

## EXECUTIVE

<b>Date:</b> Tuesday 7th December, 2021
<b>Time:</b> 1.00 pm
<b>Venue:</b> Council Chamber

## AGENDA

1. Apologies for Absence
  2. Declarations of Interest
  3. Minutes - Executive - 9 November 2021 3 - 10
- THE MAYOR AND LEAD MEMBER FOR CHILDREN'S SOCIAL CARE,  
ADULT SOCIAL CARE AND PUBLIC HEALTH**
4. Corporate Performance Update: Quarter Two 2021/22 11 - 34
- EXECUTIVE MEMBER FOR EDUCATION**
5. Annual Update: Standing Advisory Council on Religious Education (SACRE) 35 - 42
  6. Virtual School Peer Review 43 - 46
- EXECUTIVE MEMBER FOR ENVIRONMENT AND FINANCE &  
GOVERNANCE**
7. Calculation of Council Tax Base for 2022/23 47 - 56
  8. Corporate Debt Write Off Policy 57 - 86
  9. International Centre - Transfer of Freehold 87 - 98
  10. 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  
Monday 29 November 2021

**MEMBERSHIP**

Mayor A Preston (Chair) and Councillors B Cooper, S Hill, E Polano and M Smiles

**Assistance in accessing information**

**Should you have any queries on accessing the Agenda and associated information please contact Chris Lunn / Georgina Moore, 01642 729742 / 01642 729711, [chris\\_lunn@middlesbrough.gov.uk](mailto:chris_lunn@middlesbrough.gov.uk) / [georgina\\_moore@middlesbrough.gov.uk](mailto:georgina_moore@middlesbrough.gov.uk)**

**EXECUTIVE**

A meeting of the Executive was held on Tuesday 9 November 2021.

**PRESENT:** Mayor A Preston (Chair) and Councillors B Cooper, S Hill, E Polano and M Smiles

**PRESENT BY INVITATION:** Councillor D McCabe

**ALSO IN ATTENDANCE:** E Craigie (Teesside Live)

**OFFICERS:** C Benjamin, S Blood, R Brown, S Butcher, R Horniman, A Pain and I Wright

21/67 **DECLARATIONS OF INTEREST**

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

21/68 **MINUTES - EXECUTIVE - 5 OCTOBER 2021**

The minutes of the Executive meeting held on 5 October 2021 were submitted and approved as a correct record.

21/69 **MIDDLESBROUGH'S AMBITION FOR CHILDREN: A WHOLE TOWN STRATEGY**

The Deputy Mayor and Executive Member for Culture and Communities and the Executive Director of Children's Services submitted a report for the Executive's consideration. The purpose of the report was to seek endorsement for the Middlesbrough Children Matter (MCM) brand and priorities. The report also proposed the development of a town-wide children's strategy and supporting delivery plan, which set out Middlesbrough's ambition for all children and directly linked to the Local Authority's MCM vision, mission and priorities. It was planned that the strategy would be informed and co-produced with children and young people.

The Corporate Reference Group was made up of key partners from across all of the Council's directorates. The group had an established work plan that outlined how each directorate could contribute to the delivery of the Children's Services Improvement Programme and that was monitored via monthly meetings.

As the Children's Services Improvement Programme focussed solely on the Council's response to Ofsted findings and had a clear set of priorities and outcomes to deliver against, it was agreed that through the Corporate Reference Group a wider offer would also be created.

It was planned that the wider offer would be the endorsement of the Council's MCM priorities through the development of a corporate Children's and Young Person's Strategy. The strategy would focus on improving the lives of all children of Middlesbrough and not just those who were impacted by the Council's ongoing improvement journey.

The current MCM mission was 'to show Middlesbrough Children that they Matter', the priorities that sat below that were detailed at paragraph 10 of the submitted report. To ensure the Children and Young Person's Strategy was co-produced with Middlesbrough's children and young people, a town-wide consultation of those priorities was proposed.

**OPTIONS**

**Another option would be to do nothing. That was not recommended as it would have meant that Middlesbrough did not have a clear strategy aimed solely at improving the lives of all children and young people within the town, which was directly co-produced with children and young people of the town.**

**ORDERED**

**That the Middlesbrough Children Matter (MCM) approach and priorities be endorsed, and that those priorities form part of a town-wide children's strategy which outlines Middlesbrough's ambition for all children within the town, directly linked to the Council's (MCM) vision and mission.**

**REASON**

The decision was recommended as it would further support the Council's ongoing Children's Services improvements by setting an ambition for all children within the town, which included direct input from children and young people. That planned to allow Middlesbrough Council to have a focus on how it improved the lives of all children and young people and also extended its collaborative working through MCM by bringing key partners in to support a shared vision. As the strategy would be informed by a town-wide consultation, the associated cost to deliver, benefits and risks were not fully known. Those would all be confirmed during the strategy development.

Internal engagement with the Corporate Reference Group was undertaken to determine the decision. That was not statutorily required. The outcomes of the consultation found that all directorates supported the proposal of a children's strategy outlining Middlesbrough's ambition for all children.

21/70

**ANNUAL UPDATE: SPECIAL EDUCATIONAL NEEDS AND / OR DISABILITIES 0-25**

The Executive Member for Education and the Director of Education and Partnerships submitted a report for the Executive's consideration. The purpose of the report was to provide an update on Special Educational Needs and/or Disabilities 0-25 in Middlesbrough since the local area revisit in July 2019 and since the last Executive report in November 2020.

The submitted report provided information on:

- The Local Picture (see paragraphs 6 to 10);
- The Local Area Inspection Framework (see paragraphs 11 to 14);
- Funding (see paragraphs 15 to 20); and
- Key Developments (see paragraphs 21 to 23).

The local area's SEND Strategy (see Appendix 1 of the submitted report) had recently been updated. Within the strategy, the current priorities were outlined, which were linked to identified areas for development. Those priorities were detailed at paragraph 24 of the submitted report.

It was planned that the key priorities and areas for development would be monitored via the SEND Strategic Group to ensure all action plans from the key work streams were on track. Work would also be monitored through engagement with families and the parents forum.

The Council would continue to use information gathered from its SEND Strategic Group, key stakeholders, families and young people to regularly update the local area self-evaluation, which planned to highlight strengths and areas of development. That information would be fed into key work streams to ensure areas of development were addressed.

**ORDERED**

**That the update on progress within the local area since the 2017 Written Statement of Action, the local area revisit in July 2019 and the Executive Annual Report 2020 be noted.**

21/71

**MIDDLEHAVEN - OUTWOOD ACADEMY RIVERSIDE**

The Executive Member for Education, the Executive Member for Environment and Finance & Governance, the Director of Education and Partnerships and the Director of Finance submitted a report for the Executive's consideration. The purpose of the report was to set out the case for the proposal to dispose of the Council's freehold interest in land at Middlehaven, in order to facilitate the delivery of a new secondary free school in Middlesbrough.

Middlesbrough Council had a statutory duty to ensure there were sufficient school places. The proposed school planned to form a central pillar of the Council's approach to planning secondary school provision as, without it, there would be insufficient places to meet the rising demand.

To meet rising demand for places, the DfE had proposed opening the school in temporary accommodation in the first instance, allowing for due diligence, design, procurement and delivery of the new school to take place by the academic year 2021/22.

It had been identified that further detailed investigations of the site were required and that a remediation strategy would need to be devised for what was emerging as an increasingly complex site. The timescales subsequently slipped to 2023/24 to allow that work to take place, with plans to provide more substantial temporary accommodation for the school for the first three years of operation.

Early DfE estimates of the cost of remediating the site to the standard required, at approximately £6.9m, raised concerns that the scheme was becoming unaffordable. Alongside the cost of preparing a temporary site, the estimated project costs escalated considerably and drew ministerial attention.

The DfE had proposed the cost of remediation be shared with Middlesbrough Council. It was agreed in principal that the cost should be deducted from the value of the site, and that should be the final price paid by the DfE. In the event that the remediation costs were greater than the site value, the additional cost was to be shared equally by the DfE and Middlesbrough Council up to a maximum cap of £1.7m each. The Council would only agree to pay the costs of remediation that the DfE could evidence, was required to build the school.

Following more detailed site investigations, the DfE had revised the indicative remediation costings to £4.33m. Under the mechanism agreed, that would mean a Council contribution of £1.55m over and above the value of the site, which was below the cap of £1.7m.

The Council was currently checking those costs and the remediation strategy that underpinned them. Alternative approaches to the remediation were also being investigated with a view to reducing the costs and timescales involved. Further information on the remediation of the site was detailed at paragraphs 8 to 16 of the submitted report.

## **OPTIONS**

**Re-use for operational purposes - No Council operational service requirement had been identified.**

**Other uses - Although the site was capable of being used for other purposes, future use for the development of a secondary school was preferred. Use of the subject land for any other purpose would have left the Outwood Academy Riverside with no site on which to develop a permanent school building.**

**Do nothing - The property would have remained in its present state. Whilst the subject land would have been retained for potential Council use in the future, the liability and responsibility for maintaining and holding the property would have remained with the Council in the interim.**

## **ORDERED**

- 1. That the sale of the subject land to the DfE, for the sum of £1,211,596 (plus fees), be approved to enable the construction of a new secondary school to be used as the permanent location for Outwood Academy Riverside.**
- 2. That capital funds up to the sale value of the land, plus a further sum of up to £1.7m, be utilised to assist the DfE in remediating the site subject to the DfE providing robust evidence of the costs.**

## **REASON**

**To meet the Council's requirements to generate capital receipts and bring a vacant,**

unused parcel of land into far more beneficial use in the future.

Disposal would facilitate the construction of the Riverside Outwood Academy, creating additional secondary school capacity to assist the Council in its statutory duty to ensure there were sufficient places to meet rising demand.

Without an appropriate site on which to permanently locate the new school, its continued operation would not be possible. The school was currently operating out of temporary accommodation until the new building was completed, and would otherwise reach full capacity by 2022/23 and be unable to accept any more pupils.

The proposal supported delivery of the Council's Medium Term Financial Plan.

21/72

## **ECS BUILT ASSET CAPITAL INVESTMENT**

The Executive Member for Environment and Finance & Governance and the Director of Environment and Community Services submitted a report for the Executive's consideration. The purpose of the report was to provide information on the current arrangement for allocated capital funds in the Council 'Built Asset Portfolio' and request an additional £5,195,650 of capital funding be allocated to enable essential investment to be undertaken to the assets.

The submitted report outlined four requests for investment in Resolution House, the Town Hall, the Municipal Buildings and Central Library:

- **Resolution House** - The cost advice to replace the cladding and associated building services to the workshops was estimated at £1,500,000 to £2,000,000. Table 1, below paragraph 6 of the submitted report, advised on the estimated costs to each local authority, on the assumption that the principles of the custodian agreement were applied.
- **Resolution House** - The site was the Council's main operational depot and required the installation of a passenger lift to allow a means of accessible access to the first and second floors of the main office block.
- **Municipal Building and Town Hall** - The condition of the slate tiled roof, associated lead flashing and stonework was well documented, with the conclusion that major investment was required over the coming years to minimise further deterioration to one of the town's heritage assets. In addition, works to the internal building elements, fire compartmentation, and fire detection systems were required.
- **Central Library** - The introduction of a ground floor accessible toilet and baby change planned to provide a much needed facility to allow a wider demographic of the community to visit and utilise the resources within the library.

## **OPTIONS**

Structural reports had confirmed that capital investment was required to address the existing condition of the Town Hall, Municipal Buildings and Resolution House. Any further delay to action those recommendations would have increased the risk of a building element failing and could have resulted in a breach of Health and Safety Legislation, putting the Council at risk of legal action being taking.

## **ORDERED**

That capital funding for works to the Town Hall, Municipal Buildings, Resolution House, and Central Library be approved to ensure the ongoing condition of the assets for future operational and community use.

## **REASON**

To ensure that those assets were structurally stable and remained suitable for operational and community use.

21/73

## **REVENUE AND CAPITAL BUDGET - PROJECTED OUTTURN POSITION AS AT QUARTER TWO 2021/22**

The Executive Member for Environment and Finance & Governance and the Director of

Finance submitted a report for the Executive's consideration. The purpose of the report was to advise of the Council's financial position at Quarter Two 2021/22, including the projected effect of Covid-19 on the Council's finances.

As reported in previous reports, the Covid-19 pandemic was continuing to have a significant impact on the Council's financial position. That had made the management of the Council's finances more difficult due to the constantly evolving situation and also the level of uncertainty regarding the financial effects of Covid-19 in 2021/22 and future years. Covid-19 financial pressures were being monitored separately from the normal non-Covid-19 financial position, and those were reported separately in paragraphs 50 to 78 of the submitted report.

The 2021/22 Revenue budget for the Council was £116,492,035. During Quarter One there had been a number of transfers of services between directorates due to managerial changes, and the financial position was reported against the new directorate budgets. The Council's outturn position for 2021/22 for non-Covid-19 elements was projected to be an overspend of £2.605m (2.2%). The split by directorate was shown in the table below paragraph 7 of the submitted report, with the Quarter One position also included for information.

The detail of the variances contained in the table at paragraph 7 were set out in the submitted report (paragraphs 17 to 49). At Quarter Two, 29 areas were projected to be spent +/- £150,000 of the agreed budget. Where appropriate, the on-going effects of variances would be considered as part of future updates of the Council's Medium Term Financial Plan.

The overspend of £2.605m, when added to the estimated Covid-19 pressures of £1.550m detailed in paragraphs 50 to 78, resulted in a total projected outturn pressure at year-end 2021/22 of £4.155m, an increase of £402,000 from the position reported at Quarter One.

It was proposed that the total projected overspend in 2021/22 would be covered by the full utilisation of the Social Care Demand Reserve of £0.5m and the Children's Services Demand Reserve of £0.732m, which were created at the end of 2020/21. It was proposed that the remaining £2.923m of the total projected outturn pressure was funded from the £4.512m Covid Recovery Reserve, which was created during 2020/21 to cover the potential costs arising from the Covid-19 recovery in 2021/22 and future years.

The level remaining after the use of those reserves was shown in the Reserves and Provisions section of the submitted report (see paragraphs 113 and 114) and in Appendix 2.

The revised Investment Strategy to 2023/24 was included at Appendix 1 for approval. It was noted that capital receipts assumptions had been re-evaluated in light of Covid-19 and the Revised Investment Strategy took account of that.

The split by directorate was shown in the table below paragraph 91 of the submitted report, which also showed the "real" projected outturn variance if all of the additional new schemes, increased schemes, reduced schemes, and transfers between directorates were excluded. Explanations for variances of +/- £150,000 across sixteen schemes were set out in paragraphs 92 to 105 of the submitted report. Those variances required movement within the Council's four-year Investment Strategy, but did not affect the overall investment or cost of borrowing.

## **ORDERED**

- 1. That the 2021/22 revenue budget Quarter Two total projected outturn of £4.155m, representing a £2.605 m (2.2%) overspend on non-Covid-19 elements, and the estimated financial effect of Covid-19 in 2021/22 of £1.550m, and the proposed actions to address that be noted.**
- 2. That the proposed use of the following reserves to fund the total projected overspend of £4.155m in 2021/22 be noted:**
  - **Social Care Demand Reserve (£0.5m)**
  - **Children's Services Demand Reserve (£0.732m)**
  - **Covid Recovery Reserve (£2.923m)**
- 3. That the 2021/22 capital budget Quarter Two predicted outturn of £64.814m against a budget of £82.029m be noted, and the proposed revised Investment Strategy to 2023/24 at Appendix 1 be approved.**

**REASON**

**To enable the effective management of finances, in line with the Council's Local Code of Corporate Governance, the Scheme of Delegation and agreed corporate financial regulations.**

21/74

**MEDIUM TERM FINANCIAL PLAN UPDATE AND BUDGET SAVINGS PROPOSALS**

The Mayor and Lead Member for Children's Social Care, Adult Social Care and Public Health and the Director of Finance submitted a report for the Executive's consideration. The purpose of the report was to provide an update of the Council's Medium Term Financial Plan (MTFP) for the period to 2024/25, reflecting and supporting delivery of the Strategic Plan. The report set out the proposed Council Tax increase for 2022/23, and noted that following Council on 24 November 2021 the proposals would be, where required, subject to public consultation.

The Council maintained a Medium Term Financial Plan (MTFP) that set out the financial envelope that was necessary to achieve strategic priorities and the savings necessary for living within those financial plans (budget savings). The MTFP:

- accurately analysed the current financial climate and the medium-term horizon, including the range of spending pressures facing the Council;
- addressed the budget savings requirements for the MTFP period;
- focused investment on growing the town's economic base to improve local prosperity, and secured a robust and independent income stream to fund the Council's services.

The table below paragraph 9 of the submitted report summarised the updated position of the anticipated changes to the Council's financial position in the period to 2024/25 since the budget report to Council in February 2021, with further details being included in the paragraphs 10 to 12.

The budget report to Council in February 2021 detailed the key assumptions made in the MTFP, and the submitted report showed the major changes since February 2021, with paragraphs 14 to 75 providing further details.

The submitted report also included information on:

- adequacy and use of financial reserves (see paragraphs 76 to 82); and
- budget saving requirements and proposals, including budget savings already assumed in the current MTFP (see paragraph 83) and proposed additional budget savings (see paragraphs 84 to 86).

The Council's Investment Strategy was updated each quarter via the quarterly budget monitoring reports, and also a full revision of the Investment Strategy for the MTFP period, including 2024/25, would be included in the budget report to Council in February 2022.

**OPTIONS**

**The Council had no option but to monitor its financial position, addressing any potential financial pressures and any budget savings required, to ensure the Council's financial position was balanced. The updated Medium Term Financial Plan for 2021-25 planned to provide the means to achieve that in a proactive and systematic manner, while continuing to reshape the Council to lead the delivery of the priorities for Middlesbrough.**

**ORDERED**

1. That the updated Medium Term Financial Plan position for 2021-25 be noted.
2. That the proposed budget for 2022/23, and the proposed total Council Tax increase of 2.99% for 2022/23 (comprising of a 1.99% increase in general Council Tax and a 1% Adult Social Care Precept) be endorsed.
3. That the report be presented to Council on 24 November 2021, allowing consultation on the budget and the proposed Council Tax increase to commence, with any required changes arising from the discussion of the report at the Executive delegated to the Executive Member for Finance and



**Governance, as advised by the Director of Finance.**

**REASON**

To enable the Council to meet its statutory responsibility to set a balanced revenue budget and to ensure that a proper framework was in place for the medium term financial management of the Council, which would enable the Council to take a systematic, coherent and controlled approach to addressing ongoing financial challenges over the medium-term, while maximising its contribution to the Mayor's priorities for Middlesbrough.

