

OVERVIEW AND SCRUTINY BOARD

Date: Tuesday 29th June, 2021 Time: 10.00 am Venue: Council Chamber
--

AGENDA

1. Apologies for Absence
2. Declarations of Interest
3. Minutes - Overview & Scrutiny Board - 11 March 2021 3 - 12
4. Minutes - Overview & Scrutiny Board - 8 April 2021 13 - 24
5. Executive Forward Work Programme 25 - 38
6. Chief Executive's Update 39 - 54

The Chief Executive will be in attendance to provide the Board with an update in respect of the Council's response to COVID-19 and other organisational matters.
7. Town Centre Regeneration Update

The Director of Regeneration will be in attendance to provide the Board with an update regarding the Future High Streets Fund, as well as an overview of the plans for the transformation of the Town Centre.
8. Strategic Plan 2020-23 - Progress at Year-End 2020/21 55 - 74
9. Revenue and Capital Budget - Year-End Outturn Position 75 - 106

2020/21

10. Ad-Hoc Scrutiny Panel - Final Report - Members Communications 107 - 114
11. Scrutiny Chairs Update
- Ad Hoc Scrutiny Panel – Councillor M. Saunders
Adult Social Care and Services Scrutiny Panel - Councillor J. Platt
Children and Young People’s Learning Scrutiny Panel –
Vacancy (to be appointed at Council on 7 July 2021)
Children and Young People’s Social Care and Services
Scrutiny Panel - Councillor L. Garvey
Culture and Communities Scrutiny Panel - Councillor C. McIntyre
Economic Development, Environment and Infrastructure
Scrutiny Panel – Councillor S. Walker
Health Scrutiny Panel - Councillor D. Coupe
12. 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 21 June 2021

MEMBERSHIP

Councillors M Saunders (Chair), T Mawston (Vice-Chair), A Bell, D Coupe, L Garvey, A Hellaoui, S Hill, C Hobson, C McIntyre, J Platt, M Storey, J Thompson and S Walker

Assistance in accessing information

Should you have any queries on accessing the Agenda and associated information please contact Caroline Breheny, 01642 729752, caroline_breheny@middlesbrough.gov.uk

OVERVIEW AND SCRUTINY BOARD

A meeting of the Overview and Scrutiny Board was held on Thursday 11 March 2021.

PRESENT: Councillors J Thompson (Chair), M Storey (Vice-Chair), C Cooke, D Coupe, L Garvey, A Hellaoui, T Higgins, S Hill, B Hubbard (as Substitute for M Saunders), T Mawston, J McTigue, J Platt and Z Uddin.

PRESENT BY INVITATION: A Preston (Mayor).

OFFICERS: S Bonner, C Breheny, G Cooper, A Glover, C Lunn and T Parkinson.

APOLOGIES FOR ABSENCE: Councillors C McIntyre and M Saunders.

20/89 DECLARATIONS OF INTEREST

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

20/90 MINUTES - OVERVIEW AND SCRUTINY BOARD (EXTRAORDINARY MEETING: BUDGET CONSULTATION) - 27 JANUARY 2021

The minutes of the meeting of the Overview and Scrutiny Board held on 27 January 2021 were submitted and approved as a correct record.

20/91 MINUTES - OVERVIEW AND SCRUTINY BOARD (CALL-IN: NUNTHORPE GRANGE FARM DISPOSAL) - 29 JANUARY 2021

The minutes of the meeting of the Overview and Scrutiny Board held on 29 January 2021 were submitted and approved as a correct record.

20/92 MINUTES - OVERVIEW AND SCRUTINY BOARD - 11 FEBRUARY 2021

The minutes of the meeting of the Overview and Scrutiny Board held on 11 February 2021 were submitted and approved as a correct record.

20/93 EXECUTIVE FORWARD WORK PROGRAMME

The Chief Executive submitted a report which identified the forthcoming issues to be considered by the Executive, as outlined in Appendix A to the report. The report provided the Overview and Scrutiny Board with the opportunity to consider whether any item contained within the Executive Forward Work Programme should be considered by the Board, or referred to a Scrutiny Panel.

NOTED

20/94 EXECUTIVE MEMBER UPDATE: THE MAYOR

The Mayor, Andy Preston, was in attendance at the meeting to update the Board on his aims and aspirations, progress made to date and to highlight any emerging issues relating to his portfolio.

As part of his update to the Board, the Mayor focused upon the Marketing and Communications aspect of his portfolio; the following points were made:

- Marketing and Communications had progressed significantly well over the last twelve months, with reference being made to the work undertaken in respect of COVID-19; the work of the staff and team involved in this activity was highly commended. The role of the marketing department would shift in light of the changes that COVID-19 had introduced, and the associated messages that needed to be conveyed.
- The challenge that all Council teams had faced revolved around cultural change. In terms of Marketing and Communications, changes within local media readership and the increased use of social media over the last number of years required cultural change. It was felt that improvement within Local Government nationally was needed in order to maintain pace, however, the Council had made significant progress with this over the last twelve months. Through social media, the Council had had the opportunity to engage with a wider audience, to share goals and obtain feedback, which was taken on board.
- Through the introduction of remote meeting meetings in response to the pandemic, Council meetings were broadcast on YouTube and Facebook Live, which was felt aided transparency and encouraged participation from the public.

Following the update, Members were afforded the opportunity to ask questions.

