuel Payment again, meaning that pensioners with incomes of less than £35,000 would now be eligible for the Winter Fuel Payment. This had reduced the number of pensioners ineligible to benefit from it with a consequent reduction in the number who would be eligible under the previously agreed scheme for the £300 or £200 HSF payment, depending on age. As a result, the HSF funding required in the Council's scheme to meet the reduced need had been reviewed and the changes proposed to increase other expenditure by £330,000 were detailed in the report.

Those pensioners in receipt of CTR or Attendance Allowance who remained ineligible for the Winter Fuel Payment or were subject to clawback through HMRC would still be eligible for the same level of payment under HSF of £300 or £200, depending on age. Pensioners who were eligible for the Winter Fuel Payment and not subject to clawback may still have been eligible for a payment of £100 from HSF, depending on their circumstances, the rate having been increased from £50 under the amended scheme.

The scheme remained designed to support vulnerable residents and low-income households which include children, pensioners, people with disabilities and other households who may be experiencing financial difficulties brought about by the continuing economic challenges.

The Mayor queried how residents would be made aware of the revised scheme. It was clarified that in addition to press releases and wider communications those individuals whose details were known to the Council would be paid the correct amount automatically and would be notified before payment was made.

OPTIONS

Do nothing; however, without a suitable scheme approved by the Council's Executive, Section 151 Officer and presented to the DWP, the funds could not be used by the Council to benefit vulnerable residents and low-income households.

Funding could be distributed differently amongst the groups identified or across different groups. The plan presented had taken account of the government guidance and experience gained through prior schemes to ensure maximum reach to those in need of support.

ORDERED that Executive approve the proposed changes, listed below, to the Household Support Fund (HSF) delivery plan for 2025/26 previously approved by Executive on 14 May 2025, which would be delivered between 1 April 2025 and 31 March 2026, as set out in Table 1 (paragraph 4.9) of the report and that it continued to target the same main groups as before.

- **An increase of £10 per child for those in receipt of income based free school meals, Council Tax Reduction (CTR), Universal Credit (UC) or Housing Benefit (HB)**

- **Widen the criteria for pensioner support to include all on CTR (previously had to have Pension Credit Guarantee Credit as well) and increase the payment from £50 to £100**
- **Increase the amount provided to singles / couples in receipt of benefits from £45/£55 to £75/£100**
- **An additional £38,000 to Community Support to assist with crisis applications**
- **An additional £17,000 allocated to the provision of third-party support**

REASONS

The decision was required as Central Government extended eligibility to the Winter Fuel Payment in an announcement on 9 June 2025. £330,000 had already been allocated within the Council's HSF scheme to provide support for those pensioners who were due to miss out but who would now be eligible to receive the Winter Fuel Payment. The Council scheme needed to be amended to ensure that available funding was re-distributed to ensure the maximum support possible was provided locally, otherwise the grant funding available would be lost.

A revised delivery plan endorsed by the Executive Member for Finance must be submitted to the DWP where significant change was intended.

The decision met the key decision threshold and impacted on two or more wards and would incur expenditure above £250,000.

25/36

RECOVERY SOLUTIONS DELIVERY MODEL

The Executive Member for Public Health submitted a report for Executive's consideration. The purpose of the report sought Executive approval for the reconfiguration of Recovery Solutions delivery sites, ensuring safe, accessible, and compliant service provision.

Nationally, Middlesbrough had one of the highest levels of need in relation to substance use, highlighted by the prevalence of both drug and alcohol-related deaths. This linked to the considerable levels of deprivation locally with Middlesbrough having high numbers of people engaged with our services.

The Council currently had ambitious government targets, including to further increase both numbers accessing treatment and those completing treatment successfully. To meet those challenging targets, Council services needed to be able to work collaboratively with key partners and be open and accessible to those who needed support.

Recovery Solutions currently operated from three sites:

- **Live Well East (Berwick Hills) – this was currently the main assessment centre; served between 700-750 clients. Changes to the building usage and enforcement presence had compromised care and restricted the opportunity for the site to offer the necessary capacity required;**
- **Live Well West (Ayresome Green Lane) - served approximately 400 clients and had limited capacity;**
- **Live Well South (Hemlington) - served between 180-200 clients; offered adequate capacity and has improved the engagement rate.**

The proposed relocation of the Neighbourhoods team into the LWE library introduced a significant police presence, which was unsuitable for substance use client group. The presence of Police and enforcement staff in close proximity to a substance misuse treatment service would place the service in breach of critical CQC regulations under the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014. This risk was escalated substantially if they were within a shared space, which would be the case with the space constraints introduced at LWE.

The new plans for LWE also introduced physical space reductions. This further impacted service delivery capacity, which resulted in the service not being able to accommodate the necessary range of roles and support key partner organisations to work into the setting. This severely restricted the ability to provide a full, person-centred treatment and recovery offer.

A new central site, Park House, on Park Road North, had been identified. This was located adjacent to Parkside Mental Health Resource Centre and both buildings were owned by Tees Esk and Wear Valley (TEWV) NHS Foundation Trust. Public Health and the substance misuse services worked in partnership with TEWV across South Tees as the services share many clients.

The TEWV Care Programme Board had approved in principle the plan for Public Health South Tees to utilise their building.

Collaborative substance use and mental health services were vital because they improved patient outcomes. This was achieved by providing integrated, co-ordinated care for complex co-occurring issues, moving away from siloed systems. The integrated approach in South Tees enhances treatment engagement and recovery, leading to reduced severity of symptoms, lower rates of hospitalisation and a decrease in people falling into the cracks between services.

Levelling Up Partnership funding of £1.15 million was secured for LWE as part of a wider £20.816 million capital investment programme for Middlesbrough. Due to the changes and resultant challenges, consideration was important to how the new plans could be delivered, based on which option is approved.

Members discussed what mitigations were in place combat potential antisocial behaviour in the area. It was clarified that the service would avail itself of any Street Warden Service as required. It was also commented that services such as that being recommended would help to reduce crime and antisocial behaviour.

It was also commented that work would continue to engage local businesses, and other relevant stakeholders, to ensure the service was a success.

Thanks were expressed to all involved in the initiative and approval was expressed at public health matters being included on Neighbourhood Action Partnerships.

The Mayor requested that an all Member briefing be delivered on this subject.

OPTIONS

Six options were considered and were described briefly in paragraph 3.10 of the report and in more detail in Appendix 1. Option 2 provided the most local service possible within an affordable cost envelope (£476,561 revenue and £189,744 + VAT capital) providing care closer to where people lived.

ORDERED that Executive approves the establishment of a new central assessment site to support safe and effective care.

AGREED that Executive:

- **NOTE** the revenue impact in the Medium-Term Financial Plan (MTFP) from year two onwards and that these will be considered for approval by Council as part of the budget setting process;
- **NOTE** the capital implications on the Levelling Up Partnership funding secured for Live Well East and;
- **NOTE** the process and timescales to progress the preferred option and ensure continuity of service during library redevelopment.

REASONS

Recovery Solutions provides support for people with drug or alcohol issues, including prescribing, psychosocial interventions, counselling, and recovery support.

In February 2025 Recovery Solutions had its first CQC inspection since bringing the Clinical Prescribing Service in house (previously provided through Foundations GP Practice). CQC rated all three current sites as “good” overall and the elements Safe, Effective, Responsive and Well-Led with an “outstanding” rating for Caring.

The performance of the Service had continued to improve since clinical provision was brought in-house and integrated with the wider offer. The service delivered more than 8,000 individual interventions each month to 2,000 adults in structured treatment, with an increasing number of new presentations and increasing numbers of clients making substantial progress. The rise in new presentations was linked to the development of the locality-based delivery model, which had made treatment easier to access, offering support closer to where people live.

The Service continued to develop and improve the offer to support some of the most vulnerable people in Middlesbrough into recovery, including:

- A dedicated team to support people in temporary accommodation and their own tenancies to prevent eviction, secure housing, and move into more suitable homes. Working alongside neighbourhood safety wardens, the anti-social behaviour officer, and the substance use service, the team provided wraparound support that benefited clients and the wider community.
- Early screening had been introduced in partnership with both Adult and Children's Social Care to ensure individuals identified at referral with substance-related needs were engaged at the earliest opportunity.
- The Outreach Team worked closely with neighbourhood wardens and other partners to engage people in the community who appeared to need support with substance misuse. The team proactively targeted hotspots and individuals, delivering an average of 300 interventions per month. In 2025 alone, 85 clients were assessed directly in community settings;
- Young People's Team provided tailored drug and alcohol support across all Middlesbrough schools, alternative education, and post-16 settings. This included one to one student support (143 young people supported through drop-in), assemblies (over 5,000 students reached), staff training (334 youth professionals trained), and parent resources;
- The service had also been recognised for its innovative work: awarded Team of the Year by Middlesbrough Council for new pathways in lung health; and a Bronze Award for Public Health Nurse of the Year at the national Nursing Times Awards for the work of the Night Clinic, which engages vulnerable women with complex health needs.

As part of the Neighbourhoods model the former Library part of the building is to be used as the Neighbourhood Hub for East Middlesbrough. The Hub would be the platform from which a range of council services would engage with communities in East Middlesbrough. It would also be a space where residents could engage with the council to resolve complex problems and from which they could be directed to appropriate services where required. It would also allow the council to host partner organisations such as the police and housing providers to enhance joint working a focus on the improvement of the physical appearance of East Middlesbrough. It would also be where partner organisations implementing locally derived joint problem-solving plans to tackle issues such as crime and anti-social behaviour.

The relocation of the Neighbourhoods team into the library at LWE would introduce a significant Community Safety and Police presence, which was not appropriate for the Recovery Solutions client group and raised concerns about maintaining a CQC compliant therapeutic environment. The changes also reduced the available space that would require service users to be seen in staff areas, which was not conducive to safe or effective care.

If LWE were to remain the main assessment site with the largest footfall, there would be serious risk of service users disengaging and deterring individuals from seeking treatment due to fear of stigma or criminalisation. If service users were not aware of the police presence, they could not make informed decisions about accessing care, undermining the principle of person-centred care.

These factors collectively compromised the service's ability to operate in compliance with CQC requirements and NICE guidelines, necessitating a review of alternative delivery models.

Providing services closer to where people lived by localising LWE for nearby residents

and providing a new, town centre offer that served central, North Ormesby and other wards in the vicinity. This would reduce travel and associated costs and ensure there is a recovery-focused site that was not intimidating or distressing for service users.

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ANY OTHER URGENT ITEMS WHICH IN THE OPINION OF THE CHAIR, MAY BE CONSIDERED.

None.

The decision(s) will come into force after five working days following the day the decision(s) was/ were published unless the decision(s) become subject to the call in procedures

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MIDDLESBROUGH COUNCIL	
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Report of:	Chief Executive - Erik Scollay
Relevant Executive Member:	Mayor - Chris Cooke
Submitted to:	Executive
Date:	12 November 2025
Title:	Delivery against the Continuous Improvement Plan - Progress update
Report for:	Decision
Status:	Public
Council Plan priority:	All
Key decision:	No
Why:	Decision does not reach the threshold to be a key decision
Subject to call in?	Yes
Why:	Non-Urgent Report

Proposed decision(s)
That Executive: • APPROVES the updated Continuous Improvement Plan • NOTES the progress made in delivering the commitments within the Continuous Improvement Plan.

Executive summary
This report provides an overview of delivery against the Council's Continuous Improvement Plan which captures strategic improvement action being delivered within the organisation to ensure Middlesbrough Council can fully demonstrate its compliance with the principles of the Best Value Duty. Provision of this report forms part of the assurance framework that has been put in place to demonstrate the Council's ongoing commitment to continuous improvement. It will also be considered by Overview and Scrutiny Board.

The report summarises progress made since the Plan was put in place in March 2025, focussing in particular on progress made since Executive last considered this Plan in July 2025. The report highlights key achievements, grouping them by Best Value theme and includes a key to indicate the source of recommendations.

1. Purpose of this report and its contribution to the achievement of the Council Plan ambitions

1.1 The purpose of this report is to set out progress in delivering the Continuous Improvement Plan for Executive consideration. The purpose of the Plan is to ensure the Council can articulate its ongoing commitment to continuous improvement and capture activity that has been undertaken to deliver that commitment.

Our ambitions	Summary of how this report will support delivery of these ambitions and the underpinning aims
A successful and ambitious town	The Continuous Improvement Plan contains commitments to work collaboratively with partners, communities and businesses to develop a vision for the Town. Delivery of this will positively impact on the Council 's ability to work with partners to delivery all the ambitions within the Council Plan.
A healthy Place	The Continuous Improvement Plan contains a series of actions that will impact positively on the Council's ambitions around Middlesbrough being a healthy place. In particular it includes commitments around poverty reduction ambitions.
Safe and resilient communities	Action is planned within the Continuous Improvement Plan to strengthen the Council's approach to community engagement which will positively impact on this ambition. It sets out progress made to expand community development capacity and develop the proposed Neighbourhoods Strategy with a strong focus on community engagement and co-production of solutions.
Delivering best value	Successful delivery of the Continuous Improvement Plan will: ▪ improve partnership working ▪ further enhance financial planning and management ▪ reset the Council's approach to transformation ▪ strengthen internal audit arrangements ▪ enhance scrutiny ▪ better support Members.

2. Recommendations

2.1 That the Executive:

- **APPROVES** the updated Continuous Improvement Plan
- **NOTES** the progress made in delivering the commitments within the Continuous Improvement Plan.

3. Rationale for the recommended decision(s)

3.1 Having a Continuous Improvement Plan that captures all strategic continuous improvement activity, provides Members and Officers with a comprehensive overview of improvement activity within the organisation as part of a framework of assurance reports. The plan ensures the Council is tracking this type of activity within one document. Successful delivery of continual improvement activity will improve the Council's ability to deliver against its Council Plan ambitions.

4. Background and relevant information

4.1 In March 2025, Full Council considered the final reports of both the Local Government Association (LGA) Corporate Peer Challenge team and the Middlesbrough Independent Improvement Advisory Board (MIIAB).

4.2 Both of those reports were hugely positive, recognising the improvements the Council had made over the previous two years on its improvement journey. They also contained a series of recommendations, designed to ensure the Council maintained an outcome focussed commitment to the principles of its continuous improvement journey as it transitioned from a period of intervention. The plan also continues to track delivery of actions arising from the External Assurance review undertaken by Grant Thornton as part of the Exceptional Financial Support (EFS) application. It also includes an action arising from the Care Quality Commission inspection of Adult Social Care services.

4.3 Appended to this report, is a copy of the Continuous Improvement Plan and its status as of October 2025. The Plan continues to evolve as actions are delivered and follow up actions are identified where necessary.

4.4 There are currently 49 actions within the plan. In June 2025 it was reported that 16 had been completed. Since that time a further six have been completed, bringing the total number of completed action to date to 22. Two new follow up actions have been added since the Plan was last reported. The first new action will track the launch of arrangements to bring in external expertise to manage the Council's commercial property portfolio, following completion of market testing. The second new action builds on completion of recruitment of additional capacity to support Members submitting Councillor Gateway inquiries. It will track delivery of an improvement plan to strengthen the system and respond to feedback from Councillors who are using it.

4.5 There are six actions that are currently overdue:

- Completion of recruitment was necessary to complete three actions. Despite proactive marketing of these two posts, the recruitment campaigns were unsuccessful. This resulted in the target dates for having people in post being missed. The Council is reviewing options to ensure it is able to populate the posts. Another post was successfully recruited to, however the appointed candidate withdrew as this report was being prepared. Options to address this are currently being considered.
- Two actions are paused in order to allow them to be shaped by the incoming Strategic Lead for Transformation once they are appointed. They relate to the

recruitment of a Continuous Improvement Team and the completion of a Communications Strategy for the Transformation Programme.

- There has been a slight delay in relation to shaping the full content of a training programme for Executive Members, although training on some topics has commenced. During this quarter training will be delivered that focusses on the role of the Executive Member in the budget setting process. It will be jointly delivered by the Mayor and Section 151 officer.

4.6 Key highlights, filtered by Best Value theme are set out below:



Partnerships and Community Engagement

4.7 The Council has a commitment to improving the way it works with partners with the aim of establishing a consistent, place-based approach, focussed on what Middlesbrough needs, rather than individual organisations. Since progress was last reported to Members, the Council has:

- Held a number of meetings with the re-established Town Partnership Board, which is now known as the Place Leaders Partnership. The Partnership has agreed a work programme of thematic topics to explore with the agreed outcome being the creation of a strategic, long-term plan for the Town that can be delivered by partners across the Town.
- Continued to engage with the Tees Valley Combined Authority on key issues and is focussed on supporting it with its improvement journey.

Culture

4.8 One of the key documents the Council will deliver over the next three years is the People Strategy. The People Strategy sets out the steps the Council will take to ensure its staff have the skills, capabilities, behaviours and values that are needed to deliver improved outcomes for our residents and ultimately deliver the Council Plan ambitions. Since this was last reported, the Council continues to deliver actions within the strategy and regularly report progress and impact. Leadership Management Team considered a progress report in August 2025.

4.9 The People Strategy sits alongside the Member Development Strategy which was successfully reviewed in February 2025 with input from Members to ensure the Council continues to focus on the skills and behaviours Members need to be able to deliver their roles. As part of delivery of the Member Development Strategy, there is ongoing engagement, delivered through the Members Communications Working Group. Following a meeting of the Members and Officers Communication Working Group in September 2025, the Council will be establishing regular quarterly training sessions to drive a regular cycle of training opportunities as part of the suite of actions being delivered by the Member Development Strategy.

Use of Resources

- 4.10 Ensuring resources are used effectively has been, and will continue to be, a key focus of the Council given the financially challenging environment that it continues to operate in. Over the last three months the Council has continued to build on the positive progress it achieved in relation to financial management by strengthening its quarterly financial reports to include a focus on the impact of quarterly outturns on its Medium-Term Financial planning. That being said, financial pressures have been a significant issue in 2025/6. The Section 151 Officer continues to consider all measures that could be taken should the budget position not improve. During Quarter One, all directorates with predicted overspends have developed recovery plan options to address overspends.
- 4.11 In March 2025, Audit Committee considered a report recommending that it completed a review of its effectiveness against guidance published by the Chartered Institute of Public Finance and Accountancy (CIPFA). The Committee positively supported completion of an independent review with the Local Government Association (LGA) regional financial advisor and accepted all of their recommendations at its meeting in September 2025. The Committee has also delivered its first annual report to Full Council. This was considered by Full Council in October 2025 and set out the work of the Committee and its plans to further strengthen its arrangements.
- 4.12 The Council has a commitment to transformation as a method of ensuring the Council is better placed to be able to deliver its commitments within the Council Plan, on a financially sustainable footing. In April 2025, an action to reset the approach to transformation and identify additional capacity for its leadership was delivered when Executive agreed a report from the Chief Executive on the matter.
- 4.13 Progress is being made in relation to the review of the Council's internal audit arrangements. The review is on track to be completed and reported to Audit Committee in April 2026. It is good practice to change the lead auditor periodically. The current lead auditor will be changed by the end of 2025.

Governance

- 4.14 An action to provide a mid-year Treasury Management Strategy update to Executive in response to an Exceptional Financial Support review recommendation was reprofiled from October to December 2025 to align with good practice that the mid-year review should follow the mid-year budget outturn position being reported to Members.

- 4.15 In July 2025, Executive were advised that regular engagement with Members and Officers will continue to be undertaken on specific issues, as well as regular 'temperature checks' to identify views and assess culture. Results from the regular staff survey undertaken in June 2025 are now available. There was a significant increase in the number of employees that responded to the survey this year. In 2024 21% of the workforce responded. This rose to 37% in 2025, with 1153 people taking the time to feedback to the organisation. 74% of staff said they were proud to work for Middlesbrough Council (up from 49% in 2024).
- 4.16 Additional capacity is now in place to support the Councillor Gateway system. The Officer started in the post in September 2025. The aim of the post is to improve the user experience Members have with the system. The Council has also reestablished the project group that implemented the system to review whether further improvements can be made.

5. Ward Member Engagement if relevant and appropriate

5.1 Not applicable.

6. Other potential alternative(s) and why these have not been recommended

- 6.1 The Council could choose to maintain multiple documents capturing continuous improvement activity; however this would be an inefficient approach and would reduce Members ability to see a comprehensive overview of the Council's ongoing activity in relation to continuous improvement.

7. Impact(s) of the recommended decision(s)

Topic	Impact
Financial (including procurement and Social Value)	Responding to the recommendations fully that have been made by both the LGA Corporate Peer Challenge team and Middlesbrough Independent Improvement Advisory Board (MIIAB) as well as wider strategic continuous improvement activity captured within the Plan will inevitably have financial implications for the Council. Financial implications in relation to individual activities will be set out as necessary and appropriate authority sought to deliver actions.
Legal	While both the LGA peer challenge process and the work of MIIAB are discretionary exercises, the topics covered by both support the Council's compliance with its Best Value Duty. A Continuous Improvement Plan ensures there is a systematic approach to continuous improvement that will provide future assurance to all stakeholders that the Council will respond effectively to any recommendations arising from inspections, reviews and other relevant reports.
Risk	If the Council failed to deliver this Continuous Improvement Plan, this could have a negative impact on potentially all Strategic Risk Register risks. Successful delivery will impact positively on the risk of a failure in corporate governance.
Human Rights, Public Sector Equality Duty	The Continuous Improvement Plan includes actions that will impact positively on this theme, in particular there are planned

and Community Cohesion	actions to strengthen the Council's approach to equality, diversity and inclusion and community engagement.
Reducing Poverty	While not directly impacting on this theme, the LGA Corporate Peer Challenge acknowledged the Council's plans which are already underway to strengthen focus on the existing commitment within the Council Plan that tackling poverty should be at the heart of everything we do.
Climate Change / Environmental	The content of this report is not directly relevant to these areas of impact, however continued implementation of improvement activity will ensure the Council is better able to deliver its Council Plan ambitions and compliance with good governance.
Children and Young People Cared for by the Authority and Care Leavers	
Data Protection	

Actions to be taken to implement the recommended decision(s)

Action	Responsible Officer	Deadline
Report progress on delivery of the Continuous Improvement Plan to Overview and Scrutiny Board	Ann-Marie Johnstone, Head of Governance, Policy and Information	19 November 2025

Appendices

1	Continuous Improvement Plan – Progress as at October 2025
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Background papers

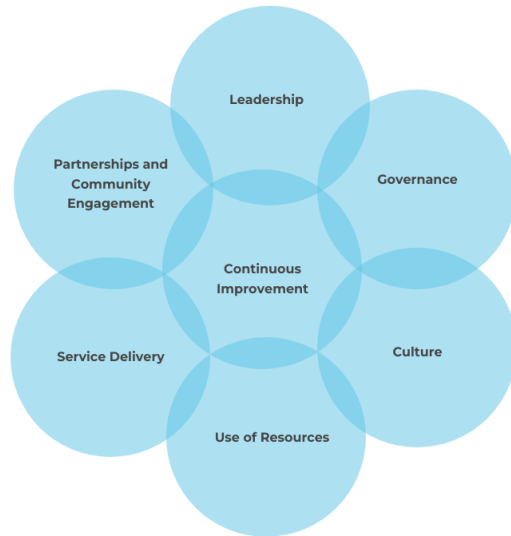
Body	Report title	Date
Full Council	Local Government Association Peer Review and Middlesbrough Independent Improvement Advisory Board reports and planned approach to Continuous Improvement – moving forward	26 March 2025
Executive	Delivery against the Continuous Improvement Plan - Progress update	16 July 2025
Overview and Scrutiny Board	Delivery against the Continuous Improvement Plan - Progress update	30 July 2025

Contact: Ann-Marie Johnstone, Head of Governance, Policy and Information
Email: ann-marie_johnstone@middlesbrough.gov.uk

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Continuous Improvement Plan

Delivery of the Council's Continuous Improvement Plan has a clear relationship with the Best Value Duty. Delivery of actions will ensure it has a robust approach across all the seven themes that comprise the Best Value Duty:



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This will ensure the Council is in a stronger position to deliver the four ambitions it has set out within the 2024 – 2027 Council Plan that Middlesbrough will:

- Be a successful and ambitious town
- Be a healthy place
- Have safe and resilient communities
- Deliver Best Value.

This plan encompasses the following strategic continuous improvement activity:

- The findings of the Local Government Association (LGA) Corporate Peer Challenge team
- Responses to the last report of the Middlesbrough Independent Improvement Advisory Board (MIIAB).
- Outstanding recommendations from the Chartered Institute of Public Finance and Accountancy (CIPFA)
- An action in response to the Care Quality Commission inspection of Adult Social Care services.

There are currently 49 actions within this plan. Of those 22 are marked as complete, although some still have ongoing commitments and may result in further actions being identified. Since this was last reported, 6 actions have been completed. Of the remaining ongoing actions, 6 are currently past their target dates for implementation.