21/75 **CHILDREN AND YOUNG PEOPLE'S LEARNING SCRUTINY PANEL'S FINAL REPORT - BEHAVIOUR, DISCIPLINE AND BULLYING IN SCHOOLS - SERVICE RESPONSE**

The Children and Young People's Learning Scrutiny Panel had undertaken a review of Behaviour, Discipline and Bullying in Schools. A copy of the full report was attached.

The scrutiny panel made 6 recommendations upon which a response was sought from the relevant service area. The Executive Member for Education and the Director of Education and Partnerships submitted a service response to the recommendations of the Children and Young People's Learning Scrutiny Panel. A copy of the Action Plan was attached.

The Chair of the Children and Young People's Learning Scrutiny Panel presented the final report to the Executive. The Executive Member for Education presented the service response.

**ORDERED**

1. That the content of the Children and Young People's Learning Scrutiny Panel's Final Report on Behaviour, Discipline and Bullying in Schools be noted.
2. That the Action Plan, developed in response to the scrutiny panel's recommendations, be approved.

**REASON**

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

21/76 **EXCLUSION OF THE PRESS AND PUBLIC**

The resolution to exclude the press and the public was agreed.

21/77 **EXEMPT: STRATEGIC TOWN CENTRE ACQUISITION**

The Executive Member for Regeneration, the Executive Member for Environment and Finance & Governance, the Director of Regeneration and Culture and the Director of Finance submitted a report for the Executive's consideration.

**ORDERED**

That the recommendations of the report be approved.

**REASONS**

The decision was supported by the following reason:

For reasons outlined in the report.

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



<b>MIDDLESBROUGH COUNCIL</b>	
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<b>Report of:</b>	Andy Preston - The Mayor and Lead Member for Children’s Social Care, Adult Social Care and Public Health Tony Parkinson - Chief Executive
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<b>Submitted to:</b>	Executive - 7 December 2021
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<b>Subject:</b>	Corporate Performance Update: Quarter Two 2021/22
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**Summary**

**Proposed decision(s)**

- That the Executive approves the proposed amendments to Executive actions outlined at Appendix 1.
- That the Executive notes progress in implementing the Strategic Plan 2021-24 at Quarter One 2021/22 (Appendix 2) and approves the revised deadlines for the action at paragraph 20.
- That in light of the position outlined in the report, the Executive notes the Council’s updated Strategic Risk Register at Appendix 3.
- That the Executive notes progress in implementing 2021/22 Directorate priorities, which are set out at Appendix 4.

Report for:	Key decision:	Confidential:	Is the report urgent?
Decision	No	No	No

**Contribution to delivery of the 2021-24 Strategic Plan**

People	Place	Business
Quarterly monitoring, review and action planning plays a central role in ensuring that the Strategic Plan and associated activity is delivered effectively.		

**Ward(s) affected**

None.

## **What is the purpose of this report?**

1. This report advises the Executive of corporate performance at the end of Quarter Two 2021/22 and where appropriate seeks approval of any changes, where these lie within the authority of the Executive.

## **Why does this report require a member decision?**

2. The Council's Scheme of Delegation gives the Executive collective responsibility for corporate strategic performance, together with associated action.
3. This report provides the necessary information to enable the Executive to discharge its performance management responsibilities, setting out progress against Executive action, the Strategic Plan and other key associated items, together with actions to be taken to address any issued identified.
4. The projected 2021/22 financial outturns for Quarter Two were presented separately to the Executive at its meeting of 9 November 2021, and so not repeated here. Where performance has had a significant impact on finances this is highlighted within the body of the report.

## **Report Background**

5. As part of continuous improvement in performance and risk management, the Council's Leadership Management Team (LMT) has implemented monthly reviews of corporate performance utilising a Directorate Performance dashboard, drawing data from a range of performance systems.
6. The output from these sessions is reflected through quarterly updates to the Executive and Overview and Scrutiny Board and covering in addition, progress in delivering actions agreed by the Executive, key Directorate performance issues and other performance-related matters.

## **Overall progress at Quarter Two 2021/22**

7. The Council's performance overall at the end of Quarter Two was largely positive, with expected performance standards as set out in the Council's risk appetite being achieved and further improving from the Quarter One reported position in the majority of areas.

## **Progress in delivering Executive actions**

8. Actions agreed by the Executive to deliver approved decisions are tracked by LMT on a monthly basis. If, subsequent to the Executive's approval, any action is found to be no longer feasible or appropriate, or cannot be delivered within the approved timescales, this report will be used to advise the Executive of this and seek approval of alternative actions or amended timescales.
9. At Quarter Two, 59 of 65 live actions (91%) were reported as on target to be delivered by the agreed timescales, down from the 98% reported at Quarter One, but remaining above the 90% standard of achievement of actions, with four proposed amendments for Executive approval set out at Appendix 1.

10. Of the proposed amendments to Executive actions:
  - Three relate to the 'Final Report of the Adult Social Care and Services Scrutiny Panel - Physical Activity for Older People (aged 65 plus) - Service Response', which has seen delays of approximately 12 months as a direct result of the impact on staffing capacity from COVID-19.
  - Consultation on the Local Implementation Plan was delayed due to issues with the production of physical copies of the consultation document, though is now concluded. It is proposed that the plan is put forward for individual Executive decision by 31 December 2021.

### **Progress in delivering the Strategic Plan 2021-24**

11. The Strategic Plan for 2021-24, sets out nine strategic priorities for this period which are supported by an associated set of outcome measures and a workplan, which will see delivery of sustained improvement, up to and beyond 2024.

### **Outcomes**

12. At the end of Quarter Two, six of 24 Strategic Plan outcomes were either improving or static against the Quarter One position, with three worsening. As many measures as updated annually, there is no trend information available for 15 outcome measures at the present time.
13. COVID-19 has resulted in significant fluctuation in some measures and so targets for outcome measures (will largely involve multi-agency working) will be reviewed during Quarter Three and revised targets subsequently presented to the Executive for approval in the Quarter Three performance report.
14. Crime and anti-social behaviour remained of concern at the end of Quarter Two. While anti-social behaviour has remained below pre-pandemic levels, crime has returned broadly to its pre-pandemic state. Discussions are ongoing with Cleveland Police to develop an action plan to bring crime down which includes the need to increase and reinforce police numbers across the town.
15. A new town centre vacancy survey was completed in the quarter, showing a vacancy rate of 22.4% (up from 17.8% in the last survey, August 2018). Bricks and mortar retail has been in significant decline globally for over a decade, with the North East of England suffering the greatest increase in retail vacancies nationally; an average of 21.2% of vacancies across the entire region.
16. Middlesbrough's Town Centre Strategy, recent successful Towns Fund and Future High Street Funds now provide the wherewithal to deliver the actions to rebalance the market. New leisure tenancies in Captain Cook Shopping Centre will occupy in late 2021 and this will have a positive impact on the short term vacancy rates. In the longer term, new leisure uses will drive additional footfall to the Town Centre, both sustaining retained retail businesses and attracting similar leisure provision. Footfall is also stabilising at a rate of 255k (select sites) per week, comparable with pre-COVID levels.

## Workplan

17. Current workplan activity in respect of Strategic Plan outcomes has been reviewed and assessed to ensure it is sufficient to recover performance to agreed target. Where required, any additional activities required will be brought forward for approval within future quarterly updates to the Executive.
18. At the end of Quarter Two, performance against Strategic Plan workplan was as set out below, exceeding the corporate target of 90%.

Status	Q1 21/22	Q2 21/22	Expected standard	Standard achieved	Trend
COMPLETED	4.5%	13.4%	90%	Yes	Improving
GREEN	91%	86.6%			
AMBER	0%	0%	N/A	N/A	N/A
RED	4.5%	0.0%	N/A	N/A	N/A

19. Quarter Two saw an additional eight (11.9%) of the 67 Strategic Plan initiatives within the workplan completed (to the three completed in Quarter One), seven of which were COVID-19 Recovery related:

- Maintain cultural participation to pre-COVID levels.
- Maintain 5% tolerance in demand protection modelling within Adult Social Care to address the effects of COVID / long-COVID.
- Maintain sufficient local residential care capacity to meet local demand.
- Increase the uptake of flu vaccinations across Middlesbrough.
- Increase the number of early interventions where domestic abuse is a factor, as a result of COVID-19.
- Increase Early Help assessments across Newport and North Ormesby to mitigate increased levels of deprivation, unemployment and crime, as a result of COVID-19.
- Increase attainment and attendance levels, reducing exclusions for all children across Middlesbrough.
- Provide opportunities and training to support people to move into work / further training.

20. Whilst there were no Red / off-track workplan initiatives at the end of Quarter Two, following review at Directorate Dashboard Performance Reviews, the two set out below were identified as requiring revised dates in order to avoid future slippage, and the Executive is asked to approve proposed deadlines where specified.

Initiative	Owner	Agreed Due Date	Reason for (R) / Impact (I) of delay	Proposed Revised Due Date
QOS 01: Encourage community participation in the development of Council plans and initiatives, increasing community cohesion and resilience	Legal and Governance Services	30/09/21	R) Need to integrate work with Community Governance Review agreed by Council. (I) Positive in provides for comprehensive review of engagement structures and plans	30/09/22

Initiative	Owner	Agreed Due Date	Reason for (R) / Impact (I) of delay	Proposed Revised Due Date
AS04: Develop and maintain appropriate support provision for informal carers.	ASC	31/12/21	(R) Delayed approval of Carers Strategy (I) Delayed delivery of training	30/12/22

## Strategic Risk Register

21. Issues raised within this report which impact on the risk profile of the Council are reflected within the Council's Strategic Risk Register (SRR), which was reviewed in the quarter in line with the Council's policy and is set out at Appendix 3.
22. The total number of risks on the SRR reduced to 30 from 35 at Quarter One, comprising 19 high risks and 11 medium risks.
23. Three new risks were added during the quarter:
  - Failure to have a legally compliant approach to CCTV – in particular, the need to have a comprehensive central register of Council-managed CCTV, which the Council's internal auditor has recently identified is not currently in place. Work is now underway to develop this register by end December 2021.
  - Local uptake of the C19 vaccine is poor resulting in increased transmission – Middlesbrough's vaccine uptake of those currently eligible is currently approximately 8% below the North East average, with promotion of uptake being progressed by local COVID-19 response groups.
  - Insufficient funding available to meet demand / costs associated with the Health and Social Care Bill – while the MTFP assumes the Council will be able to cover costs relating to the provisions of the bill, likely costs remain uncertain at this stage and final confirmation of future local authority funding for adult social care is still awaited, so it is therefore prudent to add this risk.
24. During Quarter Two, work commenced on a fundamental review of the SRR to reflect revisions to the Council's strategic priorities outlined in the Strategic Plan 2021-24. This work will be analysed during Quarter Three and the revised SRR presented to the Executive in the Quarter Three report.
25. Eight risks de-escalated or closed off during the quarter:
  - The risk of poor quality of services provided by health partners impacting / increasing demand for Council services has been de-escalated to Directorate level, following improvements within affected NHS trusts.
  - The risks of inadequate safeguarding practices leading to children and young people being at risk, and of increased harm to children and young people due to instability caused by Social Care transformation were closed following external validation of positive progress within Children's Services.
  - The risk that there are insufficient primary school places in central Middlesbrough is now at target score following delivery of all planned actions and so de-escalated to Directorate level.
  - The risk of failure to comply with statutory duties is now at target score following delivery of all planned actions and so de-escalated to Directorate level.

- The risk of failure of staff to complete Data Protection training has reduced following the launch of a revised e-learning programme and supporting compliance dashboard, and so de-escalated to Directorate level.
- The risk of failing to achieve full reimbursement from Government for costs incurred in response to COVID-19 to date was closed, as Government has operated in line with the Council's assumptions.
- The risk of failure to adhere to corporate procurement policies has reduced as the procurement policy has been refreshed and associated training delivered, and so de-escalated to Directorate level.

26. Scoring on the following risks was amended during the quarter:

- The risk to investment in high-quality office space for the digital sector was reduced, as the contract for BOHO X has now been let.
- The risk of failing to comply with the rights of data subject access of customers has been reduced, as a result of improved practice.
- The risk associated with a reduction in frontline policing impacting on crime / community resilience, has been reduced following renewal of the Executive-monitored Community Safety Partnership and agreement of the Community Safety Partnership Plan.

27. Performance in delivering mitigating actions associated with high or medium risks on the SRR has dipped below the expected performance standard of 90% in Quarter Two, to 82%. This will be addressed as part of the SRR review work outlined in paragraph 24.

### **Progress in delivering Directorate Priorities for 2021/22 and risk mitigations**

28. Directorates are accountable for a number of Directorate-specific actions each year to ensure ongoing compliance with legal duties and best practice and that business change is well managed. Directorate Priorities for 2021/22 are set out at Appendix 4.

29. At the end of Quarter Two, 98% of Directorate Priorities were rated either Green or Amber (i.e. some milestone slippage but still expected to be delivered in-year), in line with the expected standard of 90%. Performance in delivering mitigating actions associated with high or medium risks on Directorate Risk Registers is 94%, above the expected performance standard of 90%.

30. Quarter Two saw seven (6.5%) of 108 Directorate Priorities completed, as follows:

- Secure and commence delivery of the Future High Streets Fund programme.
- Secure and commence delivery of the Town's Fund programme.
- Complete review of the Occupational Therapy service and implement an improved service model to ensure that provision is in line with demand.
- Review autism provision and implement improved service model.
- Develop and implement an overarching surveillance policy for the Council, communicating the approach to members, employees and customers.
- Encourage all staff to update their equality information.
- Ensure continued provision of legal advice and support to the wider authority to contribute to the implementation and delivery of the Strategic Plan.



## **Progress in delivering Programmes and Projects**

31. The Council maintains a portfolio of programmes and projects in support of achievement of the Council's strategic and directorate priorities. At the end of Quarter Two, 25 (73%) of the 34 programmes were rated Green, six (18%) Amber, together meeting the expected standard of 90%. No programmes or projects required escalation to the Executive at the end of Quarter Two.

## **Progress in other corporate performance matters**

32. In addition to the above performance and risk issues, LMT reviews a range of other performance measures on a monthly basis, including compliance with agreed actions from internal audits, responsiveness to statutory information requests, information security incidents and complaints.
33. At Quarter Two the key points of note were:
- Performance in responding to Subject Access Requests (requests by individuals for data that the Council holds about them) continues to improve, with the percentage of live SARs that were overdue continuing to reduce. Corporate Affairs and Audit Committee was updated on progress in this matter in October 2021.
  - LMT has now approved a business case to improve the Council's responsiveness to other statutory information requests (under the Freedom of Information Act 2000 and the Environmental Information Regulations 2004) and this will be implemented during Quarter Three.
  - Information security incidents reported increased from 18 in Quarter One to 32 in Quarter Two, likely as a result of increased awareness of data protection issues following the roll out of e-learning training. No incidents were of sufficient seriousness for the Council to report them to the Information Commissioner's Office.
  - Practice changes in the corporate complaints process have begun to have an impact, with the rolling-twelve month average of complaints closed within time increasing from 77% to 79%.

## **What decisions are being asked for?**

34. That the Executive approves the proposed amendments to Executive actions outlined at Appendix 1.
35. That the Executive notes progress in implementing the Strategic Plan 2021-24 at Quarter One 2021/22 (Appendix 2) and approves the revised deadlines for the action at paragraph 20.
36. That in light of the position outlined in the report, the Executive notes the Council's updated Strategic Risk Register at Appendix 3.
37. That the Executive notes progress in implementing 2021/22 Directorate priorities, which are set out at Appendix 4.

### **Why is this being recommended?**

38. To enable the effective management of performance and risk in line with the Council's Local Code of Corporate Governance.

### **Other potential decisions and why these have not been recommended**

39. Not applicable.

### **Impact(s) of recommended decision(s)**

#### **Legal**

40. The proposed recommendations are consistent with and will promote the achievement of the Council's legal duty to achieve Best Value.

#### **Financial**

41. Any financial implications relating to issues set out in this report, were summarised in the Revenue and Capital Budget – Projected Outturn Position at Quarter Two 2021/22 report considered by the Executive at its meeting of 9 November 2021.

#### **Policy framework**

42. The Strategic Plan and associated budgets form part of the Council's Policy Framework.

#### **Equality and diversity**

43. As reported to Council in February 2021, no negative differential impact on diverse groups and communities is anticipated from the direction of travel set out in the Strategic Plan 2021-24.

#### **Risk**

44. Risk implications are set out in the main body of the report.

### **Actions to be taken to implement the decision(s)**

45. Mitigating activity set out in the main body of the report will continue to be applied by Directorates as stated and monitored by LMT as part of monthly Performance Dashboard reviews.