A Member praised the work of the staff, and sought clarification regarding the points raised around jobs. In response, the Mayor clarified that he was referring to the use of social media to broadcast life-changing opportunities in respect of careers, new jobs and training. It was indicated that many businesses within the town had raised issues around skills shortages and filling vacancies, which was felt to be a large problem for the town. The Mayor wanted to see increased promotion of businesses and opportunities. Reference was made to impending job opportunities to be created in the Grangetown area, which was excellent. It was highlighted, however, that whilst there was positivity, challenge also needed to be borne in mind; the Council's role in this would be to provide links between opportunities and potential employees.

In response to a query regarding 12-week wait times for the free collection of bulky waste, the Mayor advised that a 12-week wait was not the case. It was explained that, like other Councils, if residents had a bulky item to be collected quickly, this would be undertaken for payment. However, if payment could not be made, it would be collected free of charge, but there would be a longer wait time.

A member referred to the Marketing and Communications team and reiterated the praise given to the staff. It was commented that Councillors should advise the team of any news stories to enable them to be shared; the Mayor reiterated this view and urged all councillors that, where they had good news stories or something important to share, to contact the team. The Member requested that, should any other facilities be introduced to support Councillors in sharing information/news stories with residents, to please advise of these.

A Member made reference to fly tipping hotspots and the impact that any reduction in Street Wardens would have on the support provided to local residents. The Mayor indicated that he would be happy to speak to political groups and/or the public on the topic of fly tipping/environmental issues outside of this meeting.

A Member commented that communication with residents on a Ward or area-specific basis could be achieved via the Love Middlesbrough magazine; this view was supported by the Mayor.

In response to a comment regarding the correction of inaccurate news stories, the Mayor indicated that more positive stories needed to be shared, and inaccurate

information challenged. However, the challenge in terms of the latter was identifying the appropriateness of this, which was context dependent. The Head of Marketing and Communications explained that action should be taken to correct matters when untrue, but there were different levels of stories.

A Member referred to Love Middlesbrough magazine and commented that, since its introduction, it had been really positive. It was felt that it would be beneficial to utilise the publication to promote the work that the Council does undertake, in order to demonstrate to residents what services their Council Tax payments provide. In response, the Mayor agreed with this, commenting that the Council did need to highlight the positive work carried out.

A Member referred to large, localised projects and queried whether these would be publicised to residents in appropriate ways – the example of a leaflet drop in a Ward where this was felt more effective than social media communication was provided. In response, the Mayor felt that the Council did do this already, but acknowledged there was room for improvement. Reference was made to COVID-19 and the use of leaflet drops during this time; consideration was given to the costs versus the benefits to this approach. The Mayor advised that Councillors contact the Marketing and Communications team for further advice in respect of leaflet-based marketing strategy.

In response to a query regarding the promotion of the Council's plans for the future of the town, and provision of details regarding planned development/regeneration work, the Mayor indicated that this was undertaken; it was about achieving a balancing between too much and not enough. However, due to the issue being raised, it was possible that further promotional activity was needed.

A Member referred to Centre Square, commenting on its size yet limited use. Reference was made to previous events, such as 'Last Night in the Proms', which was great success. It was felt that the space could be utilised for multi-cultural events to bring the town together. In response, the Mayor agreed that it was a large open space that was central. However, it was cut-off from retail and the west side of the town, and there was a lack of natural footfall. Reference was made to previous use of the space for Christmas events, however, attendance had been low due to its locality. Events had been planned for 2020, though due to the pandemic could not be held. It was acknowledged that more could be done to utilise the space, but until retail and residential development happened around it, this would be difficult. A Member made reference to previous use of Centre Square for the Mela event, however, following a survey, this was transferred to Albert Park, which was preferred by attendees for the availability of parking, etc. The Mayor felt that Centre Square was an asset to the town, but there were some flaws with it that could potentially be remedied in the coming years, such as further access from the Cleveland Centre, together with retail and residential development, which would create a natural footfall.

In response to a query regarding prioritisation of the COVID-19 vaccination for teachers and teaching assistants, the Mayor commented that teaching staff should be prioritised, but the challenge that needed to be considered was around the vaccination of younger, healthy individuals when others under the age of 50 with health conditions were not receiving vaccinations. However, it was felt that, on balance, some occupations should be prioritised, which included teachers and school staff.

The Mayor advised Members that he would be happy to meet with groups to discuss issues, but felt it prudent for initial contact to be made to determine whether officers focusing on specific areas, such as refuse collection or Adult Services, would be better placed to assist in the first instance with detailed questions.

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

NOTED

20/95

MIDDLESBROUGH COUNCIL'S RESPONSE TO COVID-19

The Chief Executive delivered a presentation to update the Board in respect of the Council's response to COVID-19.

The following information was provided:

- In terms of responses to previous queries raised by the Overview and Scrutiny Board:
 1. What was the number of positive cases of COVID-19 amongst teachers and teaching assistants across Middlesbrough? The figure from September 2020 up to 11 February 2021 was 310. Currently, 51 pupils and 15 staff across all schools were isolating as a result of positive COVID-19 tests.
 2. Were those drivers, contracted by the Council to transport (vulnerable) children and adults, receiving vaccines? Whilst conversations had taken place with taxi drivers in regards to vaccinations, most were in relation to regular school transport, as opposed to vulnerable children and adults. As taxi drivers were not listed within priority vaccination groups 1-4, and provision had been made previously (e.g. PPE, screens and face coverings), it was deemed that sufficient mitigation was already in place. With the anticipated arrival of the mass vaccination centre in Middlesbrough on 22 March 2021, the Council would be looking to push people in particular occupations to attend for vaccination.
- The latest local COVID-19 position, as at 9 March 2021, was 105.0 rate per 100,000 of the population (last 7 days); this had since reduced and currently stood at 90.
- South Tees Hospitals NHS Foundation Trust COVID-19 data: hospital admission figures tended to follow a couple of weeks behind the infection figures; as at 10 March 2021, there were 65 people in hospital (14 in critical care). Hospital planning was based on a maximum of 300 COVID-19 patients.
- Vaccination update: in total, 46,099 people in Middlesbrough had received their first dose, which represented 32.7% of the population. 100% of those aged 70-74 had been vaccinated; 99% of those aged 75-79 had been vaccinated; and 95.4% of those aged 80+ had been vaccinated. Chase-up work was currently being undertaken, with home visits being carried-out where required.
- Details of the decisions taken by the Gold Command Group in January, February and March 2021 were outlined to the Board.
- Lockdown exit planning: several work streams had been established to determine what work needed to be undertaken throughout this period up to June 2021, with Lead Officers assigned to each. These work streams were:
 - Communications – aligning with national phased exit strategy;
 - Outbreak control (statutory responsibility to update plan) – maintaining testing/vaccinations and refreshing the Outbreak Control Plan;
 - Schools – assistance with testing, summer catch-up activity support, holiday hunger approach, etc.;