Rec.	Council Plan Ambition	Best Value Theme		Recommendation	Action	Owner(s)	Target date for completion	June 2025 update	October 2025 update
1	All	Partnerships and Community Engagement		(CPC) Develop in co-production with communities, residents, partners and businesses a long-term vision for the town that is inclusive, practical and deliverable. By looking outwards and harnessing untapped potential to deliver its vision, this will enable everyone to understand and contribute to delivering shared ambitions for the benefit of Middlesbrough and its communities.	The Council is in the process of reestablishing a town wide engagement mechanism for Partners which will be called a Town Board and will replicate the best parts of the defunct Local Strategic Partnership arrangements to ensure there is a regular meeting of key strategic public, private and VCS partners to set the strategic direction for the town and identify and deliver system wide change to improve outcomes for our residents. Once established, the first key task will be to co-produce a vision in a process that engages local communities and residents.	Chief Executive	Board to be established by June 2025 and a co-produced vision will be developed during 2025/26.	Ongoing. Draft Terms of Reference developed, and initial communications will be issued this month with a view to setting up the first meeting in June 2025 to be held in July 2025.	Ongoing. The Board, now known as the Place Leaders Partnership, has now agreed a work programme for its work. The Board has a series of workshop sessions planned between September and December 2025 to focus on the following topics: 1. Identifying top priorities for intervention in Middlesbrough's economy 2. Evidence base including an updated economic assessment from Locus and strategic approach to communications 3. How we can extract the best social value from our collective interventions.

Rec.	Council Plan Ambition	Best Value Theme		Recommendation	Action	Owner(s)	Target date for completion	June 2025 update	October 2025 update
									The output of this work will be creation of a Town Plan and a vision for the town.
2	All	Partnerships and Community Engagement		(CPC) Redefine Middlesbrough's strategic approach to partnership working based on principles of timely and meaningful collaboration, co-design and with common purpose to inspire and build a team beyond the council that are galvanised to deliver for the town. This will strengthen delivery of Middlesbrough's place shaping ambitions, maximise use of collective resources, and help shift the focus from organisational recovery to delivery of improved outcomes for residents.	The Council is committed to working with partners more effectively to co-produce a vision for the town, alongside a strategy, underpinned by agreed principles which will govern how we will work together to deliver improved outcomes for our residents. It is planned to use the reestablished Towns Board to co-produce an agreed strategic approach to partnership working.	Chief Executive	March 2026	See above.	Ongoing. The outcome of the workshops set out above will be used to then develop a collective, long-term vision for the town and a coproduced partnership vision and plan for the town.
3	All	Partnerships and Community Engagement		(CPC) Develop and seek to strengthen relationships with the Tees Valley Combined Authority and Tees Valley councils. This will maximise the potential for Middlesbrough and the wider Tees Valley to realise the benefits from being at the forefront of devolution	Officers are continuing to engage with the TVCA officers to work positively with them and there are a range of officer working groups that are well established across the Tees Valley. The Council will seek formal engagement with the TVCA other	Mayor and Chief Executive	May 2025	Complete. Following publication of the LGA corporate peer challenge team report, the Chief Executive wrote to the Interim Chief Executive of TVCA to seek discussions. First sessions were	Tees Valley Chief Executives continue to meet weekly with the TVCA and supporting statutory officers are also regularly meeting with their respective partners. TVCA is on an improvement journey which the

Rec.	Council Plan Ambition	Best Value Theme		Recommendation	Action	Owner(s)	Target date for completion	June 2025 update	October 2025 update
				and drive economic development and growth which will be critical to all the council's ambitions.	Local Government members of the Combined Authority to outline a proposed revised engagement approach across matters of mutual interests to enable improved outcomes for residents and businesses in the Tees Valley			held in May. The Council has also engaged with TVCA staff to provide support in response to the recent Best Value Inspection Notice and Section 24 statutory recommendations that have been issued to TVCA. This is just the start of work and while this specific action is complete, further actions will be generated in due course to build on this. Chief Executives have agreed their participation in recruitment of the development corporation chairs for other areas as part of steps to continue positive relationships.	Council is actively supporting it on. There have been some key initial improvements. We will continue to work proactively with TVCA to build on this.
4	All	Partnerships and Community Engagement		(CPC) Seek to resolve the hiatus with the Middlesbrough Mayoral Development Corporation (MDC) to achieve a shared plan for the town. This will unlock its potential as a powerful	The Council will seek formal discussions with TVCA and government on options to address the hiatus in the best interests of the residents of Middlesbrough.	Chief Executive	May 2025	Complete and ongoing. TVCA have agreed to develop a document which will articulate planned outcomes from the MDC and the	The TVCA Mayor has now appointed a Chief Operating Officer for the MDC. There is now a plan in place to manage the transfer of assets into MDC which has resolved the hiatus.

Rec.	Council Plan Ambition	Best Value Theme		Recommendation	Action	Owner(s)	Target date for completion	June 2025 update	October 2025 update
				mechanism for effectively delivering economic development and growth and integrating the resources and assets of the council and TVCA.				timing of the Council and TVCA's contributions toward it.	As part of the TVCA Best Value Notice governance review, the TVCA Mayor has now appointed an independent chairperson of the MDC, former Middlesbrough Council Chief Executive, Tony Parkinson. MDC is now a partner on the Place Leadership Partnership. Work is underway between the Council and the MDC to reassess existing development and delivery plans collaboratively.
5	All	Culture		(CPC) Develop and embed a comprehensive approach to strengthening equality, diversity, and inclusion, including: a. In organisational development, the workforce and democratic representation; b. Within strategy, policy, and service delivery; and c. Community engagement,	We will raise the ambitions within the People Strategy and Member Development Strategy (expanding to include promotion of councillor roles to potential future councillors) to seize the opportunities that an improved approach to community engagement will bring as our residents increase their trust in the Council.	Head of HR and Head of Legal (People)	People Strategy annual review (April 2025) Member Development Strategy annual review (February 2026)	Complete and ongoing. Revised People Strategy considered and adopted by LMT in May. There is a detailed workplan in place which contains greater ambition and activity in relation to community engagement.	The Leadership team continue to receive regular reports setting out progress in delivery of the People Strategy and its impact on the workforce and the commitment to improve the way it reflects our local population. The Council is continuing to develop its organisational development offer

Rec.	Council Plan Ambition	Best Value Theme		Recommendation	Action	Owner(s)	Target date for completion	June 2025 update	October 2025 update
				ensuring it looks at this agenda strategically for Middlesbrough as a whole, not only for the organisation and those elected or employed. This will ensure EDI is at the heart of everything it does, that the council is representative of the communities it serves and delivers better decision-making by harnessing different perspectives				The Council now offers briefings to those who are considering standing for local election. This needs to be codified within the next review of the Member Development Strategy. which is now live and will be further developed. We have invested in the capacity of our HR and OD functions in order to ensure we can deliver our ambitions. As part of delivery of the Member Development Strategy, there is ongoing engagement, delivered through the Members Communications working group. Following a meeting of the Members and Officers Communication Working group in September, the Council will be establishing regular quarterly training sessions to drive a regular cycle of training opportunities as part of the suite of actions being delivered by the Member Development Strategy.	
					We will review the Council's report formats, policy and	Head of Governance,	May 2025	Complete.	

Rec.	Council Plan Ambition	Best Value Theme		Recommendation	Action	Owner(s)	Target date for completion	June 2025 update	October 2025 update
					strategy templates to strengthen the way the Council assesses the impact of its activities on equality, diversity and inclusion.	Policy and Information		Report formats were revised in April. Communications issued to report authors and all staff involved in the report development process. An Engagement session was held with Wider Leadership Management Team to outline the rationale for changes including improved consideration of impacts on EDI as well as improving the way reports demonstrate their impact on the four Council Plan ambitions. The Council has also reviewed its Impact Assessment Policy to capture impacts on poverty.	
					Over the next 12 months the Council plans to increase community development capacity as part of the emerging Neighbourhoods Strategy which will	Director of Environment and Community Services	March 2026	Ongoing.	Ongoing. The Council has now put in place additional Community Engagement Staff to increase its capacity around this

Rec.	Council Plan Ambition	Best Value Theme		Recommendation	Action	Owner(s)	Target date for completion	June 2025 update	October 2025 update
					include actions to also reset its approach to community engagement to ensure it better understands and responds to the needs of its communities as well as reestablishing a proactive approach to decision making that focusses on coproduction where possible.				as well as employment of additional capacity to undertake public engagement in key areas. In the first instance this has focussed on education around waste and recycling. We have commenced a programme of community conversations. The Council is also engaging with a national leader in community engagement to review its strategic, long-term approach, reviewing the current approach and making recommendations to further strengthen community engagement and cohesion work. Recent confirmation for two Middlesbrough Wards to be included in Pride in Place programme Phase 2 (formerly Neighbourhood

Rec.	Council Plan Ambition	Best Value Theme		Recommendation	Action	Owner(s)	Target date for completion	June 2025 update	October 2025 update
									Trailblazers will give an opportunity to put the new principles into practice during 2026 and into the following 10-year delivery phase.
6	Delivering Best Value	Use of Resources		(CPC) Bring further rigour to financial planning and management to support savings delivery and financial resilience by: a. Reviewing the MTFP assumptions and updating them on a quarterly basis, with clear plans for managing demand and delivering savings reported in monthly budget reports. b. Supporting Executive Members to own and shape the financial position, within their portfolio areas and collectively, working with senior officers to challenge, monitor and hold each other to account. c. Embed understanding and ownership of the financial position	Effects on the Medium-Term Financial Plan (MTFP) are going to be included within future quarterly budget outturn reports. The Council already has a cycle of monthly budget reporting and agreement of actions in response to issues raised by this process. These are then formally reported to Members/ appropriate member decision making and engagement is undertaken. This is included within the quarterly outturn reports.	Section 151 Officer	To commence within the year-end report for 2024/25 (June 2025)	Complete and ongoing. Impacts on the MTFP are reflected within the year-end report being considered by Executive in June 2025. Going forward this will be expanded on in future reports.	Financial pressures have been a significant issue in 2025/26 to date and were reported in full in the Quarter One Budget outturn report and also in the September MTFP update to Executive. As a result of this predicted overspend, all services with an overspend were required to develop financial recovery plans with a view to achieving a balanced budget overall in 2025/26. The output of this work will be reflected within the Quarter Two Budget Outturn report and will feed the update of the MTFP due in December. The Section 151 Officer is

Rec.	Council Plan Ambition	Best Value Theme		Recommendation	Action	Owner(s)	Target date for completion	June 2025 update	October 2025 update
				with budget holders to ensure the on-going delivery of transformation, savings and efficiencies.					considering all measures that could be taken should the above action not result in an improved budget position.
				d. Ensuring that scrutiny and audit oversight is effective, transparent and supports understanding - beyond the council - with key partners and the public.	Executive role - Further training will be provided to Executive Members on financial management disciplines. The Council already has in place Executive involvement in the budget clinic cycle, attending on a quarterly basis for all areas except Children's Services where they attend monthly.	Section 151 Officer	March 2026	Ongoing. Following identification of the Executive Members, a training programme is being developed in consultation with the lead member for finance with a draft training programme to be in place by July for delivery from September onwards.	In delivery. The first training session was held in September to provide an overview of the Financial position of the Council for all members and training sessions have been held targeted at Executive Members on wider governance issues and communications good practice. The next phase needs to cover financial management good practice and disciplines to commence in late October. While this is still being scoped, the first training session has been set to be jointly delivered from a Member and Officer perspective and will cover the role of an Executive Member in the budget setting process.
				e. Reviewing pay scales to support recruitment and retention of key staff, linked to workforce and succession planning, with a focus on both bringing in external, as well as nurturing internal, talent.					

Rec.	Council Plan Ambition	Best Value Theme		Recommendation	Action	Owner(s)	Target date for completion	June 2025 update	October 2025 update
					NEW ACTION – Commence delivery of the Executive Member training programme in relation to finance.	Section 151 Officer	July 2025	In development.	Ongoing. Executive Members will be asked to shape their training ask as part of their training session in late October.
					Regular monthly reports continue to be submitted to Leadership Team and Wider Leadership Management Team on the budget position. We have an ongoing training programme that we are committed to delivering to ensure we raise and maintain the financial skill sets of our budget holders. Additional support is targeted at new budget holders, on a risk-based approach, with the highest levels of support targeted at those managing the most volatile budgets.	Section 151 Officer	Monthly	Ongoing.	Ongoing. The Council's budget continues to be monitored on a monthly basis.
					A proposal will be submitted to Audit Committee to recommend it completes a self-assessment against CIPFA Good Governance guidance in March. If agreed, it will be delivered during 2025/26.	Section 151 Officer	March 2025, with the review to be completed during 2025/26	Complete and ongoing. The review is underway and is being facilitated by an LGA regional advisory who is a former Section 151 Officer. The outcome of that review will be agreed by committee and	Complete. The outcome of this was agreed by Committee and reported to Full Council in October within the first Annual Report of the Committee.

Rec.	Council Plan Ambition	Best Value Theme		Recommendation	Action	Owner(s)	Target date for completion	June 2025 update	October 2025 update
								then reported within the first annual report from the Committee to full Council, anticipated to be delivered by September 2025.	
					Scrutiny - the Monitoring officer and S151 officer are working towards development of an integrated approach to reporting the quarterly outturn position to improve members understanding of the overall position of the Council financially and their understanding of the impact on delivery of Council plan priorities.	Section 151 Officer and Monitoring Officer	June 2025 onwards Revised target April 2026	Discussions on how to ensure that integrated performance and finance reporting works effectively to demonstrate a narrative across the two disciplines and informs Council decision making is ongoing. It is proposed that this initial target is reset to allow the Council time to reset its wider approach to Performance management, with a view to implementing a new approach from 2026/27.	Ongoing. The Council is in the process of completing recruitment to additional financial and performance posts that will support this outcome.
					The Town Board, once reestablished, will become the vehicle through which strategic discussions with our partners are held this will include sharing information about our spending power and	Chief Executive	June 2025	See previous.	Complete. The Town Board, now known as the Place Leaders Partnership, has now been established, it has agreed a work programme that is

Rec.	Council Plan Ambition	Best Value Theme		Recommendation	Action	Owner(s)	Target date for completion	June 2025 update	October 2025 update
					priorities. The Board will be established during 2025.				designed to enable it to create a shared vision for the town.
					We are securing additional capacity within the HR team to be able to look at options around the Council's recruitment and retention of key staff as well as ongoing delivery of the People Strategy to ensure our staff have the skills and capabilities to be able to meet the needs of succession planning.	Head of HR	May 2025	Complete. Growth bid has been approved to provide this additional capacity. Additional action captured to track recruitment to the post.	
					NEW ACTION - Complete recruitment of the Pay and Reward Specialist to provide additional capacity to review the Council's approach on this matter.	Head of HR	September 2025		Overdue. Following failure to attract candidates, the post was reviewed and is currently being recruited to again. Should this also be unsuccessful, the organisation will be looking at all options to ensure it has capacity in this key area.

Rec.	Council Plan Ambition	Best Value Theme		Recommendation	Action	Owner(s)	Target date for completion	June 2025 update	October 2025 update
7	All	Use of Resources		(CPC) Reframe Middlesbrough's approach to transformation, shifting from tactical savings during a crisis, to long term financial sustainability and continuous improvement to deliver better outcomes, by: a. Undertaking a cross-council reset and relaunch of its transformation priorities, alongside the council plan and council values, underpinned by strong leadership, a robust communications and engagement plan, and organisational development strategy.	Following successful delivery of a programme of projects which have been primarily focussed on putting the council on a sound financial footing. The Council is currently pausing slightly to ensure the next phase of its approach to transformation of services, using a refined set of projects and programmes that has an increased focus on delivery of improved outcomes for our residents to support delivery of the council plan vision and underpinning ambitions, within a sustainable cost envelope. A report on the revised approach and the plans to put in place the capacity to deliver it successfully will be presented to Executive shortly.	Chief Executive and Section 151 officer	April 2025	Complete. The Council has taken a reset report to Executive in April which has set out how it will amend delivery of the Council's approach to transformation. This includes plans to recruit a senior transformation officer.	
				b. Creating a senior transformation officer role to lead, consolidate and prioritise the current programme, identify new areas for transformation, track progress and delivery of desired outcomes, and drive the organisational change and buy-in required to deliver	NEW ACTION - Complete recruitment of a Strategic Lead for Transformation.	Chief Executive	September 2025 To be reprofiled.	New action added following completion of the initial commitment to reset the Council's approach to transformation	Overdue. The Council had appointed a strategic lead who was due to commence working with the Council in October 2025. This person has unfortunately withdrawn from this

Rec.	Council Plan Ambition	Best Value Theme		Recommendation	Action	Owner(s)	Target date for completion	June 2025 update	October 2025 update
				successful transformation. c. Reviewing capacity to deliver Middlesbrough's transformation ambitions, including within corporate services and supporting data and analysis and performance management, to ensure that all relevant services are adequately resourced to support transformation outcomes.					process. Over the next quarter action will be taken to seek other candidates.
					NEW ACTION complete recruitment of a Continuous Improvement Team.	Strategic Lead for Transformation	October 2025 To be reprofiled.	New action added following completion of the initial commitment to reset the Council's approach to transformation	Overdue. This action was delayed as a result of delays to the appointment of the Strategic Lead for Transformation. This is being reprofiled to be delivered by March 2026. The Council has created additional capacity within its senior leadership around the transformation themes of digital and housing, with two new Head of Service posts created and appointed to over the summer who are providing additional leadership capacity in those areas.
8	Delivering Best Value	Continuous Improvement		(CPC) Establish a locally owned assurance and improvement approach for Middlesbrough once the voluntary improvement Board steps down. This will help embed	This Continuous Improvement Plan and the regular reporting of it to Executive and Scrutiny will ensure there is a locally owned assurance and improvement plan in place.	Chief Executive	July 2025 onwards	Ongoing. This document forms part of the first reports that will be submitted.	Ongoing. This is the second report that has been produced as part of this framework.

Rec.	Council Plan Ambition	Best Value Theme		Recommendation	Action	Owner(s)	Target date for completion	June 2025 update	October 2025 update
				and sustain continuous improvement and support, providing oversight of the golden thread between the council's vision, corporate plan, performance and delivery of outcomes. By doing so, it will provide the council, its partners, and residents with assurance that the improvement journey is continuing at pace.					
9	Delivering Best Value	Use of Resources		(CPC) Review and strengthen Middlesbrough's internal audit arrangements and provision. This will ensure they are fit for purpose and adequately support its continuous improvement and assurance journey, with internal audit a key tool when deployed strategically in the delivery of high-quality services, transformation and financial outcomes	Commission an external review of the current arrangements for internal audit to provide assurance to the Council as to whether they remain fit for purpose or require adjustment to better support the Council's continuous improvement and assurance journey.	Section 151 Officer	Review to be commissioned by September 2025 for deliver in 2025/26.	An initial meeting has been held with Veritau to discuss the scope of this review and timescales. It is anticipated that a draft scope setting out required outcomes from an Internal Audit Service will be developed in consultation with Leadership Management Team by August 2025.	Ongoing. There are ongoing discussions with the Council's provider to review the approach and the outcome of this will be reported to Audit Committee in April 2026. In line with good practice, some initial changes have already been agreed. For example, it is good practice to change the lead auditor periodically. This will be implemented in 2025/26 by the provider.
10	All	Governance		(CPC) Review and strengthen Middlesbrough's overview & scrutiny arrangements.	A planned review is already underway to assess the impact and effectiveness of the current arrangements following 12 months of	Monitoring Officer	May 2025	Complete. Review of scrutiny arrangements completed in	

Rec.	Council Plan Ambition	Best Value Theme		Recommendation	Action	Owner(s)	Target date for completion	June 2025 update	October 2025 update
				This will ensure arrangements support robust and impactful scrutiny for the future, aligned with best practice.	their implementation with a view to changing if needed. Guidance from the Centre for Governance and Scrutiny will be used and members will be fully engaged in the review. In addition, a pre-scrutiny protocol will be developed to establish a collaborative working relationship between Executive and Scrutiny Councillors to enhance decision-making in the organisation.			December and the final report went to Overview and Scrutiny Board in April 2025. As a result of the review, scrutiny panels have been amended to increase panel capacity from 3 to 4 (including OSB). Pre-scrutiny protocol submitted to LMT in May 2025 prior to submission to OSB in July.	
11	All	Governance		(CPC) Support councillors further in their roles through:	We are securing additional democratic support capacity to support the Executive team administration their roles.	Monitoring Officer	September 2025	Completed. Agreed growth bid in place.	
				a. Providing the Executive with administrative support and training for their roles;	NEW ACTION – complete recruitment to an additional Business Support Officer post to support the work of the Executive	Monitoring Officer	September 2025	Completed in June 2025.	Completed. The occupant is now in place for the new post.
				b. Addressing issues with Councillor Gateway system; Providing sufficient advanced notice for meetings, and at times that meet councillors' needs; and	NEW ACTION – The Council has reinstated the Gateway Project Board that oversaw development of the gateway. Deliver the Improvement action plan that has been developed by that Board. The Board	Monitoring Officer	Ongoing	n/a	Ongoing. New action focussed on ensuring there is a mechanism to improve the user experience.
				d. Promote and encourage good					

Rec.	Council Plan Ambition	Best Value Theme		Recommendation	Action	Owner(s)	Target date for completion	June 2025 update	October 2025 update
				councillor conduct, including on digital platforms.	includes Member representatives.				
					NEW ACTION – training for Executive Members to be developed	Monitoring Officer	Ongoing	Complete and ongoing. The incoming Executive have been offered access to the LGA Executive member leadership training course as well as provision of an ongoing training and development offer covering governance, communications, finance and	
					We are securing additional capacity to support the quality of responses to Members and to manage feedback from Members to establish a continuous improvement approach to both the system and the outcomes members are seeking.	Monitoring Officer	September 2025	Completed. Agreed growth bid in place.	

Rec.	Council Plan Ambition	Best Value Theme		Recommendation	Action	Owner(s)	Target date for completion	June 2025 update	October 2025 update
					NEW ACTION – complete recruitment to the additional support to support an improved Member Enquiries experience for Councillors	Monitoring Officer	September 2025	Ongoing.	Complete. The occupant is now in post.
					Ongoing discussions will continue to be held with Members to identify the issues with timings and options the Council could put in place to manage timings and support Members to attend.	Monitoring Officer	May 2025 committee diary setting by Council and ongoing	Complete. In order to ensure this is member led, it has been decided to book provisional dates for meetings of committees and then facilitate a committee-by-committee discussion on timing and frequency of meetings to meet Member needs. The Council will continue to seek feedback on this and refine the approach as necessary.	
					We have recently delivered further training to all Members on good conduct on social media and will regularly push out reminders on good practice on social media usage.	Monitoring Officer	Ongoing	Ongoing, social media posts continue to be a source of standards complaints.	Ongoing. Standards training delivered in September for Councillors and Parish Councillors covered this as a topic. Unfortunately, there was a very low turnout for that training. Members are being urged to engage in the training that is being offered.

Rec.	Council Plan Ambition	Best Value Theme		Recommendation	Action	Owner(s)	Target date for completion	June 2025 update	October 2025 update
									Officers continue to look at the way training is delivered and timings to ensure they consider all options to improve Member engagement. Member feedback will be sought on an ongoing basis to adjust the approach as necessary.
12	All	Governance		(CPC) Continue to improve member and officer relationships with clear understanding of the respective roles, responsibilities and promoting good behaviours. This will continue to strengthen Middlesbrough's governance guardrails, promote conduct in line with the Nolan Principles, and avoid the risks which in the past have arisen from Middlesbrough's Mayoral model.	We are committed to an ongoing cycle of training and development of both officers and Members and will regularly take the temperature of the organisation through engagement and surveys to identify where more needs to be done.	Monitoring Officer	Ongoing regular surveys throughout the year	Ongoing. Staff temperature check survey went live in June 2025. Members were surveyed as part of the review of the Member Development Survey in February 2025. The next planned survey will be undertaken in September 2025 and will focus on Member and Officer relationships. The Statutory Officers meet with group leaders on a monthly basis.	Ongoing. Since last reported, the Council has completed a further survey of its staff. This year's survey had a significant increase in respondents with 16% more of the workforce responding to the survey. As well as increased engagement, there was an increase in the positivity staff feel about working for the Council. Staff also felt more comfortable in expressing their opinions honestly. Most staff were also very clear how their work linked to the ambitions in the Council Plan. A temperature check survey of

Rec.	Council Plan Ambition	Best Value Theme		Recommendation	Action	Owner(s)	Target date for completion	June 2025 update	October 2025 update
									Members was launched in October and the outcome will be reported in the next update.
13	Delivering Best Value	Use of Resources, Service delivery and Continuous Improvement		(MIIAB) Develop a medium-term plan, as organisational capacity improves, to integrate finance and performance reporting within the corporate governance framework.	Following successful growth bids to put in place the capacity within Finance, action is being taken to secure additional capacity to reestablish a more embedded performance management process as well. Action will initially be taken to recruit additional capacity, with a view to first working together to strengthen performance management and reporting and then jointly developing an integrated approach to reporting to improve the Council's ability to demonstrate alignment of its resources with Council priorities and the relationship between resourcing and performance across its priority areas.	Section 151 Officer and Monitoring Officer	Staff will be recruited into post by September 2025.	Ongoing. Additional posts have now been job evaluated for the performance team and are going through the VCF process. Recruitment to the Deputy 151 officer post has been completed. This post will be necessary to shape the nature of the additional capacity within finance and complete recruitment. They will commence in post in late July 2025.	Overdue. Further recruitment underway within finance and performance to facilitate this. There have been some delays following two unsuccessful attempts to recruit to a Corporate Performance Manager post. The Council is exploring all options to address this.
14	Delivering Best Value	Use of Resources		(MIAAB) Focus on long term financial resilience and: a. tight control on 2025/26, b. develop a balanced position for the medium term, c. have a planned	The Council has a robust budget management approach in place which it intends to maintain in 2025/26, including ongoing budget clinics, with Member involvement within them, as well as monthly budget	Section 151 Officer	Quarterly throughout 2025/26 Proposed revised target of April 2026 onwards	Discussions on how to ensure that integrated performance and finance reporting works effectively to demonstrate a narrative across the two disciplines and	Ongoing

Rec.	Council Plan Ambition	Best Value Theme		Recommendation	Action	Owner(s)	Target date for completion	June 2025 update	October 2025 update
				approach to growth, d. do not fund ongoing expenditure from one off funding pots, e. focus on transformational opportunities.	reporting to inform these processes. Regular liaison with Executive will be undertaken as part of the quarterly review of the effects of decisions and expenditure on the MTFP. This will include medium term planning for growth. Not funding ongoing expenditure from one off pots of funding is a principle that is already robustly applied to Council budget setting processes. For example the proposed governance of the Middlesbrough Priorities fund includes such a principle.			informs Council decision making is ongoing. It is proposed that this initial target is reset to allow the Council time to reset its wider approach to Performance management, with a view to implementing a new approach from 2026/27.	
15	Delivering Best Value	Use of Resources		(MIIAB) Be prudent with extra money: top up reserves (to a level higher than currently suggesting), invest in contingency.	This is another principle within the Council's budget setting process and there are a number of contingencies built into the budget including a risk fund to manage risks around non-delivery of savings. The Medium-Term Financial Plan includes plans to grow the reserves prudently while balancing against the level of demand arising from being a	Section 151 Officer	n/a - Ongoing over the life of the Medium Term Financial Plan	Ongoing. The Year end outturn report on 11 June 2025, shows a positive direction of travel on reserves over the life of the MTFP. On 31 March 2025, reserves were at £21.654m, compared to a target that was set during the section 24 action plan delivery of	Ongoing.