### **Appendices**

- |   |  |
|---|--|
| 1 | Proposed amendments to Executive actions at Quarter Two 2021/22  |
| 2 | Strategic Plan Workplan – progress at Quarter Two 2021/22        |
| 3 | Summary Strategic Risk Register at Quarter Two 2021/22           |
| 4 | Directorate priorities 2021/22 – progress at Quarter Two 2021/22 |

## Background papers

24/02/21	Council	Strategic Plan 2021-24
11/05/21	Executive	Strategic Plan 2021-24: approach to delivery
15/06/21	Executive	Strategic Plan 2020-23 – Progress at Year End 2020/21
07/09/21	Executive	Corporate Performance Update: Quarter One 2021/22

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## Appendix 1: Proposed amendments to Executive actions at Quarter Two 2021/22

Executive of	Report	Action	Owner	Agreed Due Date	Proposed Revised Due Date
16/02/21	Final Report of the Adult Social Care and Services Scrutiny Panel - Physical Activity for Older People (aged 65 plus) - Service Response	PROPOSED ACTION 2 - A walking guide is produced annually by Middlesbrough Environment City.	PH	31/08/21	30/04/22
		PROPOSED ACTION 7 - Public Health colleagues will facilitate a forum in partnership with Adult Social Care and include opportunities for sharing and invited presentations by relevant experts and case studies.	PH	31/08/21	31/08/22
		PROPOSED ACTION 8 - In consultation with Commissioning Officers, a best practice clause will be developed for future contracts with care providers for physical activity for older people.	PH	31/07/21	31/07/22
16/02/21	Middlesbrough Council Local Implementation Plan (LIP)	Publicise document for consultation; allowing feedback to be received - Collate feedback, and consider responses for altering the document - Provide public comment feedback (where appropriate) - Present final LIP document for Executive endorsement	REG	31/08/21	31/12/21

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## Appendix 2: Strategic Plan Workplan – progress at Quarter Two 2021/22

Of the Quarter Two saw an additional 8 (11.9%) of the 67 Strategic Plan initiatives within the workplan completed (to the 3 completed in Quarter One), 7 of which were COVID-19 Recovery related:

<b>We will show Middlesbrough's children that they matter and work to make our town safe and welcoming and to improve outcomes for all children and young people.</b>	<b>Due Date</b>	<b>RAG at Q1</b>	<b>RAG at Q2</b>
Deliver the Children's Services Improvement Plan to achieve OFSTED rating of 'Requires Improvement' by 2023	31/3/2022	Green	Green
Increase attainment and attendance levels and reduce exclusions for all children across Middlesbrough	30/9/2021	Green	Complete
Deliver the Youth Justice Plan to reduce re-offending, safe and effective use of custody and reducing the number of first time entrants	30/04/2022	Green	Green
Ensure high achievement for all from the early years, by closing the gaps for the most vulnerable and focusing on Key Stage 4 outcomes	31/10/2021	Green	Green
Target young people who are NEET and provide support to progress into education, employment and training opportunities	31/12/2021	Green	Green
Ensure the best start in life for Middlesbrough children by reducing early health inequalities, with a focus on the first 1001 days of life	30/06/2022	Green	Green
Develop a universal town-wide Children and Young People's strategy that will aim to improve the lives of all children	31/12/2022	Green	Green

<b>We will work to address the causes of vulnerability and inequalities in Middlesbrough and safeguard and support the vulnerable.</b>	<b>Due Date</b>	<b>RAG at Q1</b>	<b>RAG at Q2</b>
Deliver and extend the 50 Futures programme 2020 - 2022 to provide meaningful work experience opportunities for Middlesbrough residents who find it most difficult to gain employment	30/11/2021	Green	Green
Implement Locality Working pilots in Newport and North Ormesby wards, working with partners and services to address key priorities and issues for residents to consider within Council's new operating model	31/08/2022	Green	Green
Further develop the 'Dementia Friendly' Middlesbrough programme to improve the wellbeing of individuals with dementia and their carers, connecting communities and business	31/03/2022	Green	Green
Achieve 'Age Friendly Communities' status, thereby reducing the prevalence and impact of loneliness and isolation in Middlesbrough	31/03/2024	Green	Green
Launch and deliver an integrated model of support for Middlesbrough, bringing together services for domestic abuse, homelessness and substance misuse and development of mental health partnership provision, through the vulnerable persons model	31/03/2024	Green	Green
Create and deliver a strategy to increase digital inclusion for children, young people and adults across Middlesbrough	31/03/2022	Green	Green
Develop and deliver an improved offer of support for addiction recovery through employment, housing and social / community re-integration	31/03/2023	Green	Green

<b>We will tackle crime and anti-social behaviour head on, working with our partners to ensure local people feel safer.</b>	<b>Due Date</b>	<b>RAG at Q1</b>	<b>RAG at Q2</b>
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Develop and deliver the Community Safety Strategy to reduce crime and anti-social behaviour across Middlesbrough	31/10/2022	Green	Green
<b>We will tackle crime and anti-social behaviour head on, working with our partners to ensure local people feel safer.</b>	Due Date	RAG at Q1	RAG at Q2
Increase CCTV in public areas / Council facilities to prevent and detect crime and ASB, improving public confidence in the Council	31/03/2023	Green	Green
Increase Street Warden enforcement activity and provision of advice and education to residents to reduce levels of environmental crime and ASB	30/04/2022	Green	Green
Deliver a targeted education and enforcement programme in conjunction with Police and Fire Safety Partners to reduce crime and ASB.	31/01/2023	Green	Green

<b>We will ensure our town acts to tackle climate change, promoting sustainable lifestyles.</b>	Due Date	RAG at Q1	RAG at Q2
Deliver a town-wide programme of education, increasing recycling levels in Middlesbrough	31/12/2022	Green	Green
Deliver the Green Strategy to meet Government targets for greenhouse gas emissions and make Middlesbrough more climate resilient and minimise the environmental impact of Council services in future.	31/03/2022	Green	Green
Work with partners to identify community growing sites, providing skills development to 'Grow Your Own Food', contributing to Middlesbrough's bid for the Sustainable Food Cities Gold Award in 2022	30/09/2023	Green	Green
Work towards achievement of Tree City Status, demonstrating responsibility and management of town tree stock	31/03/2022	Green	Green
Plant an additional trees 20,000 trees across the town by 2023, improving air quality	31/03/2023	Green	Green
Explore the potential to designate sites across the town as a local wildlife / nature reserve, increasing biodiversity in Middlesbrough	31/03/2022	Green	Green
Develop an Urban Farm (in conjunction with Camphill Trust) to improve the physical environment and provide additional training opportunities for vulnerable residents across Middlesbrough	31/05/2022	Green	Green

<b>We will ensure the recovery of local communities, businesses and the Council's operations from COVID-19, taking opportunities to build back better.</b>	Due Date	RAG at Q1	RAG at Q2
Delivery of the Council's COVID19 Recovery Plan to enable individuals, families, communities and business across Middlesbrough achieve a proper level of functioning, post-Pandemic	31/08/23	Complete	Complete
		Red	Green
Ensure effective Council response to immediate issues of COVID19 impacting upon individuals, families, communities and business	31/08/23	Complete	Complete
		Red	Green

<b>We will work closely with local communities to protect our green spaces and make sure that our roads, streets and open spaces are well-designed, clean and safe.</b>	Due Date	RAG at Q1	RAG at Q2
30,000m2 of wildflower planting across Middlesbrough green spaces and land to benefit local wildlife and improve the physical appearance of the town	31/05/21	Complete	Complete
Implement an annual pothole maintenance programme across the town, consistently improving road conditions	31/03/2024	Green	Green



Introduction of community environmental initiatives improving local environmental standards	30/04/2022	Green	Green
Implement a community grant scheme, providing funding to improve the physical environments of residential alleyways to create a useable community space / asset	28/02/2022	Green	Green

<b>We will transform our town centre, improving accessibility, revitalising unused assets, developing iconic new spaces and building more town centre homes.</b>	<b>Due Date</b>	<b>RAG at Q1</b>	<b>RAG at Q2</b>
Development of central Middlehaven for 60,000 sq. ft. of commercial space (Boho X), 400+ housing units and restoration of the Old Town Hall and Captain Cook Pub	31/03/2024	Green	Green
Repurposing of Captain Cook Square and House of Fraser for leisure and commercial use	31/03/2022	Green	Green
Commercial and residential development of west and south side Middlehaven sites	31/03/2024	Green	Green
Installation of a town-wide lighting scheme, highlighting key buildings and landmarks to improve the physical appearance of the town	30/11/2021	Green	Green
Develop new homes and apartments to expand the urban living offer in the town	31/03/2024	Green	Green

<b>We will invest in our existing cultural assets, create new spaces and events and improve access to culture.</b>	<b>Due Date</b>	<b>RAG at Q1</b>	<b>RAG at Q2</b>
Improve Teesaurus Park, re-establishing its purpose as a visitor attraction and recreational facility	31/10/2021	Green	Green
Create an expanded programme of festivals and events to raise the cultural profile of Middlesbrough	31/03/2023	Green	Green

<b>We will ensure that we place communities at the heart of what we do, continue to deliver value for money and enhance the reputation of Middlesbrough.</b>	<b>Due Date</b>	<b>RAG at Q1</b>	<b>RAG at Q2</b>
Encourage community participation in the development of Council plans and initiatives, increasing community cohesion and resilience	30/09/2021	Green	Red
To secure additional funding and improve the condition of the Council's operational estate and highways infrastructure	31/12/2022	Green	Green
Evolve corporate website into a 'digital platform', increasing online transactions where appropriate, and making the site more personalised and even easier to use	30/11/2022	Green	Green
Develop new Middlesbrough Council headquarters	31/07/2022	Green	Green
Deliver a ward-based cash collection strategy, supporting vulnerable groups with payment solutions to improve Council Tax collection levels	31/01/2022	Green	Green
Stimulate investment in our local economy through procurement opportunities and the promotion of our buy local initiative	31/03/2022	Green	Green
Provision of a new resident-led community facility at Southlands and Nunthorpe	30/11/2022	Green	Green

Deliver sound business management practice through the delivery of the asset disposal policy framework, ensuring best value is achieved and the benefit of disposals are shared with local communities	31/03/2022	Green	Green
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### Appendix 3: Summary Strategic Risk Register at Quarter Two 2021/22

The table below sets out risks to the achievement of the Council's strategic priorities at Quarter Two 2021/22 in order of severity, with impacts ranging from insignificant to extreme, and likelihood ranging from rare to almost certain to happen. It includes three new risks added during Quarter Two.

In line with its Risk and Opportunity Management Policy, the Council aims (where possible) to manage down High risks to the lowest practicable level immediately and Medium risks to the lowest practicable level within three months.

Risk Level	Risk	Likelihood	Impact	Trend
High	Failure to control expenditure within Children's Services (MFTP pressure).	Likely	Extreme	→
High	Local uptake of the C19 vaccine is poor resulting in increased transmission	Likely	Extreme	NEW
High	Insufficient funding available to meet demand / costs associated with the Health and Social Care Bill	Likely	Extreme	NEW
High	Retail market distress impacting Middlesbrough town centre.	Almost Certain	Major	→
High	Insufficient funding to meet increased expenditure that might be incurred from increased demand as a result of COVID-19 (MFTP pressure).	Possible	Extreme	→
High	Failure to have a legally compliant approach to CCTV	Possible	Extreme	NEW
High	Breach of data rights due to untimely response to information requests.	Possible	Major	↓
High	Insufficient year 7 school places available to meet demand over the next 5 years	Possible	Major	→
High	High residential voids / low sale values within Middlesbrough.	Possible	Major	→
High	Historical investigations requiring changes to social work practice.	Possible	Major	→
High	Inaccurate MFTP resulting in funding gap requiring further savings.	Possible	Major	→
High	New historic child abuse claims.	Possible	Major	→
High	Failure to maintain adequate corporate governance.	Possible	Major	→
High	Failure to align operations and culture within strategic objectives.	Possible	Major	→
High	Decline in new housebuilding impact on Council income.	Possible	Major	→

Risk Level	Risk	Likelihood	Impact	Trend
High	External factors (e.g. Brexit, COVID-19) impacting Middlesbrough's economy.	Possible	Major	→
High	Future waste disposal contract costs (MTFP pressure).	Possible	Major	→
High	Failure to adequately plan for new COVID-19 wave or subsequent pandemics.	Unlikely	Extreme	→
High	Disruption from national / local elections.	Likely	Moderate	→
Medium	UK / EU Trade and Security Deal adversely affecting Council operations.	Unlikely	Major	↓
Medium	Failure to develop effective partnerships.	Unlikely	Major	→
Medium	National Waste Review (MTFP pressure).	Unlikely	Major	→
Medium	Failure of Boho X to deliver anticipated benefits and financial returns.	Unlikely	Major	↓
Medium	Reduction in frontline policing impacting on crime / community resilience.	Possible	Moderate	↓
Medium	Failure to recruit and / or retain key staff.	Possible	Moderate	→
Medium	Limited or no partnership involvement due to COVID-19 with the Children's Service Safeguarding Improvement Plan.	Possible	Moderate	→
Medium	Terrorist incident (reflects National Threat Level).	Rare	Extreme	→
Medium	Failure to adapt service delivery to COVID-19 Secure guidelines.	Rare	Extreme	→
Medium	Poor skills profile of school leavers.	Unlikely	Moderate	→
Medium	Inward migration increasing demand for services.	Unlikely	Moderate	→

## Appendix 4: Directorate Priorities 2021/212 – Progress at Quarter Two 2021/22

### Environment and Community Services

Priority	Due Date	RAG at Q1	RAG at Q2
Submit Expression of Interest and then subsequent funding bid for A66 improvements in conjunction with the TVCA and neighbouring authorities.	31/10/21	Green	Amber
Complete works in respect of Column 22b.	31/10/21	Amber	Amber
Update 'Flooding and Severe Weather Plan' (Flood Action Plan) for Middlesbrough.	31/03/22	Amber	Amber
Undertake immediate works to allow Transporter Bridge mitigation measures to be removed.	30/11/21	Amber	Amber
Implement Hostile Vehicle Mitigation scheme in Centre Square and at MFC.	16/07/21	Amber	Red
Undertake inspection of all bridges and structures and joint procurement with RCBC.	31/03/22	Amber	Green
Complete five-year highways asset investment plan and report to Executive.	31/03/22	Green	Amber
Undertake year-one HIAP investment.	31/03/22	Green	Amber
Embed our Values within the Directorate and make staff feel more valued.	31/03/22	Green	Green
Improve staff communication within the Directorate so that staff feel more engaged and understand organisational priorities.	31/03/22	Green	Green
Deliver all budgeted savings initiatives and maintain spend within the limits provided for in our Medium-Term Financial Plan.	31/03/22	Green	Green
Launch staff volunteering scheme allowing employees to support local voluntary groups during working hours.	30/09/21	Green	Red

### Regeneration and Culture

Priority	Due Date	RAG at Q1	RAG at Q2
Develop site infrastructure at Middlehaven through the Brownfield Housing Fund.	31/03/22	Green	Amber
Work with Thirteen Group to deliver development at Gresham.	31/12/21	Green	Amber
Improve Middlesbrough Rail Station and the areas around it.	28/02/22	Green	Amber
Deliver transport schemes to improve efficiency and capacity of the network.	31/03/22	Green	Amber
Market the premium housing sites at Nunthorpe Grange and Newham Hall.	31/03/22	Green	Amber

Priority	Due Date	RAG at Q1	RAG at Q2
Deliver 450 new homes across Middlesbrough.	31/03/22	Green	Green
Prepare a new balanced Local Plan for adoption, based on greater community engagement.	31/03/22	Green	Amber
Deliver new location for Teesside Archives.	31/12/21	Green	Amber
Deliver Future High Streets Fund programme.	31/07/21	Green	Complete
Deliver Town's Fund programme.	31/08/21	Green	Complete
Embed our Values within the Directorate and make staff feel more valued.	31/03/22	Green	Green
Improve staff communication within the Directorate so that staff feel more engaged and understand organisational priorities.	31/03/22	Green	Green
Deliver all budgeted savings initiatives and maintain spend within the limits provided for in our Medium-Term Financial Plan.	31/03/22	Green	Green

## Finance

Priority	Due Date	RAG at Q1	RAG at Q2
Set a balanced budget for the Council and maintain an accurate and timely Medium Term Financial Plan (MTFP).	31/03/22	Amber	Green
Monitor the financial position of the Council including close working with Directorates ensuring correct allocation/maximising use of grants received, e.g. Covid, and the monitoring of the Investment Strategy and the effects on the Council's MTFP.	31/03/22	Amber	Green
Analyse impacts of Fair Funding Review / Comprehensive Spending review and the provision of information to support the Council's position and representations to Government.	31/03/22	Amber	Green
To support Children's Services in the improvement journey and in making reductions in costs.	31/03/22	Amber	Green
Improved working and integration between services provided by Financial Planning & Support and Financial Governance & Revenues to maximise available resources and improve the overall service provided.	31/03/22	Amber	Green
Achieve an unqualified set of accounts for the 2020/21 financial year.	31/03/22	Amber	Amber
Implement the new accounting regulations in relation to leasing.	31/03/22	Green	Amber
Implement the insurance service review and tender insurance contract arrangements to commence from 1st April 2022.	31/03/22	Amber	Amber
Corporate Welfare Solution.	31/03/22	Green	Green
Corporate Voicescape Solution.	31/03/22	Green	Green
Improving collection activities.	31/03/22	Green	Green

Priority	Due Date	RAG at Q1	RAG at Q2
Re-procure pensions administration contract.	31/03/22	Amber	Amber
Pension Fund Actuary procurement and on-boarding.	31/12/21	Amber	Amber
Preparation for 31/03/2022 Pension Fund triennial valuation.	31/03/22	Green	Amber
Review procurement policy and practice in preparation for the outcome of the procurement green paper, including the opportunity for transformation and innovation.	31/10/21	Amber	Amber
Lead on the green strategy theme for sustainable procurement.	31/10/21	Green	Amber
Support COVID recovery ensuring that markets remain sustainable and continue to meet the needs of our vulnerable population.	31/03/22	Amber	Green
Undertake a review of valuation and estates to ensure that both the development function and commercial management of assets are resourced and have clear strategic plans	31/03/22	Amber	Amber
Support the children's improvement journey through the improved relationship with local providers to ensure local provision maps to local need.	31/03/22	Amber	Green
Renegotiate the section 75 arrangement with health to ensure services delivered are funded and fully accountable.	31/10/21	Amber	Amber
Roll out training in a number of areas of financial governance, including: Business World e-learning modules, treasury management training for Members, counter-fraud awareness and training for staff and VAT training for DMT's & SMT's on relevant topics.	28/02/22	Amber	Amber
Embed our Values within the Directorate and make staff feel more valued.	31/03/22	Green	Green
Improve staff communication within the Directorate so that staff feel more engaged and understand organisational priorities.	31/03/22	Green	Green
Deliver all budgeted savings initiatives and maintain spend within the limits provided for in our Medium-Term Financial Plan.	31/03/22	Green	Green

## Adult Social Care and Health Integration

Priority	Due Date	RAG at Q1	RAG at Q2
Complete review of the Occupational Therapy service and implement an improved service model to ensure that provision is in line with demand.	30/09/21	Amber	Complete
Embed Making Every Adult Matter (MEAM) guidance to ensure improved support to adults with multiple disadvantages.	30/11/21	Amber	Amber
Implement the requirements of the Domestic Abuse Act.	31/08/21	Amber	Amber
Prepare for 01/04/22 implementation of the Liberty Protection Safeguards (LPS).	31/03/22	Amber	Amber
Review ASC senior management structure and implement changes as required.	31/07/21	Amber	Red
Review of Direct Payments system to ensure consistency and equitability.	31/03/22	Amber	Green

Priority	Due Date	RAG at Q1	RAG at Q2
Review autism provision and implement improved service model.	31/03/22	Amber	Complete
Review Levick House provision.	28/02/22	Amber	Amber
Deliver 2021/22 Better Care Fund.	31/03/22	Amber	Green
Develop Clean Air Strategy.	31/12/21	Amber	Green
Review of Gambling Act Policy.	31/01/22	Green	Green
Review Licensing Act Statement of Licensing Policies.	31/03/22	Green	Green
Implement Newport 2 Selective Landlord Licensing scheme.	31/01/22	Green	Green
Embed our values within Directorate and make staff feel more valued.	31/03/22	Green	Green
Improve staff communication within the Directorate so that staff feel more engaged and understand organisational priorities.	31/03/22	Green	Green
Deliver all budgeted savings initiatives and maintain spend within the limits provided for in our Medium Term Financial Plan.	31/03/22	Green	Green
Ensure equality improvement actions are based on data that is complete and accurate as possible.	31/03/22	Green	Green