- Business – support in town centre reopening arrangements, Tees Valley vs. Middlesbrough approach to exit arrangements;
- Communities – support for residents and associated services; and
- Council – reoccupation and re-induction of staff.

In light of the above, it was explained that consideration was also being given as to how those plans would link with the existing Recovery Strategy.

Following the update, Members were afforded the opportunity to ask questions.

A Member referred to statistics in respect of COVID-19 deaths in comparison to other Local Authorities and queried why Middlesbrough's regularly appeared to be the highest. In response, the Chief Executive indicated that there were several reasons why a) there had been more instances of COVID-19 per head of population than many other places, and b) why there had been a higher rate of deaths. The first revolved around Middlesbrough's 'ill population', i.e. life expectancy in Middlesbrough was approximately five or six years less than the national average. Life expectancy within the town varied by 14-15 years, and healthy life expectancy varied by up to 20 years. Reference was made to the high prevalence of respiratory issues, such as COPD, which made individuals more vulnerable to COVID-19. In terms of individuals contracting the virus, it was also linked to deprivation; unfortunately, Middlesbrough had many of the most deprived wards in the UK. Middlesbrough also had a significant BAME population – as at the last Census, this was 13.8%. Finally, Middlesbrough was highly urbanised and had the same population as Redcar, which was four or five times the size of Middlesbrough geographically, and therefore more people were living closer together. All those factors had come together to produce the statistics that had been seen.

A Member referred to 'The White Feather Project' and indicated that this currently operated seven days per week, sometimes for 24 hours per day. The Member wished to convey a message of thanks and to congratulate those involved; the project had recently celebrated its one year anniversary.

In response to an enquiry regarding Council meetings and a return to the Town Hall, the Chief Executive explained that the legislation permitting remote meetings would expire in May 2021. It was possible that a hybrid format for meetings would be followed in order to facilitate attendance, but this was currently being explored.

A Member queried the action being undertaken by Middlesbrough Council to encourage people to get vaccinated. In response, the Chief Executive highlighted that Middlesbrough Council was not responsible for vaccinations – this was the responsibility of the NHS. However, through the Council's Public Health function and its normal business, the Council did wish to promote the vaccination programme and get as many people vaccinated as possible. A communications strategy had been established in respect of this, part of which involved the appointment of a network of COVID-19 champions within local communities, which had worked well during the initial outbreak stages and the communication of key hygiene messages. Work was currently being undertaken to examine the possibility of linking in with Middlesbrough Football Club to promote uptake, and officers were also looking at placing localised vaccination sites in communities across Middlesbrough, particularly where take-up was low.

A Member referred to the decisions taken by the Gold Command Group and the reference to Tees Valley vs. Middlesbrough in respect of the business work stream; clarification was sought regarding this. In response, the Chief Executive explained

that this was not concerned with competition; the TVCA was providing support to businesses at this time, looking at the impact of COVID-19 on the economy across the Tees Valley. TVCA had a business support line in place; the funds to support those businesses were allocated directly to the Local Authorities to determine expenditure. This reference was about ensuring that the two did not link.

A Member referred to the vaccination centre that would be opened in Middlesbrough and queried the coordination of appointments, as some residents were currently required to attend other areas, such as Darlington and York, which meant that some may miss out if not able to travel. It was also queried whether the vaccination statistics for Middlesbrough included those residents that had attended other areas. In response, the Chief Executive explained that in terms of the figures for vaccinations, that was based on residency and not where they were vaccinated. Appointments were arranged via a national system for vaccinations - it was envisaged that the system would look up where slots were available and offer one that was closest to the individual's home. Unfortunately, Middlesbrough's mass vaccination centre had arrived later than other areas; however, this would be available and operational within the next two weeks. The centre would operate for 12 hours per day.

A Member referred to asymptomatic test sites and queried whether records would be kept for the number of people attending. In response, the Chief Executive advised that figures were recorded for the six asymptomatic test sites in Middlesbrough; the example of 1000 people being tested at Middlesbrough Sports Village, with 10 testing positive, was provided.

In response to a request for clarification regarding the vaccination update, the Chief Executive indicated that 16,000 of the 46,099 doses issued had been to over 70s; reference was made to the percentage of doses that had been issued to each age group. Consideration was given to the national performance of the vaccination roll-out in comparison to other countries and territories.