Rec.	Council Plan Ambition	Best Value Theme		Recommendation	Action	Owner(s)	Target date for completion	June 2025 update	October 2025 update
					local authority in one of the country's most deprived areas.			£18.1m by 31 March 2025.	
16	All	All		(MIIAB) Build organisational capacity to strengthen resilience in finance, HR, OD and transformation to support delivery of your corporate plan priorities.	The Council has already taken action to identify funding for growth in these areas and it will consider whether there are any further growth needs within its reset approach to transformation which will be considered by Executive in April 2025.	Chief Executive	May 2025	Complete and ongoing. Finance growth bid is now secured and a service review will be undertaken to ensure it is utilised effectively once the new Deputy 151 Officer is in post from late July 2025. The review is expected to commence by November 2025. The Council has reset its approach to transformation and set aside significant capital receipts that can be drawn down as needed to fund support services as the Strategic Lead of Transformation drives the Council's approach to transformation and develops, in detail, the activities that will need to be taken. In April 2025, Executive agreed flexible use of	Review of Finance capacity is ongoing with additional capacity built into the structure which are currently out for recruitment. The Council is carefully building up its capacity in this area to ensure that it has a planned approach to onboarding this additional capacity to ensure it is able to make the maximum positive impact.

Rec.	Council Plan Ambition	Best Value Theme		Recommendation	Action	Owner(s)	Target date for completion	June 2025 update	October 2025 update
								Capital receipts to fund a strategic lead for Transformation and additional support capacity in the form of a continuous improvement team. Recruitment to these posts is expected to commence in July 2025.	
17	All	Leadership		(MIIAB) Continue to focus on organisational development as an important part of your continuous improvement journey, with a particular focus on team development and embedding stable, permanent leadership arrangements.	Executive and Leadership team development programme has been put in place and is resuming at pace, with external support and expertise. In addition, the Council is refreshing support for its wider Managers, reestablishing a management training gateway, along with a wide range of programmes to develop skills and capacity. This is being overseen within the delivery of the People Strategy.	Monitoring Officer	Ongoing	The Council's Organisational Development (OD) Team has developed a leadership and management training programme that spans from aspiring manager level through to Chief Executive. The programme focusses on a core set of skills and behaviours to ensure they are embedded across the organisation. The Council is working to increase the capacity of its OD team and aims to complete recruitment to a	Ongoing. The post has now been recruited to and a start date agreed for November 2025. Once this person is in post, the organisation will be moving at pace to launch its revised management support offer. A series of sessions are already in delivery with Leadership Management Team and Executive over the autumn.

Rec.	Council Plan Ambition	Best Value Theme		Recommendation	Action	Owner(s)	Target date for completion	June 2025 update	October 2025 update
								vacant post within the team by September 2025.	
18	All	All		(MIIAB) Complete and implement your communications strategy and use it as an effective tool to bring the council vision to life and to ensure that both the internal and external environment understands the outcomes the council is trying to achieve.	Once the Council has reset its approach to transformation, a draft Communications Strategy will be developed to ensure that there is a plan in place, owned by senior leaders, that ensures the Council is clearly communicating its vision, priorities and actions to ensure Members, Staff, the public and partners understand and engage with the outcomes the council is trying to achieve.	Chief Executive	Draft Strategy June 2025, to be reviewed on a quarterly basis by Leadership team. Reprofiled to September 2025. This will be reprofiled.	In progress. The Communications team continues to prioritise topics that are linked to the Council Plan. The changes to the approach to transformation are still emerging. One key update is the briefings for staff held by the Chief Executive on the Council Plan, the organisation's values and transformation	Ongoing. This will be revisited as part of the refreshed approach to Transformation that will be led by the incoming Strategic Lead for Transformation. Once they have taken an initial view, this target date will be reprofiled to align with their work priorities. The Council is continuing to review the effectiveness of its internal communications within business-as-usual processes.
19	Delivering Best Value	Use of Resources		(EFS) The council are mitigating this risk for 2024/25 through contingencies and EFS. There are also reserves though these are at a critically low level. From 2025/26 onwards, the council aims to deliver transformational savings but we consider there to be significant risk in this plan. We raise Recommendation 15	The Council has put in place a savings delivery risk budget and has also increased the levels of reserves to manage this risk and is in the process of also resetting its approach to transformation. Regular monitoring of savings delivery will continue to take place with mitigation being developed as appropriate.	Section 151 Officer	September 2025	Ongoing. The Section 151 Officer has in place a regular monitoring and reporting cycle on delivery of savings and sets out this performance within the Quarterly budget outturn reports to Executive and Overview and Scrutiny Board.	Ongoing. This is being considered within the Financial Recovery Plans during Quarter Two.

Rec.	Council Plan Ambition	Best Value Theme		Recommendation	Action	Owner(s)	Target date for completion	June 2025 update	October 2025 update
				for the council to develop comprehensive mitigation plans for savings that have been designated as 'Amber' and 'Red' within the Transformation Programme, focusing on identifying barriers and implementing solutions to reduce risks. Ensuring these plans are regularly updated and integrated into the projects.	SMART action – Any savings that are deemed to be undeliverable must be replaced with mitigation. Financial Regulations will be amended to set out clear expectations around this.			As of June 2025, no savings for 2025/26 have been identified as undeliverable. Performance by quarter will be reported in the Quarter One outturn report, due to be submitted to Executive in September 2025. Further actions as required will be developed following that.	
20	Delivering Best Value	Governance		(EFS) We raise Recommendation 3 encouraging the council to: a) consider the merits of appointing at least one independently, ideally two, co-opted independent members to its Audit Committee; b) ensure that the Audit Committee reports directly to Full Council and that this is documented within the Constitution; and c) include quarterly presentation of the Strategic Risk Register to the Audit Committee	Audit Committee to complete a self-assessment of its effectiveness with external independent support which will inform a develop plan for the committee.	Section 151 Officer and Monitoring Officer	September 2025	Ongoing. The self-assessment was already in train and was a commitment in the 2023/24 Annual Governance Statement. An independent LGA advisor is supporting the committee to complete this.	Complete. Audit Committee agreed the recommendations in principle and their formal response at its meeting in September 2025.
					Completion of the first annual report from Audit Committee to Full Council.		December 2025	Ongoing. The outcome of the self assessment will be reflected in the first annual report of the committee and will form a development plan for the Committee.	Complete. The first annual report of the Audit Committee was reported to the October 2025 meeting of Full Council.

Rec.	Council Plan Ambition	Best Value Theme		Recommendation	Action	Owner(s)	Target date for completion	June 2025 update	October 2025 update
					The Risk Register is reported to the Audit Committee every 6 months and to Overview and Scrutiny Board every quarter.		N/a already in place every 6 months.	Complete.	
21	Delivering Best Value	Governance		(EFS) We raise Recommendation 4 encouraging the council to explore options for growing report writing skills at the lower levels of the organisation.	A revised report format will be considered by Leadership team in April, alongside recommendations to refresh report writing support.	Monitoring Officer	Complete	Complete. A new report format has been developed, and engagement has been undertaken to identify report writing needs.	
22	Delivering Best Value	Use of Resources		(EFS) We have raised Recommendation 9 that the council should more clearly articulate its approach to mitigating treasury management risks in the Treasury Management Strategy. From our review we have not identified any significant risk that the council is exposed to but recommend a clearer articulation of the steps taken to mitigate these risks.	Improved TMS taken to Council in February 2025 but further work will be undertaken to strengthen this within a revised TMS half year update to be presented to Executive.	Section 151 Officer	October 2025 Reprofiled to December 2025 following identification of an error with the target date – the update should follow on from completion of the mid-year financial update being provided to Executive.	Ongoing.	In progress. This will be reported to the December meeting of Executive, following consideration of the Quarter Two Financial Outturn report at Executive.
23a	Delivering Best Value	Use of Resources		(EFS) We have raised Recommendation 11 that the council should progress external management arrangements for its remaining commercial properties in a timely manner.	The Council has already commenced a soft market testing exercise with Cushman and Wakefield to assess the extent of the commercial portfolio that could be outsourced. Once completed this will inform next steps with a realistic proposal for	Director of Regeneration	Completion of soft market testing by March 2025 Subject to findings, development of an appropriate approach to outsourcing	Ongoing. Soft market testing complete. The initial stage has been completed to assess the appropriateness of arrangements to ensure it is assured that it has the correct management	Completed. Soft market testing has been completed.

Rec.	Council Plan Ambition	Best Value Theme		Recommendation	Action	Owner(s)	Target date for completion	June 2025 update	October 2025 update
					outsourcing based on market appetite.		will be undertaken during 2025/26 if the business case is supportive of that outcome.	arrangements in place, which included consideration of external management. The Council is currently continuing to review and refine its options appraisal in relation to this to ensure it has a sustainable medium term approach to commercial property management.	
23b					Follow up action: Go live with the new arrangements. Timing is subject to the internal approval processes of the appointed company	Director of Regeneration	April 2026 onwards	n/a	Ongoing. This is a new action agreed following completion of the soft market testing action above. An agreement has now been signed and is on track to go live before the target date.
24	Delivering Best Value	Use of Resources		(EFS) We have raised Recommendation 12 that the council should continue to review and consider the most prudent approach to calculating MRP whilst considering both short-term and long-term impacts on the revenue budget.	The Council will review the MRP methodology and consider the effects on the MTFP as part of the 2026/7 budget setting process.	Section 151 Officer	March 2026	Ongoing. This will be considered within the review of the MTFP as part of the 2026/27 budget setting process which will articulate the Council's considered approach, taking	Ongoing. See the June 2025 update which sets out the approach that is underway.

Rec.	Council Plan Ambition	Best Value Theme		Recommendation	Action	Owner(s)	Target date for completion	June 2025 update	October 2025 update
								into account the costs of changes in approach, risks and the impact on the Council's Treasury Management Strategy.	
25	Delivering Best Value	Continuous Improvement		(EFS) We raise Recommendation 16 that the council should develop a comprehensive change management framework that includes clear objectives, key performance indicators, and a culture of continuous improvement. There should be integrated accountability structures that clearly define roles and responsibilities for transformation initiatives. We also raise Recommendation 17 for the council to engage with stakeholders, including employees, residents, and partners, to build support for transformative initiatives and ensure alignment with broader community goals. The council should ensure all stakeholders are aligned with the	Develop and finalise a Change Management Framework Not applicable as already actions in place to address this within the CIP	Section 151 Officer	December 2025	Ongoing. This will be picked up by the new Strategic Lead for Transformation to put in place a coherent approach to transformation that includes change management.	Ongoing. Will likely be reprofiled with a realistic target date by the incoming strategic lead for Transformation once appointed.

Rec.	Council Plan Ambition	Best Value Theme		Recommendation	Action	Owner(s)	Target date for completion	June 2025 update	October 2025 update
				transformation agenda through effective communication and engagement strategies.					
26	All	All		(EFS) The Council have put in place an improvement plan to address the recommendations within the Care Quality Commission (CQC) report on the Council's Adult Social Care services that was issued in February 2025.	Submit quarterly reports to Department of Health and Social Care following consideration of those items by the People Scrutiny Panel.	Director of Adult Social Care and Health Integration	Ongoing from September 2025 on a quarterly basis (revised from May 2025)	Ongoing. The outcome of the inspection was reported to People Scrutiny Panel in March 2025. The first progress report is now due to go to the Committee in September 2025.	Ongoing. Quarterly update submitted to the Department of Health and Social Care on 21 August 2025, following consideration by the People Scrutiny Panel. The report outlines continued progress against the Adult Social Care Directorate Improvement Plan, aligned to CQC findings. Governance is in place via the Directorate Improvement Board chaired by the Director of Adult Social Care, with escalation routes to the Leadership Management Team (LMT). A process is currently underway with the Department of Health and Social Care, through Partners in Care and Health to assess whether government oversight can be reduced if they are comfortable with the Council's

Rec.	Council Plan Ambition	Best Value Theme		Recommendation	Action	Owner(s)	Target date for completion	June 2025 update	October 2025 update
									progress to date, direction of travel and pace of change which would be a very positive endorsement of the Council's approach.
27	Delivering Best Value	Continuous Improvement, Use of Resources and Leadership		(CQC) The CQC inspectors identified concerns that there was not much of a corporate view of adult social care performance data.	Refresh and reestablish a performance management cycle beyond the strategic level, to embed a 'golden thread' of Performance Management from the Council Plan down to departmental level.	Director of Legal and Governance Services	December 2025	Ongoing. A proposed way forward has been developed. A revised Performance Management Policy will be brought forward for Member decision in December 2025.	Ongoing.

Source key:

CPC	LGA Corporate Peer Challenge January 2025 recommendations
MIIAB	Former Middlesbrough Independent Improvement Advisory Board recommendations
EFS	Exceptional Financial Support Grant Thornton review
CQC	Adult Social Care, Care Quality Commission inspection February 2025

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MIDDLESBROUGH COUNCIL	
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Report of:	Director of Adult Social Care & Health Integration – Louise Grabham
Relevant Executive Member:	Executive Member for Adult Social Care and Health Integration – Cllr Julia Rostron
Submitted to:	Executive
Date:	12 November 2025
Title:	Reprovision of Levick Court
Report for:	Decision
Status:	Public
Council Plan priority:	Safe and resilient communities
Key decision:	Yes
Why:	Decision(s) will incur expenditure or savings above £250,000
Subject to call in?	Yes
Why:	Non-urgent report

Proposed decision(s)	
That Executive: • APPROVES the provision of health respite services at Levick Court, subject to the formal standstill period following a procurement exercise conducted by the Integrated Care Board • APPROVES the revised fees and charges schedule for Adult Social Care as outlined in Appendix 1.	

Executive summary
As part of the Adult Social Care 2024/25 Transformation Programme, Levick Court was identified as a service that required improved efficiency through transformation of the service delivery model. The current model for delivery within Levick Court is no longer sustainable and all avenues have been explored to increase utilisation of Levick Court, which has included working with partner agencies and exploring alternative service delivery.

The proposed model seeks to partner with health services to deliver both health and social care respite at the site, which was its original purpose when constructed.

The proposed model will provide 8 health respite beds and 8 social care respite beds for people who have learning disabilities, ensuring their families and carers retain a local provision of short break support.

1. Purpose of this report and its contribution to the achievement of the Council Plan ambitions

1.1 The reprofiling of Levick Court will ensure that a high-quality respite/short breaks service will be provided for residents and will ensure sustainability within the workplace.

Our ambitions	Summary of how this report will support delivery of these ambitions and the underpinning aims
A successful and ambitious town	Reprovisioning Levick Court supports Middlesbrough's ambition to be a place where people want to live and work. By ensuring sustainable respite/short breaks care for adults with learning disabilities, the Council demonstrates that high-quality specialist provision exists locally. This helps retain families in the town, reassures prospective investors and employers of strong community infrastructure, and supports independent living, linking to the ambition to attract and grow businesses, improve skills, and ensure housing meets diverse needs.
A healthy Place	Levick Court's transformation will strengthen early intervention and prevention in Adult Social Care by maintaining accessible respite services. This directly addresses health inequalities by providing tailored support to some of the most vulnerable residents and ensuring carers receive essential breaks to protect their own wellbeing. The redesigned model promotes inclusivity, enhances life chances, and reduces long term dependency on higher cost residential placements, aligning with the ambition to help residents live longer, healthier lives.
Safe and resilient communities	High-quality respite provision reduces crisis situations for families and carers, supporting independence for longer and promoting community resilience. By providing a modern, fit-for-purpose facility in collaboration with NHS partners, the proposal enhances safeguarding, ensures compliance with clinical standards, and prevents vulnerable adults being placed outside Middlesbrough.

	The Levick reprovision also creates safe spaces for meaningful activity and engagement, contributing to reduced isolation and stronger community networks.
Delivering best value	The Levick reprovision is rooted in collaboration with the North East and North Cumbria Integrated Care Board (ICB) and Tees, Esk & Wear Valley NHS Foundation Trust (TEWV), ensuring joint commissioning and efficient use of public resources. By avoiding duplication, maximising occupancy, and embedding clinical support within a council-led model, the service demonstrates cost effective outcomes.

2. Recommendations

2.1 That the Executive

- APPROVES the provision of health respite services at Levick Court, subject to the closure of the Most Suitable Provider (MSP) process being conducted by the Integrated Care Board (ICB).
- APPROVES the revised fees and charges schedule for Adult Social Care, as outlined in Appendix 1.

3. Rationale for the recommended decision(s)

- 3.1 The proposed revised model will deliver the efficiencies identified within the Adult Social Care Transformation Programme and will make best use of an existing asset. More importantly, it will ensure the ongoing delivery of short breaks and respite care at a local level, while fostering greater collaboration between health and social care partners. This approach aims to deliver improved outcomes for residents and their families.

4. Background and relevant information

- 4.1 In 2010, discussions began with TEWV and the Levick Trust regarding the relocation of existing respite services from the Council's provision at 4 St. Paul's Road and TEWV's Bankfields Court, Eston, to a new site of the former Levick House Care Home on land owned by the Levick Trust.
- 4.2 Construction commenced in 2011 to develop a 16-bed respite unit for adults aged 18 - 64, alongside 20 Older Person's Housing apartments. These apartments, intended to replace the previous care home on the site, and were designed to meet the housing needs of older people in Middlesbrough. North Star Housing took on responsibility for managing the apartments as well as the building's repairs and maintenance.
- 4.3 However, in 2012, as the site neared completion, TEWV withdrew from the project, citing concerns about the ongoing revenue funding required to operate their element of the service. Their withdrawal also resulted in the loss of a £500,000 capital

contribution, even though the building had been designed to meet clinical standards in line with their requirements. Following TEWV's withdrawal, the Council proceeded to move its respite service from St. Paul's Road and repurposed the remaining capacity at Levick Court to provide residential care. This facilitated the relocation of permanent residents from St. Paul's Road, and the service opened later in 2012.

- 4.4 Levick Court, operated directly by Middlesbrough Council, offers both residential and respite facilities for adults with learning disabilities aged 18 to 65. Historically the unit comprised of 8 residential and 8 respite beds. It has now been operational for over a decade. During this time, the age profile of residents has increased, with the average age now around 60 years and some residents nearing 65. The facility was originally developed for a younger, working-age group, with a staffing model based on residents spending much of the day accessing community services. Staffing was therefore modelled on staff presence in morning and evening, as a result the staffing model has not been able to accommodate individuals with increased daytime needs.
- 4.5 Respite care is vital for adults with learning disabilities and their families. It provides essential breaks, reduces carer stress, and improves the wellbeing of both carers and those receiving care. Respite services can help maintain family relationships, promote independence, and reduce the likelihood of long-term or permanent care placements.
- 4.6 However, demand for the service has declined in recent years, and the unit currently operates at around 37% occupancy. In some cases, Continuing Health Care (CHC) funding has supported the service to sustain capacity for individuals with complex needs, ensuring that appropriate placements remain available when required. During the COVID-19 pandemic, the service was temporarily closed, leading to a loss of income from both user contributions and CHC-funded placements. Since reopening, revenue has only partially recovered, and a significant service redesign has been undertaken. Social care demand projections indicate that only eight respite beds will be required to meet future needs. Given the current low occupancy levels and high unit costs, Levick Court has been identified as a service in need of substantial transformation
- 4.7 An option appraisal was undertaken to determine the future of Levick Court. Currently, on average 20 clients access respite services at Levick Court on a regular basis, with support ranging from 20 to 88 nights per year. Four of these clients receive some level of health funding toward their care. The service currently employs 22.4 full-time equivalent (FTE) staff, including 3.09 FTE vacancies.
- 4.8 To meet the objectives of the transformation programme, alternative delivery models were considered, and included:
 - Developing an all-age short breaks provision, potentially merging with children's respite services.
 - Creating an integrated health and social care respite service.
 - Full closure of Levick Court.

- 4.9 The option to develop a full residential unit was not pursued, as the local market is deemed sufficiently strong to meet residential care needs. Instead, the service has focused on addressing the identified shortfall in respite provision. In line with this approach, residents previously occupying the long-term residential beds have since been supported to move into alternative accommodation.
- 4.10 Staff consultation regarding potential closure was also progressed, while alternative models were being explored. During this period, TEWV, who operate health-focused respite at Bankfields Court, in Redcar & Cleveland and Aysgarth, in Stockton-on-Tees, served notice to North East & North Cumbria Integrated Care Board ICB (ICB) that they could no longer deliver respite services from their current accommodation. They advised that the accommodation was no longer suitable to meet the evolving needs of service users and their families.
- 4.11 TEWV identified several concerns, including the inability to accommodate necessary equipment (e.g., hoists, specialist chairs and beds), inadequate space for therapeutic interventions (e.g., physiotherapy), and a lack of appropriate facilities. The buildings have only one shared activity room, limiting the scope of support offered. The building fabric is also deteriorating, with temporary repairs in place for windows, roofs, and other features. Rooms lack ensuite facilities and handwashing stations, and the clinical room is inadequate at Bankfields.
- 4.12 Given the high cost of capital investment needed, TEWV determined that continuing to operate respite was no longer feasible and issued formal notice to the ICB. Following this the ICB and the Council began exploring alternative options, with a shared priority of retaining services locally for residents and carers. The staff consultation was paused to allow for further exploration of options.
- 4.13 At this juncture some preliminary work to consider an all-age respite service for individuals with learning disabilities was progressed, however it was evident that significant capital work would be required to operate a safe service, as such the partnership with health respite was progressed as the primary opportunity.
- 4.14 Extensive engagement has taken place over several months with families and carers using respite services. Their feedback has been critical in shaping the design and operational elements of the proposed model.
- 4.15 The model has been developed through genuine co-production with families, carers, healthcare professionals, local authorities, and partners from across the sub-region. Since TEWV issued notice, both the Council and the ICB have Maintained ongoing engagement with stakeholders throughout the Tees Valley. The proposed model has received strong support from families, professionals, and carers, who regard it as the preferred option.
- 4.16 The Local Implementation Group (LIG) supports joint working across the Tees Valley to ensure high-quality local services for people with learning disabilities, autism, and mental health needs. The group includes representatives from social care, health commissioning, VCSE partners, and private organisations, and focuses

on care across the lifespan—from transition into adulthood to permanent residential placements.

- 4.17 LIG members from Hartlepool, Stockton, Middlesbrough, and Redcar & Cleveland have been involved since December 2024 and were kept informed prior to this via regular meetings. At the meeting held on 21 May 2025, LIG commissioners unanimously supported Levick Court as the most viable alternative for continued respite provision. They endorsed the ICB's development of the service model in partnership with TEWV and the Council and agreed to commence the Most Suitable Provider (MSP) process. Stakeholders identified no other suitable local alternatives.

Proposed Model

- 4.18 Levick Court is a purpose-built, modern facility with 16 bedrooms and a range of high-quality amenities designed to support individuals with complex needs. The building includes a sensory room, games room, several communal lounges for group and individual activities, three gardens offering therapeutic space, and two clinical rooms—creating a flexible, person-centred, and therapeutic environment.
- 4.19 Under the revised service model, the ICB will commission a block contract for eight health respite beds within Levick Court. These beds will be supported by specialist clinical staff from TEWV, providing clinical oversight and nursing input. This approach reflects the successful collaboration already established between the Council, the ICB, and TEWV at The Orchard Day Service, ensuring a consistent standard of quality and clinical practice across services
- 4.20 To support the delivery of the new model, a dedicated staffing structure has been developed with active involvement from the Levick Court team throughout the planning process. Staff have contributed to shaping the model, defining roles and responsibilities, and identifying development needs. Where TUPE applies, colleagues currently delivering health respite services at Bankfields and Aysgarth will transfer to the Council, bringing valuable expertise and ensuring continuity of care. Job roles have been carefully mapped to create a balanced team with the right skills, experience, and capacity.
- 4.21 A comprehensive induction and training programme has been introduced, focusing on clinical competencies, person-centred care, and integrated working. The inclusion of experienced staff from TEWV will strengthen the team's clinical capability and embed shared values and practices, helping to create a cohesive, stable care environment. This collaborative approach is expected to enhance service continuity and contribute positively to outcomes for individuals accessing respite care.
- 4.22 Levick Court was originally designed for this type of service, so only minimal capital adaptations are required. The ICB has provided funding to carry out these initial changes, while the responsibility for ongoing repairs and maintenance will remain with the Council. Shared operational costs are factored into the overall commissioning agreement, ensuring a sustainable financial framework for the service.