## Public Health

Priority	Due Date	RAG at Q1	RAG at Q2
Complete review of the Pharmaceutical Needs Assessment.	31/03/22	Green	Green
Publish DPH Annual Report.	31/12/21	Green	Green
Complete health protection assurance report.	31/03/22	Green	Green
Completion of sexual health procurement.	30/09/21	Green	Complete
Embed our Values within the Directorate and make staff feel more valued.	31/03/22	Green	Green
Improve staff communication within the Directorate so that staff feel more engaged and understand organisational priorities.	31/03/22	Green	Green
Deliver all budgeted savings initiatives and maintain spend within the limits provided for in our Medium-Term Financial Plan.	31/03/22	Green	Green



## Children's Care

Priority	Due Date	RAG at Q1	RAG at Q2
Deliver the Participation Strategy to support our service users to develop the services they receive in partnership with the Children and Young People's partnership	31/03/22	Amber	Green
Deliver the Quality Assurance and Performance Strategy	31/03/22	Amber	Green
Develop and deliver a workforce strategy to support a stable, skilled and focussed leadership at all levels and stable permanent skilled frontline workforce.	31/03/22	Amber	Amber
Deliver the Multi-agency Early Help and Prevention Strategy to support a commitment to intervening at the earliest stage possible.	31/03/22	Amber	Green
Strengthen the way the Children and Young People partnership work together and challenge the quality of practice through the delivery of the Safeguarding Partnership plan	31/03/22	Amber	Green
Embed our Values within the Directorate and make staff feel more valued.	31/03/22	Green	Green
Improve staff communication within the Directorate so that staff feel more engaged and understand organisational priorities.	31/03/22	Green	Green
Deliver all budgeted savings initiatives and maintain spend within the limits provided for in our Medium-Term Financial Plan.	31/03/22	Green	Green

## Education and Partnerships

Priority	Due Date	RAG at Q1	RAG at Q2
Deliver the Inclusion and Specialist Support Strategic Plan to remove barriers to learning and wellbeing for children and young people and reduce exclusions and out-of-area educational placements.	30/11/21	Green	Amber
Deliver the Access to Education strategy, to ensure sufficient appropriate, high-quality places are available for children and young people now and in the future.	31/03/22	Amber	Green
Facilitate the delivery of the local area SEND plan for the Partnership to improve outcomes for children and young people with SEND.	31/03/22	Amber	Green
Deliver the Middlesbrough Community Learning Strategy to deliver more learning opportunities in Middlesbrough	31/03/22	Green	Green
Deliver the Achievement Plan to deliver school improvement and improve educational outcomes in Middlesbrough	31/12/21	Green	Green
Embed our Values within the Directorate and make staff feel more valued.	31/03/22	Green	Green
Improve staff communication within the Directorate so that staff feel more engaged and understand organisational priorities.	31/03/22	Green	Green
Deliver all budgeted savings initiatives and maintain spend within the limits provided for in our Medium-Term Financial Plan.	31/03/22	Green	Green

## Legal and Governance Services

Priority	Due Date	RAG at Q1	RAG at Q2
Ensure continued implementation of the ICT Strategy to underpin the delivery of all strategic objectives.	31/03/22	Amber	Green
To ensure the continued provision of legal advice and support to the wider authority to contribute to the implementation and delivery of the strategic objectives.	31/07/21	Green	Complete
Conduct Local planning Referendums	31/03/22	Green	Complete
Conduct Community Governance review parish and community councils.	31/03/22	Green	Green
Conduct Combined Elections PCC and TCVA.	31/05/2021	Complete	Complete
Build capability and embed the Values to support the achievement of the Council's Strategic Aims through recruitment, recognition, performance management and employee engagement.	30/11/21	Green	Green
Launch and embed the revised corporate Information Governance Framework, completing outstanding actions from the ICO Data Protection Audit.	30/09/21	Green	Red
Develop and implement an overarching surveillance policy for the Council, communicating the approach to members, employees and customers.	31/07/21	Green	Complete
Update the business intelligence dashboard plan to reflect revisions to performance management arrangements and roll-out learning from work within Children's Services	31/10/21	Amber	Amber
Continue the implementation of corporate health and safety policy, procedures and applications to ensure that the Council has a fully auditable system in place.	31/12/21	Amber	Green
Manage projects and initiatives relating to outstanding digital targets within the MTFP.	31/03/22	Green	Green
Embed our Values within the Directorate and make staff feel more valued.	31/03/22	Green	Green
Improve staff communication within the Directorate so that staff feel more engaged and understand organisational priorities.	31/03/22	Green	Green
Deliver all budgeted savings initiatives and maintain spend within the limits provided for in our Medium-Term Financial Plan.	31/03/22	Green	Green
Continue proactive promotion of vacancies within communities that are under-represented in the Council's workforce.	31/03/22	Green	Green
Explore means of comparing the diversity of applicants with the diversity of subsequently successful candidates.	31/03/22	Green	Green
Deliver a programme of training to all elected members, senior managers and recruiting managers on the history of diverse communities in the UK, issues of bias how they manifest themselves in society.	31/03/22	Green	Green
Encourage all staff to update their equality information.	31/03/22	Green	Complete
Ensure staff equality monitoring includes all protected characteristics.	31/03/22	Green	Green

<b>Report of:</b>	Councillor Stephen Hill - Executive Member for Education Rob Brown - Director for Education and Partnerships
<b>Submitted to:</b>	Executive - 7 December 2021
<b>Subject:</b>	Annual Update: Standing Advisory Council on Religious Education (SACRE)

**Summary**

<b>Proposed decision(s)</b>
No decision is required. This report is for information only.

Report for:	Key decision:	Confidential:	Is the report urgent? <sup>1</sup>
Information	N/A	N/A	No

Contribution to delivery of the 2021-24 Strategic Plan		
People	Place	Business
Ensuring Middlesbrough has the very best schools		

Ward(s) affected
N/A

**What is the purpose of this report?**

1. To provide an update to members with an update of work undertaken by Standing Advisory Council on Religious Education (SACRE)

**Why does this report require a Member decision?**

2. This report is for information only.

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## Report Background

3. By law, every local authority has to have a SACRE. It takes the responsibility for making sure SACRE works well and SACRE's work is related to schools and their curriculum.
4. SACRE's role is to provide advice and support, and to monitor the provision and quality of Religious Education and Collective Worship in schools.
5. The purpose of this report is to inform members of SACRE and the public of the work of SACRE of Middlesbrough. This report aims to demonstrate the impact actions undertaken by Middlesbrough Local Authority upon matters connected with religious worship in community and foundation schools which do not have a religious character so that SACRE are satisfied religious education in these schools is delivered in accordance with the RE Agreed Syllabus. It also provides reassurance that teaching methods, choice of materials and teaching training in religious education and collective worship.

## Local Picture

6. In consultation with Middlesbrough's communities of religion and belief, school staff and RE Today, the 2020-2025 Agreed Syllabus for Religious Education (RE) has been devised and distributed to schools so that curriculum aspects ranging from Early Years Foundation Stage (EYFS) up to Key Stage 4(KS4) are comprehensibly taught. The Agreed Syllabus is underpinned by practical teaching elements which support: assessment; progression of learning; legal requirements of teaching; religious types which help underpin British Values and promote spiritual, moral, social and cultural development.
7. Training for all schools, regardless of their character, takes place termly, with morning sessions for secondary teachers and afternoon sessions for primary. These sessions are determined by the requests of the teachers at the previous session, so are planned specifically for the needs of the schools in Middlesbrough SACRE area. This has been delivered remotely during the pandemic. The RE curriculum remains a strong element of learning in all schools across Middlesbrough.
8. Despite guidance advising schools were able to narrow the curriculum, school leaders report that the teaching of RE has been consistent and has helped to support the spiritual, moral, social and cultural development of children and young people throughout the pandemic. Support continues to be brokered from RE Today who deliver virtual school training events as well as advise the Board on national initiative and emerging themes. The Co-Chairs have received training from the LA Governor Development Service.
9. SACRE guidance continues to be used in LA schools, and some academies, as the basis for their arrangements for Collective Worship. During the pandemic, various approaches have been adopted to ensure Collective Worship and Assemblies

continue. These included a mix of remote live streams and recorded sessions during lockdown periods.

10. No formal complaints have been made to SACRE, concerning Religious Education. There have been no requests to SACRE for withdrawal from RE. There have also been no formal complaints to SACRE concerning Collective Worship during the academic year 2020-21. There have also been no requests to SACRE for withdrawal from Collective Worship.

## Membership

11. Middlesbrough SACRE is represented by four representative groups with voting powers as well as co-opted members all of whom serve the local community and offer a valuable contribution to the quality of religious education and collective worship that pupils experience in our schools.

<b>Name</b>	<b>Position</b>
Councillor C Wright	Local Authority representative
Karen Smith	Local Authority representative
Councillor T Higgins	Local Authority representative
Councillor Z Uddin	Christian and other religious denominations
L Ghani	Christian and other religious denominations
M Khan	Christian and other religious denominations
A Khazir	Christian and other religious denominations
C Marshall	Christian and other religious denominations
G Sharma	Christian and other religious denominations
A Corcoran	Christian and other religious denominations
P Singh	Christian and other religious denominations
E Zarifi	Christian and other religious denominations
C Wilson	Church of England representative
L Antill	Teachers representative
L Moores	Teacher representative
R Conway	Teachers representative
J Conwell	Teachers representative

P Fussey	Teachers representative
S Armstrong	Teachers representative
J Surtees	Teachers representative
V Hart	Humanist Representative

## Funding

12. To support meeting the needs of children and young people SACRE receives a budget of £5000 per annum. This budget is used to support schools and pupils continue to develop the curriculum and increase the percentage of pupils choosing to continue RE as a GCSE subject.

13. The budget also funds support provided by the National Association of Standing Advisory Councils on RE (NASACRE).

## Key Developments

14. In this academic year resources have been developed and shared:

- EYFS Early Learning Goals for RE
- Building Progression through your RE Agreed Syllabus
- A SACRE resource area is now available on the Learning Middlesbrough website where links to training and webinars can be accessed

15. To support the statutory implementation of the new and compulsory Relationship, Sexual Health Education (RSHE) community consultation was delivered and supported by SACRE ensuring any misconception surrounding curriculum content could be addressed in collaboration with faith and community leaders.

## Professional Development

16. Support continues to be brokered from RE Today who deliver virtual school training events as well as advise the Board on national initiative and emerging themes.

17. In addition a comprehensive training delivered face to face and remotely for schools to participate. Content is planned in line with the agreed syllabus:

<p><b>Anti-Racist RE Education - Addressing Inclusion</b></p> <p>Training to help teachers of Religious Education plan and provide learning about religion, beliefs, racism and prejudice in challenging ways.</p>	<p>Concepts that teachers should know and be prepared to address with their pupils:</p> <ul style="list-style-type: none"> <li>• Understanding culture and beliefs in different religions</li> <li>• Expressing personal views for equality and justice</li> <li>• What can be done to reduce harmful impact of racism</li> <li>• Statues and their meaning</li> <li>• Case studies and learning e.g. Human Rights and</li> </ul>
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	Equality, Being the Same Being Different, Society and Equality
<b>The Holocaust and the RE curriculum</b>	<p>Teaching about aspects of the Holocaust in RE lessons can help students explore:</p> <ul style="list-style-type: none"> <li>• The connections between beliefs – both religious and secular – and actions.</li> <li>• Moral dilemmas and choices, and the factors which can influence them.</li> <li>• Responses to ‘fundamental’ questions such as the nature and causes of suffering and ‘evil’, and – ultimately – what it means to be human.</li> <li>• The interaction, and sometimes conflict, between different faiths and/or belief systems.</li> <li>• Individual and collective identity.</li> </ul> <p>It can also support students in practising essential skills:</p> <ul style="list-style-type: none"> <li>• Understanding and scrutiny of the beliefs of others.</li> <li>• Critical investigation of contrasting viewpoints, with an ability to reach reasoned judgements, and a willingness to challenge preconceptions.</li> <li>• Interpretation of a range of sources to be able to reach and justify independent opinions.</li> <li>• Effective communication of emotions and opinions.</li> <li>• Reflection on the nature and meaning of morality and on the importance of moral choices.</li> </ul>
<b>Islam CPD Training for Primary RE Leads / Teachers</b>	<ul style="list-style-type: none"> <li>• Teaching and Learning about Islamic Artefacts / Special Objects for Muslims</li> <li>• What does it mean to be a Muslim in Britain today? Includes a section on Islamophobia / Radicalisation</li> <li>• Births, Weddings &amp; Funerals in Islam.</li> <li>• The 5 Pillars of Islam (Belief, Prayer, Charity, Fasting &amp; Pilgrimage)</li> <li>• The 6 Articles of Faith - Muslim beliefs about; Allah, Angels, Holy Books, Messengers, Life after death and Predestination</li> </ul>

	<ul style="list-style-type: none"> <li>Teaching &amp; Learning about the Qur'an</li> </ul>
<b>So, you've joined your local SACRE...</b>	This session will help new SACRE members to understand their role, how SACRE works, its statutory responsibilities and how members make their contribution to this work.
<b>What do SACREs need to know and understand about worldviews?</b>	This session will share an overview of what the term 'worldviews' means in a number of different disciplines and reflect on how it provides useful concept from which teachers feel more equipped to teach RE.

### **Next Steps/Key Areas of Development**

18. Devise and implement a SACRE development plan.
19. Maintain a standardised and consistent membership which represents the community we serve.
20. Establish a Youth SACRE.
21. Establish a programme of support and training for places of worship, visiting speakers and schools which fosters positive and productive relationships.
22. Establish an events programme with Interfaith Week at the centre.
23. Provide an induction for new members.
24. Continue to offer high quality CPD to schools.
25. Introduce 'Members Moments' as a standing agenda item. This will be an opportunity for members to share their faith, their role beyond SACRE to develop our understanding of religious beliefs, worldviews, and classroom practice.
26. Create video resources for schools featuring local people.

### **What decision(s) are being asked for?**

27. This report is for information only and to provide an update on progress within the Middlesbrough. The report provides oversight of the Local Authorities statutory duties in relation to SACRE.

### **Why is this being recommended?**

28. N/A



## **Other potential decisions and why these have not been recommended?**

29. N/A

## **Impact(s) of recommended decision(s)**

30. N/A

## **Legal**

31. The report will assist the Council in meeting its statutory duty to support the activities of the Standing Advisory Council on Religious Education (SACRE). Every local authority (LA) is required by law to have a SACRE the origins of which are within the Education Act 1944, and strengthened in the Education Reform Act 1988 and the Education Act 1996.

The report will assist the Council in meeting its statutory duty to support the activities of SACRE.

## **Financial**

32. There is no financial impact associated with this paper.

## **Policy framework**

33. N/A

## **Equality and Diversity**

34. N/A

## **RISKS**

35. N/A

## **Actions to be taken to implement the decision(s)**

36. A further report to Executive will be brought in 2022 to again provide an update and oversight of SACRE developments

## **Appendices**

37. No appendices accompany this report. However, Middlesbrough Agreed Syllabus is available on request.

## **Background papers**

38. No background papers were used in the preparation of this report.

**Contact:** Karen Smith: Head of Achievement  
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<b>Report of:</b>	Councillor Stephen Hill - Executive Member for Education Rob Brown - Director of Education and Partnerships
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<b>Submitted to:</b>	Executive - 7 December 2021
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<b>Subject:</b>	Virtual School Peer Review
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**Summary**

<b>Proposed decision(s)</b>
That Executive endorses the Virtual School peer review.

Report for:	Key decision:	Confidential:	Is the report urgent? <sup>1</sup>
Information	No	Not applicable	No

Contribution to delivery of the 2018-22 Strategic Plan		
Business Imperatives	Physical Regeneration	Social Regeneration
Provides the Council with an opportunity to commission a peer review of the Virtual School which will help shape the improvement journey as well as providing external evidence of impact for Ofsted and others.	Not applicable.	Not applicable.

<b>Ward(s) affected</b>
Not applicable

<sup>1</sup> Remove for non-Executive reports

## **What is the purpose of this report?**

1. The purpose of this report is to advise Executive that Children's Services has commissioned a peer review from the National Association of Virtual School Heads (NAVSH) as part of the Council's commitment to continuous improvement. Children's Services would like Executive to endorse the findings of the peer review to improve service delivery to young people.

## **Why does this report require a Member decision?**

2. Given that NAVSH peer reviews involve external consideration of the Council's processes and procedures with regard to the support offered to looked after children, it is appropriate that Executive endorsement is sought on this proposal.

## **Report Background**

3. All Local Authorities must have a Virtual School Head in place. A Local Authority Virtual School is the commonly used term for an individual or team employed by the Authority to support and champion the learning needs of looked after children (CLA) in schools. Generally the Virtual School will liaise between Social Care, Foster Carer and school to help ensure that the child is given the best possible opportunity to thrive and succeed at school. The person responsible for leading this work is commonly known as the Virtual School Head.  
A system of peer review has been developed by the National Association of Virtual School Heads (NAVSH) to help Virtual Schools improve and develop. The Council is keen to regularly access such support to independently assess its position in relation to services provided to support children.
4. As part of regular engagement with NAVSH, and in line with the Council's commitment to ensuring the sector-led improvement opportunities provided by NAVSH are used to their full potential, Children's Services have requested NAVSH undertake a peer review of the Virtual School. This will be the first such review NAVSH has carried out in Middlesbrough.
5. NAVSH will assess the Council against four core themes:
  - How well does the Middlesbrough Virtual School and the Local Authority work with external partners, specifically schools, to improve outcomes for children in their care?
  - How effective is the PEP process and are the current monitoring systems effective?
  - What steps have been taken to ensure the Virtual School Head and the Virtual School champion all children with a social worker: How strong is partnership working between the Virtual School and Children's Social Care in Middlesbrough
  - Are the Virtual School's current arrangements for tracking, monitoring and supporting children who have been excluded, are without a school place or are on part-time tables effective in ensuring these children are accessing appropriate and quality education?
6. In line with the Council's commitment to transparent and honest engagement, the findings of the review will be published and brought back to Executive for consideration, along with an action plan to address any recommendations made by the review, taking into account what can be delivered within the resource constraints the Council is operating within.

## **What decision(s) are being asked for?**

7. That Executive endorses the proposed peer review.

## **Why is this being recommended?**

8. Utilising the NAVSH resource provides an opportunity to gather views from a range of experienced Virtual School Heads from Local Authorities in other parts of the country.

## **Other potential decisions and why these have not been recommended**

9. The Council could choose not to access this support and undertake an in-house review or commission external specialists to deliver the review. These options are not recommended because it is healthy to seek external views from external peers who are experienced in the running of Virtual Schools. Sourcing alternative specialists would be at significant cost, while the cost for the NAVSH peer review is kept low to only cover the costs of those delivering the review.

## **Impact(s) of recommended decision(s)**

### ***Legal***

10. There are no legal implications arising from the recommendations in this report.

### ***Financial***

11. The cost of the review is £2500. This cost will be borne by the Virtual School and no additional funding is sought.

### ***Policy Framework***

12. No impact on the Policy Framework.

### ***Equality and Diversity***

13. Not applicable.

### ***Risk***

14. Commissioning a peer review is not directly relevant to risk management, however findings may identify new risks or suggest some current risks should be reassessed if the review finds that there is a disconnect between the Council's understanding or a risk and wider perceptions.