A Member referred to Children Looked After and welcomed the additional funding that had been made available to this group. Regarding use of the terminology 'holiday hunger', which was felt to be particularly negative, it was queried whether more positive terminology could be utilised in future. In response, the Chief Executive acknowledged this point, and made reference to an impending Executive report in which a holiday activity fund would be discussed. Dealing with hunger was just one aspect – other areas such as anxiety, confidence building and wraparound support provided to children also needed to be considered.

In response to a comment regarding the current age range for vaccinations and the potential that school teachers be may required to leave schools during peak times (suggesting that weekend appointments be more appropriate), the Chief Executive explained that officers had been pushing for a number of roles and occupations that did not appear to be in priority groupings, such as school staff and refuse collectors, to be moved up the list. In addition, efforts had also been made for weekend vaccination appointments to be made available for such roles as teaching and non-teaching school support staff. Unfortunately, it was a national priority list that needed to be followed and there was not a lot of local discretion.

A Member referred to vaccination appointments and commented that, in order to make an appointment at a local vaccination centre, booking via a GP could potentially assist.

A Member queried the definition of PPE in educational settings. In response, the Chief Executive advised that schools were responsible for undertaking their own health and safety risk assessments, which meant that there would be a wide range of PPE, including hand sanitiser, visors, gloves and face masks. It was explained that whatever PPE was needed, legally it was the responsibility of the employer to undertake a COVID-19 risk assessment, identify the mitigation that was required to make it COVID-19 secure, and then provide that mitigation. There was a definitive list of standard PPE and the Council did have a central depository. The Member commented upon the face coverings being worn in some areas that may not be of clinical grade.

With regards to the reopening roadmap, a Member queried how matters could potentially proceed for wedding venues and similar after 21 June 2021. In response, the Chief Executive advised that he did not know anything further than the Members, but felt that this would depend on the success of the vaccination programme (and the percentage of the population vaccinated); the test that the Government was going to apply before each phase of the easing of lockdown commenced; and also on infection and hospital rates. In terms of the reoccupation of office space, it was envisaged that a return to pre-COVID-19 levels would not be realised because the virus would not simply disappear. A return to the Civic Centre was not anticipated to take place until at least September 2021, as Government guidance would first need to be released, reviewed and then initiated. It was possible that weddings would take place and nightclubs reopened, but restrictions against attendance would be put in place.

A Member queried the percentage of BME individuals who had refused a vaccine. In response, the Chief Executive explained that, to date, the only statistics available in terms of refusal related to care home workers; no figures had been provided in respect of ethnicity.

The Chair thanked the Chief Executive for his attendance and contribution to the meeting.

NOTED

****SUSPENSION OF COUNCIL PROCEDURE RULE NO. 5 - ORDER OF BUSINESS****

AGREED that in accordance with Council Procedure Rule No. 5, the Board agreed to vary the order of business to consider the remaining agenda items in the following order: 10, 9, 11, 12 and 13.

20/96

FINAL REPORT - HEALTH SCRUTINY PANEL - OPIOID DEPENDENCY: WHAT HAPPENS NEXT?

Prior to consideration of the report, the Chair of the Overview and Scrutiny Board sought Members' approval in respect of some submitted amendments that had been circulated; this was agreed.

The Chair of the Health Scrutiny Panel presented the Panel's Final Report in relation to Opioid Dependency: What Happens Next?

The recommendations to be submitted to the Executive were:

- a) That the public health approach to drug dependence be continued and the benefits of introducing safe spaces in Middlesbrough for people to consume substances (drug consumption rooms) be further explored. Drug consumption

rooms have been successfully used elsewhere in the world (including in Europe and in Canada) for approximately 16 years and no one has ever died of a drug overdose in any of these facilities. Middlesbrough could in the future be a pilot for the adoption of such an approach in the UK.

- b) That the local authority writes to the government to request that it reconsiders national policy in respect of Drug Consumption Rooms (DCRs). Given that DCRs are a provable harm reduction tool that reduces the risk of overdose, improves people health and lessens the damage and costs to society.
- c) That a new capital funding bid for a 16-18 bedded detox and drug rehabilitation facility at Letitia House be submitted. Public health benefits and financial savings could be achieved when compared to the current costs of funding individual 7-10 day detox programmes out of area.
- d) That funding for the Heroin Assisted Treatment (HAT) programme be prioritised by partners in South Tees and the current level of investment continued for the foreseeable future.
- e) That the local authority write to the relevant Minister highlighting the success of the Heroin Assisted Treatment Programme (HAT) in Middlesbrough and how it is a demonstrably effective way of treating drug addiction.
- f) That the high quality drug treatment facilities available in Middlesbrough are recognised and that the town develops as a Recovery Orientated System of Care (ROSC) further.
- g) That in an effort to reduce the stigma associated with drug dependency a proactive approach is undertaken to promote the town's vibrant recovery community. Middlesbrough is a town where recovery from drug dependency is possible, recognised and celebrated. The town has outstanding substance misuse treatment services and innovative harm reduction initiatives in place. Work needs to be undertaken to ensure Middlesbrough is recognised locally and nationally as a Recovery Town/City.
- h) That in respect of the areas for improvement put forward by Tees, Esk and Wear Valley NHS Foundation Trust it is ensured that a number of measures are implemented including:-
 - That quick and reliable access to specialist Substance Misuse support is made available to the Community Crisis Team, Crisis Assessment Suite and Inpatient wards.
 - That Substance Misuse workers, Social Workers and other colleagues are included in the single point of access in Mental Health for joint triage/joint initial assessment.
 - That Substance Misuse workers attend joint meetings, as arranged by TEWV, including formulation and pre-discharge.
 - That Substance Misuse Services contribute to TEWV's co-produced Crisis management plans / Wellness Recovery Action Plans (WRAP)
 - That a programme of joint clinics (Mental Health/Substance Misuse) to meet the needs of dual diagnosis patients be established.
 - That the role of peer support workers across all organisations be increased.
 - That prescribers in Substance Misuse services work with TEWV prescribers to ensure enhanced sharing of information.
 - That cross fertilisation in terms of training for Substance Misuse and Mental Health workers be established.
- i) That pathways for young people at risk of drug dependency be developed and a way for those already dependent to access timely treatment provided.
- j) That prescribing substitute treatment for those under 18 years be further explored and the preferred option piloted.
- k) That the Personal, Social, Health and Economic (PSHE) education delivered in Middlesbrough schools in respect of drugs and alcohol be reviewed by public health professionals to ensure our teachers and school leaders are

equipped with the local knowledge they need to deliver an enhanced educational offer to our children and young people.