- 4.23 The transition has been approached with a commitment to supporting staff through change. Clear communication, training opportunities, and ongoing supervision have been prioritised to ensure staff feel supported and confident in their roles. This transition marks an exciting opportunity to strengthen the overall service at Levick Court. Through greater flexibility, integrated team working, and a shared commitment to high-quality, person-centred care, the new model positions Levick Court to better meet the evolving needs of the people it supports.
- 4.24 The ICB, through their recommissioning activity, have co-produced this integrated care delivery model with families and their representatives. Following the necessary levels of approval within the ICB, including their own Executive Board, a Most Suitable Provider (MSP) opportunity was published in September 2025. This MSP opportunity was published for a two-week period to ensure transparency, allowing potential providers to express interest or raise queries, and giving the wider market an opportunity to respond.
- 4.25 Following successful contract award, the mobilisation of the new service at Levick Court will commence in January 2026 and support the transition of those currently accessing services at Aysgarth and Bankfields.

5. Ward Member Engagement if relevant and appropriate

- 5.1 Not applicable as the service is already in existence

6. Other potential alternative(s) and why these have not been recommended

- 6.1 We explored a number of options before considering engagement with the ICB which included:
- Remaining as is, however, was not financially viable.
 - Work with children's services to explore respite – this was not viable to the capital investment required to modify the building due to the requirements around CQC and OFSTED.
 - Working with a private organisation to deliver services – this was not financially viable.

7. Impact(s) of the recommended decision(s)

Topic	Impact
Financial (including procurement and Social Value)	The financial implications of the proposed reprovisioning of Levick Court have been assessed in line with the Council's Medium Term Financial Plan (MTFP) and Adult Social Care budget strategy. The proposal is fully aligned within the MTFP and will not require amendment to future budget forecasts. Partnering with the Integrated Care Board (ICB) provides a financially sustainable model for the future operation of

	Levick Court, enabling joint commissioning and the integration of clinical support through Tees Esk and Wear Valleys NHS Trust (TEWV). This partnership also creates the opportunity to generate additional revenue by selling Council-designated respite beds, should demand for health-commissioned beds exceed the initial allocation of eight. A full financial appraisal has been undertaken alongside the proposed staffing model to ensure that the value of the block contract will cover the operational costs of delivery. The proposal supports the delivery of the £311,000 savings/efficiency target set within the 2024/25 budget, as a result of achieving full service utilisation. Amendments to the 2025/26 Fees and Charges schedule are required to reflect the revised service model and pricing structure, as detailed in Appendix 1 of the report. A VAT assessment has been undertaken, and the proposal is considered to be outside scope. There are no implications for the Council's partial exemption position, and advice has been sought from the VAT team where appropriate. There are no procurement implications regarding this proposal. Social value is embedded in the proposal through the continued provision of high-quality respite care for adults with learning disabilities, supporting carers, reducing crisis placements, and promoting independence. The facility's design and staffing model will enable meaningful activity, clinical interventions, and community engagement, contributing to improved outcomes for service users and their families. The financial risks associated with non-progression of the proposal include imminent closure of the facility and loss of a vital local service. The recommended approach mitigates these risks and ensures the long-term viability of Levick Court as a key component of Middlesbrough's adult social care infrastructure.
Legal	This arrangement will be covered by a 5 year contract with and option to extend for a further 5 years with the North East and North Cumbria Integrated Care Board outlining the

	service to be delivered. Clinical input and supervision will be covered by this contract.
Risk	If the reprovisioning of Levick Court did not progress, then closure would be imminent. This would result in users of the service and their carers having to consider out of area facilities for both social care and specialist health respite. In addition this links to the following risks: Strategic Risk 3 - the potential for underlying demand and cost pressures to arise in adult social care presents a significant risk to the Council's overall financial viability and measures must be put in place to manage within approved budget. Strategic Risk 13 - If the Council fails to transform its service delivery model to a model that can deliver outcomes for residents at a reduced cost base, then the Council's financial position will be placed under significant pressure.
Human Rights, Public Sector Equality Duty, and Community Cohesion	The proposal will have no negative impacts on Human Rights, Public Sector Equality Duty, and Community Cohesion.
Reducing Poverty	This proposal ensures that services remain local to residents in Middlesbrough reducing the need to travel to receive the required support.
Climate Change / Environmental	The proposal would not have any disproportionately negative impacts on Climate Change or the Environment.
Children and Young People Cared for by the Authority and Care Leavers	The proposal would not have any disproportionately negative impacts on Children and Young People Cared for by the Authority and Care Leavers.
Data Protection	There are no Data Protection issues of consequence for this proposal.

Actions to be taken to implement the recommended decision(s)

Action	Responsible Officer	Deadline
Development of Contract documentation	Head of Prevention, Provider & Support Services	End February 2026
Mobilisation Plan agreed	Head of Prevention, Provider & Support Services	End December 2025
TUPE consideration progressed	Head of Prevention, Provider & Support Services	End March 2026

Families / Carer consulted with regard to mobilisation arrangements	Head of Prevention, Provider & Support Services	End March 2026
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Appendices

1	Adult Social Care Revised Fees & Charges Schedule
2	
3	

Background papers

Body	Report title	Date

Contact: Suzanne Hodge
Email: 18th September 2025

Appendix 1- Revised Fees and Charges Schedule 2025/26 (Adult Social Care only)

Detailed Service - current fees and proposed increased fees from 1st November 2025*

*unless an alternative date is indicated

ADULT SOCIAL CARE	Current fees from 1st April 2025 (approved as part of 25/26 budget report 19/02/25)	Revised fees from 1st November 2025	% increase	
	£	£	%	
Prevention, Provider & Support Services				
Day Centre Meal (2 course lunch & drink)	5.00	5.00	-	
Day Centre Meal (1 course lunch & drink)	4.20	4.20	-	
Levick Court : Standard weekly rate (including care)	1545.00	3136.00	103.0	note 1
Levick Court : Standard weekly rate (excluding care but support if needed)	1004.22	2038.40	new	note 2
Levick Court : Room only (no care provided only meals/laundry)	0.00	1558.00	new	note 2
Levick Court : Additional daytime hourly rate if 1:1 support is required	0.00	25.80	new	note 2

Levick Court : Additional overnight hourly rate if 1:1 support is required	0.00	34.31	new	note 2
North Ormesby Day Centre (chg./wk. re Service User funded by external organisations)	248.00	248.00	-	
The Orchard Complex Needs Service (chg./wk. re Service User funded by external organisations)	747.00	747.00	-	
Community Inclusion Service (chg./wk. re Service User funded by external organisations)	411.00	411.00	-	
Community Inclusion Service - Autism (chg./wk. re Service User funded by external organisations)	586.00	586.00	-	
Connect : Bronze - Monitoring & Response (base unit only)	6.50	6.50	-	
Connect : Silver - Monitoring & Response (base unit + up to 2 add-ons)	8.15	8.15	-	
Connect : Gold - Monitoring & Response (base unit + up to 5 add-ons)	11.20	11.20	-	
Connect : Platinum - Monitoring & Response (base unit + up to 8 add-ons)	16.30	16.30	-	
Connect : Additional Pendant	1.10	1.10	-	
Connect : Extra Charges : Damaged/Lost Equipment	Cost of item	Cost of item	-	
Connect : Extra Charges : Reassurance Visit (per visit)	25.50	25.50	-	
Connect : Extra Charges : Carer Support (per visit)	25.50	25.50	-	
Connect : Extra Charges : Client Support - Property (per visit)	25.50	25.50	-	
Connect : Extra Charges : Prescription collection (emergencies only)	5.10	5.10	-	
Connect : Extra Charges : Toilet Calls (per visit)	15.30	15.30	-	
Connect : Extra Charges : Telephone calls for Client (per call)	1.00	1.00	-	
Connect : Sheltered Out of Hours	4.00	4.00	-	
Connect : Sheltered - One off call for non-Out of Hours Client (per visit)	25.50	25.50	-	
Connect : Sheltered Housing : Fire Alarm Monitoring (non-council)	3.05	3.05	-	
Connect : Sheltered Housing : System Faults Monitoring Evening & Weekend (per call)	3.05	3.05	-	
Connect : Sheltered Housing : Building Repairs monitoring Evening & Weekend (per call)	3.05	3.05	-	
Connect : Sheltered Housing : Bank Holiday & Training day cover monitoring (per resident)	0.75	0.75	-	
Connect : Sheltered Housing : Bank Holiday & Training day cover response (per resident)	25.50	25.50	-	
Connect : Lone Working (non-social care services) Careium Abby (per unit per worker)	109.00	109.00	-	
Connect : Lone Working (non-social care services) : Monitoring & Sim card (per month)	7.65	7.65	-	
Connect : Lone Working (non-social care services) : Base Unit for building (monitor only) /wk.	6.65	6.65	-	
Connect : Non-Council Building alarms (per alarm)	3.05	3.05	-	
Connect : Schools Building alarms (per alarm)	3.05	3.05	-	
Social Worker Basic (per hour) - charges to Other Local Authority's for Out of Area Assessments	50.35	50.35	-	
Social Worker Complex (per hour) - charges to Other Local Authority's for Out of Area Assessments	66.80	66.80	-	
Estates Services				
Estates Team : Banking Fees (Residential) (savings £1000+) - per month	16.50	16.50	-	
Estates Team : Banking Fees (Community) (savings £1000+) - per month	21.50	21.50	-	
Estates Team : Funeral Admin fee	320.00	320.00	-	
Estates Team : Account closure fee	213.00	213.00	-	
Estates Team : Deputyship - Court Order Initial fee - statutory fees set by OPG	944.00	944.00	-	
Estates Team : Deputyship - Annual Report fee - statutory fees set by OPG	274.00	274.00	-	
Estates Team : Deputyship - Annual Management fee (Year 1 maximum) - statutory fees set by OPG	982.00	982.00	-	
Estates Team : Deputyship - Annual Management fee (Year 2 + maximum) - statutory fees set by OPG	824.00	824.00	-	
Estates Team : Deputyship - Annual Property Management fee - statutory fees set by OPG	380.00	380.00	-	

Note 1 : This has increased significantly as the activity base for council beds has reduced from 16 to 8

Note 2 : These rate have been previously been charged on an informal basis to increase revenue, formal approval to adopt these rates is sought

Appendix 1- Revised Fees and Charges Schedule 2025/26 (Adult Social Care only)

Detailed Service - current fees and proposed increased fees from 1st November 2025*

*unless an alternative date is indicated

ADULT SOCIAL CARE	Current fees from 1st April 2025 (approved as part of 25/26 budget report 19/02/25)	Revised fees from 1st November 2025	% increase	
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MIDDLESBROUGH COUNCIL	
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Report of:	Director of Regeneration - Richard Horniman
Relevant Executive Member:	Executive Member for Development - Cllr Theo Furness
Submitted to:	Executive
Date:	12 November 2025
Title:	Middlehaven Housing
Report for:	Decision
Status:	Public
Council Plan priority:	A successful and ambitious town
Key decision:	Yes
Why:	Decision(s) will incur expenditure or savings above £250,000
Subject to call in?	Yes
Why:	Non-urgent Report

Proposed decision(s)
That Executive: a) Approves the appointment of Capital and Centric as the Council's development partner to lead the regeneration and development of Middlehaven; b) Approves the use of £3.6m from the Towns Fund grant allocation for Urban Living and Placemaking to develop designs up to RIBA Stage 4 to enable the procurement of a main contractor; and, c) Delegates authority to the Section 151 Officer (in consultation with the Director of Regeneration) to agree any variations to the proposals within the overall budget allocation.

Executive summary
This report seeks Executive approval to appoint Capital and Centric as the Council's development partner to lead the regeneration of Middlehaven and develop proposals for the area up to RIBA Stage 4.

The proposed redevelopment could ultimately deliver circa 3,400 housing units and provide high quality public space and ancillary retail and leisure facilities, which will contribute to the achievement of the Council's ambitions for Middlehaven.

Capital and Centric have a track record of delivering award-winning developments that demonstrate their ability to combine expertise in creating a masterplan vision, with a commitment to long term community creation and curation. Their appointment as development partner for Middlehaven could positively impact residents and visitors for generations to come.

Uniquely, Capital and Centric are both a Development Partner and End User who will be invested in the area and ensure the sustainability of the site in the long-term. This contrasts with previous proposals, which were to act solely as the Council's Development Partner.

Although the recommendations of this report will not directly deliver the redevelopment of Middlehaven, it will provide a significant and necessary step towards its future development. The appointment of Capital and Centric as the Council's Development Partner will enable the feasibility work to be undertaken and planning approval to be secured that will be required to bring forward a sound business case for investment.

1. Purpose of this report and its contribution to the achievement of the Council Plan ambitions

- 1.1 This report seeks Executive approval to appoint Capital and Centric as the Council's development partner to lead the regeneration of Middlehaven and develop proposals for the area up to RIBA Stage 4.
- 1.2 The proposed redevelopment could ultimately deliver circa 3,400 housing units and provide high quality public space and ancillary retail and leisure facilities, which will contribute to the achievement of the Council's ambitions, as set out in the table below.

Our ambitions	Summary of how this report will support delivery of these ambitions and the underpinning aims
A successful and ambitious town	This project aims to transform the area into a thriving, vibrant destination with high-quality housing and a complementary commercial and leisure offering. Capital and Centric will seek to partner with the best that the Northeast has to offer to create a new destination in the town centre that will complement existing businesses and help attract more people to Middlesbrough.
A healthy Place	The proposals would seek to create vibrant, verdant, accessible spaces for the community to gather, socialise, exercise and play.

	The holistic living spaces could provide amenities such as green roofs, community gardens, and wellness-focused facilities.
Safe and resilient communities	Capital and Centric's design approach will seek to emphasise community centric design and animation to create connections through public green spaces, active streetscapes and shared amenities to create a community that functions.
Delivering best value	The proposals enable the Council to retain ownership of the land through the Pre-Development process and require Gateway approvals to retain full control of its financial exposure.

2. Recommendations

2.1 That Executive:

- a) **Approves** the appointment of Capital and Centric as the Council's development partner to lead the regeneration and development of Middlehaven;
- b) **Approves** the use of £3.6m from the Towns Fund grant allocation for Urban Living and Placemaking to develop designs up to RIBA Stage 4 to enable the procurement of a main contractor; and,
- c) **Delegates** authority to the Section 151 Officer (in consultation with the Director of Regeneration) to agree any variations to the proposals within the overall budget allocation.

3. Rationale for the recommended decision(s)

3.1 The redevelopment of Middlehaven is needed to address several critical challenges faced by the town and its surrounding areas, which are common to many towns and cities across the north. These include:

- a) A lack of high-quality urban housing that appeals to a broad demographic, particularly young professionals and families.
- b) Underused land with limited visual and economic contribution to the town.
- c) A population decline, and in particular, the out migration of economically active individuals, resulting in reduced discretionary spending and local investment.
- d) Highly trained or qualified young people leaving the town and not returning.
- e) The need for the Council to generate additional income streams, such as enhanced Council Tax receipts will be greatly enhanced by the development of Middlehaven.

3.2 Addressing these challenges requires a bold, collaborative approach to urban regeneration. Middlehaven's development will capitalise on the area's proximity to major transport links, its rich history, and its potential as a cultural and economic hub.

- 3.3 Capital and Centric have a track record of delivering award-winning developments that demonstrate their ability to combine expertise in creating a masterplan vision, with a commitment to long term community creation and curation. Their appointment as development partner for Middlehaven could positively impact residents and visitors for generations to come.
- 3.4 Uniquely, Capital and Centric are both a Development Partner and End User who will be invested in the area and ensure the sustainability of the site in the long-term. This contrasts with previous proposals, which were to act solely as the Council's Development Partner.

4. Background and relevant information

- 4.1 Middlehaven is the key regeneration area in Middlesbrough, with the potential to transform the economic prospects of the town, and provide new communities for people to live in. Its proximity to, and influence on, the town centre makes it vitally important that the development of Middlehaven is taken forward successfully.
- 4.2 The development of Middlehaven has been underway for some time and has seen a number of projects on site in recent years including:
- Completion of Boho X, the 60,000 sq ft headquarters of Double 11
 - Outwood Riverside secondary school scheduled to be complete by Spring 2027
 - Completion of the TTE technical training facility in March 2025
- 4.3 The ongoing investment in Middlesbrough Railway Station and Exchange Square also provide a much improved gateway into the area. Middlehaven is however most notably home to the fastest growing tech cluster outside of London within the Boho Zone, with innovative companies providing hundreds of digital jobs, serving clients including Microsoft and Sony.
- 4.4 The growth of the digital sector has been rapid and expansive, but risks being limited by a lack of available urban living options for young professionals who are not seeking the traditional suburban product available in the rest of the town. Unless a housing offer develops at the same pace as the sector, highly trained and highly sought after young people will potentially seek accommodation elsewhere.
- 4.5 It is therefore critical to the future success of the town that Middlehaven is developed.

Development Proposals

- 4.6 The vision for Middlehaven is to create a development that complements the surrounding area and integrates with the great new buildings that have already been delivered by the Council. The proposal provides an opportunity to take vacant brownfield sites that are creating a visual burden for the town and transform them into a market leading residential offer with a vibrant, active and place making commercial offer, across a mix of tenure types including a proportion of affordable housing.
- 4.7 Although the recommendations of this report will not directly deliver the redevelopment of Middlehaven, it will provide a significant and necessary step towards its future

development. The appointment of Capital and Centric as the Council's Development Partner will enable the feasibility work to be undertaken and planning approval to be secured that will be required to bring forward a sound business case for investment.

- 4.8 The initial design proposals for Middlehaven separate the site into three distinct areas that would form new neighbourhoods, accommodating 762, 1,257 and 1,397 units of urban housing respectively. Proposals are also likely to include public squares, green parks and areas for limited ancillary retail and leisure to provide a more mixed use environment.

Pre-Development Agreement

- 4.9 It is acknowledged that the development of Middlehaven presents financial challenges as property values in the area are lower than those of larger more established cities, despite build costs being broadly comparable.
- 4.10 As a result of the viability gap, private sector funding will not be forthcoming for the initial feasibility work, resulting in the site either stalling, or being brought forward as a poor-quality development which will ultimately be a blight on the town in years to come. In these circumstances, innovative funding structures are needed with local government support, to overcome the lack of confidence from traditional funders.
- 4.11 If the recommendations of this report are approved, the Council will utilise £3.6m from the existing Urban Living and Placemaking grant from the Towns Fund to appoint Capital and Centric via the Bloom Framework to deliver Pre-Development Services.
- 4.12 The investment of £3.6m is significant but, if the proposals are delivered, it is only likely to be circa 1% of the gross development value of the project and is proportionate with the fees that would be expected of a development of this scale.
- 4.13 A breakdown of the proposed use of the £3.6m Towns Fund Urban Living and Placemaking grant is given in Table 1 below.

Table 1 – Breakdown of Fees

	Budget
Appointment Costs	£40,000
Planning Costs	£410,400
Professional Fees	£1,849,600
Survey Fees	£360,000
Construction Costs	£75,000
Pre-Development Costs	£660,000
Letting and Marketing	£35,000
Bloom Fees	£170,000
TOTAL	£3,600,000

- 4.14 The proposed structure of the agreement with Capital and Centric will enable the Council to retain ownership and control of the site through the Pre-Development phase

- 4.15 The Council's existing Towns Fund grant will enable Capital and Centric to fund the feasibility/survey work required to reduce the viability gap and potentially attract external funding from Homes England and the private sector. Capital and Centric will develop designs up to RIBA Stage 4, which will provide sufficient detail to allow procurement of a main contractor via a fixed price, design and build contract.
- 4.16 Following conclusion of the Pre-Development phase, it is proposed that Capital and Centric would be appointed as Developer under the Bloom Framework by Middlesbrough Council and enter into a Development Agreement to bring forward the development.
- 4.17 In making the investment for the planning and Pre-Development phase, the Council's interests will be protected by ensuring that designs, surveys and technical drawings will be warranted for the benefit of Middlesbrough Council. This means that, in the event that the development was not fundable / viable in the current market, that the Council could retain rights to the plans, to bring forward in a more favourable funding landscape.

Governance and Security

- 4.18 In addition to retaining control of the land during the Pre-Development process, the Council will have full reliance on all site surveys undertaken via a suite of collateral warranties and be provided with a royalty free licence to use the design work completed specifically for the scheme, if external funding is not secured.
- 4.19 The Council will also retain full control of the financial exposure through a series of Gateways which mean that Capital and Centric cannot continue to progress work until they have received formal approval from the Council that they are satisfied with the work completed, meaning that the Council is only ever committed to the cost up to the next Gateway.

Gateways and Programme

- 4.20 The Gateways are described below.
- 4.21 Stage 1 – Concept Design: This includes the initial conceptual design work which reflects RIBA stage 1 and 2. Other costs including surveys, site investigations and community/placemaking events. The output from this stage will be the submission of a pre-planning application.
- 4.22 Stage 2 – Planning: The planning stage allows the development of the detailed planning design of RIBA stage 3. During this stage the concept design will be developed to allow submission of a planning application.
- 4.23 Stage 3 – Detailed Design and Procurement: This stage sees the development of detailed design including RIBA stage 4 to develop sufficient information to allow procurement of a fixed price, design and build contract. The output at the end of the stage will be the completion of the Stage 4 design and the procurement of a main contractor.

- 4.24 If the recommendations of this report are approved, Table 2 below sets out the indicative 20-month programme to complete the RIBA Stage 4 process and commence works on site.

Stage	Gateway	Stage Description	Total	Start	End
1	Gateway 1	RIBA Stage 1 Concept design	£270,200	January 26	March 26
2	Gateway 2	RIBA Stages 2 and 3 Planning design & submission	£2,111,050	April 26	September 26
3	Gateway 3	RIBA Stage 4 Detailed design & contract execution	£1,218,750	October 26	July 27
	Total		£3,600,000		

- 4.25 It may however be possible to align elements of the programme differently to enable Stage 3 to be completed much earlier and open up the possibility of a start in site in late 2026. The Council will be working closely with Capital and Centric to facilitate this where possible.

Capital and Centric - Track Record

- 4.26 Across their current portfolio of live developments Capital and Centric have secured more than £120m of grant support from central government via Homes England, MHCLG and a number of combined Authorities.
- 4.27 Capital and Centric are confident that Middlehaven is ideally placed to secure grant support, given that the proposals are to deliver substantial housing development on a key brownfield regeneration site which falls perfectly in line with the current levelling up agenda.
- 4.28 In addition to securing grant support, Capital and Centric have a significant track record of deploying the funding and delivering tangible outputs and believe that this knowledge and experience can deliver the successful regeneration of Middlehaven.

Case Study – Weir Mill, Stockport

- 4.29 Weir Mill is a site at the heart of Stockport town centre, home to a complex of dilapidated mill buildings and dissected by a Grade I listed railway viaduct. The site fronts onto the River Mersey and is just a two-minute walk to Stockport Interchange, which is on the direct West Coast Mainline between Manchester and London Euston. The buildings offer stunning original features, such as brick vault arches, cast-iron columns, and a vast expanse of bare brick, while the ground floor spills out directly

onto the waterside. It is bounded to the west by the iconic brick viaduct – a truly prominent and iconic site for the town.

- 4.30 The development is securing a future for the two historic textile mills, creating a new chapter in their story, and delivering 253 design-led new homes. The project will feature a mix of one, two and three-bedroom apartments across the mill conversion and new build block, providing real choice and diversity of product. Weir Mill will boast a tenants' lounge and private dining space, which will spill out onto a rooftop terrace, with such high-end amenity adding further significant value to each apartment.
- 4.31 The development secured planning approval in October 2021, and construction began in May 2022, with John Sisk and Son appointed to deliver the whole development under a JCT Design & Build contract. The total cost of the development is £70m.

Case Study – Goods Yard, Stoke

- 4.32 Goods Yard occupies a highly prominent location adjacent to Stoke-on-Trent Railway Station and the Trent & Mersey Canal in the heart of Stoke Town centre. The development is a mixed-use scheme that will re-purpose a listed goods shed, and over one acre of brownfield land, to create a vibrant destination neighbourhood. The development comprises the following:
- a) 35,000sq.ft. of commercial and leisure space.
 - b) 174 apartments.
 - c) 20,000sq.ft. vaulted goods shed fronting onto the canal.
 - d) 2,500sq.ft. signal box.
 - e) 10,000sq.ft. new two-storey contemporary office building.
 - f) Half an acre of new public realm.
- 4.33 Goods Yard will provide Stoke-on-Trent with an area they can be proud of, contributing to the enhancement of the local architecture, as well as creating a neighbourhood with real identity, one that nods to the city's rich heritage but writes a new, exciting chapter. A genuine community will be created with everything available to support a city centre lifestyle.
- 4.34 The Goods Yard is a strategic priority for Stoke-on-Trent City Council, and accordingly the project was awarded £16m of levelling up funding in 2022. As a result of this grant funding support, the development is able to deliver a premium product which incorporates an industrial feel to apartments with exposed concrete soffits and exposed services, providing a 'New York loft' feel interior with generous floor to ceiling heights.
- 4.35 The development secured planning approval in April 2022, and construction began in September 2022, with Bowmer and Kirkland appointed to deliver the whole development under a JCT Design & Build contract. The total cost of the development is £60m.