## **Actions to be taken to implement the decision(s)**

15. If approved, work will be undertaken to prepare for the review, further communications will be issued in due course.

## **Appendices**

16. None.

**Contact:** Trevor Dunn  
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**MIDDLESBROUGH COUNCIL**



<b>Report of:</b>	Councillor Barrie Cooper - Executive Member for Environment and Finance & Governance Ian Wright - Director of Finance
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<b>Submitted to:</b>	Executive - 7 December 2021
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<b>Subject:</b>	Calculation of Council Tax Base for 2022/2023
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**Summary**

<b>Proposed decision(s)</b>
<p>That the Executive notes the contents of the report.</p> <p>That the Executive endorses the council tax base for 2022/2023 as <b>35,228</b>.</p> <p>That the Executive endorses <b>2,168</b> and <b>1,240</b> as the council tax bases for the parishes of Nunthorpe and Stainton &amp; Thornton respectively for 2022/2023.</p> <p>That the report is presented to Council on 22nd December 2021, and that following approval the Police and Crime Commissioner, the Cleveland Fire Authority and the Parish Councils are notified of the 2022/2023 council tax base.</p>

<b>Report for:</b>	<b>Key decision:</b>	<b>Confidential:</b>	<b>Is the report urgent?</b>
Decision	Yes - over the financial threshold (£150,000) and affects more than two wards	No	No

<b>Contribution to delivery of the 2021-24 Strategic Plan</b>		
<b>People</b>	<b>Place</b>	<b>Business</b>
The council tax base calculation contributes to the delivery of the 2021-24 Strategic Plan, and is a component of the Council's budget setting.		

<b>Ward(s) affected</b>
All wards, with specific council tax base calculations relating to the areas covering Nunthorpe and Stainton & Thornton parishes.

## What is the purpose of this report?

1. To set the council tax base for the financial year 2022/2023 by the statutory deadline of 31 January 2022.

## Why does this report require a Member decision?

2. The Council has a legal obligation to calculate a council tax base each financial year. The calculation of the council tax base is a part of the Council's budget strategy which forms part of the Council's Policy Framework, and as such must be agreed by Full Council.

## Report Background

3. The starting point for the calculation of the 2022/2023 tax base is the number of dwellings on the Valuation List, provided by the Government's Valuation Office. The figures are also adjusted for exempt dwellings and for dwellings subject to disabled reduction.
4. The number of chargeable dwellings in each band is further adjusted for discounts, exemptions, premiums and council tax support.
5. The resultant figure (line 1 of Appendix A) is the total equivalent number of dwellings which are then converted using ratios (in line 2) into the number of Band D equivalents (line 3), specified in the 1992 Act. For 2022/2023, the equivalent number of Band D properties is calculated at **36,467.7**.
6. The council tax base is finally determined by multiplying the sum of the Band D equivalents by the Authority's estimated collection rate, which has been assumed at 96.6% for 2022/2023. This is the estimate of the percentage of the 2022/2023 Council Tax set which will be collected in total, and not the expected in year collection rate in 2022/2023. The rate used is re-considered each year and the rate of 96.6% used for 2022/2023 remains the same assumed collection rate as that which was used for 2021/2022, to reflect the continuing effects of Covid-19. The resulting council tax base for 2022/2023 for the whole of Middlesbrough (Appendix A) is **35,228**, rounded to a whole number.
7. Since 2013/14 the Council's Housing Growth Strategy has delivered an increase in the Council Tax Base of 5,057 Band D Equivalent properties, an increase in Middlesbrough Council's Tax Base of approximately 16.8%. The cumulative effect is approximately £9.1 million and reduces the need to make further annual savings within Council services by this amount.
8. The regulations also require a council tax base to be calculated for parishes, and similar calculations have been made for the parishes of Nunthorpe (Appendix B) and Stainton & Thornton (Appendix C). The council tax bases for 2022/2023 are **2,168** and **1,240** respectively, rounded to whole numbers.
9. The billing authority must notify the major precepting authorities (Cleveland Police and Crime Commissioner and Cleveland Fire Authority) of its council tax base within seven days of making the calculation, or no later than 31st January 2022.



### What decision(s) are being asked for?

10. That the Executive notes the contents of the report.
11. That the Executive endorses the council tax base for 2022/2023 as **35,228**.
12. That the Executive endorses **2,168** and **1,240** as the council tax bases for the parishes of Nunthorpe and Stainton & Thornton respectively for 2022/2023.
13. That the report is presented to Council on 22<sup>nd</sup> December 2021, and that following approval the Police and Crime Commissioner, the Cleveland Fire Authority and the Parish Councils are notified of the 2022/2023 council tax base.

### Why is this being recommended?

14. The recommendations are supported by the following reasons: -
  - a) The Local Government Finance Act 1992 requires a billing authority to calculate its council tax base for each financial year.
  - b) The method of calculation is specified in the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, which requires the calculation to be approved before 31<sup>st</sup> January in the year proceeding the relevant financial year.

### Other potential decisions and why these have not been recommended

15. Not applicable to this report, as the Council has no option but to calculate a council tax base as it is a statutory requirement.

### Impact(s) of recommended decision(s)

#### **Legal**

16. It is a statutory requirement under the Local Government Finance Act 1992 for billing authorities to calculate a council tax base.

#### **Financial**

17. A comparison with the 2021/2022 council tax base is summarised in the table below:

	2021/2022	2022/2023	% Increase / (Decrease)
Total Number of Dwellings after Discounts	43,236.5	44,151.7	2.1
Band D Equivalent	35,697.9	36,467.7	2.2
Council Tax Base	34,484	35,228	2.2

18. The table above demonstrates that there is an increase of 915 (2.1%) in the actual number of dwellings after discounts for council tax base purposes. This is a result of new house building over the period. The net increase in the council tax base from 2022/23 is 744 (2.2%) band D equivalent properties, assuming the same collection rate as for 2021/2022. The growth in the council tax base is estimated to have reduced the need for budget reductions by approximately £1,308,000 in 2022/2023 and on an ongoing basis, based on the 2021/2022 Basic Council Tax.

### ***Policy Framework***

19. The calculation of the council tax base is a part of the Council's budget strategy which forms part of the Council's Policy Framework, and as such must be agreed by Full Council.

### ***Equality and Diversity***

20. Not applicable to this report.

### ***Risk***

21. The report ensures that the Council's meets its statutory duty to calculate a council tax base for each financial year.

### **Actions to be taken to implement the decision(s)**

22. Following consideration and expected approval by Council on 22 December 2021 the Police and Crime Commissioner, the Cleveland Fire Authority and the Parish Councils will be notified of the 2022/2023 council tax base before the statutory deadline of 31 January 2022.

### **Appendices**

- Appendix A – Calculation of the 2022/2023 Council Tax Base for Middlesbrough area (including parishes)
- Appendix B – Calculation of the 2022/2023 Council Tax Base for Nunthorpe Parish Council (included at Appendix A)
- Appendix C – Calculation of the 2022/2023 Council Tax Base for Stainton & Thornton Parish Council (included at Appendix A)

### **Background papers**

No background papers were used in the preparation of this report.

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**CALCULATION OF THE 2022/2023 COUNCIL TAX BASE FOR MIDDLESBROUGH AREA  
(INCLUDING PARISHES)**

	COUNCIL TAX BAND									
	A (with disabled relief)	A	B	C	D	E	F	G	H	TOTAL
		£0-£40,000	£40,001-£52,000	£52,001-£68,000	£68,001-£88,000	£88,001-£120,000	£120,001-£160,000	£160,001-£320,000	£320,001 and over	
Total number of dwellings after discounts	28.6	18,472.7	8,011.7	9,092.8	4,770.2	2,374.6	876.0	495.9	29.3	44,151.7
Ratio to band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
Number of band D equivalents	15.9	12,315.1	6,231.3	8,082.5	4,770.2	2,902.3	1,265.3	826.6	58.5	36,467.7

Assumed collection rate of 96.6%

0.966

Council tax base for 2022/2023 (rounded to a whole number)

**35,228**

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**CALCULATION OF 2022/2023 COUNCIL TAX BASE FOR NUNTHORPE PARISH COUNCIL  
(INCLUDED AT APPENDIX A)**

	COUNCIL TAX BAND									
	A (with disabled relief)	A	B	C	D	E	F	G	H	TOTAL
		£0-£40,000	£40,001-£52,000	£52,001-£68,000	£68,001-£88,000	£88,001-£120,000	£120,001-£160,000	£160,001-£320,000	£320,001 and over	
Total number of dwellings after discounts	0.0	9.9	78.9	348.2	700.6	321.1	195.4	282.9	10.0	1,946.9
Ratio to band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
Number of band D equivalents	0.0	6.6	61.4	309.5	700.6	392.4	282.2	471.5	20.0	2,244.2

Assumed collection rate of 96.6%

0.966

Council tax base for 2022/2023 (rounded to a whole number)

**2,168**

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**CALCULATION OF 2022/2023 COUNCIL TAX BASE FOR STANTON & THORNTON PARISH COUNCIL  
(INCLUDED AT APPENDIX A)**

	COUNCIL TAX BAND									
	A (with disabled relief)	A	B	C	D	E	F	G	H	TOTAL
		£0-£40,000	£40,001-£52,000	£52,001-£68,000	£68,001-£88,000	£88,001-£120,000	£120,001-£160,000	£160,001-£320,000	£320,001 and over	
Total number of dwellings after discounts	0.0	25.2	95.5	325.7	372.7	229.7	117.7	47.6	0.0	1,214.0
Ratio to band D	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	
Number of band D equivalents	0.0	16.8	74.3	289.5	372.7	280.7	169.9	79.3	0.0	1,283.2

Assumed collection rate of 96.6%

0.966

Council tax base for 2022/2023 (rounded to a whole number)

**1,240**

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**MIDDLESBROUGH COUNCIL**

<b>Report of:</b>	Councillor Barrie Cooper - Executive Member for Environment and Finance & Governance Ian Wright - Director of Finance
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<b>Submitted to:</b>	Executive - 7 December 2021
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<b>Subject:</b>	Corporate Debt Write Off Policy
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**Summary**

<b>Proposed decision(s)</b>
<p>That Executive:</p> <ul style="list-style-type: none"> <li>a) Note and endorses the Corporate Debt Write Off Policy</li> <li>b) Refers the policy to full council to amend the Budget Policy Framework and the officer scheme of delegation</li> <li>c) That delegated authority be provided to the Section 151 Officer to approve any future modifications to the policy.</li> </ul>

<b>Report for:</b>	<b>Key decision:</b>	<b>Confidential:</b>	<b>Is the report urgent?<sup>1</sup></b>
<i>Approval</i>	<i>Yes</i>	<i>No</i>	<i>No</i>

<b>Contribution to delivery of the 2020-23 Strategic Plan</b>		
<b>People</b>	<b>Place</b>	<b>Business</b>
<i>Provide a corporate approach to the writing off of bad and irrecoverable debts whilst seeking to maximise the opportunity for collection thereby minimising the need for write off. The policy also establishes a disciplined approach across the Authority for the writing off of those debts that are not recoverable</i>	<i>NA</i>	<i>To improve the financial performance of the Council with regards to writing debt off, the efficient collecting of income and debt, and its bad debt provision.</i>

<b>Ward(s) affected</b>
<i>All wards are affected by the decision to introduce a corporate debt policy.</i>

### **What is the purpose of this report?**

1. The purpose of this new policy is to provide a corporate approach to the writing off of bad and irrecoverable debts in a fair and timely manner, whilst seeking to maximise the opportunity for collection thereby minimising the need for write off.
2. All service areas must follow this policy to allow the Council to operate a consistent approach to debt write off, whilst having due regard to the customer's ability to pay.
3. Whilst some parts of debt write off are governed by particular legislative requirements such as Council Tax, Business Rates, Adult Social Care Debt, etc, wherever possible the overall principle of debt write off should be efficient and effective, always giving consideration to the financial impact on the Council when debt is written off.
4. This policy will underpin any specific recovery strategies and will be applied across all directorates.
5. This new policy will also support cross directorate communication where a shared customer base exists. It is envisaged that the approach will work within Data Protection legislation, and should be considered at a corporate level to reduce multiple officer engagements across directorates with the same resident and or business base.

### **Why does this report require a Member decision?**

6. The introduction of a Corporate Debt Write Off policy is part of the Council's strategic direction, and as such requires executive consideration followed by Council approval.

### **Report Background**

7. The Council has a statutory duty to collect outstanding debt and does so in accordance with the Local Government Finance Act 1992 and the Council's Financial Procedure rules. The introduction of this policy is to support this duty but also to provide that our debt write off approach / methods are consistent, fair and efficient across all of its services.
8. This policy is the 3<sup>rd</sup> of 4 policies being developed which bring together a significant number of supporting arrangements which will not only compliment but enhance the Council's social regeneration plans.
  - Vulnerability Policy (Executive Approval on 16.6.2020)
  - Corporate Debt Management Policy – (Single Executive Approval on 10.08.21)
  - Corporate Welfare Policy – (In Design)
9. This policy sets out a framework for a consistent approach to write off by delegating debt levels to various managers / heads of service where the aim is to enable cases which fit specific criteria (contained within the policy) to be written off, which will in turn enable the more efficient collection of outstanding debt.

10. This policy also seeks to address other matters such as credit balance write offs and the reinstatement of previously written off debt.

### **Debt Write Off Policy**

11. This policy applies to all debts owed / due to the Council.

12. The general principles adopted in this policy are as follows:

- To ensure a professional, consistent and timely approach to debt write off across all of the Council's functions,
- Where Data Protection legislation permits, promote a coordinated approach towards sharing debtor information internally and managing multiple debts owed to the Council,
- To ensure that debts are managed in accordance with legislative provisions and best practice,
- Ensure that any steps taken to recover debt / income are in line with the Council's corporate policies on surveillance and data protection, and to ensure compliance with RIPA and GDPR legislation.

13. This policy links into the Council's Vulnerability Policy and the Stop the Knock approach and looks to ensure that supporting arrangements are in place for debtors where their vulnerability affects their ability to pay a debt owed to the Council. Those considered to be vulnerable with an 'unrecoverable' debt will be linked into the Social Inclusion arrangements contained in the recently adopted Debt Management Policy.

14. The policy applies to debts and income due to the Council for the following, however this list is not exhaustive:

- Council Tax,
- Business Rates,
- Overpaid Housing Benefit,
- Rents, service charges and insurance,
- Sundry Debts (incl. licensing, fees, statutory notices, subscriptions, etc.),
- Recovery of enforcement costs,
- Adult Social Care,
- Charging for discretionary services or any money due to the Council under terms of an agreement to pay for goods, services or property.
- Fines (includes car parking, public space protection order, environmental, etc.).

15. This policy provides a comprehensive approach that allows for the automatic write off of debt by Heads of Service through a "pre-request for write off" process, where the debt meets pre-determined criteria which makes the debt unrecoverable. This criteria (whilst not exhaustive) covers debt which is uneconomical to recover, unenforceable, and those debtors that have been untraceable for a period of over 6 months, amongst others.

16. Specific delegations of authority are contained within the policy, within the pre-request process (see above), and the amounts that can be written off following submission for suitability which varies depending on the type of debt.

17. The policy also ensures that where specific legislation requires that a debt should be written off (i.e. Housing Benefit regulations for official error cases where the claimant could not have known they were being overpaid), these debts can be processed without delay by the manager responsible for the service

18. This policy also extends to the reinstatement of previously written off debt and credit balances at a corporate level.
19. Consideration to the use of third party collection services (which should not be confused with bailiff / enforcement services), where debts are considered uneconomical to recover should be given to maximise cash opportunities to the Council.

**What decision(s) are being asked for?**

20. That Executive:

- Note and endorses the Corporate Debt Write Off Policy
- Refers the policy to full council to amend the Budget Policy Framework and the officer scheme of delegation
- That delegated authority be provided to the Section 151 Officer to approve any future modifications to the policy.

**Why is this being recommended?**

21. This policy will allow Middlesbrough Council to provide a comprehensive framework for debt write off which is consistent across service areas / various types of debt.
22. It also establishes a disciplined approach across the Council for the writing off of those debts that are recoverable

**Other potential decisions and why these have not been recommended**

**Impact(s) of recommended decision(s)**

23. An impact assessment has been completed and is attached at Appendix B which demonstrates that there were no concerns that the policy could have a disproportionate impact on individuals or groups because they hold one or more protected characteristics. The policy sets out how it will be adjusted for those identified as being vulnerable and reinforces links to social inclusion and ability to pay as set out in the Council's Corporate Debt Management Policy.

***Legal***

24. The Financial Procedure Rules at paragraph 21.5 sets out the following:

The authority to approve the write off of debts raised from the 1 April 2016 is delegated to Directors. Write off of debts raised prior to the 1 April 2016 requires the approval of the Chief Finance Officer. The Chief Finance Officer is authorised to approve the write off of debts in respect of the following:

- Council Tax;
- National Non Domestic Rates;
- Community Charge; and

- Sundry Debt (Commercial Rents, Payroll, Housing Advances, Overs and Shorts of Cash, Returned Payments, Small Balances and Unclaimed Credit Accounts).

At Paragraph 15 of this report it is intended to delegate this to Heads of Services in some instances, as such the Financial Procedure Rules will require an amendment or an appropriate scheme of delegation revised to incorporate the required amendments to delegate to Heads of Service. The Financial Procedure Rules, in light of the Limitations Act 1980, will require amendment in any event in respect of the **“Write off of debts raised prior to the 1 April 2016”** as these types of debts would be Statute Barred from 1 April 2022.

25. Furthermore, consideration of the Limitations Act 1980 must accord with the Policy and the most relevant parts of the Limitation Act are as follows:

s.5

**Time limit for actions founded on simple contract.**

*An action founded on simple contract shall not be brought after the expiration of six years from the date on which the cause of action accrued.*

s.9

**Time limit for actions for sums recoverable by statute.**

*(1) An action to recover any sum recoverable by virtue of any enactment shall not be brought after the expiration of six years from the date on which the cause of action accrued.*

*(Subject to some exceptions)*

s.19

**Time limit for actions to recover rent.**

*No action shall be brought, and the power conferred by section 72(1) of the Tribunals, Courts and Enforcement Act 2007 shall not be exercisable, to recover arrears of rent, or damages in respect of arrears of rent, after the expiration of six years from the date on which the arrears became due.*

s.24

**Time limit for actions to enforce judgments.**

*(1) An action shall not be brought upon any judgment after the expiration of six years from the date on which the judgment became enforceable.*

*(2) No arrears of interest in respect of any judgment debt shall be recovered after the expiration of six years from the date on which the interest became due.*

The above parts of the Limitation Act are the most commonly used, however it is worthy of note that limitations in other actions vary, including but not limited to: s.20 recovering monies secured by mortgage or charge, s.21 trust property and claims against a personal estate of a deceased person.