- l) That support for children experiencing parental opiate dependence be commissioned and the number of children being reached and supported reported.
- m) That the best practice approaches adopted elsewhere in the UK in respect of opioid deprescribing for persistent non-cancer pain (for example, those put forward by Nottinghamshire Area Prescribing Committee) be taken up by Tees Valley CCG and promoted amongst Primary Care Networks (PCNs) in Middlesbrough.
- n) That in 2021/22 GP lists in Middlesbrough be screened using the I-WOTCH inclusion and exclusion criteria to establish the number of patients who could benefit from education on opioids and managing chronic pain. Following identification an appropriate initiative be developed to target those patients. In order to ensure that prior to the outcome of the 38 pharmacist led opioid and gabapentinoid reduction proposal early steps are taken to provide people with alternatives approaches to pain management.
- o) That if the opioid and gabapentinoid reduction programme currently being piloted proves successful TVCCG invests sufficient resources to ensure the programme is scaled-up and the number of patients prescribed strong opiates for chronic non-malignant (non-cancer) pain in Middlesbrough is reduced.

A Member made reference to the recommendations and commented on the ground-breaking approach that would be undertaken to support those affected by opioid dependency within Middlesbrough.

AGREED that the findings and recommendations of the Health Scrutiny Panel be endorsed and referred to the Executive.

20/97

FINAL REPORT - ECONOMIC DEVELOPMENT, ENVIRONMENT AND INFRASTRUCTURE SCRUTINY PANEL - PEST CONTROL SERVICES

The Vice Chair of the Economic Development, Environment and Infrastructure Scrutiny Panel presented the Panel's Final Report in relation to Pest Control Services.

The recommendations to be submitted to the Executive were:

- a) Consideration be given to Middlesbrough Council offering a low cost Pest Control Service to residential properties and whether this would provide an additional income stream to the service area.
- b) Investigate whether an amount could be included within the Council Tax charge to provide a pest control service to private residents without any additional fee.
- c) Promote educational messages about good house-keeping to prevent vermin infestations through the LoveMiddlesbrough magazine.

A Member queried whether it would be possible to marginally increase the cost of charging landlords through the Selective Landlord Licensing scheme, in order to provide a complimentary service to those areas with a high volume of landlords. In response, the Vice Chair explained that this could potentially be an uptake to one of the recommendations. It was explained that the Panel had observed that residential properties within Middlesbrough were being missed out at present. Reference was made to a recent local press article that focused on fees charged by contractors, and to current processes being undertaken by Thirteen Group, which included cost sharing via rental costs.

AGREED that the findings and recommendations of the Economic Development,

Environment and Infrastructure Scrutiny Panel be endorsed and referred to the Executive.

20/98 **OVERVIEW AND SCRUTINY BOARD CALL-IN OUTCOME: NUNTHORPE GRANGE FARM DISPOSAL**

The Chair provided an overview of the outcome of the Nunthorpe Grange Farm Disposal Call-in.

NOTED

20/99 **SCRUTINY CHAIRS UPDATE**

The Scrutiny Chairs/Vice Chairs provided updates in respect of the work undertaken by their respective panels since the last meeting of the Board.

NOTED

20/100 **ANY OTHER URGENT ITEMS WHICH, IN THE OPINION OF THE CHAIR, MAY BE CONSIDERED.**

Minutes of the Previous Meeting

A Member made reference to page eight of the minutes of the previous meeting (11 February 2021) and clarified comments made under agenda item 'Scrutiny Chairs Update'. Following brief discussion, the Chair advised that clarification had been obtained from the Head of Democratic Services, which was that if Scrutiny Panel Members were happy to meet when a meeting had been cancelled, this could be undertaken, but it would be on an informal basis and there would no minutes produced.

NOTED

Date of Next Meeting– 8 April 2021

The next meeting of the Overview and Scrutiny Board had been scheduled for Thursday, 8 April 2021.

NOTED

OVERVIEW AND SCRUTINY BOARD

A meeting of the Overview and Scrutiny Board was held on Thursday 8 April 2021.

PRESENT: Councillors J Thompson (Chair), C Cooke, D Coupe, L Garvey, A Hellaoui, T Higgins, S Hill, L Lewis, J McTigue, J Platt, M Saunders, D Rooney (as Substitute for M Storey) and Z Uddin.

PRESENT BY INVITATION: Councillors M Smiles (Executive Member for Communities and Education).

OFFICERS: C Benjamin, S Bonner, C Breheny, S Butcher, G Cooper, R Horniman, A Humble, C Lunn, C Nicol, T Parkinson, S Reynolds, P Stephens, M Walker and I Wright.

APOLOGIES FOR ABSENCE: Councillors T Mawston and C McIntyre and M Storey.