5. Ward Member Engagement if relevant and appropriate

- 5.1 The Members for Central and Newport Wards have been briefed on the proposals and recommendations set out in this report.

6. Other potential alternative(s) and why these have not been recommended

- 6.1 The Middlehaven site was identified in the Mayoral Development Corporation – Consultation report that was endorsed by Executive on the 22 February 2023.
- 6.2 The previous proposal to transfer a number of Council assets over to the MDC has been paused by the Secretary of State due to wider concerns over the governance of mayoral development corporations.
- 6.3 In the absence of a decision by the Secretary of State, the proposal from Capital and Centric presents an opportunity to progress the comprehensive development of the site.
- 6.4 The Council can elect not to proceed with the appointment of Capital and Centric and the £3.6m Towns Fund allocation could be re-purposed for urban living initiatives across the town, but the redevelopment of Middlehaven will not proceed unless significant investment can be secured.

7. Impact(s) of the recommended decision(s)

Topic	Impact
Financial (including procurement and Social Value)	<u>Financial</u> The element of the Towns Fund grant that is being proposed to be used to fund the works was provided for Urban Living and Placemaking, so this is an appropriate use of the grant. The proposed £3.6m of expenditure does not automatically result in the physical works being undertaken. In order for those to progress, Capital and Centric would need to secure financial backing from funding partners. For demonstrative purposes, in 2020 the Council, in conjunction with Tees Valley Combined Authority and planning consultants Hive, undertook feasibility studies regarding housing at Middlehaven. The studies concluded that developing 638 housing units within Middlehaven would cost in the region of £90m. Whilst this proposed development can be broken into smaller phases, it is clear that the amount of external funding that Capital and Centric would need to secure would be substantial. Additionally, TVCA (or Middlesbrough Development Corporation) have ambitions to develop Gresham, providing a relatively similar offer. The plans for Middlehaven do not contradict the MDC/TVCA priorities and would not exclude their future participation. Capital and Centric have indicated to the Council that they will not have secured a funding partner prior to the conclusion of Gateway

	3 works. Whilst the Council does have the ability to decommission works at the end of each Gateway, given that a funding partner won't be identified until after Gateway 3, it is logical that the Council would fund the project up to that point in to hope that Capital and Centric would attract funding thereafter. Taking all of the above into consideration, it requires acknowledging that this element of the project and the expending of £3.6m could result in no physical works actually being undertaken. Capital and Centric are seeking a developer fee of £660,000, equates to 25% of the total other costs excluding the Bloom fee. 25% is unusually high, industry standards range from 10% (£270,000) to 15% (£405,000). It is, however, acknowledged that Capital and Centric are also a potential End-User and, if the proposals are delivered, the fee will be less than 1% of the gross development value of the project. Capital and Centric are not currently in a position to provide details of proposed property Council Tax bands nor timescales for the construction of the development and until such time that they can it is not possible to provide details of the financial benefits that would be achieved from the scheme. However, if developed as planned the benefits would include: • Significantly increased revenue to the Council through additional Council Tax and Business Rates; and, • Increased footfall within the town centre, which will provide greater opportunities for town centre retail / leisure to stabilise and thrive. This includes business within both the Council owned Cleveland Centre and Captain Cook Precinct. It is not inconceivable that the Council Tax revenue generated by a completed development would exceed £5m per year. <u>Procurement Assurance</u> The procurement of Capital and Centric will be via the Bloom Framework, which offers the public sector a fully OJEU / FTS compliant and cost-effective route to market for professional services. <u>Social Value</u> Capital and Centric have founded the Regeneration Brainery, a not-for-profit academy to inspire a diverse generation of young adults into careers in the built environment.
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	Over 6,000 students have benefited from the programme across five major cities, with over 500 industry mentors actively involved with plans to expand into new locations including Newcastle and Middlesbrough if appointed. The Council's Social Value requirements will be agreed at appointment and will become a contractual requirement of the commission.
Legal	The appointment of Capital & Centric as both development partner, and ultimately as developer, must comply with internal Contract Procedure Rules, Procurement and all Council governance requirements. The development agreements, and all linked contractual arrangements must be reviewed by Legal Contracts to ensure that the Council's interests, including all intellectual property rights/warranties etc., are appropriately preserved. Middlesbrough Mayoral Corporation ('MDC') has the required approval from the Secretary of State under Localism Act 2011 (applied to the Middlesbrough Development Corporation by the Tees Valley Combined Authority (Functions) Order 2017) to acquire the land in Middlehaven along with other Council assets. At the time of writing, progress on this asset transfer is on hold as (far as legal are aware). The MDC asset transfer therefore remains a real, albeit seemingly less likely possibility now. Nevertheless, the Council must consider the possibility that it may still be compelled to transfer the land at Middlehaven to MDC and reserve its position in this respect. The title to this site is vast and it is recommended that a full report exercise on the legal title is undertaken as part of, or alongside all other due diligence.
Risk	<u>O1-024 – Reduced Middlesbrough population and changes in the demographic profile stretch the Council's capacity to deliver services</u> The development of Middlehaven could deliver circa 3,400 units of high-quality urban housing that appeals to a broad demographic, particularly young professionals and families. <u>Ability to Deliver</u> Capital and Centric have provided details of developments that are either completed or coming up to completion, including Weir Mill, Stockport and Goods Yard, Stoke. Across their current portfolio of live developments, they have secured more than £120m of grant support from central

	government via Homes England, MHCLG and a number of combined Authorities. They believe this development is ideally placed to secure support from any of those organisations, given they are substantial housing developments on key brownfield regeneration sites which falls perfectly in line with the current levelling up agenda. <u>External investment not secured</u> If external investment isn't secured, the Council will have full reliance on all site surveys undertaken via a suite of collateral warranties and will have a royalty free licence to use the design work completed specifically for the scheme. The Council will also retain full control of the financial exposure through a series of Gateways which mean that Capital and Centric cannot continue to progress work until they have received formal approval from the Council. There is no obligation for the Council to proceed beyond the Pre-Development phase. <u>BCEGI – Middlehaven Option Agreement</u> The Council entered into an Option Agreement with BCEGI in April 2022. Under the terms of the Agreement it was incumbent on BCEGI to satisfy Development Conditions. The first Development Condition was not satisfied, and the Council exercised its right to terminate the agreement on the 15th January 25.
Human Rights, Public Sector Equality Duty and Community Cohesion	The proposal is not judged to have any negative impacts on Human Rights, Public Sector Equality Duty and Community Cohesion.
Reducing Poverty	Educational opportunities such as those proposed to be supported by the development of The Campus are one of the most significant determinants in reducing poverty within Middlesbrough.
Climate Change / Environmental	Developments in England must deliver a Biodiversity Net Gain of 10%. This means a development will result in more or better-quality natural habitat than there was before development. The proposed development of Middlehaven will adhere to all current planning and building control requirements and meet the highest environmental standards.

Children and Young People Cared for by the Authority and Care Leavers	The proposal would not have any disproportionately negative impacts on Children and Young People Cared for by the Authority and Care Leavers.
Data Protection	There are no Data Protection issues of consequence for this proposal.

Actions to be taken to implement the recommended decision(s)

Action	Responsible Officer	Deadline
Complete concept designs and site investigations	Capital and Centric	March 26
Submit Planning Application	Capital and Centric	September 2026
Procurement of Main Contractor	Capital and Centric	July 2027

Appendices

1	N/A
2	
3	

Background papers

Body	Report title	Date
N/A		

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MIDDLESBROUGH COUNCIL	
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Report of:	Director of Environment and Community Services – Geoff Field
Relevant Executive Member:	Executive Member for Environment and Sustainability – Cllr Peter Gavigan
Submitted to:	Executive
Date:	12 November 2025
Title:	2025/26 Transport and Infrastructure Capital Programme Update
Report for:	Decision
Status:	Public
Council Plan priority:	Delivering Best Value
Key decision:	Yes
Why:	Decision(s) will have a significant impact in two or more wards
Subject to call in?	Yes
Why:	Non-Urgent Report

Proposed decision(s)
That the Executive • Note the progress to date on the delivery of the 2025/26 Capital Programme funded through the £4.154m City Region Sustainable Transport Settlement (CRSTS) grant, as detailed in Appendices 1 and 1A. • Approve the continued allocation of CRSTS funding across both Highways Maintenance and Integrated Transport workstreams, noting that 75% of schemes are currently on programme (RAG: Green) and a further 25% are experiencing minor delays (RAG: Amber) but remain deliverable within the current or next financial year. • Approve the implementation of mitigation measures for schemes at risk of delay or underspend — particularly those in the Carriageways, Structures & Bridges, and Stainton Way Phase 2 schemes — to ensure continued alignment with CRSTS grant conditions, avoid clawback risk, and maintain the Council's ability to meet statutory obligations. • Endorse ongoing programme management flexibilities, allowing officers to reprofile or reallocate approved funds where appropriate to support accelerated delivery of shovel-ready schemes or respond to emerging priorities.

Executive summary

This report updates Members on the allocation of CRSTS and other funding streams to support transport and infrastructure improvements across Middlesbrough.

A decision to allocate funding was taken at a Single Member Executive meeting on 4th June 2025. This report presents the current position on programme delivery, including a breakdown of schemes and progress to date (see Appendices 1 and 1A).

1. Purpose of this report and its contribution to the achievement of the Council Plan ambitions

The purpose of this report is to gain approval for the funding allocations and to outline the delivery progress of the approved schemes.

Our ambitions	Summary of how this report will support delivery of these ambitions and the underpinning aims
A successful and ambitious town	<i>Aims within this ambition are to:</i> - improving accessibility to key economic centres, the Council will be improving business opportunities for further inward investment by ensuring that transport does not act as a barrier to economic growth.
A healthy Place	<i>Aims within this ambition are to:</i> - improve accessibility to key services and facilities and assist the Borough in improving its reputation and aesthetics by improving the public realm, and reducing congestion and traffic noise, and improving air quality.
Safe and resilient communities	<i>Aims within this ambition are to:</i> - improve safety, accessibility and usability of the Councils Transport network; ensuring that people can access employment, education, retail and leisure opportunities.
Delivering best value	<i>Aims within this ambition are to:</i> - improving infrastructure, enabling growth, and supporting sustainable travel. It delivers best value through targeted investment, focusing on: - Supporting access to employment, education, and services. - Reducing future maintenance costs through asset renewal. - Encouraging modal shift and reducing carbon emissions. - Enhancing safety and accessibility across the network. <i>The programme aligns with corporate objectives and ensures resources are used efficiently to deliver long-term, measurable benefits for Middlesbrough.</i>

1. Updated Recommendations

1.1 That the Executive Member for Environment:

- Note the progress to date on the delivery of the 2025/26 Capital Programme funded through the £4.154m City Region Sustainable Transport Settlement (CRSTS) grant, as detailed in Appendices 1 and 1A.
- Approve the continued allocation of CRSTS funding across both Highways Maintenance and Integrated Transport workstreams, noting that 75% of schemes are currently on programme (RAG: Green) and a further 25% are experiencing minor delays (RAG: Amber) but remain deliverable within the current or next financial year.
- Approve the implementation of mitigation measures for schemes at risk of delay or underspend — particularly those in the Carriageways, Structures & Bridges, and Stainton Way Phase 2 schemes — to ensure continued alignment with CRSTS grant conditions, avoid clawback risk, and maintain the Council's ability to meet statutory obligations.
- Endorse ongoing programme management flexibilities, allowing officers to reprofile or reallocate approved funds where appropriate to support accelerated delivery of shovel-ready schemes or respond to emerging priorities.

2. Updated Rationale for the recommended decision(s)

This update is necessary to ensure continued effective management of the CRSTS: programme, considering delivery progress reported at Q2 (Appendices 1 and 1A). While most schemes remain on track, a few key infrastructure maintenance and cycle infrastructure works are experiencing moderate delays which require Executive awareness and mitigation planning.

2.2 Without formal approval of revised profiles and proactive mitigations, the Council risks underspending the allocated CRSTS funds within the required grant periods. The updated recommendations ensure that the authority remains compliant with grant conditions and maintains credibility with our funding partners.

2.3 Key programme risks have been identified in a small number of areas, notably:

- **Carriageways and Structures & Bridges:** Delivery delayed due to ongoing contract/legal issues. Completion is now forecast for Q1 of 2026/27.
- **Stainton Way Phase 2 and Ormesby Beck:** Minor delays due to ward-level consultation and resourcing gaps earlier in the year. Mitigations proposed include carrying forward delivery into next financial year, accelerating delivery of 'Green' rated schemes, and utilising contingency allowances for inflation or emergent issues.

2.4 While the overall programme remains strategically aligned and financially balanced: with a total funding envelope of **£8.436m** comprising £4.154m CRSTS and £4.282m Council funding (Appendix 1) - the scale and complexity of schemes, combined with the need for formal approval of CRSTS allocations, mean the decision falls within Executive responsibility under Section 6.38 of the Executive Scheme of Delegation.

3. Background and relevant information

3.1 Middlesbrough Council receives CRSTS funding via Tees Valley Combined Authority. The 2025/26 allocations are:

- £1.065m for Integrated Transport
- £2.339m for Highways Maintenance
- £0.750m additional DfT resurfacing grant

The total proposed programme (including Council funding) is £8.436m.

3.2 Scheme-level detail and financial breakdown is outlined in **Appendix 1**.

3.3 Progress against schemes is outlined in **Appendix 1A**.

4. Ward Member Engagement if relevant and appropriate

4.1 Ward members will be consulted on individual schemes that affect constituents within their respective localities. However, these consultations do not impact the scope of this update / programme.

5. Other potential alternative(s) and why these have not been recommended

5.1 Re-assessing the project proposals – this is not recommended, as they have been identified using a robust scoring matrix and the prescribed funding criteria; to ensure effective and prudent allocation of resources. Reassessing proposals at this stage would undermine the integrity of this established process and introduce significant delays to a time-sensitive delivery programme. With 75% of schemes progressing on schedule and 25% experiencing only minor delays (Appendix 1A), the current approach remains the most efficient and strategically sound.

5.2 *Do nothing*

This is also not recommended. Failing to approve the updated funding allocations and associated programme management arrangements would jeopardise timely delivery, reduce the Council's ability to respond flexibly to delivery risks, and potentially result in underspend or clawback of CRSTS funding. The infrastructure programme requires forward planning and financial approval to secure contractor capacity, align delivery windows, and remain compliant with grant conditions. Delaying approvals would impede progress and risk non-delivery of schemes that are essential to maintaining the highway network and improving active travel infrastructure.

6. Impact(s) of the recommended decision(s)

Topic	Impact
Financial (including procurement and Social Value)	The 2025/26 Transport and Infrastructure Capital Programme is funded through a combination of CRSTS grant (£4.154m) and Council capital contributions (£4.282m), totalling £8.436m (Appendix 1). High-level cost estimates, including contingency allowances, have been applied based on recent delivery experience. Funding allocations may be reprofiled to respond to inflationary pressures, contractor availability, or

	delivery delays, in line with delegated financial procedures. Officer Delegated Decisions allow for reallocation of resources up to £0.250m, ensuring operational flexibility. Any additional funding identified during the financial year will be subject to standard approvals and governance.
Legal	Any legal issues associated with the approved programme will be managed through the Council's established procedures. The allocations within this report are indicative, are not committed and can alter. Should the figures vary beyond the delegation sought in this report, appropriate Executive approvals will be sought. The funding allocations and proposed expenditure is required to ensure the Council complies with Highways Act 1980.
Risk	The proposal does not require any change to the Council's existing policy framework. The funding allocations identified are indicative or are pending funding allocation within the programme. Should funding levels alter, there is sufficient contingency within the proposed programme. Should this be exceeded, the programme will be re-addressed, and approval sought to allow re-prioritisation to fit with the available funding. By approving this allocation of funding, the Council is positively and actively managing risk to support the outcomes of the department(s), such as not having appropriate planning in place. The approval of the programme will allow targeted interventions, which will reduce the risk of Road Traffic Accidents. Without investment in mitigations, those killed and seriously injured because of road traffic accidents may increase, particularly in areas where the Council is aware of issues. Additional to increased injury to individuals, this also results in increased costs on other local stakeholders such as the Police, the Fire Authority, and the NHS, but also reputational damage to the Council as the Highway Authority. The proposed programme reduces financial risk. Highway network deterioration is greater than the available funding to maintain it. By approving the allocations, the Council will be able to minimise the number of claims made against it due to surface defects.
Human Rights, Public Sector Equality Duty and Community Cohesion	There will be no negative, differential impact on protected groups and communities.

	It is not anticipated that any other protected groups will be impacted upon negatively because of progressing with proposals.
Reducing Poverty	The proposed decision will not contribute to an increase or reduction in poverty.
Climate Change / Environmental	The proposals will improve accessibility to key services and facilities and assist the Borough's impact on climate change and the environment by providing and updating our infrastructure to support alternative methods of travel therefore improving the public realm, and reducing congestion, traffic noise and improving air quality.
Children and Young People Cared for by the Authority and Care Leavers	The proposals outlined will not negatively impact children and young people cared for by the authority and care leavers as the highway schemes we have proposed will be accessible to all and will improve safety, accessibility and usability of the Councils Transport network; ensuring that people can access employment, education, retail and leisure opportunities.
Data Protection	The proposed decision does not involve the collation and use of personal data.

Actions to be taken to implement the recommended decision(s)

Action	Responsible Officer	Deadline
Continue to monitor scheme progress on a monthly basis, with quarterly reviews undertaken to assess financial spend, delivery progress, and compliance with funding conditions.	Infrastructure Programme Manager (Liyaqat Ud-Din)	March 2026

Appendices

1	2025/26 Capital Programme – Funding Breakdown
1A	Scheme Delivery Update – September 2025

Background papers

Body	Report title	Date
n/a	Future years scheme document (internal document)	January 2025

Contact: Li Ud-Din – Infrastructure Programme Manager
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Appendix 1: 2025/26 Capital Programme – Funding Breakdown

KEY

- □ CRSTS – Executive Approved
- □ Council Funded (Additional Information – Approval Not Required)
- ■ CRSTS + Council Funding – Executive Approved

Highways Maintenance (HM)

Programme Area	Description	CRSTS (£m)	Council (£m)	Total (£m)	Q1 Projection	Q2 Projection	Actual Expend	Status
Carriageways	Carriageway maintenance from asset list	1.750	–	1.750	0.080	0.550	-	□
Footways	Footway maintenance from asset list	0.500	–	0.500	0.020	0.165		□
Verges	Verge maintenance & stabilisation	0.200	0.150	0.350	0.060	0.070		■
Structures & Bridges	Bridge maintenance from PI assessments	–	4.132	4.132	0.200	1.200		□
Drainage	Drainage maintenance (worst first)	0.300	–	0.300	-	0.100		□
Street Lighting	Lighting improvements from asset list	0.200	–	0.200	0.050	0.050		□
Programme Delivery	Management and admin	0.050	–	0.050	-	-		□
Contingency	Inflation and unexpected issues	0.089	–	0.089	-	-		□

Programme Area	Description	CRSTS (£m)	Council (£m)	Total (£m)	Q1 Projection	Q2 Projection	Actual Expend	Status
TOTAL – HM		3.089	4.282	7.371				

Integrated Transport (IT)

Programme Area	Description	CRSTS (£m)	Council (£m)	Total (£m)	Q1 Projection	Q2 Projection	Actual Expend. To date	Status
Road Safety / TM	Borough-wide safety schemes	0.210	–	0.210	0.053	0.053	0.048	□
Valley Road	Traffic calming scheme	0.030	–	0.030	-	0.002	-	□
Stainton Way Phase 2	Ped/cycle crossing	0.200	–	0.200	-	0.020	-	□
Ormesby Beck Phase 1	Cycle infrastructure	0.290	–	0.290	-	0.020	-	□
Bus Stop Improvement	Hollyhurst/Holmwood Avenue	0.150	–	0.150	-	0.050	-	□
Programme Delivery	Programme staffing and reporting	0.090	–	0.090	-	-		□
Future Scheme Development	Design of pipeline projects	0.045	–	0.045	-	0.015	-	□
Previous Year Remediation	Defect remediation & contingency	0.050	–	0.050	0.020	0.010	-	□

Programme Area	Description	CRSTS (£m)	Council (£m)	Total (£m)	Q1 Projection	Q2 Projection	Actual Expend. To date	Status
TOTAL – IT		1.065	–	1.065	0.073	0.173	0.048	

Programme Total

Category	CRSTS (£m)	Council (£m)	Total (£m)
Highways Maintenance	3.089	4.282	7.371
Integrated Transport	1.065	–	1.065
TOTAL PROGRAMME	4.154	4.282	8.436

Highway Maintenance – Q3/Q4 Forecast & Carry Forward

Programme Area	Q3–Q4 Forecast (£m)	Carry Forward to Q1 26/27 (£m)
Carriageways	0.595	0.525
Footways	0.315	–
Verges	0.220	–
Structures & Bridges	2.732	–

Programme Area	Q3–Q4 Forecast (£m)	Carry Forward to Q1 26/27 (£m)
Drainage	0.200	–
Street Lighting	0.100	–
Programme Delivery	0.050	–
Contingency	0.089	–
Total	4.301	0.525

Integrated Transport – Q3/ Q4 Forecast

Programme Area	Q3–Q4 Forecast (£m)
Road Safety / TM	0.056
Valley Road	0.028
Stainton Way Phase 2	0.180
Ormesby Beck Phase 1	0.270
Bus Stop Improvement	0.100
Programme Delivery	0.090
Future Scheme Development	0.030
Previous Year Remediation	0.020
Total	0.774

Summary

Category	Q3–Q4 Forecast (£m)	Carry Forward (£m)
Highways Maintenance	4.301	0.525
Integrated Transport	0.774	0
Total	5.075	0.525

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Appendix 1A: Scheme Delivery Update – September 2025

Key

- Green – On programme
- Amber – Minor delays, no major risks to overall delivery
- Red – Significant issues requiring intervention

Highways Maintenance Programme

Scheme Area	Project/Workstream	Status	Progress Update (as of September 2025)	Mitigation
Carriageways	Borough-wide priority resurfacing	□	20% complete; majority routes scheduled for completion by March 2026 with some works carried over into first quarter next financial year	Contractual issues with Legal Services are ongoing and have delayed the commencement of delivery. The programme is now expected to be completed in Q1 of 2026/27
Footways	Footway maintenance in residential zones	□	70% Completed – on track to be completed end of year	
Verges	Verge reinstatement and stabilisation	□	65% Completed – on track to be completed end of year	
Structures & Bridges	Structural inspections and minor repairs	□	Inspections completed; minor interventions scheduled for Q3	Contract issues still on-going with Legal Services
Flooding / Drainage	Targeted drainage upgrades	□	On target; schemes underway in Marton East and Park End areas	
Street Lighting	LED replacements and column upgrades	□	50% complete; remaining sites programmed for October	
Programme Delivery	Project management and reporting	□	Fully staffed and operating within budget	

Scheme Area	Project/Workstream	Status	Progress Update (as of September 2025)	Mitigation
Contingency	Used for reactive works and emerging needs	□	To address cost inflation on materials	

Integrated Transport Programme

Scheme Area	Project/Workstream	Status	Progress Update (as of September 2025)	Mitigation
Road Safety & Traffic Mgmt.	Various traffic regulation schemes	□	Multiple schemes delivered; road marking renewals in progress	
Valley Road Traffic Calming	Speed reduction features	□	Design approved; installation to commence January 2026	
Ped/Cycle Crossing	Stainton Way Phase 2	□	Scheme currently paused, Consultation on-going for amended design and works to continue upon completion	Ward Cllrs flagged concerns with crossing and new design required
Ormesby Beck Cycleway	Phase 1 infrastructure delivery	□	Civil works underway; due for completion in Q4	Design progression in Q1 was not possible due to the absence of a Civil Engineering team in post
Bus Stop Improvement	Hollyhurst/Holmwood Ave accessibility upgrades	□	Out to consultation – works to commence in Q3 pending responses	Design progression in Q1 was not possible due to the absence of a Civil Engineering team in post
Programme Delivery	Project and budget management	□	Monitoring on schedule and within CRSTS delivery requirements	
Future Scheme Development	Dixons Bank/ Guisborough Road scheme delivery	□	Modelling carried out in 2021 to be progressed and delivered within this financial year	
Previous Year Remediation	Minor snagging and contractor rectifications	□	Complete	

Summary of RAG Status (as of Q2 2025/26)

RAG Rating	No. of Projects	% of Programme
□ Green	12	75%
□ Amber	4	25%
● Red	0	0%

Next Steps & Monitoring Arrangements

- **Ongoing Monitoring:** Scheme-level delivery and expenditure are reviewed monthly, with quarterly reporting to the Director of Environment & Community Service.
- **Delivery Mitigation:** Where Amber-rated schemes face delays (e.g., Carriageways, Structures & Bridges, Stainton Way Phase 2), the following mitigations are being applied:
 - Reprofile of works into Q1 2026/27 where grant conditions allow.
 - Reallocation of unspent funding to shovel-ready or accelerated schemes within the approved programme scope.
 - Utilisation of contingency budgets to address inflationary costs or unexpected delays.
- **Executive Reporting:** A formal Q4 report will be submitted to confirm final-year outcomes and re-baseline any remaining delivery into 2026/27 where necessary.

Overall Status: The Capital Programme remains deliverable. Risks are being managed through established governance and delivery assurance processes. No schemes are currently rated Red.