**Financial**

26. The proposal is cost neutral; however it is hoped that this will lead to an increase in cash collection across the organisation. By writing off debt in a timely and consistent manner, resources can be focussed upon those debts that are collectable and outside of the scope of this write off policy

## ***Policy Framework***

27. The proposed policy will not vary the current policy framework.

## ***Equality and Diversity***

28. The corporate debt management policy should be read in conjunction with any equality and diversity policies.

## ***Risk***

29. This policy will impact positively on the following risks.

- 08-059 Incorrect assumptions in the MTFP;
- 08-075 Reduction in Council Tax Collection;

## **Actions to be taken to implement the decision(s)**

30. The Council will publish the policy on its website by 01 January 2022,

31. As part of the Council's combined approach to Debt Collection, briefing will be given to the managers of all teams affected by this policy (who will subsequently brief their staff) to ensure a consistent and coordinated approach to the collection of debt and income.

32. Amend the Budget Policy Framework once the policy has been to full council.

## **Appendices**

- Corporate Debt Write Off Policy - Appendix A
- Impact Assessment - Appendix B

## **Background papers**

33. There are no background papers associated with this report

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# Corporate Debt Write Off Policy

**Live from: December 2021**

**Live until: December 2024**

<b>Title</b>	Corporate Debt Write Off Policy		
<b>Creator</b>	Author(s)	Mark Symmonds (Support Services Manager)	
	Approved by	Janette Savage	
	Department	Residents and Business Support	
	Service area	Finance	
	Head of Service	Janette Savage	
	Director	Ian Wright	
<b>Date</b>	Created	11 May 2021	
	Submitted	20 October 2021	
	Approved	December 2021	
	Updating Frequency	3 years	
<b>Status</b>	Version: 0.10		
<b>Contributor(s)</b>	Head of Resident & Business Support.		
<b>Subject</b>	Debt Write Off		
<b>Type</b>	Policy		
	Vital Record		EIR
<b>Coverage</b>	Middlesbrough Council		
<b>Language</b>	English		
<b>Document Control</b>			
<b>Version</b>	<b>Date</b>	<b>Revision History</b>	<b>Reviser</b>
0.1	14.04.21	First draft	M Symmonds
0.2	27.05.21	Revision	Janette Savage
0.3	25.06.21	Revision	Janette Savage
0.4	29.06.21	Revision	A.M. Johnstone, L Smith, S Harrington, A Cooper, J Richardson, Sue B, Lynne S.
0.5	16.07.21	Revision	Janette S, Mark S
0.6	21.07.21	Revision	Janette Savage, Martin Barker, Sue Blakey
0.7	02.08.21	Revision	Janette Savage
0.8	09.08.21	Revision	Janette Savage, Andrew Humble
0.9	11.08.21	Revision	AH, JS, Ian Wright, Louise Grabham (LG), Justin Weston (JW)
0.10	25.08.21	Revision	Mark S, LG, JW
0.11	07.09.21	Revision & Final	Janette Savage
<b>Distribution List</b>			
<b>Version</b>	<b>Date</b>	<b>Name/Service area</b>	<b>Action</b>
0.11			
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## Contents

<b>Summary</b> .....	4
<b>Context</b> .....	4
<b>Purpose</b> .....	4
<b>Objective</b> .....	5
<b>Outcome</b> .....	5
<b>Definitions</b> .....	5
<b>Scope</b> .....	6
<b>Legislative and regulatory framework</b> .....	6
<b>Roles and responsibilities</b> .....	8
<b>Supporting policies, procedures and standards</b> .....	9
<b>Debts to which this policy applies</b> .....	10
<b>General principles</b> .....	11
<b>Delivering the policy</b> .....	11
<b>Ensuring a consistent approach</b> .....	12
<b>Pre-request for write off</b> .....	12
<b>Request for write off</b> .....	14
<b>Writing debts off (framework)</b> .....	14
<b>Reinstating written off debt</b> .....	16
<b>Evasion and fraud</b> .....	17
<b>Credit balance write offs</b> .....	17
<b>Dealing with historical debts</b> .....	17
<b>Insufficient evidence to enforce debts</b> .....	18
<b>Use of third party collection services</b> .....	18
<b>Suspended Collection – Debts of £10,000 or more</b> .....	18
<b>Bad debt provision</b> .....	19
<b>Monitoring and review arrangements</b> .....	19
<b>Appendix A</b> .....	Error! Bookmark not defined.

## Summary

This policy is the 3<sup>rd</sup> of 4 policies (Vulnerability Policy, Debt Management Policy and the Welfare Policy) which combine the Council's approach to debt write off, and is aligned with the requirements of the Local Government Finance Act 1992 (as amended).

It sets out how the Council will consider writing off debt, the process for doing so, and facilitates a fair and consistent approach across all Council services.

NB: This policy does not extend to any elements that relate to the pension fund.

## Context

This policy is designed to complement and enhance the Council's social regeneration plans.

## Purpose

The purpose of this new policy is to provide a corporate approach to the writing off of bad and irrecoverable debts whilst seeking to maximise the opportunity for collection thereby minimising the need for write off. The policy also establishes a disciplined approach across the Council for the writing off of those debts that are not recoverable. It establishes clear guidance for all Council Officers on the recording, reporting, recovery and monitoring of the Council's debt and income.

Section 151 of the Local Government Act 1972 requires that local authorities make arrangements for the proper administration of their financial affairs. Part of these arrangements includes establishing a Policy for the writing off of irrecoverable debts. These arrangements are underpinned by Part 7 of the Council's constitution.

This policy also supports the Corporate Debt Policy.

Every effort will be made to recover the debt as per the Corporate Debt Policy before write off is considered. Service Areas will work together, where appropriate to do so share data, to make informed decisions about debt recovery and write off.

This policy supports the decision process for debts that may have become uneconomical to pursue or are unrecoverable.

It must be noted that a debt may be written off but can be reinstated if deemed recoverable at a future date and is appropriate to do so.

The policy will be reviewed as required to ensure processes remain fair and in line with legislation and best practice.

The policy may be extended to include other forms of revenue and income collected by the Council.

## Objective

The Council's debt write off policy has the following objectives:

- to promote a consistent and fair approach to the writing off of debt across the Council, encouraging working together and the sharing of information,
- Enable debts to be written off in a timely and efficient manner,
- Provide a framework that sets the criteria for writing off debt.

## Outcome

The outcomes expected from this policy are:

- To minimise the level of write off necessary (as part of the corporate debt strategy),
- To ensure cases recommended for write off are done so within 2 months of the recommendation,
- Minimise the level of resources provided for bad and doubtful debts,
- Standardise the write off process across all income and debt areas,
- Avoid the use of subjective judgement and criteria when considering cases for write off, by providing clear objective criteria and procedures
- Introduce effective performance management arrangements,
- Help focus resources on potentially recoverable debts (by disciplined writing off of irrecoverable debts),
- Deliver a clear message that it expects people to pay the amounts properly due by treating write offs as an exception (not the rule).

## Definitions

**Debts** are defined as a sum of money that is owed to the Council by a resident, business, customer or service user. For the purpose of this document, the use of the term debt extends to include charges and fees.

**Debtor** is defined as a person, organisation or entity that owes a debt to the Council.

**Demand notices** are defined in Part V of The Council Tax (Administration and Enforcement) Regulations 1992, as the notice required to be served each financial year by the local authority 14 days prior, in order to collect Council Tax.

**Income** is defined as any monies payable to the Council excluding monies payable to the pension fund. For the purpose of this document, the use of the term income extends to include charges and fees.

**Insolvency** means the debtor cannot afford to pay back their debts. There are several insolvency solutions available - Bankruptcy, Individual voluntary arrangement, Liquidation, Company Voluntary Arrangement etc. These insolvency solutions are legally binding, and the Council must adhere to the rules and guidance around these. Once the Council have been made aware of an insolvency, any Council debts included in the insolvency should be written off.

**Invoices** are a request for payment for goods, services, property and associated fees / charges, or amounts due to the Council for payment within a specified period.

**Timely** is defined as prompt, or carried out within any pre-defined set parameters or key performance indicators. For the purpose of this policy, timely in regards to write offs means within 2 months.

**Uneconomical to pursue / collect** is defined as the amount owed is too small to pursue, giving consideration to the cost of collection. In many cases the cost of collection is greater than the value of the debt.

## Scope

This policy applies to all employees (both permanent and temporary), contractors and consultants of the Council who are given the authority to manage and collect debt and income which is owed to the Council, or will be due to be owed to the Council at a later date.

For the avoidance of doubt this policy document applies to all debts and income of the Council.

## Legislative and regulatory framework

Key elements of the legislative and regulatory framework for debt management are set out below.

<b>Local Government Acts 1992 (as amended)</b>	Establishes requirements to manage the Council's financial affairs and the appointment of a section 151 officer.
<b>Council Tax (Administration and Enforcement) Regulations 1992</b>	Make provision for the administration and enforcement of Council Tax.
<b>Non-Domestic Rating (Collection and Enforcement)(Local Lists) Regulations 1989</b>	Make provision for the collection and enforcement of non-domestic rates.
<b>Debt Respite Scheme (Breathing Space Moratorium and Mental Health Crisis Moratorium) Regulations 2020</b>	Establishes a debt respite scheme and establishes a breathing space moratorium and a mental health crisis moratorium.

<b>Traffic Management Act 2004</b>	Provide for the enforcement of parking, loading and waiting restrictions and processing of penalty charge notices.
<b>Transport Act 2000</b>	Provide for the enforcement of bus lane contraventions.
<b>Data Protection Act 2018</b>	Controls the lawful passing of personal data from one part of the Council to another.
<b>The Housing Benefit General Regulations 1987 and 1992</b>	Sets out the legislation that governs the payment of Housing Benefit, including Housing Benefit overpayments and their associated recovery
<b>Social Security Contributions and Benefits Act 1992</b>	The primary legislation for most benefits in the UK
<b>Social Security Administration Act 1992</b>	The primary legislation for most benefits in the UK
<b>Taking Control of Goods Regulations 2013</b>	Provides the legislation for the taking control of goods in the UK, including the use of enforcement agents
<b>County Courts Act 1984,</b>	Establishes a single county court and its jurisdiction
<b>Civil Procedure Rules 1998</b>	Establishes the rules of Civil Procedure used by various courts in the UK
<b>Charging Orders Act 1979</b>	An Act to make provision for imposing charges to secure payment of money due, or to become due, under judgments or orders of court; to provide for restraining and prohibiting dealings with, and the making of payments in respect of, certain securities; and for connected purposes.
<b>Insolvency Act 1986</b>	Consolidates enactments relating to company insolvency and winding up, and bankruptcy of individuals
<b>Equality Act 2010.</b>	Is an amalgamation of previous anti-discrimination laws. It is a law which protects from discrimination of unfair treatment on the basis of certain personal characteristics such as age
<b>General Data Protection Regulation 2016 (GDPR) and Data Protection Act 2018 (DPA2018)</b>	The GDPR/DPA2018 place a duty on the Council to comply with the data protection principles relating to processing of personal data: (1)(a) Lawfulness, fairness and transparency; (1)(b) Purpose limitation; (1)(c) Data minimisation; (1)(d) Accuracy; (1)(e) Storage limitation;

	(1)(f) Integrity and confidentiality (security); (2) Accountability (including the rights of data subjects).
<b>Freedom of Information Act (FOIA) 2000</b>	Under the FOIA, the Council has a duty to make information available to the public upon request, unless specific exemption(s) apply. It is also obliged to proactively and routinely publish information that has been frequently requested in the past in its Publication Scheme. Information requests frequently include requests for information held in emails.
<b>Local Government Acts 1972, 1985, 1988 and 1992, Lord Chancellor's Code of Practice on Records Management (S46 Freedom of Information Act)</b>	Establishes requirements to manage records and information, and gives implied authority to share certain kinds of information with partners.
<b>Care Act 2014 and Statutory Guidance Annex D</b>	The Act by which the local authority is able to charge for social care support and the rules imposed on the local authority with regard to recovery of such debt.
<b>Family Law Act 1996</b>	An Act of Parliament governing divorce and marriage.
<b>Safeguarding Vulnerable Groups Act 2006</b>	An Act to make provision in connection with the protection of children and vulnerable adults.
<b>Modern Slavery Act 2015</b>	An Act designed to combat modern slavery in the UK.
<b>Tribunal Courts and Enforcement Act 2007</b>	An act which makes provision for tribunals and inquiries, particularly relating to the enforcement of judgments and debts.
<b>Taking Control of Goods Regulations 2014</b>	Make provision for recovery of fees and disbursements from debtors to enforcement agents in relation to the procedure for taking control of goods.
<b>Landlord and Tenant Act 1954</b>	Contractual obligations under lease agreements for the payment of rent and other property charges.
<b>Land and Property Act 1925</b>	
<b>Miscellaneous Provisions Act 1986</b>	
<b>Regulation of Investigatory Powers Act 2000 (RIPA)</b>	Governs the use of covert surveillance by public bodies.

## Roles and responsibilities

<b>Director of Finance / Chief Financial Officer</b>	Under Part 7 of the Council's Constitution, the Chief Financial Officer (Section 151 Officer) is responsible for regulating and controlling the finances of the Council and hence that person will be responsible for the proper administration of the Council's financial affairs.  Income relating to all types of debt should be handled in accordance with the Council's Financial Procedure Rules (contained within Section 21 – Debt Collection relating to the responsibilities for Directors, Director of Finance (Section 151 Officer), and Heads of Service.
<b>Head of Service – Residents and Business Services</b>	Overall responsibility for the delivery of the Revenues and Benefits Service and the Policy Owner.
<b>Other Heads of Service</b>	Where appropriate, Heads of Service have responsibility for the raising and recording of debts and income in relation to Services they manage.
<b>Service Delivery Manager / Strategic Business Managers / Support Services Manager.</b>	Where appropriate, responsibility for overseeing day-to-day compliance with this policy and the standards set out within it by their staff and other personnel they manage or commission.
<b>All staff, contractors, consultants, interns and any other interim or third parties</b>	Responsible for compliance with this policy.
<b>Data Protection Officer</b>	Responsible for provision of advice and guidance to the Council on its obligations in relation to data protection.
<b>Valuation and Estates Team</b>	Responsible for the day to day management / compliance / requirements of all leasehold properties in relation to rent and service charges.

### Supporting policies, procedures and standards

The following policies, procedures and standards will be implemented across the Council to ensure that the Council's debts are managed effectively and securely.

<b>Corporate Debt Management Policy</b>	This provides a framework for the consistent management of all debt and income across the Council
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<b>Welfare Support</b>	This provides a framework (e.g. a number of policies – S13a, Crisis Support, Food poverty, etc.) for a joined up approach to a holistic welfare advice and support service for all relevant residents who owe a debt.
<b>Data Protection Policy</b>	This summarises the Data Protection Policy position of Middlesbrough Council and how it will comply with legislation, and associated codes of practice and official guidance in relation to the processing of personal data.
<b>Records Retention Schedule</b>	This defines how long different records should be retained to comply with legal, regulatory or other requirements and the proper arrangements for archiving and destruction.
<b>Records Management Policy and supporting procedures</b>	This provides a framework for ensuring that the Council’s records are well kept and that the systems used to hold them are fit-for-purpose.
<b>Information Security and Infrastructure Security Technical Policies</b>	These set out policies and standards for the management and maintenance of the security of Council infrastructure and applications.
<b>Vital Records Standards</b>	This sets out how vital records will be identified and the steps to be taken to ensure their protection and preservation.
<b>Vulnerability Policy</b>	Intended for use by Middlesbrough Council employees when engaging with residents/customers where payment of a collectable debt is being considered.
<b>Stop the Knock approach</b>	A solution designed as a ‘helping hand’ to support customers who are experiencing difficulties in meeting payment obligations.

### Debts to which this policy applies

For the avoidance of doubt this policy document applies to all debts and income due to the Council including but not limited to the list below, and include any other debts across the Council:

- Council Tax,
- Business Rates,
- Overpaid Housing Benefit,



- Subscription Debt (Commercial Rents, service charges and insurance),
- Sundry Debts (incl. licensing, fees, statutory notices, subscriptions, etc.),
- Recovery of enforcement costs,
- Adult Social Care,
- Charging for discretionary services or any money due to the Council under terms of an agreement to pay for goods, services or property.
- Fines (includes car parking, public space protection order, environmental, etc.).

### **General principles**

The general principles adopted in this policy are as follows:

- To ensure a professional, consistent and timely approach to debt write off across all of the Council's functions,
- Where Data Protection legislation allows, promote a coordinated approach towards sharing debtor information internally and managing multiple debts owed to the Council,
- To ensure that debts are managed in accordance with legislative provisions and best practice,
- Ensure that any steps taken to recover debt / income are in line with the Council's corporate policies on surveillance and data protection, and to ensure compliance with RIPA and GDPR legislation.

### **Delivering the policy**

Writing off of debt should be undertaken in accordance with the Council's Financial Procedure Rules (contained within Section 21.5 – Debt Collection).

Adult Social Care debt write offs must be carried out in accordance with Annex D of the Statutory Guidance to the Care Act 2014.

Delivering the policy involves a number of processes which are explained in more detail below:

- Ensuring a consistent approach,
- Pre-request for write off,
- Request for write off,
- Writing debts off,

- Reinstating written off debt,
- Evasion and fraud,
- Credit balance write offs,
- Bad debt provision,
- Dealing with historical debts.

### **Ensuring a consistent approach**

In line with this policy, the Council will have a consistent approach across all directorates in responding to debt write offs. Proposal for write offs should be considered at every appropriate stage in line with the framework.

### **Pre-request for write off**

All debts of the Council will be acted on in accordance with its Financial Rules. If the debt remains unpaid, after exhausting all appropriate recovery methods, the debt should be considered for write off. All requests to write off debts must be approved by either those identified as delegated officers and / or the Director of Finance (Section 151 Officer).

The Service Area will take reasonable steps to contact the debtor to discuss the matter before making any final decisions on recovery actions, of which, write off may be considered as an option based on the circumstances of the debtor. As a result of these discussions, or in the view of the service area, if the debt is considered uneconomical to pursue or considered unrecoverable then the service area may propose the debt for write off.