20/101 DECLARATIONS OF INTEREST

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

20/102 EXECUTIVE FORWARD WORK PROGRAMME

The Chief Executive submitted a report which identified the forthcoming issues to be considered by the Executive, as outlined in Appendix A to the report. The report provided the Overview and Scrutiny Board with the opportunity to consider whether any item contained within the Executive Forward Work Programme should be considered by the Board, or referred to a Scrutiny Panel.

NOTED

20/103 EXECUTIVE MEMBER UPDATE: EXECUTIVE MEMBER FOR COMMUNITIES AND EDUCATION

****SUSPENSION OF COUNCIL PROCEDURE RULE NO. 5 - ORDER OF BUSINESS****

AGREED that in accordance with Council Procedure Rule No. 5, the Board agreed to vary the order of business to consider the remaining agenda items in the following order: 5, 4, 6, 7, 8 and 9.

EXECUTIVE MEMBER UPDATE: EXECUTIVE MEMBER FOR COMMUNITIES AND EDUCATION

The Executive Member for Communities and Education, Councillor Mieka Smiles, was in attendance to update the Board on her aims and aspirations, progress made to date and to highlight any emerging issues relating to her portfolio. The following officers were also in attendance: the Director of Regeneration and Culture; the Executive Director of Children's Services; and the Head of Stronger Communities.

As part of her update to the Board, the Executive Member discussed her portfolio under three areas – Communities, Culture and Education.

Communities

- In terms of aims and aspirations it was explained that, overall, this was to achieve a safer Middlesbrough because this impacted upon wellbeing, business and perceptions of the town. In addition, the Executive Member wished to see further joint working to avoid duplication and to spread resources further, and also to support communities to help themselves.
- The Executive Member currently chaired the Community Safety Partnership. A Community Safety Strategy was currently being finalised, which had required extensive partnership working.
- The Neighbourhood Safety departments had recently been revamped, with a new structure consisting approximately 60 Street Wardens now in place. The Street Wardens had received new powers, including the ability to compel individuals to provide personal details. A new Operational Manager had also been assigned to post.
- Active Intelligence Mapping (AIM) – a Data Analyst had been employed to pull together crime and Anti-Social Behaviour statistics; fortnightly meetings were held to discuss major issues and the deployment of resources. This was progressing well.
- Locality working – this had been slightly delayed due to COVID-19, but a large amount of collaborative work had been carried out virtually.
- Regarding the Community Grants Scheme, there was £160,000 of grant funding available for community groups to apply for (for grants of up to £1500). The Executive Member sat on the grants panel that awarded the funding and felt that a lot of positive work was taking place in local communities.
- A Community Strategy was currently in development.
- In terms of emerging issues, reference was made to the reopening of the Community Hubs and Libraries from 12 April 2021.
- Reference was made to smaller community and charitable organisations; it was felt that close monitoring of their progress during COVID-19 was required.

Culture

- In terms of aims and aspirations, reference was made to the success of the Big Weekend event. Next steps to build on that success by bringing further high profile events to Middlesbrough were impacted by COVID-19, but work was now taking place to create a calendar of events.
- In terms of income generation, the Executive Member wished to enhance the Council's commercial outlook; reference was made to the Town Hall and increasing profits for reinvestment in cultural activities.
- Work was taking place to improve key assets, such as Newham Grange Farm and Teesaurus Park.
- Of importance to the Executive Member was heritage preservation, with mention being made of the Old Town Hall, Captain Cook Pub and the Transporter Bridge. Support to culture was also a key priority.
- Regarding progress made to date, reference was made to the Middlesbrough Cultural Partnership, which was a collective chaired by the Head of Culture. Over the past year, all of the organisations had been awarded a collective £1m, which was an excellent achievement. A new website had been established and a dedicated Press Officer assigned to post.
- Reference was made to Newham Grange Farm, the work being undertaken and to the creation of a new, refurbished linear building which would host educational activities.
- Regarding Christmas lights, although people could not be invited into the Town last year due to COVID-19, these had been a success, with many positive comments being made on social media. This success would be built-

on later this year.

- Regarding the Towns Fund and Future High Streets Fund, the Council had secured £36m, another excellent achievement. The Executive Member explained that she had been an advocate for use of a portion of the funding for heritage preservation and events.
- Over the last year, applications for recovery funding from the Arts Council had been made wherever possible; circa. £500,000 had been received for culture.
- In terms of emerging issues, this was about reopening and looking at the events calendar. The task of the Events Team was to achieve a balance between promoting events with the restrictions/expectations of COVID-19; progress was likely to be slow but steady to ensure safety. Museums would be reopening in mid-July.

Education

- The Executive Member was awarded this remit in summer 2020. It was acknowledged that there had been some initial concern as to the vastness of the portfolio, but felt that a good understanding had been achieved since that time.
- Regarding aims, reference was made to Middlesbrough's maintained Primary Schools and to the Academies in the area. The Executive Member's aim was to ensure that staff felt supported by the Local Authority; this work commenced through visits to schools and discussions with Head Teachers. Consideration was given to statutory responsibilities, including the provision of school places.
- Mention was made of the Council's '50 Futures' initiative; the Executive Member wished to expand this.
- Reference was made to Children's Services and the challenges that had been faced; the Executive Member played an integral role within the improvement plan.
- In terms of progress made to date, it was explained that constant dialogue had been established with Head Teachers and school staff, with support being provided as required – the example of hand sanitiser provision during the pandemic was provided.
- Another significant achievement revolved around digital inclusion and £350,000 being invested to provide additional laptops to children across Middlesbrough. Work was currently being undertaken on the development of a wider strategy for digital inclusion.
- In terms of '50 Futures', the Executive Member had been approached by Teesside University who wished to see something similar to the initiative, but working across the town. Work was currently being undertaken to develop a 'one-stop shop' for anyone in Middlesbrough seeking work opportunities or career development.
- Regarding care leavers, the importance of ensuring the education of children in care was highlighted as a priority. As part of this, opportunities for work placements within the Council for care leavers were constantly being sought, and it was noted that several successful appointments had been made.
- In relation to new ideas, the Executive Member was currently working on a project entitled 'School Streets', which focused on limiting traffic outside of schools between certain hours. This would mean that children would be more likely to travel actively to school in a variety of ways.
- In terms of emerging issues, the biggest would revolve around children 'catching-up'. It was explained that the Government would be investing heavily in this and the funding would go directly to schools - further details regarding this were currently awaited. It was highlighted that the Council had been awarded £1m from the holiday activity fund, which would assist with this work. Regarding mental health in children, the difficulties experienced over