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MIDDLESBROUGH COUNCIL	
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Report of:	Director of Finance and Transformation (s151 Officer) – Andrew Humble
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Relevant Executive Member:	Executive Member for Finance – Cllr Nicky Walker
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Submitted to:	Executive
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Date:	12 November 2025
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Title:	Tees Valley Investment Zone Memorandum of Understanding
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Report for:	Decision
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Status:	Public
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Council Plan priority:	A successful and ambitious town
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Key decision:	Yes
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Why:	Decision(s) will incur expenditure or savings above £250,000 and have a significant impact in two or more wards
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Subject to call in?	Yes
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Why:	Non-Urgent Report
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Proposed decision

That Executive:

- **APPROVES** the reinvestment of additional business rates income due to the Council, generated from growth within the Tees Valley Investment Zone - Middlesbrough Site, only in meeting the needs of the Priority Sectors. This approval is subject to assurances, required from TVCA, around the decision-making processes for projects the TVCA is responsible for.
- **ENDORSES** the Council's engagement in delivering the Tees Valley Investment Zone programme
- **DELEGATES** authority to the s151 Officer to finalise and authorise the draft Memorandum of Understanding (MoU) with the Tees Valley Combined Authority (TVCA)

Executive summary

Tees Valley Combined Authority (TVCA) has accepted the Government's invitation to establish the Tees Valley Investment Zone programme, backed by £80m of funding over 5 years, and at TVCA Cabinet on 28 March 2025 approved the Business Rate Retention

Strategy as proposed in the MoU. There are two defined sites within the Zone, one in Middlesbrough and one in Hartlepool, where additional business rates will be retained.

Government requires that a Memorandum of Understanding (MoU) is entered into by TVCA with each of the local authorities involved before releasing the funding and this sets out the principles and terms on which TVCA and the Council are to engage to deliver the objectives set out.

Substantial additional business rates income is anticipated to result from the programme, which by definition would likely not be generated without it, and so there would be low risk that the Council would be financially disadvantaged by undertaking to reinvest, as opposed to retaining increased business rates income in the normal way. The period which the arrangement would apply for is 24 years from 1 April 2025.

Whilst it is possible that increased business rates income may be received without entering into the MoU, the substantial gain for the town represented by the government funding provided through the Investment Zone would be lost.

1. Purpose of this report and its contribution to the achievement of the Council Plan ambitions

1.1 To seek approval for the Council to enter into an MoU with TVCA governing the operation of the Tees Valley Investment Zone - Middlesbrough Site and associated programme.

Our ambitions	Summary of how this report will support delivery of these ambitions and the underpinning aims
A successful and ambitious town	<i>Government grant funding invested through the Zone will benefit the local economy.</i>
A healthy Place	<i>The scheme supports with reducing poverty by providing additional opportunities for employment.</i>
Safe and resilient communities	<i>Opportunities created for individual residents by the programme will contribute to community resilience.</i>
Delivering best value	<i>Funding is provided by Central Government and so the Council is not required to directly contribute to costs involved in meeting programme objectives.</i>

2. Recommendations

2.1 That Executive:

- **APPROVES** the reinvestment of additional business rates income due to the Council, generated from growth within the Tees Valley Investment Zone - Middlesbrough Site, only in meeting the needs of the Priority Sectors. This approval is subject to assurances, required from TVCA, around the decision-making processes for projects the TVCA is responsible for.
- **ENDORSES** the Council's engagement in delivering the Tees Valley Investment Zone programme.

- **DELEGATES** authority to the s151 Officer to finalise and authorise the draft Memorandum of Understanding (MoU) with the Tees Valley Combined Authority (TVCA).

3. Rationale for the recommended decision(s)

- 3.1** The decision is required as a pre-requisite to Central Government providing £80m of funding available to the Tees Valley Investment Zone. If the Council is unable to enter into a MoU with TVCA, the funding will not be available to promote growth in the town.
- 3.2** It is a key decision that impacts on two or more wards and will likely have financial consequences totalling more than £250,000.

4. Background and relevant information

- 4.1** On 20 February 2025, Regulations were laid before Parliament that created the Tees Valley Investment Zone—Middlesbrough Site for 24 years from 1 April 2025 as a designated area for the purposes of the local retention of non-domestic rates.
- 4.2** The Regulations reference a map of the Site, which in part includes an existing designated area, Tees Valley EZ Growth Extension: Middlesbrough historic quarter. It covers an area with Shepherdson Way as its most eastern extent, the River Tees near to Durham Street at its most northern, North Road adjacent to the Hartington interchange at its eastern and Waverley Street at its most southern. A location map is included in Appendix 2 of the MoU, at the end of Section 1.
- 4.3** The Regulations also record the initial baseline established for the purpose of determining additional business rates income, which is £5,131,673. The effect of the Regulations and the MoU is that any sum over this amount would be retained to be shared for the purpose of reinvestment in the Tees Valley Investment Zone programme, with 50% being paid to the TVCA and 50% held by the Council.
- 4.4** The existing designated area will cease to exist in April 2041, at which time the portion within the Site will be included for the purposes of calculating additional business rates. The initial baseline income from the portion is £1,730,615 and, so rather than the Council continuing to retain its share of rates income that it might then have received from April 2041, the amount of additional income will be calculated by reference to the overall combined baseline of £6,862,288 and shared for reinvestment in the Tees Valley Investment Zone programme until March 2049.
- 4.5** The baseline was finalised in January 2025, before detailed arrangements had been shared around the allocation for retained business rates. Investment Zone funding is not yet deployed, so it can reasonably be concluded that any growth that there may be in the 2025/26 financial year cannot be attributed to the existence of the Zone, but that growth will nevertheless be retained. The MoU will require allocation of any sum to the Zone programme and sharing with TVCA.

4.6 The programme has exclusive focus under the terms of the MoU on the Digital and Creative sectors, as the Priority Sectors, and requires retained rates income to be expended accordingly. Details of the programme objectives are set out in Appendix 1 of the MoU and expanded on in Appendix 2:

- Business Support
- Infrastructure and Place
- Research and Innovation
- Crime and Safety
- Planning

4.7 An announcement in the Autumn Statement 2023 was made that could mean that an extension of the scheme to 10 years duration and increased funding of £160m. No further details or confirmation of this proposed extension have been received yet.

4.8 The second designated area within the Investment Zone is the Hartlepool Site and Hartlepool Borough Council are similarly entering into a separate MoU with TVCA. The baseline for that area is defined in the regulations as £2,083,623.

5. Ward Member Engagement if relevant and appropriate

5.1 Not applicable.

6. Other potential alternative(s) and why these have not been recommended

6.1 Do nothing; whilst it is possible that increased business rates income may be received without entering into the MoU, the substantial gain for the town represented by the government funding provided through the Investment Zone would be lost.

6.2 The terms of the MoU have been modified so far as possible in discussion between Council officers and TVCA. The scope of the original proposals to government made by TVCA mean that limits exist to the extent of change that is possible without jeopardising the provision of the funding that is available.

7. Impact(s) of the recommended decision(s)

Topic	Impact
Financial (including procurement and Social Value)	Middlesbrough will gain from a share of £80m (potentially increasing to £160m) of government funding to develop business projects within the Investment Zone area.
	There potentially may be some loss of income available to support the Council's normal budget expenditure by virtue of the sharing and ring-fencing arrangements that exist under the MoU.

Should the status quo around business rates not substantially change, there is the potential for a reduction in income as the existing designated area is subsumed within the Zone in 2041, when retained rates that would otherwise be subject to the standard retention arrangements will become part of the resource to be provided to fund the Zone programme.

Legal	There is an implicit cost commitment within the MoU of officer time to support delivery of, and reporting on, the programme and the value of the related rates retention. There are no immediate procurement considerations. The Memorandum of Understanding (MoU) is intended to be legally binding and entails a long-term financial commitment from the Council. Given that the current business rates regime is subject to periodic changes and may be significantly revised or replaced, the MoU includes provisions for amendment to accommodate such developments. Any requested change to the MoU will be reviewed by legal.
Risk	The scheme supports the delivery of the Council's strategic priority 'A successful and ambitious town' to attract and grow businesses to increase employment opportunities as set out in the Council Plan 2024-2027. Council Plan Middlesbrough Council.
Human Rights, Public Sector Equality Duty and Community Cohesion	There are no disproportionate adverse impacts on any group or individuals with characteristics protected in UK equity law. An impact assessment has been carried out and is attached to this report.
Reducing Poverty	Potential for increased economic activity to provide additional and improved opportunities for employment.
Climate Change / Environmental	There are no disproportionate adverse impacts on the aspirations of the Council to achieve net zero, net carbon neutral or be the lead authority on environmental issues.
Children and Young People Cared for by the Authority and Care Leavers	Potential for increased economic activity to provide additional opportunities for training and employment.
Data Protection	The recommended decisions do not have any impact on data protection.

Actions to be taken to implement the recommended decision(s)

Action	Responsible Officer	Deadline
Signature of the MoU and transmission to TVCA	Andrew Humble	30 November 2025

Appendices

1	Draft Tees Valley Investment Zone MoU
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Background papers

Body	Report title	Date

Contact: Andrew Humble
Email: Andrew_Humble@middlesbrough.gov.uk

Memorandum of Understanding Relating to Tees Valley Investment Zone Site

The Collection and Retention of Business Rates

This Memorandum of Understanding is made the day of 2025

BETWEEN

1. **Tees Valley Combined Authority** of Teesside Business Suite,
Teesside International Airport, Darlington, DL2 1NJ (**Authority One**)
2. **Middlesbrough Council** of PO Box 500, Middlesbrough, TS1 9FT
(**Authority Two**).

together the “Parties” (and any reference within this Memorandum of Understanding to a “Party” shall be a reference to one of the Parties unless the context requires otherwise).

A. Definitions

In this Memorandum of Understanding, the following words and phrases shall have the following meanings:

“Business Rates”	Shall mean the tax on non-residential properties pursuant to the Local Government Finance Act 1988 which is paid to local billing authorities and is based on a property's rateable value.
“Agreed Baseline Position”	Shall mean the baseline position that Authority Two provided to Ministry of Housing, Communities and Local Government (MHCLG) which can be found in Appendix 3 .
“Additional Business Rates”	Shall mean any additional business rates over the Agreed Baseline Position.
“Business Rate Retention (BRR)”	Shall mean the retention of Additional Business Rates over and above the Agreed Baseline Position and subsequently uprated by MHCLG in the annual NNDR3 return.
“Billing Authorities”	Shall mean the local authorities responsible for collection of Business Rates and the term “Billing Authority” shall be construed accordingly.
“BRR Site”	Shall mean the site where 100% of the growth in business rates above a BRR Agreed Baseline Position will be retained for 24 years commencing 1

	April 2025 outlined in red on the plan(s) set out in Appendix 2
<u>“BRR Reinvestment Strategy”</u>	Shall mean the Business Rate Retention Reinvestment Strategy which sets out the principles and processes of reinvestment of Additional Business Rates as set out in Appendix 2 .
<u>“Governance Structure”</u>	Shall mean the governance structure set out in Appendix 1
<u>“Memorandum of Understanding”</u>	Shall mean this Memorandum of Understanding and its Appendices.
<u>“Objectives”</u>	Shall mean the objectives of the Investment Zone Programme set out in Appendix 1 (namely business support, infrastructure, research and innovation, crime & safety and planning).
<u>“Programme”</u>	Shall mean the wider Tees Valley Investment Zone Programme as summarised in Appendix 1 .
<u>“TVIZ”</u>	Shall mean the Tees Valley Investment Zone Programme as summarised in Appendix 1 within the Memorandum of Understanding.
<u>“Priority Sectors”</u>	Shall mean Creative and Digital sectors.
<u>“the Order”</u>	Shall mean the Non-Domestic Rating (Designated Areas) Regulations 2025 (SI 180/2025) which provides statutory authority for the Billing Authorities to retain business rates in accordance with the terms of the Order.

1. Background

- 1.1 The Government invited Authority One to establish the TVIZ which was signed off April 2025.
- 1.2 The Priority Sectors for the Investment Zone are Digital and Creative.
- 1.3 Flexible funding of £80 million, over 5 years from 2024/25, has been made available by Government for the benefit of the TVIZ to support this programme and is subject to a 60%:40% split between capital and revenue. This is expected to continue for a further five years on the same terms subject to performance, based on Government's announcement in the Autumn Statement 2023 to extend the scheme to 10 years with funding of £160m.
- 1.4 TVIZ also includes two BRR Sites in Hartlepool and Middlesbrough where 100% of the growth in business rates above the Agreed Baseline

Position (**Appendix 3**) are retained for 24 years from 1 April 2025 (which is over and above the £80m flexible funding as set out in 1.3).

- 1.5 Additional Business Rates arising from the BRR Site is to be retained 50% by Authority One and 50% by Authority Two. Authority Two as Billing Authority for the BRR site will be required to collect the Business Rates for the site and pay 50% to Authority One.
- 1.6 The Additional Business Rates will be invested in accordance with the Programme Objectives and BRR Reinvestment Strategy for the Priority Sectors only.
- 1.7 The Secretary of State, MHCLG has made the Order which provides statutory authority for the Billing Authorities (Authority Two) to retain business rates in accordance with the terms of the Order.
- 1.8 Government has asked that Authority Two as the Billing Authority and Authority One as the Accountable Body enter into a Memorandum of Understanding in order to set out the basis on which they will collaborate with each other to deliver the BRR Reinvestment Strategy against the Programme Objectives for the Priority Sectors.

2. Purpose of this Memorandum of Understanding

- 2.1 This Memorandum of Understanding sets out the intentions of the Parties to deliver the BRR Reinvestment Strategy including:
 - 2.1.1 the Agreement between the Parties;
 - 2.1.2 the parameters within which any Additional Business Rates received by the Parties through Business Rate Retention will be collected and utilised for the benefit of the TVIZ Programme;
 - 2.1.3 the principles of collaboration between the Parties;
 - 2.1.4 the respective roles and responsibilities of the Parties.

3. Agreement

- 3.1 This Memorandum of Understanding (MOU) sets out the intentions of the Parties. The Parties agree with each other as follows:
 - 3.1.1 They will deliver the Business Rates Retention Reinvestment Strategy in accordance with the provisions of **Appendix 2** and the wider provisions of this Memorandum of Understanding. In particular, the Parties agree that they will not spend any Additional Business Rates received pursuant to BRR on any purposes other than in accordance with the Programme Objectives for the Priority Sectors (**Appendix 1**).

For the purposes of this MOU, the BRR Site is the area known as the designated area and which is defined in the Order and shown for identification purposes on the location map in **Appendix 2**.

- 3.1.2 Authority Two as the relevant Billing Authority, agree to continue to collect business rates for the area including the BRR Site, for which it is currently responsible.
- 3.1.3 Authority Two is enabled by the Order to retain 100% of the business rates over the Agreed Baseline Position for 24 years from 1 April 2025, for the areas of the BRR Site, for which it holds billing responsibilities.
- 3.1.4 Authority Two agree that within 10 working days of the submission deadline for the NNDR3 return each year they will calculate the value of business rates over the Agreed Baseline Position for the BRR Site (being the Additional Business Rates), using the NNDR3 (National Non-Domestic Rates return that Billing Authorities are required to submit to MHCLG), and inform Authority One of this calculation.
- 3.1.5 Following the calculation by Authority Two pursuant to clause 3.1.4 above, Authority Two agree to pay to Authority One 50% of the Additional Business Rates in respect of the BRR Site within 14 days of receipt of an invoice from Authority One in respect of the Additional Business Rates annually for a period of 24 years commencing on 1 April 2025.
- 3.1.6 Deployment of Additional Business Rates will be made in line with the Programme Objectives for the Priority Sectors as detailed in **Appendix 1**.
- 3.1.7 Deployment of all Additional Business Rates will be made in line with the BRR Reinvestment Strategy (**Appendix 2**).
- 3.1.8 Authority Two will meet any monitoring and information requests as may be required by Authority One in its role as Accountable Body of the TVIZ.
- 3.1.9 All parties will work positively to maintain or enhance the value of business rates reinvestment within the parameters set in this MoU.
- 3.1.10 The parties agree to this MOU on the basis of there being no material changes to applicable Central Government Investment Zone policy (which could be driven by changes to the national Business Rates retention system) over the 24-year period from 1 April 2025, or other exceptional circumstances which could invalidate the agreement.
- 3.1.11 All Parties agree that any re-negotiation of its terms will require the consent of all Parties affected by any proposed amendments. The Parties agree to work together positively to agree any amendments necessary to reflect changes to policy as set out in clause 3.1.10 above.

4. **Principles**

- 4.1 The Parties agree to adopt the following principles when carrying out the TVIZ Programme (**Principles**):

- 4.1.1 Collaborate and co-operate. Adhere to the Governance Structure set out in this Memorandum of Understanding to ensure that activities are delivered and actions taken as required;
- 4.1.2 Be accountable. Take on, manage and account to the other Party for performance of the respective roles and responsibilities set out in this Memorandum of Understanding;
- 4.1.3 Be open. Communicate openly about major concerns, issues or opportunities relating to the Programme;
- 4.1.4 Learn, develop and seek to achieve full potential. Share information, experience, materials and skills to learn from each other and develop effective working practices, work collaboratively to identify solutions, eliminate duplication of effort, mitigate risk and reduce cost;
- 4.1.5 Adopt a positive outlook. Behave in a positive, proactive manner;
- 4.1.6 Adhere to statutory requirements and best practice. Comply with applicable laws and standards including public procurement rules, data protection and freedom of information legislation.
- 4.1.7 Act in a timely manner. Recognise the time-critical nature of the Programme and respond accordingly to requests for support;
- 4.1.8 Manage stakeholders effectively;
- 4.1.9 Deploy appropriate resources. Ensure sufficient and appropriately qualified resources are available and authorised to fulfil the responsibilities set out in this Memorandum of Understanding;
- 4.1.10 Act in good faith to support achievement of the Programme Objectives, delivery of the BRR Reinvestment Strategy and compliance with these Principles; and
- 4.1.11 Deliver the BRR Reinvestment Strategy (**Appendix 2**).

5. Escalation

- 5.1 If either Party has any issues, concerns or complaints about the Programme, or any matter in this Memorandum of Understanding, that Party shall notify the other Party and the Parties shall then seek to resolve the issue by a process of consultation. If the issue cannot be resolved within a reasonable period of time, the matter shall be escalated through the TVIZ governance structure. Firstly, to the TVIZ Programme Group, which shall decide on the appropriate course of action to take. If the matter cannot be resolved by the TVIZ Programme Group within 20 working days, the matter may be escalated by either Party to an adjudicator ("the Adjudicator"). The Adjudicator shall be selected by the President for the time being of the Chartered Institute of Arbitrators unless the Parties in

dispute agree another appropriate person. The Adjudicator shall be deemed not to be an arbitrator but shall render his decision as an expert, and the provisions of the Arbitration Act 1996 and the law relating to arbitration shall not apply to the Adjudicator or their determination or the procedure used to reach the determination. Any cost of referring any matter to the Arbitrator shall be borne by the Parties in equal shares.

5.2 If Authority Two receives any formal inquiry, complaint, claim or threat of action from a third party (including, but not limited to, claims made by a supplier or requests for information made under the Freedom of Information Act 2000) in relation to the Programme, the matter shall be promptly communicated to Authority One. No action shall be taken which would adversely affect the Programme as set out in this agreement. For the avoidance of doubt, nothing in this clause 5.2 shall operate to prevent any Party from taking any action required by Law.

6. Term and termination

6.1 This Memorandum of Understanding shall commence on the date made, and shall expire on a date not earlier than 24 years commencing 1 April 2025 (unless otherwise agreed in writing by both Parties or required by operation of law). The Parties agree that following the expiry of the 24 year period, there shall be a further period of 12 months during which the Parties shall work together to monitor and evaluate the Programme.

7. Variation

- 7.1 This Memorandum of Understanding, including the Appendices, may only be varied by written agreement of the Parties.
- 7.2 The Parties expressly agree to work positively together to achieve any amendments necessary to ensure compliance with any changes to legislation, policy or guidance issued by Central Government.

8. Charges and liabilities

- 8.1 Except as otherwise provided, the Parties shall each bear their own costs and expenses incurred in complying with their obligations under this Memorandum of Understanding.
- 8.2 Both Parties shall remain liable for any losses or liabilities incurred due to their own or their employee's actions and neither Party intends that the other Party shall be liable for any loss it suffers as a result of this Memorandum of

Understanding save for situations where losses are suffered due to the negligence or breach of this MOU by the other Party.

9. Status

- 9.1 This Memorandum of Understanding is intended to be legally binding between the Parties.
- 9.2 Nothing in this Memorandum of Understanding is intended to, or shall be deemed to, establish any partnership or joint venture between the Parties, constitute either Party as the agent of the other Party, nor authorise either of the Parties to make or enter into any commitments for or on behalf of the other Party.

10. Governing law and jurisdiction

- 10.1 This Memorandum of Understanding shall be governed by and construed in accordance with English law and, without affecting the escalation procedure set out in clause 5, each Party agrees to submit to the exclusive jurisdiction of the courts of England and Wales.

Signed for and on behalf of Tees Valley
Combined Authority

Signature:

Name:

Position:

Date:

Signed for and on behalf of Middlesbrough
Council

Signature:

Name:

Position:

Date:

CONTACT POINTS

Authority One

Name:

Office address:

.....

Tel No:

E-mail Address:

Authority Two

Name:

Office Address:

.....

Tel No:

E-mail Address:

Appendix 1

The TVIZ Programme

Overview

The Tees Valley Investment Zone programme will increase inward investment, productivity and jobs in the region's digital and creative technology sectors across the Tees Valley. The Investment Zone will seek to bolster the region's strength with investment in infrastructure, skills and workforce development, business support, planning and research and innovation. The Investment Zone is primed to help create more than 2,000 jobs and, potentially, unlock £175million of investment by 2034.

Objectives

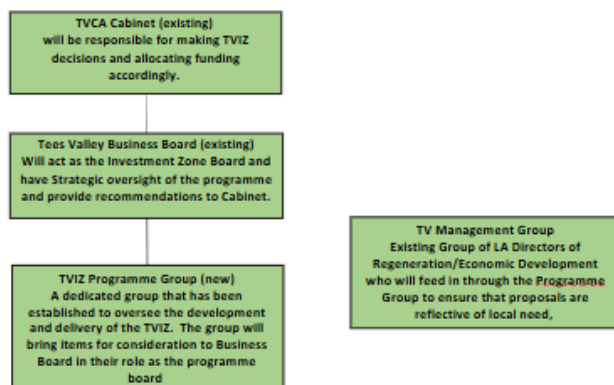
TVIZ has 5 objectives - business support, infrastructure, research and innovation, crime & safety and planning.

The £80m flexible TVIZ funding is being spent on a number of interventions as indicated below:

- Business Support
- Infrastructure and Place
- Research and Innovation
- Crime and Safety
- Planning

Governance

The TVIZ governance will follow the processes set out in the existing TVCA Assurance Framework and is set up as follows:



Appendix 2

BRR Reinvestment Strategy

Section 1: Background

Business Rate Retention

As part of the TVIZ Programme, two Business Rate Retention (BRR) sites have been identified with a total area of 198.3 Ha. These sites will enable the region to benefit from 100% retention of business rates growth over an agreed baseline, for a period of 24 years from 1 April 2025. The rates are retained 50% by Authority One and 50% by Authority Two. The TVIZ BRR Sites identified are town centre focused located in Middlesbrough and Hartlepool and are therefore inherently underdeveloped and underutilised land and property, which will be developed to increase occupancy and subsequent business density, and some brownfield undeveloped land. The retention of business rates in these areas, will provide a source of income to invest in the bespoke IZ Programme activity for longer, leveraging further impacts from the initial TVIZ flexible funding investment.