Unrecoverable debts may be where (this list is illustrative and not exhaustive):

1. The debt arose from a local authority error that the debtor could not reasonably have been aware of,
2. Debtor is deceased and there are insufficient funds in the Estate to discharge the outstanding debt,
3. Cumulative debts under £50, where no payment has been received within six months of sending the final demand,
4. The debt is unenforceable as the debtor is serving a custodial sentence of 12 months or more, and the likelihood of securing payment is minimal,
5. The debtor has been untraceable for 6 months or more, however should the debtor be traced the Council reserves the right to reinstate the debt,
6. The debtor is believed to be living overseas and legislation does not permit debt pursuance,
7. The debt is statute barred in line with the appropriate legislation,

8. All debts where a Debt Collection Agent advises they are unable to recover the outstanding debt and all options are exhausted,
9. Any debt where Legal Services have advised that the debt is not recoverable or that legal action is unlikely to be cost effective,
10. The debt is uneconomical to collect where the cost of collection outweighs the value of the debt recovered,
11. Bankruptcy or liquidation,
12. Company Voluntary arrangement / administration order,
13. The debtor is likely to suffer serious financial difficulty as a result of recovery action, or the debtor is believed to be vulnerable or is suffering hardship. In this case, the debt should be considered in line with the Social Inclusion section of the Corporate Debt Management Policy <https://middlesbrough-council-middlesbrough.opendata.arcgis.com/documents/corporate-debt-management-policy-2021/>
14. Where the debtor has multiple debts with the Council, and following a financial review it is determined based on the priority of debt as outlined in the Corporate Debt Management Policy <https://middlesbrough-council-middlesbrough.opendata.arcgis.com/documents/corporate-debt-management-policy-2021/> that the debtor has insufficient means to discharge all the debts owed to the Council, appropriate consideration should be given to writing off all or part of the 'other' debts if this would support the debtor meeting future payment obligations and avoid a worsening debt position. This of course is subject to the debtor entering into and maintaining a payment arrangement for debts still due. Nb. Evidence is required to demonstrate that the debtor is unable to settle their liability. Should the debtor fail to meet the agreed payment arrangement, consideration should be given to reversing the write off.
15. No likelihood of settlement with written confirmation of Insolvency\*\* from the Official Receiver or Administrator,
16. All appropriate recovery action has been exhausted with no other remedy available for collection,
17. The debt is remitted by court.

Write off is a formal process and when authorised, ceases all debt recovery action for that specific debt, albeit recovery action may continue for other debts connected to the debtor.

Where authorised, a request for write off does not mean the debt cannot be reinstated in future, where appropriate. The write off will be removed and action will continue giving weight to the statute of limitations, and the corporate debt management policy.

\*\* - Any debts which form part of the proof of debt sent by the Council to the to the insolvency practitioner are written off if they meet all the terms of the

insolvency agreement. The insolvency practitioner may make payments in the form of dividends to Middlesbrough Council which will be offset against the debt and the amount written off will be reduced accordingly.

### **Request for write off**

As per the Accounts and Audit Regulations 2003 (as amended), debts should only be written off with approval of the responsible finance officer (Section 151), or such members of staff, where this function has been delegated in line with the current Financial Regulations and Financial Delegations.

Write off proposals and subsequent decision papers will be retained for the current year plus six years as per the Council's Record Retention Policy.

Once appropriate authorisation has been received and final authorisation for the write off obtained from the Director of Finance (Section 151 Officer) or delegated officers, the debt will be removed from the relevant accounting system and charged against the appropriate cost centre/fund.

Write offs of Housing Benefit caused by an Official Error where the debt has been determined as unrecoverable can only be made in conjunction with the relevant Housing Benefit legislation and guidance. See link - [Benefit overpayment recovery guide - GOV.UK \(www.gov.uk\)](#)

Any write off relating to Adult Social Care debt is governed by the Care and Support Statutory Guidance Annex D, in addition to the above process. Guidance relating to this can be found at [Care and support statutory guidance - GOV.UK \(www.gov.uk\)](#).

### **Writing debts off (framework)**

The writing off of debt should be administered in accordance with the Council's Financial Procedure Rules (contained within Section 21.5).

All write offs should be done in conjunction with the Finance Business Partner to consider the full financial effects of this action.

Irrespective of the amount to be written off, the following list of exceptions is delegated to Heads of Service to authorise write offs. Note: additional evidence is required under the following categories (outlined below).

The Scheme of Delegation is as follows:

Notwithstanding the list of exceptions below, all appropriate remedies for collection of debt must be completely exhausted before progressing to write off.

### List of exceptions

- Debtor is deceased and there are insufficient or no funds in the Estate to clear the amount outstanding. A letter from a solicitor or executor is required confirming this,
- The debtor is serving a custodial sentence of 12 months or more. A letter is required from an official body such as court, solicitor, probation, prison, etc.). The debt to be written off is only for the period that the debtor is in prison.
- The debtor is believed to be living overseas and the legislation does not permit debt pursuance. Evidence to confirm this position is required,
- Bankruptcy or liquidation of the debtor. Appropriate bankruptcy or liquidation number and documents should be provided,
- Company Voluntary arrangement / administration order. Appropriate documents should be provided,
- Written confirmation of Insolvency has been provided from the Official Receiver or Administrator,
- The debt is remitted by court. A statement to confirm the decision of the court is needed.

### Council Tax

Authorisation to write off (noting the exceptions) is delegated to the following:

- Debts that are 3 years or over irrespective of the write off reason, and where 100% of the debt has been provided for through the bad debt provision, write off approval will be delegated to either of the following Heads of Service (and including the Director of Finance):
  - Head of Resident & Business Support,
  - Head of Finance & Investment,
  - Head of Financial Planning & Support.
- For debts less than 3 years:
  - Heads of Service are authorised to write off the equivalent of up to 1 year's charge up to a maximum of £4,500,
  - Chief Finance Officer £4,500.01 to £10,000,
  - Executive £10,000.01 and above.

### Business Rates

Authorisation to write off (noting the exceptions) is delegated to the following:

- Debts that are 3 years or over irrespective of the write off reason, and where 100% of the debt has been provided for through the bad debt provision, write off approval will be delegated to either of the following Heads of Service (and including the Director of Finance).
  - Head of Residents & Business Support,
  - Head of Finance & Investment,
  - Head of Financial Planning & Support.

- For debts less than 3 years:
  - Heads of service are authorised to write off the equivalent of up to 1 year's charge (up to a cap of £100,000),
  - Chief Finance Officer £100,000.01 to £149,999.99,
  - Executive £150,000.00 and above.

The write off amounts for Council Tax and Business Rates (above) will increase in line with the yearly increases with these charges.

### Subscription Debt

Authorisation to write off (noting the exceptions) is delegated to the following:

- Heads of service up to and including £50,000,
- Chief Finance Officer £50,000.01 to £149,999.
- Executive £150,000.00 and above.

### Sundry Debts (including Housing Benefit Overpayments) and others

Irrespective of the amount, any Housing Benefit overpayments which are classed as unrecoverable due to Local Authority Error where 100% subsidy is provided for this overpayment (as per the Housing Benefit regulations), delegation to write off is extended to the Strategic Business Manager.

Authorisation to write off (noting the exceptions) is delegated to the following:

- Heads of service up to and including £50,000,
- Chief Finance Officer £ 50,000.01 to £149,999.
- Executive £150,000.00 and above.

Once appropriate authorisation has been provided for the debt to be written off the debt will be removed from the relevant accounting system and charged against the appropriate bad debt provision.

An approved write off form has been designed. The e-form is aligned to the policy and must be used when submitted debts for write off. A link will be made available to officers who undertaken this process.

### **Reinstating written off debt**

Service Areas must be aware of an individual's circumstances during all financial related dealings and this includes being aware of any current and written off debt(s) that the debtor may have.

Giving weight to the write off reason, should the debtor's circumstances change and the write off is no longer considered appropriate, then the debt write off can be reversed and the debt will be pursued through the Corporate Debt Recovery process.

## **Evasion and fraud**

Likewise, if evasion or fraud is detected, any write off can be reversed and the debt will be pursued through the Corporate Debt Recovery process, noting further legal action may be taken if there is suspected Fraud.

## **Credit balance write offs**

Where accounts are closed and there is a credit balance on an account the amount must be checked against other debts owed to the Council, and where appropriate to do so will be offset against them. Where the credits can be repaid, they will be repaid by BACS / cheque where the address is known.

Where forwarding addresses are not known to the Council, attempts should be made to identify the address of where the credit can be forwarded. If no such address can be found, the credit balance will be removed from the account. Should an address be found at a later date, the credit can be reinstated, offset against another debt or if not debt exists, refunded.

## **Dealing with historical debts**

Historical debts will be dealt with outside of this policy. A separate procedure will be designed for this which will be subject to separate approval.

## **Insufficient evidence to enforce debts**

Where there is insufficient evidence to create a debt then these amounts should not be raised at the outset by either the service or finance staff. It is always important to consider this at the inception of raising a debt and whether the funds can or cannot be successfully recovered.

If a debt is raised and then subsequently with the passage of time, the debt becomes not credible either on the challenge of the debtor or because there is insufficient evidence to support the debt, then this debt should be removed from the finance system by way of a credit note. This will effectively remove the debt from the Council's aged debt portfolio and reduce it to nil.

It is important that where any debts fall into this area that they follow the credit note process, and not the debt write off route. Debts that should not have been raised or cannot be supported should not be written off.

Nb... Any debts raised which fall into the recovery process which later require a credit note will be subject to the completion of a lesson learned form, outlining why the debt was raised, why it is not being pursued and the steps which have been put in place to avoid a reoccurrence.

## **Use of third party collection services**

Where appropriate to do so, and prior to the submission for write off, debts of £150 or more should be considered for referral to the Council's appointed collection agent who will undertake further checks to determine if the debt can be traced and / or collected. Debts of between £50 and £150 which would normally be considered uneconomical to collect, will be forwarded for third party collection, reducing the internal cost of collecting smaller debt.

- Trace and collect – where a forwarding address cannot be determined, further checks will be made with third parties to determine if address information can be found. This is a further check, prior to write off, to support the write off recommendation,
- Collection of debts where all internal remedies to collect have been exhausted. The debt will be passed top a third party collection agent, who will attempt to secure payment in line with the contractual arrangements in place. This would not be an enforcement agent / bailiff.

## **Suspended Collection – Debts of £10,000 or more**



Debts should be raised accurately and timely, and as such where non-payment occurs collection methods can be progressed quickly. Where debts have been suspended from recovery action for greater than 6 months, cases will be presented to the Section 151 officer where the debt exceeds £10,000 with a summary of why action is not progressing. This action should conclude with an outcome of either progressing the debt for collection, or a provision should be made within the bad debt as collection is unlikely outlining the rationale as to why the debt will not be pursued.

### **Bad debt provision**

The Director of Finance (Section 151 Officer) in conjunction with Heads of Service must ensure there is adequate provision for bad debts, in accordance with 'CIPFA Code of Practice on Local Authority Accounting in United Kingdom – A Statement of Recommended Practice'.

Debts where a bad debt provision has been assigned should be appropriately reviewed on a timely basis with effective recovery methods applied. Where debts are not recoverable, suitable evidence should be provided to progress the case / debt to write off.

A separate bad debt provision is held for each service area so that any increase required in the provision will be charged to the service area concerned. Conversely, if the debt for which a bad debt provision is paid then the provision for that debt will be credited back to the relevant service area.

### **Monitoring and review arrangements**

The implementation and effectiveness of this policy and its supporting procedures will be checked and monitored by the Head of Service and associated management team.

The policy for the first 12 months will be subject to quarterly review, followed by a full review every 3 years.

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Template for Impact Assessment Level 1: Initial screening assessment

<b>Subject of assessment:</b>	Corporate Debt Write Off Policy			
<b>Coverage:</b>	Cross cutting			
<b>This is a decision relating to:</b>	<input checked="" type="checkbox"/> <b>Strategy</b>	<input checked="" type="checkbox"/> <b>Policy</b>	<input checked="" type="checkbox"/> <b>Service</b>	<input checked="" type="checkbox"/> <b>Function</b>
	<input checked="" type="checkbox"/> <b>Process/procedure</b>	<input checked="" type="checkbox"/> <b>Programme</b>	<input type="checkbox"/> <b>Project</b>	<input checked="" type="checkbox"/> <b>Review</b>
	<input checked="" type="checkbox"/> <b>Organisational change</b>	<input type="checkbox"/> <b>Other (please state)</b>		
<b>It is a:</b>	<b>New approach:</b>	<input type="checkbox"/>	<b>Revision of an existing approach:</b>	<input checked="" type="checkbox"/>
<b>It is driven by:</b>	<b>Legislation:</b>	<input checked="" type="checkbox"/>	<b>Local or corporate requirements:</b>	<input checked="" type="checkbox"/>
<b>Description:</b>	<ul style="list-style-type: none"> <li>○ <a href="#">Key aims, objectives and activities</a></li> <li>○ The policy sets out how the Council will consider write off of debt where it fits the various criteria for write off, and facilitates a fair and consistent approach to the write off of debt across all Council services. In order to maximise all debt and income for the provision of services, Middlesbrough Council will collect all debt owing to it promptly, effectively and efficiently, while ensuring fair treatment to all debtors.</li> <li>○ <a href="#">Statutory drivers (set out exact reference)</a></li> <li>○ Implementation of the Policy will reinforce the Council’s plans to meet its legal duty under the Local Government Finance Act 1992 to manage the Council’s financial affairs. It will also enable the Council to meet other statutory duties detailed in the legislation covering the recovery of unpaid Council Tax, Non Domestic Rates, Adult Social Care debt, Car Parking fines, etc., whilst taking into account new legislation such as the Debt Respite Scheme Regulations 2020.</li> <li>○ <a href="#">Differences from any previous approach</a></li> <li>○ The policy has been put in place to try and provide a coordinated and consistent approach to debt write off across the council, improve speed and efficiency of collection, whilst being mindful of and providing support to vulnerable groups and their ability to pay.</li> <li>○ <a href="#">Key stakeholders and intended beneficiaries (internal and external as appropriate)</a></li> <li>○ The key stakeholders include customers of council services, businesses, staff, local partners and national government.</li> <li>○ <a href="#">Intended outcomes.</a></li> <li>○ To set out general principles for debt write off across all services provided by Middlesbrough Council.</li> </ul>			
<b>Live date:</b>	October 2021			
<b>Lifespan:</b>	3 years. This is the first iteration of the policy. It will be reviewed quarterly during the first year, and then annually thereafter.			
<b>Date of next review:</b>	January 2022			

Screening questions	Response			Evidence
	No	Yes	Uncertain	
<p><b>Human Rights</b></p> <p>Could the decision impact negatively on individual Human Rights as enshrined in UK legislation?*</p>	☒	☐	☐	<p>This proposed policy is designed to ensure that the Council operates a more consistent and joined approach to debt write off, and considers the whole view of a customer’s debt and financial situation / personal circumstances before considering write off. A policy will result in a more prompt and efficient process of write off, increased signposting and support for those who are having difficulties repaying their debt, and also links in with the Council’s debt management policy, vulnerability policy and the Stop the Knock approach. There are no concerns that the policy could infringe qualified or absolute human rights.</p> <p>Evidence used to inform this assessment includes analysis of the various debt write off processes across the council, and engagement to date with senior officers who have been involved in the development of the policy and supporting detailed delivery plans.</p>

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\* Consult the Impact Assessment further guidance appendix for details on the issues covered by each of these broad questions prior to completion.

Screening questions	Response			Evidence
<p><b>Equality</b></p> <p>Could the decision result in adverse differential impacts on groups or individuals with characteristics protected in UK equality law?            Could the decision impact differently on other commonly disadvantaged groups?*</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>The Public Sector Equality Duty (PSED) requires that when exercising its functions the Council must have due regard to the need to:-</p> <ul style="list-style-type: none"> <li>eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;</li> <li>advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and</li> <li>foster good relations between persons who share a relevant protected characteristic and persons who do not share it.</li> </ul> <p>In having due regard to the need to advance equality of opportunity, the Council must consider, as part of a single equality duty:</p> <ul style="list-style-type: none"> <li>removing or minimising disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;</li> <li>taking steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of people who do not share it; and</li> <li>encouraging people who share a protected characteristic to participate in public life or in any other activity in which participation is low.</li> </ul> <p>The proposed policy looks to provide consistency and efficiency in the council’s approach, whilst being mindful of a debtor / service user’s ability to pay and their vulnerability (if applicable). Supporting systems are in place to help where this is identified such as Stop the Knock, and payments which can be made from various council support funds. It also links directly to the Council’s Corporate Debt Management policy which supports Social Inclusion and a customer’s ability to pay.</p> <p>The policy joins up with recent Government legislation (Breathing Space / Debt Respite) where a person is in debt and requires a breathing space moratorium or a mental health crisis moratorium</p> <p>It is potentially relevant to all the protected characteristics. The aim of the policy is to address inequalities in outcomes experienced by people / service users / debtors of the council when they owe a debt to the council for a charge or a service.</p> <p>This method of working is designed to understand the individual needs of debtors / service users and address those needs in a joined up and holistic way. This will result in a more tailored service response, improving outcomes and the better identification of equality and fairness issues that may need to be addressed. There are no concerns that the policy could have a disproportionate adverse impact on individuals or groups because they hold one or more protected characteristics. The application of a case by case approach to vulnerability will support work to provide nuanced approaches.</p> <p>Evidence used to inform this assessment includes analysis of the various debt write off processes currently in place across the council and engagement to date with senior officers who have been involved in the development of the policy and supporting detailed delivery plans. It also links to the plan to combine all debt recovery and charging services across the council under one Service Head - Business and Residents Services.</p>

Screening questions	Response			Evidence
<p><b>Community cohesion</b></p> <p>Could the decision impact negatively on relationships between different groups, communities of interest or neighbourhoods within the town?*</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>The proposed policy should provide a coordinated , joined up and consistent approach to write off, including a single view of debt for each and every person to whom it interacts with, whilst taking into consideration any vulnerabilities and ability to pay.</p> <p>Where there may be any different needs because of a protected characteristic or geography, this joined up approach will help to develop follow up actions focussed on addressing those unequal impacts. There are no concerns that the policy could have an adverse impact on community cohesion.</p> <p>Evidence used to inform this assessment includes analysis of the various debt write off processes currently in place across the council and engagement to date with senior officers who have been involved in the development of the policy and supporting detailed delivery plans.</p>
<p><b>Next steps:</b></p> <p>➡ If the answer to all of the above screening questions is No then the process is completed.</p> <p>➡ If the answer of any of the questions is Yes or Uncertain, then a Level 2 Full Impact Assessment must be completed.</p>				

<b>Assessment completed by:</b>	Mark Symmonds	<b>Head of Service:</b>	Janette Savage
<b>Date:</b>	07/09/2021	<b>Date:</b>	07/09/2021

<b>Report of:</b>	Councillor Barrie Cooper - Executive Member for Environment and Finance & Governance. Ian Wright - Director of Finance
<b>Submitted to:</b>	Executive Committee - 7 December 2021
<b>Subject:</b>	International Centre - Transfer of Freehold

**Summary**

<b>Proposed decision(s)</b>
That Executive approves the proposal to transfer the Council’s freehold interest of the International Centre to a community organisation to enable submission of significant bidding opportunity to bid for investment to develop the centre into a valuable community asset.