the last year in respect of this were noted. School attendance, particularly for vulnerable learners, was also highlighted as an emerging issue. Members heard that attendance was currently 93% in Middlesbrough versus 94.5% nationally.

Following the update, Members were afforded the opportunity to ask questions.

A Member made reference to AIM and queried why this work had previously been discontinued. In response, it was explained that this had been undertaken by the previous administration. Work had been undertaken to reintroduce this and was proceeding well. Reference was made to ASB issues being experienced and the importance of these being reported by residents to Councillors and to Cleveland Police. A Member supported these views and commented on the importance of giving feedback to those reporting issues.

A Member made reference to heritage preservation, to the Old Town Hall and St. Hilda's. A congratulatory message was conveyed in light of the funding that had been received; the Member commented that they would like to see a plan as to how this would be brought back. In response, the Executive Member explained that the Old Town Hall building needed to be made safe. There had been some commercial interest in the building previously, but funds necessary to make the building safe had reduced interest. Ideas to develop the building would be progressed once it had been made safe.

A Member made reference to Albert Park and the condition of the fountain within it, which was felt required investment. In response, the Executive Member acknowledged this point.

A Member made reference to developments made in respect of the Southlands Centre and expressed disappointment over a lack of communication/engagement with Ward Councillors. It was requested that Ward Councillors be kept updated in respect of progress made in order to help them support their residents. In response, the Executive Member acknowledged this point and explained that Ward Councillors would be fully involved in the future.

A Member made reference to community grant funding and back alley gates, and explained that some gates had been removed. It was queried whether residents could apply for grant funding in order to have gates re-installed. In response, the Executive Member explained that this could be achieved; contact could be made with either the Executive Member or the Neighbourhood Manager to discuss this.

In response to an enquiry regarding the operation of the Street Warden service and AIM, the Executive Member explained that meetings were operational in nature and not attended by Councillors. Updates in respect of AIM could be provided by the Executive Member at the request of individual Councillors, but meetings were operational. There was also potential for monthly round-ups to be provided to Ward Members, if deemed appropriate.

A Member commented that the additional IT equipment provided to schools during the pandemic was extremely welcomed and a great effort by the Council. In response, the Executive Member commented that the Department for Education delivered 10,000 laptops in Middlesbrough; the remit was to help those children 'slipping through the net', e.g. children not seen as disadvantaged, but whose parents would struggle to fund such devices, particularly if there was more than one child in the household.

In response to a request for further information regarding the Street Warden service, the Head of Stronger Communities agreed to provide a budget breakdown for staffing and equipment for the service. In addition, statistical information in respect of Fixed Penalty Notices and court action would also be provided. In terms of Public Space Protection Orders, it was explained that the majority of actions were instructions, i.e. warnings, concerning a change of behaviour, as opposed to being concerned with income generation.

A Member made reference to locality working and commented on the excellent work being undertaken in terms of providing wraparound support to children in care. The Executive Member welcomed these comments and felt that, once restrictions had been lifted and individuals could physically attend buildings, the service would develop further.

A Member made reference to AIM and issues such as fly tipping, and queried what work could be undertaken to increase reporting; in instances where individuals would not be willing to report matters, the alternative to that was queried. In response, the Executive Member acknowledged this point. It was explained that, as representatives, those in attendance at AIM meetings would be expected to raise any issues; it was understood that not all residents would feel comfortable raising issues.

A Member made reference to school uniforms and work being undertaken in this regard, and queried whether any further information was available. In response, the Executive Member advised that research and discussion had been undertaken with schools and it was hoped that a report would be available in the near future.

A Member made reference to AIM and queried the inclusion of matters such as fly tipping - the Executive Member confirmed that this was included. Reference was made to the Flying Squad initiative (the responsibility for which lay within a different Executive portfolio), which tackled fly tipping. Other issues, such as bin fires could also be reported. All information would be pulled together by the Data Analyst to look at those issues. It was confirmed that, when residents reported issues, they were not required to leave their personal details.

In response to a query regarding AIM and the provision of feedback to Councillors and residents, the Executive Member indicated that the Police did produce Ward newsletters, but felt that the potential for an AIM newsletter could be looked at.

A Member made reference to the Flying Squad team and queried how many members of staff it had, and whether Street Wardens also supported the service. In response, the Head of Stronger Communities advised that there were eight members of staff in total – four teams/vehicles with two in each. Four of the officers had previously worked in what was an Environment Services team, and four were Environmental Enforcement Wardens who had already been dealing with fly tipping enforcement.

In response to an enquiry regarding the potential timescales for permitted outdoor gatherings, Members heard that an Orange Pip event was being planned to take place in August. The Head of Culture advised that teams were cautiously looking at events, with different scenarios being worked on depending upon Government guidance being received. The Executive Member highlighted the Council's achievement in being named best digital MELA this year.