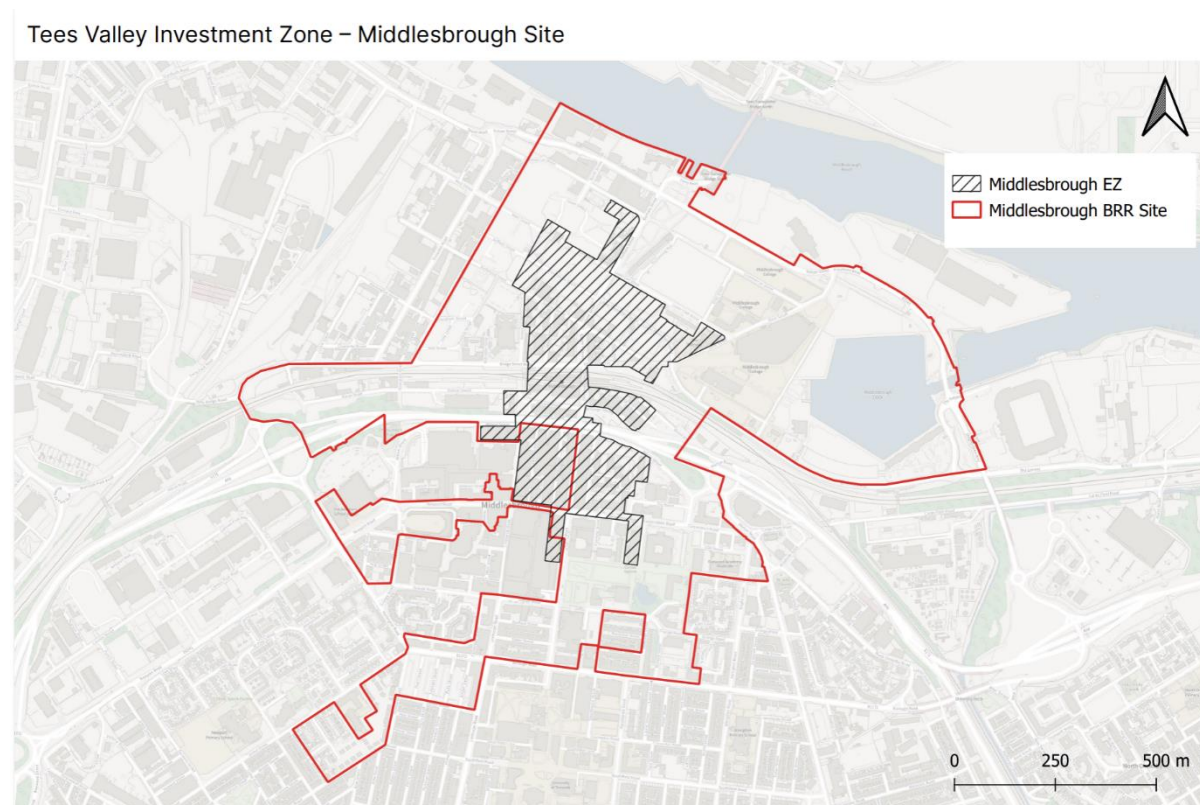
Retained Business Rates will be utilised to deliver against the Programme Objectives as follows:

- **Infrastructure and place** – Ongoing revenue support may be required for TVIZ capital investments such as incubator and grow on space. There may also be the need to invest in smaller scale infrastructure projects where there is a demonstrable strategic and economic need that is clearly linked to the target sector and cluster.
- **Business support** –we foresee a slightly lower proportion of BRR revenue going into business support compared to the current proportion of 64%. As the sector and clusters grow and strengthen it is envisaged that the R&I support will be increased. However, business support will continue to be required for the full 24 years to ensure that new and existing businesses in the sector and wider ecosystem continue to receive dedicated and specialist business support to help them grow and thrive.
- **R&I** – As above, we foresee a higher proportion of BRR revenue going into Research & Innovation activity compared to the current proportion of 12%. Continued support will be required for businesses to support innovation and digitisation.
- **Planning** – It is envisaged that the planning service will be self-sufficient within the first 5 years and therefore it is unlikely that BRR funding will need to be invested in planning. However, if funding is still required, Authority One has the ability to reinvest Additional Business Rates against this objective.

For the purposes of this MOU, the IZ BRR Site is the area known as the Middlesbrough Investment Zone BRR Site which is defined in the Order and shown for identification purposes edged in red on the plans below where there are existing cluster/s focused on the priority sectors.

The identified BRR Site will generate significant Additional Business Rates income over the next 24 years with a projected income of £43.77 by 2048/49.

Location Map



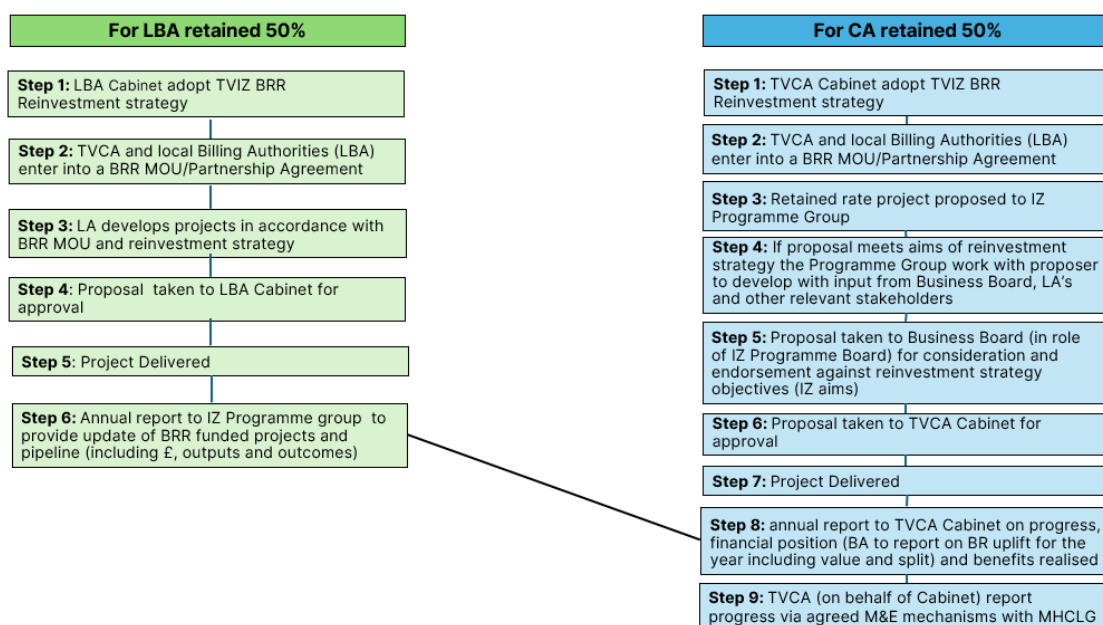
Section 2 - Principles

1. Authority Two as the relevant Billing Authority, agrees to continue to collect business rates for the area including the areas of the IZ BRR Site, for which it is currently responsible.
2. Authority Two is enabled by the Order to retain 100% of the Business Rates over the Agreed Baseline Position for 24 years from 1 April 2025, for the areas of the BRR Site, for which it holds billing responsibilities.
3. Authority Two agrees that within 10 Working Days of the submission deadline for the NNDR3 return they will calculate the value of business rates over the Agreed Baseline (as detailed in **Appendix 3**) for the BRR Site (being the Additional Business Rates), using the NNDR3 (National Non-Domestic Rates return that Billing Authorities are required to submit to MHCLG), and inform Authority One of this calculation.
4. Following the calculation by Authority Two pursuant to paragraph 2 above, Authority Two agree to pay to Authority One 50% of the Additional Business Rates in respect of the BRR Site within 14 days of receipt of an invoice from Authority One in respect of the Additional Business Rates.

5. The retention of Additional Business Rates in respect of the BRR Site will provide a source of income to invest the Programme Objectives as set out in Appendix 1, leveraging further impacts from the initial £80m flexible funding investment whilst addressing key constraints and unlocking opportunities for the IZ priority sectors. Reinvestment must be in line with these objectives.
6. Deployment of the BRR funding will be made in line with the locally agreed principles as set out below (which has been agreed by Authority One and Two's Cabinets or Executive (as the case may be)) and where relevant, elsewhere in this MOU

Section 3 – process

Process map:



Authority Two retained Additional Business Rates process:

- **Step 1** – Authority Two's Cabinet or Executive, or relevant Committee with the necessary delegated authority (as the case may be) adopts Business Rate Retention Reinvestment Strategy for the BRR Site.
- **Step 2** – Authority Two enter a Memorandum of Understanding with Authority One which sets out the terms, principles and practices that will apply to the working relationship regarding the delivery and administration of the Business Rate Retention Reinvestment Strategy. This will include what the Additional Business Rates can be used for, how decisions are made, how projects are monitored and evaluated, how performance data is to be shared. The Memorandum of Understanding will also include how this partnership will work, including how any issues are escalated back up the IZ governance structure to Combined Authority level through robust reporting structures. The

Memorandum of Understanding will agree a regular meeting schedule between all Parties to discuss BRR matters.

- **Step 3** – Authority Two develops projects locally that comply with the Memorandum of Understanding and the Business Rates Retention Reinvestment Strategy.
- **Step 4** – BRR funded project proposals will be taken to Authority Two's Cabinet or Executive (as the case may be) for approval. This locally made investment decision, managed by the existing Local Authority procedures and constitution, mitigates any conflict from commercial interests on the proposal and ensures local buy-in, when selecting and approving the use of public funds.
- **Step 5** – BRR funded project delivered locally. If required, an agreement will be put in place with the proposer to formalise approval, reporting requirements, eligibility of spend, KPI's, key milestones etc. Authority Two will deliver project in line with their agreement.
- **Step 6:** Authority Two to submit annual reports to Authority One to demonstrate how funding/Additional Business Rates have been used from their 50% share, project pipeline, realised outcomes/outputs and compliance with the Business Rates Retention Reinvestment Strategy /their original proposal. This will feed into wider TVIZ level monitoring and evaluation.

TVCA retained rates process:

- **Step 1** – TVCA Cabinet adopt Business Rates Retention Reinvestment Strategy for the BRR Sites.
- **Step 2** – Authority One and Authority Two enter a Memorandum of Understanding which sets out the terms, principles and practices that will apply to the working relationship between them regarding the delivery and administration of the Business Rates Retention Reinvestment Strategy. This will include what the Additional Business Rates can be used for, how decisions are made, how projects are monitored and evaluated, how performance data is to be shared and escalated if required. The Memorandum of Understanding will also include how this partnership will work, including how any issues are escalated back up the TVIZ governance structure to Combined Authority level through robust reporting structures.
- **Step 3** – Expression of interest where relevant for BRR funded projects will go to the TVIZ Programme Group (as defined in governance section of Appendix 1) for consideration. This will go through an initial eligibility check to ensure it is compliant with Business Rates Retention Reinvestment Strategy before they are developed further in step 4.
- **Step 4** – BRR funded projects are developed in partnership with relevant partners and stakeholders (such as LAs, specialist Business Board members, Tees Valley Management Group and Teesside University) as part of the TVIZ

Programme Group – utilising insights, intelligence ensuring additionality to other IZ intervention activity.

- **Step 5** – BRR funded project proposals are taken to Tees Valley Business Board for endorsement against the reinvestment strategy before they progress to step 6 for the final decision. The Business Board are responsible for strategic oversight and act as the Programme Board, ensuring that recommendations and decisions are rooted in the business needs of the target sector and clusters.
- **Step 6** – BRR project proposals taken to TVCA Cabinet for approval in accordance with Tees Valley Assurance Framework.
- **Step 7** – BRR funded projects delivered locally. If required, an agreement will be put in place with the proposer to formalise approval, reporting requirements, eligibility of spend, KPI's, key milestones etc. Proposer will deliver project in line with their agreement. They will work closely with the TVIZ Programme Manager to ensure that any issues are picked up and escalated through the IZ governance structure to CA level including regular catch-up meetings. They will need to submit annual returns to demonstrate how funding has been used, realised outcomes/outputs and compliance with the Business Rates Retention Reinvestment Strategy /their original proposal. This will feed into wider TVIZ monitoring and evaluation.
- **Step 8**– An annual report to Authority Two's Executive or Cabinet (as the case may be) and TVCA Cabinet on progress, financial position (incorporating annual report information from LBAs) to report on business rate uplift for the year including value and split) and benefits realised.
- **Step 9**– BRR monitoring information to be fed through to MHCLG in accordance with the Memorandum of Understanding, and in line with wider TVIZ M&E requirements and processes.

Appendix 3

Agreed Baseline Position

The Agreed Baseline for the full TVIZ BRR site is as follows:

	Small business rates multiplier	Standard business rates multiplier	Total
Designated Area baseline	2,076,915	4,785,373	6,862,288

During the period 01.04.25 to 31.03.41, this Agreed Baseline is reduced to take into account the value of the BRR site that is already covered by an existing DA area as set out below:

	Small business rates multiplier	Standard business rates multiplier	Total
Designated Area baseline	2,076,915	4,785,373	6,862,288
(-deduct) Value of the proposed BRR site that is already covered by an existing DA area	-871,045	-859,570	-1,730,615
BRR site baseline less shared hereditaments	1,205,870	3,925,803	5,131,673

This is also set out in:

[The Non-Domestic Rating \(Designated Areas\) Regulations 2025](#)

Numbered map (Column 1)	Designated area (Column 2)	Billing authority (Column 3)	Value of J (£) (see paragraph 8 of Schedule 2) (Column 4)	Value of N (£) (see paragraph 8 of Schedule 2) (Column 5)
5	Tees Valley Investment Zone —Middlesbrough Site	Middlesbrough Council	1,205,870	3,925,803

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MIDDLESBROUGH COUNCIL	
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Report of:	Director of Environment and Community Services – Geoff Field
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Relevant Executive Member:	Executive Member for Neighbourhoods - Cllr Ian Blades
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Submitted to:	Executive
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Date:	12 November 2025
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Title:	TS1 PSPO Extension - Consultation Results
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Report for:	Decision
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Status:	Public
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Council Plan priority:	Safe and resilient communities
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Key decision:	Yes
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Why:	Decision(s) will have a significant impact in two or more wards
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Subject to call in?	No
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Why:	The decision is not subject to call in as the call in procedures and steps to be taken may result in the Current Extension Order expiring which would prevent any further Extension to the PSPO for the TS1 Area of Middlesbrough being made. Therefore, the decision is to be implemented as soon as practicable and call-in is not possible.
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Proposed decision(s)
That Executive approve the request to extend the Public Space Protection Order (PSPO) that covers the TS1 area for a further 3 years from the 25 November 2025

Executive summary
The current TS1 PSPO will expire on 25th November 2025. This report provides an overview of the analysis from the formal consultation that was carried out in accordance with the statutory consultation requirements for extending or implementing a Public Space Protection Order (PSPO).

This report provides an overview of the consultation undertaken and its findings and provides Executive with information it needs to consider in order to make an informed decision on whether to extend the current order for a further 3 years or not.

The consultation proposed that the PSPO continues to cover the following areas in the TS1 locality for a further 3 years:

- Drinking Alcohol in public
- Littering
- Begging
- Skate boarding, using scooters, skates or bikes (including mechanically propelled bikes or vehicles) in such a way as to be a nuisance to others or cause damage to property
- Spitting
- Urinating or defecating
- Gangs of more than three causing harassment alarm or distress
- Verbal abuse and threatening and intimidating behaviour
- Dog control (including dogs to be required on leads, dog fouling and having control of more than four dogs)
- Rummaging in bins
- Appropriating monies for charitable or other purposes without a licence including asking members of the public to sign up to schemes.

The Consultation supports the extension of the PSPO for a further 3 years.

Purpose of this report and its contribution to the achievement of the Council Plan ambitions

1.1 To request that Executive approve the request to extend the Public Space Protection Order (PSPO) that covers the TS1 area. The current PSPO will expire on 25th November 2025.

1.2 Having a wide range of tools and powers available enables enforcement teams to utilise appropriate measures to tackle the issues within the town centre and wider TS1 area. Whilst there are other tools and powers available, the PSPO is still a valuable tool for officers to have.

Our ambitions	Summary of how this report will support delivery of these ambitions and the underpinning aims
A successful and ambitious town	- attract and grow businesses to increase employment opportunities
Safe and resilient communities	- reduce crime and anti-social behaviour

2. Recommendations

2.1 That Executive

2.2 Approve the request to extend the Public Space Protection Order (PSPO) that covers the TS1 area for a further 3 years from the 25 November 2025

3. Rationale for the recommended decision(s)

3.1 The current PSPO will expire on 25th November 2025.

3.2 The consultation supported the extension of the PSPO in the TS1 area for a further 3 years

3.3 The content of the report provides enough information to satisfy Executive, on reasonable grounds, that the extension is necessary to prevent the occurrence or recurrence of the activities prohibited or restricted in the Order or to prevent an increase in frequency or seriousness of those activities if the Order was to expire.

4. Background and relevant information

4.1 PSPO's may be determined by a Local Authority where it is satisfied that two conditions are met:

- a. It is likely that activities in a public place within the Authorities area have had, or will have, a detrimental effect on the quality of life of those in the locality.
- b. The effect of those activities is, or is likely to be, of a persistent or continuing nature: as such as to make the activities unreasonable and that the effect of likely effect of the activities justify proposed prohibitions.

4.2 A PSPO may not have effect for longer than three years, however it can be extended more than once if required.

4.3. The current PSPO prohibits a list of actions within the designated area. The prohibited actions are listed below and can be subject to a fine.

- Drinking Alcohol in public
- Littering
- Begging
- Skate boarding, using scooters, skates or bikes (including mechanically propelled bikes or vehicles) in such a way as to be a nuisance to others or cause damage to property
- Spitting
- Urinating or defecating
- Gangs of more than three causing harassment alarm or distress
- Verbal abuse and threatening and intimidating behaviour

- Dog control (including dogs to be required on leads, dog fouling and having control of more than four dogs)
- Rummaging in bins
- Appropriating monies for charitable or other purposes without a licence including asking members of the public to sign up to schemes.

4.4 To extend the PSPO the Executive must be satisfied on reasonable grounds that the extension is necessary to prevent the occurrence or recurrence of the detrimental activities or to prevent an increase in the frequency or seriousness of those activities.

4.5 The current PSPO came into effect on 26 November 2022 for a period of three years. It will therefore expire on 25th November 2025.

4.6 The formal consultation on the extension of the PSPO ran for a 2 week period starting on 03/10/2025 until 17/10/2025. The consultation was publicised via local media links as well as being prevalent on the Councils website, letters were sent to all key stakeholders and posters were displayed in public buildings alongside prominent signage displayed in various locations. To maximise publicity and encourage participation we also:

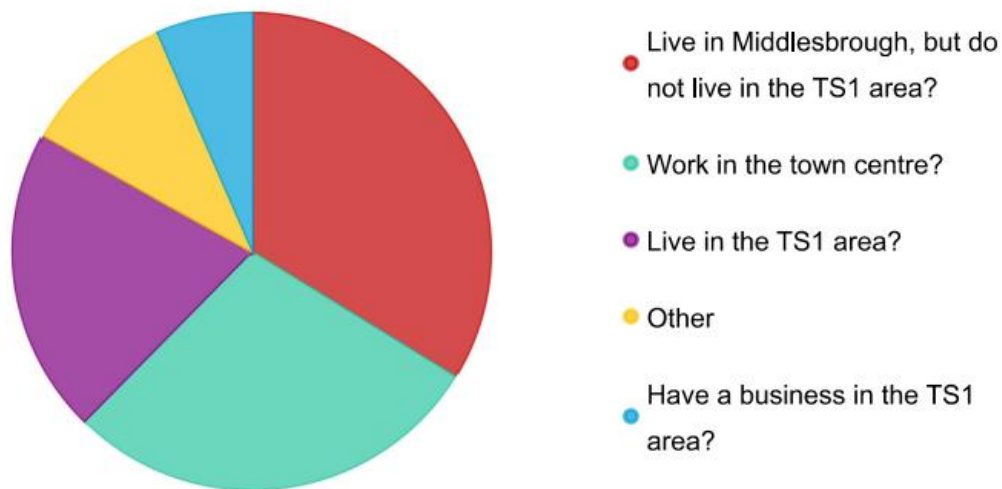
- a. Produced a short online questionnaire
- b. Encouraged feedback via a dedicated email address.
pspo@middlesbrough.gov.uk and
- b. Made questionnaires available within the community hubs across the town

4.7 To make sure we did not raise residents' expectations; we made it clear that the consultation was just that and asked for the public's views on extending the order. The consultation included questions whether the public consider the activities listed as prohibitions to be detrimental, whether they consider that the activities continue to occur and if they consider the extension of the Order would remove or reduce the risk of the detrimental effect of those activities.

4.8 Consultation Results

4.9 The results of the consultation have shown that there is strong support for an extension of the PSPO.

4.10 The total number of respondents was **77**. The makeup of the respondents can be seen below.



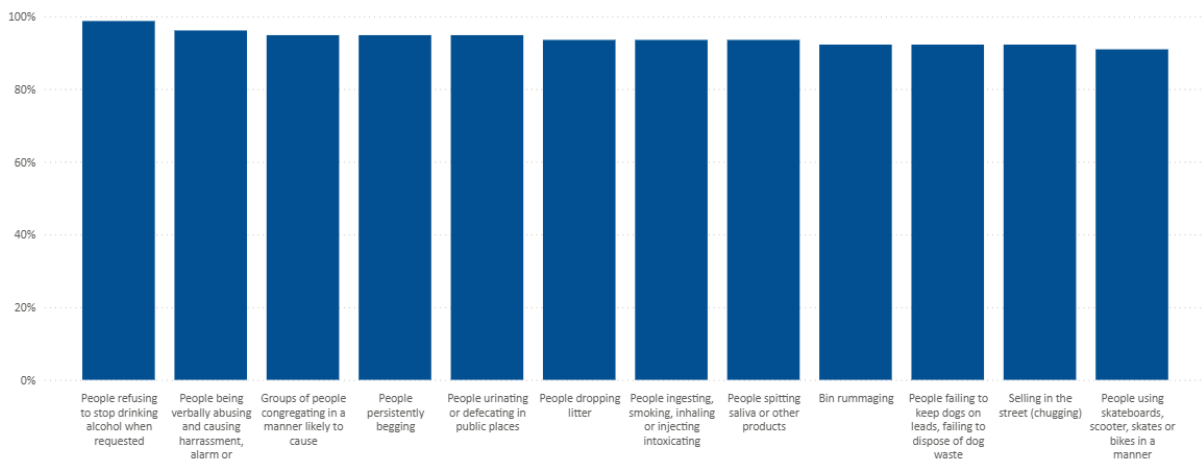
4.11 All respondents were either very concerned, concerned or a little concerned about anti-social behaviour in the TS1 area. This is an increase of **2.45%** from the previous consultation period.

4.12 In response to question 3 – ‘Do you agree that the PSPO should be extended?’, the following results were obtained:

- Overall, **94.81%** agreed that the PSPO should be extended, with **3.9%** disagreeing and **1.29%** choosing not to answer.
- **100%** of respondents who have a business in the TS1 area agreed the PSPO should be extended.
- **100%** of respondents who live in the TS1 area agreed the PSPO should be extended.
- **100%** of respondents who work in the town centre agreed the PSPO should be extended.

4.13 Question 4 outlined the current issues that are included in the PSPO and gave the opportunity for respondents to agree or disagree with the continued inclusion of said issues. The percentage of respondents who agreed per issue can be seen in the graph below.

Percentage of Agreement with the Inclusion of Issues Outlined in Question 4



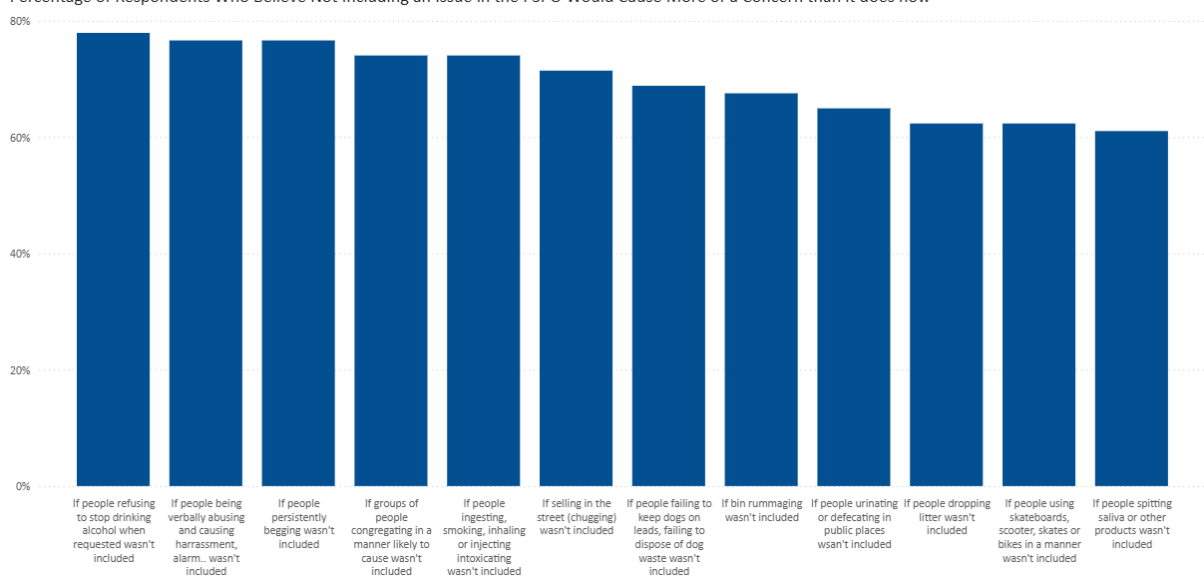
4.14 A total of **12** issues were outlined and over **90%** of respondents agreed that each issue should still be included in the PSPO.

4.15 Respondents were also asked to comment on each issue and say if not included in the PSPO if they felt it would:

- Become more of a concern than it is now
- Cause the same concern as it does now
- Become less of a concern than it is now
- Not an issue in the TS1 area
- Or other.

4.16 The below graph shows each issue and the percentage of all respondents who thought the issue would become more of a concern than it is now if the issue was not included in the PSPO.

Percentage of Respondents Who Believe Not Including an Issue in the PSPO Would Cause More of a Concern than it does now



4.17 For all **12** issues, more than **60% agreed** that for each one that if not included it would become more of a concern than it already is. People spitting saliva or other products

had the least percentage of respondents agreeing at **61.04%**, and People refusing to stop drinking alcohol when requested received the highest percentage of respondents agreeing it would cause more of an issue with **77.92%**. The next two issues that respondents felt if not included would cause more of a concern were: People being verbally abusive and causing harassment, alarm and distress (**76.62%**) and People persistently begging (**76.62%**).

4.18 Respondents were also given the opportunity to leave comments, some of the themes are set out below:

- Comments are further views on the agreement on the main issues i.e. begging, alcohol, drugs, and youth ASB.
- Consideration of the extension to other areas in the future for areas in Middlesbrough that face similar issues with respondents suggesting TS5, North Ormesby, top of Linthorpe Road/residential area.
- Police and Warden presence needs to be increased, with more proactive patrols, possibly some work around communication of enforcement.
- Suggestion of officers taking 'their office with them' by using laptops in their vehicles. Also, an increase in CCTV operatives would enable more proactive and reactive monitoring.
- Respondents would like to see more enforcement of the powers.
- Respondents to this survey also felt that the fear of crime is higher in the TS1 area.