<b>Report for:</b>	<b>Key decision:</b>	<b>Confidential:</b>	<b>Is the report urgent?¹</b>
Decision to dispose of asset	Yes - exceeds the £150,000 threshold.	No	No

<b>Contribution to delivery of the 2020-23 Strategic Plan</b>		
<b>People</b>	<b>Place</b>	<b>Business</b>
The delivery of a community focussed development scheme will facilitate the provision of beneficial services within the locality and aid the creation of employment opportunities within the Borough	The development of the subject asset will generate significant inward investment and has the potential to bring an underused asset into far more positive future use.	Disposal as proposed removes the Council’s repairing and maintenance liability and ensures that the asset will continue to be used for the benefit of the local community

<b>Ward(s) affected</b>
Central Ward

## **What is the purpose of this report?**

1. The purpose of the report is to consider the proposal to transfer the Council's freehold interest of the International centre to a community organisation.

## **Why does this report require a Member decision?**

2. The proposal relates to the disposal of an asset at a value in excess of the £150,000 threshold.

## **Report Background**

3. Shown edged on the plan attached as Appendix A of this report, the International centre is located on Abingdon Road, which is within walking distance to the town. It is a large brick built property with front access, split over 2 floors. There is no external gardens and adjoins the public highway.
4. The International Centre was previously managed as a community facility by Middlesbrough Council.
5. Following approval of an offer by the International Centre Board to take over full strategic as well as operational responsibility a community asset transfer was facilitated in 2015.
6. After three years of management the Board approached the Council with a view to hand back responsibility. The Board had by their own admittance struggled to create a sustainable business model and were struggling to recruit a team of trustees to help with this.
7. The building has remained empty and mothballed since November 2018 with the Council maintaining responsibility of property maintenance, security and rates.
8. In 2020 the Council granted a license for a community interest company, The Other Perspective, to take occupation in the International Centre, its location was central to assisting the organisation to serve the local community. The community interest company had also previously requested consideration for a community asset transfer of the building.
9. The International Centre itself is in a very poor state of repair. Currently the community interest company can only occupy a small number of rooms due to the poor condition within the centre. The rooms in occupation are primarily the main downstairs hall and a small number of offices on the ground floor. The remaining majority of the property has significant issues with water ingress, damp, lack of reliable heating, broken windows, roof leaks, plaster damage among other concerns.
10. A business plan has been submitted by The Other Perspective outlining the initiatives to be delivered from the International Centre, these are supported by the Council and will strengthen the community development offer within the town. The initiatives include local participation, and incorporate a series of projects through social enterprise to support the development of employment opportunities, training and enterprise. In order to successfully deliver the vision the International Centre is integral and such it is proposed that rather than simply regenerate, the Council seeks to transfer its freehold interest to allow the community interest company to bid for funding to both regenerate and redevelop the asset to meet the needs of the proposals put forward.



11. An Asset Disposal Business Case confirming the status of the subject property as surplus to operational Council requirements is attached as Appendix B.

**What decision(s) are being asked for?**

12. That Executive approves the proposal to transfer the Council's freehold interest to a community group – The Other Perspective who are currently occupying under license

**Why is this being recommended?**

13. The Centre's size and facilities plus location provide an excellent opportunity for a range of cultural and community activities for a diverse range of stakeholders to improve health, wellbeing, learning and education.
14. Community Organisations can bid for external funds for asset regeneration to support community activities, these have a higher rate of success if the organisation has the freehold interest in the property. The council and MVDA will support the community organisation to bid for funding to regenerate the asset within a prominent part of the town to deliver against their business plan.
15. This proposal will ensure a community asset which is currently underused is brought back into use to support the local community. This will support key objectives of external grant funding:
  - To save underused community assets
  - Assist in developing community organisations and community businesses
  - Empower local communities, particularly in areas of lower deprivation
  - Strengthen links at place based level – supporting locality working objectives

**Other potential decisions and why these have not been recommended**

***Re-use for operational purposes***

16. No Council operational service requirement has been identified. The council would require this asset for polling station purposes, however it has been agreed that this falls within the remit of community benefit and the building will be made available to the authority for this purpose.

***Community Asset Transfer on 25year lease***

17. This remains a viable option, but not the desirable one. The Community Asset transfer on a long term lease will not offer the same attraction to external funders as the transfer of the freehold Interest. Upon transfer of the freehold interest the Council will place a covenant on the property which will require that that the asset may only be used for community use, this will prevent any further re-sale or redevelopment for profit. In addition there will be a requirement that if funds are not secured within a three year period for the regeneration of the asset the organisation will be required to transfer it back to the council.

### ***Council Complete Repairs and look to offer Commercial let or sale***

18. The Council would need to invest significant resources to bring the property to a lettable standard. The Cost schedule for the required repairs is a minimum of £200k, which far exceeds the valuation of the asset. The council could market the property for sale, however it is within a prominent part of town which offers significant value to the diverse local community. The council is committed to locality and place based working, and offering the property on the open market in its current condition would not fulfil this commitment to the local communities or make best use of this asset.

### ***Do nothing***

19. The property would remain in its present state, and continue to deteriorate. The Other Perspective could not continue to occupy under licence in the building due to its deteriorating condition.

### **Impact(s) of recommended decision(s)**

#### ***Legal***

20. The Council's freehold interest in the asset would be transferred at nil value. Fees would be payable by the community interest company for the transaction. A covenant would be placed on the property requiring that its use would be purely for community benefit only including for polling station purposes, and that investment must be sought within three years otherwise the asset must be transferred back to the authority.

#### ***Financial***

21. The disposal of the site would remove the Council's liability for any future maintenance ongoing maintenance costs which are approximately £8,000 per year. The current backlog of repairs to the property are outlined to be a minimum cost of £200k which include the following:

- Installation of damp proof course
- Replace rainwater goods / repair roof tiles
- Replace defective windows
- External re-decoration
- Kitchen refurbishment
- Replacement of boiler to meet current regulations
- Install supplementary earth bonding where required
- Replace out dated fire alarm system

The property internally has significant deterioration throughout.

22. The site area itself is 0.152 acres, however there is no external space. The gross internal area of all the buildings comprised in this asset is 821.64 square metres, much of which is currently unusable space due to its condition. In a reasonable condition the market value of the asset would be approximately £156,440. However investment to

bring it up to such a standard is significant as highlighted above. An alternative use, for example as office accommodation may attract a rent of approximately £8,500 per year, based on comparable buildings and its configuration, however as it is slightly out of town and maintenance on a building of this age would be high it is not perceived that this would attract much, if any interest.

23. From a valuation perspective, the Asset Value for capital accounting purposes listed on the Council's Asset Register is significantly low at £11,750. This reflects both its valuation from a previous community asset transfer and its deteriorating condition.

### ***The Mayor's Vision For Middlesbrough***

24. The decision aligns to the Mayor's priorities around people, place & business by working in conjunction with third party organisations and individuals, such as the community interest company, to deliver both physical and social regeneration.

### ***Policy Framework***

25. The proposals do not require any change to the Council's existing policy framework.

### ***Ward***

26. The property is situated in the Central Ward and the respective Ward Members have been consulted.

### ***Equality and Diversity***

27. A Level 1 (Initial Screening) Impact Assessment (IA) accompanies this report attached at Appendix B.
28. The impact assessment identified that the proposal would have a positive impact on the local community and would not represent a concern to equal rights, disability discrimination or the impingement of human rights.

### ***Risk***

29. The Council has assessed the business plan and considers the proposals to be a much needed resource for the town. Senior officers have met with the community organisation to discuss the implications of taking on the asset and support in regard to bidding for funding. Should the community interest company be unable to progress over future years to realise the vision the asset will be transferred back to the local authority under the same terms mitigating the impact of risk. With this proposal it facilitates an opportunity for the community organisation to seek inward investment with Council support.

### ***Actions to be taken to implement the decision(s)***

30. Subject to Executive Committee approval, the Council moves to proceed with the transfer of the freehold interest.

## **Appendices**

Appendix A - Site Plan - International Centre

Appendix B - Asset Disposal Business Case

Appendix C - Impact Assessment Level 1 - Initial Screening Assessment

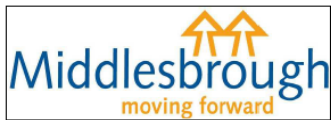
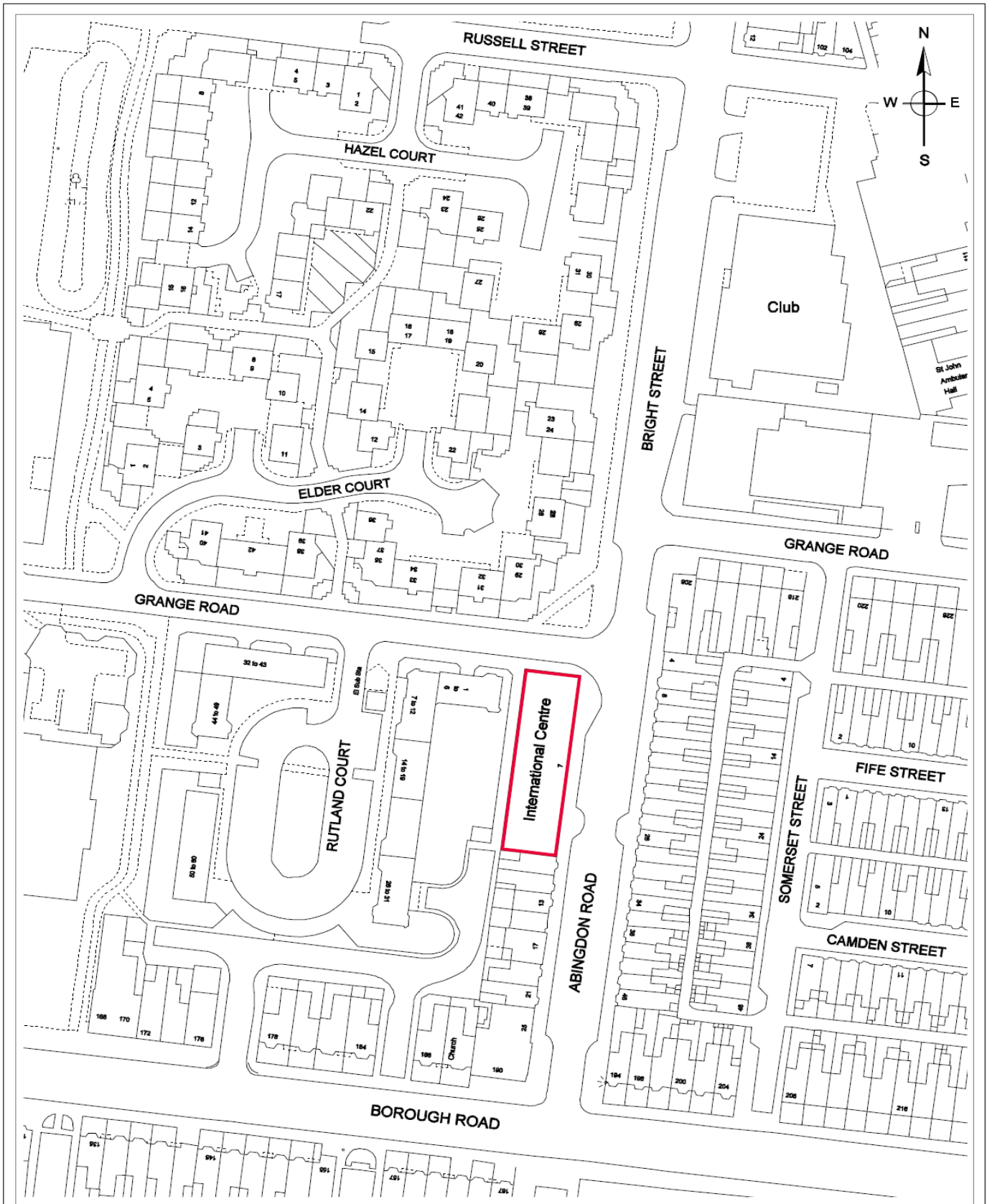
## **Background papers**

No further reports were used in the preparation of this report

Louise Grabham

Head of Commissioning

Site Plan – International Centre



TIM WAKE VALUATION & ESTATES

INTERNATIONAL CENTRE  
 ABINGDON ROAD  
 MIDDLESBROUGH

Scale: 1:1250  
 Date: 27th JANUARY 15  
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## Asset Disposal Business Case

Name of Asset:	International Centre, 7 Abingdon Road, Middlesbrough TS1 2DP
Asset Register Number:	1000420 & 1000421
Current Use:	Community Day Centre
Valuation at Current Use (Asset Register)	£11,750
Reason for Disposal:	Proposed CAT transfer of a community centre building providing @ 4,422 Sqft of accommodation on a site measuring @ 0.152 Acres [0.061 Hectares].  Disposal would enable the new CAT recipient to secure long term third party funding that will be used to bring the property up to modern standards and ensure it can be used for far more beneficial community purposes going forward.
Latest Valuation (Proposed Disposal)	£1

**Asset disposal stream (Please Select):**

Generate Capital Receipt	
Stimulate Economic Activity	
Support Communities	✓

(In the event of more than one stream being relevant, please rank in order of importance – 1, 2 & 3)

**Officer requesting disposal (Responsible Service Manager):**

Name:	Louise Grabham
Position:	Head of Strategic Commissioning, Procurement and Commissioning

**Could the asset be disposed of for an alternative use that may give a higher capital receipt to the Council:**

Yes		No	✓
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(To be completed by the Valuation & Estates Team)

**If yes, please outline the potential use:**

N/A

Estimated Value at Alternative Use	£ N/A
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**Is the Council proposing to dispose of the asset at an undervalue:**

Yes		No	✓
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(To be completed by the Valuation & Estates Team)

**If yes, please outline the reasons why, and how, the proposed disposal will secure, promote or improve economic & social well-being:**

N/A

**Key factors to be considered when assessing potential disposals:**

1.	The asset will continue to be used for the purposes of delivering community services going forward
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2.	Disposal as proposed will transfer away a significant repairing and maintenance liability
3.	Restriction against use of the property for non-community purposes will provide the Council with a level of control
4.	A right to reacquire the building will be incorporated in order to guard against non-delivery/performance

**Any additional financial factors to be considered other than immediate capital receipt:**

The proposal to dispose of the subject freehold via a CAT will transfer away a significant repairing and maintenance liability, whilst also ensuring that the subject property is to be utilised for the purposes of delivering beneficial community services going forward.

In order to protect against the subsequent disposal of the property for uses not linked to the provision of community activities & services, the Council will incorporate a user clause within the transfer terms that restricts the future use of the property to that of community purposes only.

Following on from the previous CAT recipient's inability to manage the day to day operation of the property as a viable proposition, the Council will also incorporate a clause granting it the right to re-acquire the property should the newly proposed CAT recipient be unable to operate the property on a feasible basis going forward.

**Asset Not Needed by the Council - Approved to proceed:**

Head of Asset Management:	(Yes) Tick	No (Tick)	Date:
<i>David Jamison</i>	✓		03/11/2021

**Preferred method of marketing:**

Formal/Informal Offers	
Private Treaty	
Auction	
Community Asset Transfer Process	✓

(To be completed by the Valuation & Estates Team prior to marketing)

**Method for final approval:**

Estimated Value:	Approval Required:	Authorised:	Date:
Up to £50,000	Valuation & Estates Manager		
Between £50,000 and £150,000	Director of Finance		
More than £150,000	Executive Committee	<i>David Valeri</i>	03/11/2021

(To be completed by the Valuation & Estates Team prior to marketing)



Impact Assessment Level 1 – Initial Screening Assessment

<b>Subject of assessment:</b>	International Centre. Freehold transfer proposal			
<b>Coverage:</b>	Overarching/ cross cutting			
<b>This is a decision relating to:</b>	<input type="checkbox"/> <b>Strategy</b>	<input type="checkbox"/> <b>Policy</b>	<input checked="" type="checkbox"/> <b>Service</b>	<input type="checkbox"/> <b>Function</b>
	<input type="checkbox"/> <b>Process/procedure</b>	<input type="checkbox"/> <b>Programme</b>	<input type="checkbox"/> <b>Project</b>	<input type="checkbox"/> <b>Review</b>
	<input type="checkbox"/> <b>Organisational change</b>	<input checked="" type="checkbox"/> <b>Other (please state) property transfer</b>		
<b>It is a:</b>	<b>New approach:</b>	<input type="checkbox"/>	<b>Revision of an existing approach:</b>	<input checked="" type="checkbox"/>
<b>It is driven by:</b>	<b>Legislation:</b>	<input type="checkbox"/>	<b>Local or corporate requirements:</b>	<input checked="" type="checkbox"/>
<b>Description:</b>	Insert short description, using the following as sub-headings: <ul style="list-style-type: none"> <li>• To transfer building and land to a community based organised on a lease hold basis ( Community Asset Transfer)</li> <li>• No statutory drivers</li> <li>• Revitalise an underused building</li> <li>• Schools, residents, community groups, , MBC</li> <li>• Providing opportunities much needed community based activities in the area alongside physical health initiatives and support to schools for excluded children.</li> </ul>			
<b>Live date:</b>	April 2022			
<b>Lifespan:</b>	Permanent			
<b>Date of next review:</b>	Review will take place on an annual basis.			

Screening questions	Response			Evidence
	No	Yes	Uncertain	
<b>Human Rights</b> Could the decision impact negatively on individual Human Rights as enshrined in UK legislation?*	☒	☐	☐	There is no infringement of Human Rights
<b>Equality</b> Could the decision result in adverse differential impacts on groups or individuals with characteristics protected in UK equality law? Could the decision impact differently on other commonly disadvantaged groups?*	☒	☐	☐	This will enhance the opportunities for all individuals and groups in the local area by providing access to new initiatives particularly disadvantaged groups and those may feel excluded.
<b>Community cohesion</b> Could the decision impact negatively on relationships between different groups, communities of interest or neighbourhoods within the town?*	☒	☐	☐	This will provide more opportunities for community and social cohesion by allowing for a variety of groups to engage with the Centre from a diverse range cultures and backgrounds.
<b>Next steps:</b> ➡ If the answer to all of the above screening questions is No then the process is completed. ➡ If the answer of any of the questions is Yes or Uncertain, then a Level 2 Full Impact Assessment must be completed.				

<b>Assessment completed by:</b>	Gamini Wijesinghe	<b>Head of Service:</b>	Louise Grabham
<b>Date:</b>	1 <sup>st</sup> September 2021	<b>Date:</b>	1 <sup>st</sup> October 2021

\* Consult the Impact Assessment further guidance appendix for details on the issues covered by each of these broad questions prior to completion.