4.19 The points set out in 4.18 above will be considered as part of operational planning and a further report will be brought to Executive with regards to further use of CCTV in support of the PSPO in the town centre and the wider TS1 area.

5. Ward Member Engagement if relevant and appropriate

5.1 All ward members in the TS1 area have been engaged prior to the consultation starting in the first instance as they are directly impacted.

5.2 All elected members within Middlesbrough were also contacted as part of the engagement exercise and asked for their valuable feedback as part of the process.

6. Other potential alternative(s) and why these have not been recommended

6.1 That the PSPO is not extended. This is not recommended as there is still a high level of crime and antisocial behaviour in the TS1 area and the current Order gives powers to the Local Authority to act regarding the prohibited behaviour. If the order is not made the activities would reoccur or would increase in frequency or seriousness to the detriment of the community and the public.

7. Impact(s) of the recommended decision(s)

Topic	Impact
Financial (including procurement and Social Value)	The cost implementing the PSPO will be minimal and it will be covered through existing budgets.
Legal	Legal have been consulted during the production of this report. Under Section 60(2) of the Anti-Social Behaviour, Crime and Disorder Act 2014 a Public Spaces Protection Order can be extended for a period of up to three years and can be extended more than once under S60(4) on the grounds that the activities prohibited in the Order are likely to occur or recur or increase in frequency or seriousness if the extension order was not made. Consultation is a statutory requirement and has been carried in accordance with the Act and Government Guidance. If made the activities listed in the Order will be prohibited and if any person carries out those activities, they will be liable to a fixed penalty notice or prosecution. If the Order is not made those activities which have been found to be detrimental to the public will not be restricted. If approved a formal Order will be sealed and publicised in accordance with the Act and Regulations made under it.
Risk	Risk is low as this is an extension to an existing piece of legislation. The grounds for making the order should be made out for it to be made, otherwise the Order can be challenged by Judicial Review, or a prohibited activity can be challenged during a prosecution however, the report sets out how the grounds are met. If the current extension order expires before the second extension order is made, the PSPO cannot be extended. This will result in those activities which have found to be detrimental being allowed to continue without the protection and deterrent of the Order. A new Order would have to be considered and consulted upon which would result in a significant period of time whereby the public are not protected against the activities set out in the Order. The Order is part of a suite of actions the Council can take to tackle and prevent anti-social behaviour under the Act. Without the Order crime and anti-social behaviour may increase which may lead to poor perceptions of Middlesbrough as a place to live, work and visit resulting in an impact on the economy of the town, negative image on town's image and potential missed investment opportunities.
Human Rights, Public Sector Equality Duty and Community Cohesion	The Council is mindful of concerns relating to equality and human rights relating to the policy on PSPO's. Fines have been kept to a minimum and training is focused on protecting people from harassment alarm and distress whilst also signposting people to help where appropriate.

Reducing Poverty	Poverty is significant factor in the planning phase of neighbourhood working and enforcement is always a last resort. The PSPO allows for a warning to be given in most cases prior to issuing a fine and this will assist with changing behaviour without the need to issue a financial penalty in most cases.
Climate Change / Environmental	The PSPO is in place to encourage people to be more responsible and to put rubbish in the bin rather than to drop litter. This will help improve our environment.
Children and Young People Cared for by the Authority and Care Leavers	Having a safer town centre will provide a safer place for all visitors to enjoy, including young people.
Data Protection	Data is held, stored and processed in line with strict processes and staff are trained regularly.

Actions to be taken to implement the recommended decision(s)

Action	Responsible Officer	Deadline
Publish Order on Council Website	Marion Walker, Head of Neighbourhoods	25/12/2025
Update PSPO information on Council website	Marion Walker, Head of Neighbourhoods	25/12/2025
To bring a further report to Executive with regards to further use of CCTV in support of the PSPO in the town centre and the wider TS1 area	Marion Walker, Head of Neighbourhoods	31/03/2025

Appendices

1	Draft PSPO Extension Order
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Background papers

Body	Report title	Date
https://intranet-moderngov.middlesbrough.gov.uk/documents/q8153/Public%20reports%20pack%2015th-Nov-2022%2013.00%20Executive%20Member%20for%20Neighbourhood%20Safety.pdf?T=10	Results of consultation and proposal to extend and vary the TS1 Public Space Protection Order	15/11/2022
Original PSPO for the TS1 area (2019)(PDF, 1.03 MB)	PSPO Order 2019	2019
Extension to the PSPO for the TS1 area (2022)(PDF, 1.11 MB)	PSPO Order	2022

Contact: Marion Walker, Head of Neighbourhoods

Email: marion_walker@middlesbrough.gov.uk

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ANIT-SOCIAL BEHAVIOUR CRIME AND POLICING ACT 2014 PART 4 SECTION 59
and 60

MIDDLESBROUGH BOROUGH COUNCIL

TS1 AREA OF THE BOROUGH

EXTENSION NO.2 - PUBLIC SPACES PROTECTION ORDER 2025

1. This Order is made by Middlesbrough Borough Council (“the Council”) under Section 60 of the Anti-Social Behaviour Crime and Policing Act 2014 (“the Act”) and shall be cited as Middlesbrough Borough Council TS1 Area of the Borough Extension No 2 Public Spaces Protection Order (“the Second Extension Order”).
2. On the 28 October 2019 Middlesbrough Borough Council made the Middlesbrough Borough Council Public Spaces Protection Order TS1 Area of the Borough which was cited as the Middlesbrough Council TS1 PSPO (hereinafter referred to as the “TS1 PSPO”).
3. The TS1 PSPO Order came into effect on the 26 November 2019 and was to continue in force for a period of three years.
4. On 23 November 2022 Middlesbrough Borough Council made the Middlesbrough Borough Council TS1 Area of the Borough Extension and Variation Public Spaces Protection Order 2022 (hereinafter referred to as “the Extension and Variation Order”).
5. The Extension and Variation Order came into effect on 25 November 2022 and was to continue for a period of three years.
6. The Second Extension Order shall come into effect on the 24 November 2025 and will continue in force for a period of three years.
7. The Second Extension Order shall be read with and form part of the TS1 PSPO and the Extension and Variation Order and will extend the provisions and requirements of the TS1 PSPO and the Extension and Variation Order, for a period of three years commencing on the 24 November 2025.

EXTENSION

8. The Council in making the Second Extension Order is satisfied on reasonable grounds that extension of the TS1 PSPO and the Extension and Variation Order for a period of three years is necessary to prevent
 - (a) occurrence or recurrence after its expiration of the prohibited activities identified in Article 1 of the TS1 PSPO and Article 10 of the Extension and Variation Order which are repeated and set out in the Appendix to this Order, or

(b) an increase in the frequency or seriousness of those prohibited activities identified in the TS1 PSPO and the Extension and Variation Order.

9. The prohibited activities identified in Article 1 of the TS1 PSPO and Article 10 of the Extension and Variation Order, summarised in Article 10 below and set out in full in the Appendix to this Order, had a detrimental effect on the effect of the quality of life of those in the locality of the TS1 area of the Borough, were likely to be of a persistent and continuing nature, were likely to make those activities unreasonable and therefore prohibitions and restrictions imposed by the TS1 PSPO and the Extension and Variation Order were justified.

10. The prohibited activities identified in Article 1 the TS1 PSPO and Article 10 of the Extension and Variation Order are summarised as follows

- 10.1 *people urinating or defecating in public places*
- 10.2 *people spitting saliva or products*
- 10.3 *people refusing to stop drinking alcohol when requested by the police or authorised officers in public places otherwise than covered by an authorisation under the Licensing Act 2003*
- 10.4 *People failing to keep dogs on leads, failing to dispose of dog waste and being in charge of more than four dogs at the same time*
- 10.5 *people dropping litter*
- 10.6 *people being verbally abusive and causing harassment alarm or distress to others*
- 10.7 *people using skateboards, scooters, skates, bikes in a manner that causes damage to property of nuisance and annoyance to others*
- 10.8 *people ingesting smoking inhaling injecting intoxicating substances*
- 10.9 *Groups of people congregating in a manner likely to cause harassment alarm or distress to others*
- 10.10 *people persistently begging*
- 10.11 *rummaging in bins*
- 10.12 *appropriating monies for charitable or other purposes without a licence including asking members of the public to sign up to schemes.*

11. The prohibited activities are set out in full the in the Appendix to this Order

Failure to Comply with the Prohibitions and Restrictions in the TS1 PSPO and the Extension and Variation Order

11. If a person without reasonable excuse fails to comply with TS1 PSPO or the Extension and Variation Order he / she commits an offence under Section 67 of the Act and is liable on summary conviction to a maximum penalty of a level 3 fine. A person does not commit an offence by failing to comply with the TS1 PSPO or the Extension and Variation Order if the Council did not have the power to include the prohibition or requirement breached by that person in the TS1 PSPO.

12. Under Section 63 of the Act, if a person without reasonable consumes alcohol in breach of the prohibition in the TS1 PSPO or intends to consume alcohol in which doing so would be a breach of such a prohibition a police officer or authorised officer can require that person to not consume alcohol or surrender

the what is reasonably believed to be alcohol or container for alcohol which can be disposed of. The police officer or authorised person must explain that failing to comply without reasonable excuse is an offence. If a person does fail to comply with such a requirement he commits an offence and is liable on summary conviction to a fine not exceeding level 2 on the standard scale.

13. The Council through its Authorised Officers may issue a fixed penalty notice for a breach of TS1 PSPO and / or the Extension and Variation Order for a sum of up to £100 under Section 68 of the Act and if paid within the period of time set out in the Fixed Penalty Notice the person can avoid criminal liability under Section 67 as set out above.

GIVEN UNDER the Common Seal of the Council this xxxxxxxxxx day of xxxxxxxx

THE COMMON SEAL of the
Council of the Borough of Middlesbrough
Was hereunto affixed in the presence of

Authorised Officer

ANIT-SOCIAL BEHAVIOUR CRIME AND POLICING ACT 2014 PART 4 SECTION 59
and 60

MIDDLESBROUGH BOROUGH COUNCIL

TS1 AREA OF THE BOROUGH

EXTENSION NO.2 - PUBLIC SPACES PROTECTION ORDER 2025

APPENDIX

PROHIBITED ACTIVITIES

The Order applies to the public areas shown delineated by the red line on the plan/map annexed to this Order ("the Restricted Area"):

- 1.1. No person shall urinate or defecate in a public place. This includes the doorway or alcove of any premises to which the public has access.
- 1.2. No person shall spit saliva or any other product from the mouth onto the ground without making an attempt to collect or remove the saliva or product in a public place. This includes the doorway or alcove of any premises to which the public has access.
- 1.3. No person shall refuse to stop drinking alcohol (unless they are in a licensed premises or at a venue where a temporary event licence is in place) or hand over any containers (sealed or unsealed) which are believed to contain alcohol, when required to do so, by an authorised officer in order to prevent public nuisance or disorder.
- 1.4. Any person in charge of a dog within the Restricted Area shall be in breach of this Order if he/she:
 - Fails to keep the dog on a lead and under physical control at all times, except in an authorised dog exercise area,
 - Is found to be in charge of more than four dogs at the same time whilst in a public place, or
 - Allows the dog to foul in a public place and then fails to remove the waste and dispose of it in an appropriate receptacle.

The provisions relating to the control of dogs shall not apply to any person who is registered blind in accordance with Section 29 of the National Assistance Act 1948, to any person who is deaf and in charge of a dog

trained by Hearing Dogs for Deaf People and to any person suffering a disability and in charge of a dog trained to assist with their disability and the dog has been trained by a prescribed charity

1.5 No person shall throw down, drop or otherwise deposit any litter in any place in the Restricted Area, which is open or accessible to the public or anywhere they have access unless the deposit is made in the appropriate receptacle for doing so.

1.6 No person shall be verbally abusive to any person or behave in a way which causes or is likely to cause harassment, alarm or distress to another person.

1.7 No person shall ride a skateboard, scooter, skates or bicycle or other self-propelled wheeled vehicle or mechanically propelled wheeled vehicle in such a manner as to cause damage to property or nuisance or annoyance to other persons in the area.

1.8 No person shall ingest, inhale, inject, smoke or otherwise use intoxicating substances

- Intoxicating Substances is given the following definition (which includes alcohol and what are commonly referred to as 'legal highs'): substances with the capacity to stimulate or depress the central nervous system.

- Exemptions shall apply in cases where the substances are used for valid and demonstrable medicinal use. Cigarettes, Vaporisers or food stuffs regulated by Food, Health and Safety legislation (excluding Alcohol, this is covered by 1.3 of this Order)

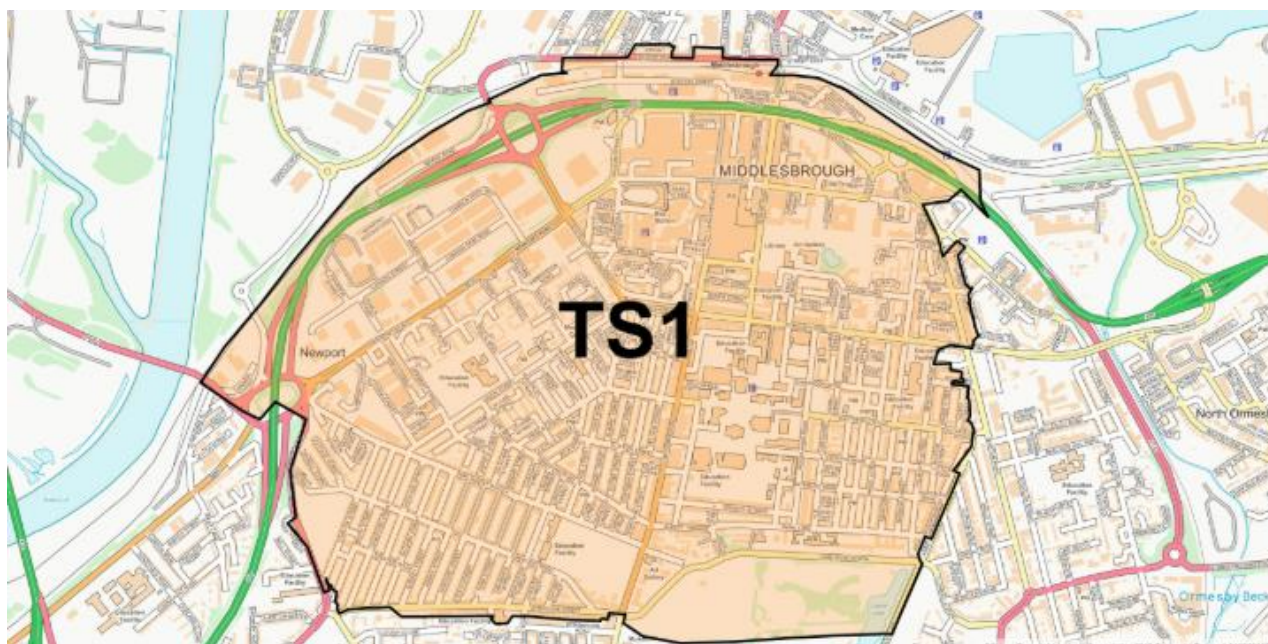
1.9 No person shall congregate in a group of three or more persons acting in a manner that is likely to cause harassment, alarm or distress within the Restricted Area following a request from an Authorised Person that the group must disperse on those grounds.

1.10 No person shall continue to beg or persistently beg in the Restricted Area following a request by an Authorised Person to stop.

1.11 No person shall rummage or search through any bin or similar

receptable in a public place

11.12 No person shall approach a member of the public or passers-by in a public place to ask for subscriptions or donations for charitable or similar purposes or schemes without having a licence or permit from the Council to do so.



MIDDLESBROUGH COUNCIL	
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Report of:	Director of Environment and Community Services – Geoff Field
Relevant Executive Member:	Executive Member for Neighbourhoods – Cllr Ian Blades
Submitted to:	Executive
Date:	12 November 2025
Title:	Warm Homes: Local Grant – Home Energy Efficiency Improvement Scheme
Report for:	Decision
Status:	Public
Council Plan priority:	A healthy place
Key decision:	Yes
Why:	Decision(s) will incur expenditure or savings above £250,000
Subject to call in?	Yes
Why:	Non-Urgent Report

Proposed decision(s)
That Executive: • APPROVES the Council taking part in the Warm Homes Local Grant Scheme. • APPROVES entry into associated agreements in relation to the grant. • NOTES that the scheme will be delivered by Darlington Borough Council on behalf of Middlesbrough Council. • NOTES that the Public Protection service will performance manage the grant usage of the scheme in Middlesbrough and report this to the Director of Environment and Community Services.

Executive summary
A consortium of Tees Valley Councils (Middlesbrough, Stockton on Tees, Redcar and Cleveland and Darlington), has been awarded £13.9m by the Department for Energy Security and Net Zero (DESNZ) to deliver home energy efficiency improvements and low carbon heating to low-income households in Tees Valley. The Warm Homes: Local Grant scheme will be targeted towards low-income households

and properties that have an Energy Performance Certificate (EPC) rating of D to G with the aim of improving EPC ratings to (at least) C.

Energy improvement measures will range from enhanced property insulation and thermal protection through to the installation of solar panels and air source heat pumps. Many households will qualify on postcode eligibility alone, which are the addresses in Income Deciles 1-2 of the Indices of Multiple Deprivation. Other residents may be able to qualify on their household income.

The scheme will be delivered over three years and will see a single energy provider being appointed to manage and deliver the scheme on behalf of the Tees Valley consortium. Darlington Borough Council are leading the scheme on behalf of the other authorities and will receive and administer the grant funding from DESNZ. Details of the energy provider are not being made public until contracts have been agreed.

The scheme aims to improve the energy performance of more than 700 homes across Tees Valley. There will be no direct minimum spend per property, but the scheme will see an average spend of around £12,400 per eligible property. In Middlesbrough the target number of properties to benefit from the scheme is a minimum of 150, which is dependent on the number of applications received and their eligibility to be included in the scheme, together with the costs incurred per property for energy improvement.

Purpose of this report and its contribution to the achievement of the Council Plan ambitions

1.1 The purpose of this report is to seek approval for the Council to take part in the Warm Homes Grant Scheme which will enable eligible residents to access funding to make their homes warm and safe to inhabit.

1.2 Use of the grant will have the following impacts on the Council Plan aims:

Our ambitions	Summary of how this report will support delivery of these ambitions and the underpinning aims
A successful and ambitious town	Enabling more people to live in houses of decent standard will contribute to actions that improve the overall health of the Council's population, enabling more people to be able to work in the town and more children to live in safe, warm homes, putting them in a better position to be able to achieve good educational outcomes.
A healthy Place	Use of the grant will support improved health and wellbeing, including reducing fuel poverty, improved thermal comfort and afford better housing standards.
Safe and resilient communities	Not applicable.
Delivering best value	Not applicable.

2. Recommendations

2.1 That Executive:

- **APPROVES** the Council taking part in the Warm Homes: Local Grant scheme.
- **APPROVES** entry into associated agreements in relation to the grant.
- **NOTES** that the scheme will be delivered by Darlington Borough Council on behalf of Middlesbrough Council.
- **NOTES** that the Public Protection service will performance manage the grant usage of the scheme in Middlesbrough and report this to the Director of Environment and Community Services.

3. Rationale for the recommended decision(s)

- 3.1 The proposed recommendation supports the Council's ambition to achieve a healthy place. To improve the energy efficiency of properties occupied by low-income households and properties that have substandard energy performance ratings.
- 3.2 The grant will improve energy performance in private residential dwellings to reduce fuel poverty and the health risks associated with poor energy protection, including risks linked to damp and mould. It will also make houses more cost-efficient to heat and create more sustainable dwellings.

4. Background and relevant information

- 4.1 The UK government has committed to partnering with combined authorities, local and devolved governments to deliver insulation measures and other improvements such as solar panels, PV batteries and low carbon heating. Their aim is to cut bills for families, reduce fuel poverty, and reduce carbon emissions in support of its net zero 2050 target.
- 4.2 The Warm Homes: Local Grant scheme is a government-funded scheme delivered by local authorities that will take the first steps to delivering on the ambitions of the Warm Homes Plan. It will provide grants for energy performance upgrades and low carbon heating to low-income households living in the worst quality, privately owned homes in England to achieve energy bill savings and carbon savings.
- 4.3 Middlesbrough Council, in partnership with Darlington Borough Council, Redcar and Cleveland Borough Council and Stockton on Tees Borough Council has been awarded Warm Homes grant funding of £13.9m. The scheme aims to improve the energy efficiency rating of around 700 homes in Tees Valley.
- 4.4 The four local authorities have been developing the Tees Valley scheme to ensure the requirements for administering the grant funded scheme are met. The scheme will be delivered by a single private energy provider, chosen through the NEPO framework, and who has a proven track record of delivering energy efficiency schemes. The provider will use its own workforce and local trades to identify properties that will benefit from home energy improvements, assess what energy efficiency measures can be made to dwellings and carry out works to improve energy efficiency rating to EPC 'C' or above. By working with an energy provider, who has extensive knowledge and experience delivering home energy improvements, this enables a more streamlined, cost-effective and manageable delivery of the scheme. A turnkey provider can handle the complexities

of delivering this large-scale programme of home improvements, deliver consistent services, address technical issues and supply issues effectively, as well as provide a single report on the delivery of scheme to consortium members. Should the delivery of the grant scheme be managed by the local authorities granted funding, this would significantly increase the demand on resources in each authority and as such may lead to the scheme not being viable.

4.5 There are three ways that properties can be approved for energy efficiency improvement works. These are:

- i. The household lives in a valid postcode that falls within eligible income deciles 1-2 of the Indices of Multiple Deprivation [Properties in Income Deciles 1-2 of the Indices of Multiple Deprivation in Middlesbrough are predominantly in postcode areas TS1, TS2, TS3, and TS4].
- ii. The household is in receipt of a specified means-tested benefit.
- iii. The household's gross annual income is below £36,000 (or the equivalent 'after housing costs' threshold for their household composition).

4.6 Darlington Council will coordinate and manage the grant funding on behalf of the consortium members and Middlesbrough Council's Public Protection Service will performance manage the grant usage in Middlesbrough and report this to the Director of Environment and Community Services.

4.7 All member authorities will receive a payment from the grant funding up to 15% of the total project spend to cover own costs in administering and the management of the scheme.

4.8 The average spend per property will be £12,400 and in Middlesbrough the scheme aims to see energy improvements made to, at least, 150 properties, although the actual number of properties supported will depend on the number of eligible applications received and the actual cost of works per property.

4.9 Applications can be made by owner-occupiers, landlords and tenants whose properties have an EPC rating of D, E, F or G and/or properties located with specified postcodes.

4.10 The scheme will be promoted through various media channels and through direct contact with residents and landlords.

5. Ward Member Engagement if relevant and appropriate

5.1 There has been no member engagement up to this stage. It is our intention to engage with members following approval of the grant by Executive.

6. Other potential alternative(s) and why these have not been recommended

6.1 Not to approve Middlesbrough's involvement in the delivery of the Warm Homes: Local Grant scheme. This decision is not recommended due to the benefits the scheme will bring to low-income households and the investment in housing stock in Middlesbrough.

6.2 Many local authorities have taken a consortium approach when applying for grant funding for local home improvements. This approach enables authorities to benefit from economies of scale, maximum the amount of grant funding that could be awarded, effectively engage with a single turnkey provider and deliver the scheme on a large scale. Darlington Council has developed considerable experience in the delivery of home energy improvement schemes, alongside Stockton on Tees and Redcar & Cleveland and by joining with these Councils it has enabled Middlesbrough Council to offer a home energy improvement scheme that will benefit local people, particular those in low-income households.

7. Impact(s) of the recommended decision(s)

Topic	Impact
Financial (including procurement and Social Value)	There are no negative impacts of the scheme. The scheme will see investment in housing stock, improvement in energy efficiency, reduction in the impact of fuel poverty and a higher standard of rental dwellings. The costs of the scheme will be met by the grant. Any cost to Middlesbrough in terms of resources to approving grants to individual properties will be met by the scheme.
Legal	The Council will be subject to the terms of the grant agreement and the terms of the contract in place with Darlington Council to administer the grant on the Council's behalf.
Risk	The application of the scheme will provide funding for those in most need to be able to stay in their homes and for their homes to be of a decent standard, reducing the likelihood of people living in cold, damp homes which can be a contributing factor to ill health.
Human Rights, Public Sector Equality Duty and Community Cohesion	Not applicable. The terms of the grant and its use are set nationally by government.
Reducing Poverty	The scheme will help to address fuel poverty and create cost-effective, energy efficient homes, with particular benefit to low-income households.
Climate Change / Environmental	The scheme supports national energy efficiency targets.
Children and Young People Cared for by the Authority and Care Leavers	This policy does not impact on Young People Cared for by the Authority and Care Leavers.
Data Protection	The scheme will be delivered in full compliance with data protection requirements.

Actions to be taken to implement the recommended decision(s)

Action	Responsible Officer	Deadline
Once approved the grant agreement will be signed	Judith Hedgley / Wayne Flowers	Within three months of Executive.

and the scheme will be launched. Applications for energy efficiency improvements for dwellings in Middlesbrough will be accepted and processed.		
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Appendices

1	None
2	
3	

Background papers

Body	Report title	Date
UK government - Gov.uk	Warm Homes: Local Grant Policy Guidance for Local Authorities - Warm Homes: Local Grant policy guidance	16 June 2025

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