A Member made reference to fly tipping and commented that feedback was not always received in terms of reported incidents. In response, the Executive Member indicated that this issue fell under the Executive Member for Environment's portfolio, but this comment would be forwarded. Reference was made to the Flying Squad and consideration given to publicity and awareness raising around fly tipping.

A Member commented on the reopening of the Town Hall and queried the possibility of holding a relaunch event. In response, the Executive Member felt that this could be celebrated when permitted.

In response to an enquiry regarding the scope of the Executive Member's portfolio and management of the remit, the Board heard that progress and successful management had been achieved through positive working relationships with officers, and holding regular meetings.

The Chair thanked the Executive Member and officers for their attendance and contributions to the meeting.

AGREED that the information provided be noted, and the agreed action be undertaken.

20/104

MIDDLESBROUGH COUNCIL'S RESPONSE TO COVID-19

The Chief Executive delivered a presentation to update the Board in respect of the Council's response to COVID-19.

With regards to responses to previous OSB queries, the following information was provided:

- Following an overview of the revisions to be made to the Outbreak Control Plan in light of Lockdown exit arrangements being provided, a query around potential impact of revisions was made. In response, the Chief Executive advised that in order to provide assurance that relevant systems and processes were in place to respond to outbreaks, enduring transmission and any new variants that may emerge, the OCP was updated / revised as follows:
 1. Care homes: enhanced support extended into care settings to include supported housing, extra care housing and children's homes and the testing regime in care homes;
 2. Schools: enhanced support was now available to schools, including testing in schools and at home;
 3. High risk settings and the support to reduce risk in those settings;
 4. Updated testing section detailing all the symptomatic and asymptomatic testing available;
 5. Local contact tracing approach added, including support to isolate and local discretionary financial support;
 6. Surge capacity section added describing approach to surge testing for variant(s) of concern;
 7. Sections added on community insights, tackling enduring transmission and building COVID-safe communities;
 8. Section added on vaccines and improving uptake in all communities to minimise health inequalities arising from differential uptake in communities; and
 9. Section added on lessons learnt and feedback to Government.
- Following an update being provided on up-to-date vaccination numbers in Middlesbrough, confirmation of numbers had been sought as the totals of the age categories did not tally with the overall total. The Chief Executive advised that these totals, provided at the March 2021 meeting of OSB, included only specific priority groups, so excluded (for example) health and social care and care home staff, and those in priority groups five and six that had already

been vaccinated.

- Community testing numbers were shared and a Member had sought confirmation of numbers tested versus numbers of positive cases confirmed across all sites as a result. The Chief Executive advised that the total number of tests was 2,883, with 26 total positives (0.90%).
- Following discussion of vaccination hesitation and a request for provision of vaccination refusal rates, by ethnicity, the Chief Executive advised that data provided by the Primary Care Network (not specifically Middlesbrough) which had a combined population of 160k (against Middlesbrough's population of 149k and therefore not directly comparable) showed emerging vaccine inequalities (as at 23/03/2021). Work was being undertaken to better understand Middlesbrough's local data, and with the Tees Valley Clinical Commissioning Group to develop a Vaccine Equity Plan, to increase uptake of the vaccines across all communities in Middlesbrough and narrow the above gaps over the coming weeks.
- Following a request for confirmation of the standard PPE provision to Care Homes, the Chief Executive advised that PPE supplies were distributed to health and social care providers (top-up emergency supplies only); education settings; homeless provision; Local Authority staff; testing sites; Domestic Violence refuges; mental health community care; personal assistants; supported living services, extra care provision, and day services. The standard list of items available were face masks (various), gloves, aprons, visors, eye protections, gowns (surgical and non-surgical) and hand sanitiser.

In terms of the latest local COVID-19 data, as at 7 April 2021 the rolling seven-day rate of cases per 100k of the Middlesbrough population was as follows:

- Four new cases had been added to the system on 7 April 2021;
- 48 new cases had been diagnosed in the last seven days;
- 34.0 rate per 100k of population (last seven days); and
- 261.70 COVID-19 deaths per 100k population.

Regarding Gold Command decisions made between 5 March 2021 and 31 March 2021, on 11 March 2021 the decision was taken for a further £1m of additional restrictions grant funding to be made available, with an expectation that any uncommitted funds (£3m for Middlesbrough) would be allocated by 31 March 2021. Single payments of £500 would be made to taxi drivers to cover costs of COVID-19 impact / licensing fees, to a total of £500,000. Once further guidance was issued, a decision would be made on additional options of spend against a remaining uncommitted £2.5m.

Following the update, Members were afforded the opportunity to ask questions.

A Member queried how GP surgeries would be encouraged to contact those older patients who did not have access to email and/or text facilities. In response the Board heard that patient lists would be obtained and direct contact made via a telephone call. It was anticipated that local contact tracing staff would assist with this.

A Member sought clarification in relation to the provision of home appointments for vaccinations for those over the age of 80. In response, it was explained that this was currently being looked into, particularly in terms of logistical planning.

A Member commended the work of the COVID-19 testing teams at Newport Community Hub, which through his own experience was felt to be very professional and well executed. The Chief Executive acknowledged this point and commended all staff working at the various testing sites for the work being carried-out. A Member echoed these comments and congratulated all involved for delivering this invaluable

service.

The Chief Executive highlighted that, from 9 April 2021, anyone could test themselves at home twice per week – planning was currently taking place in respect of this. It was hoped that individuals would be able to attend any one of the four test sites to collect their first test, where they would be assisted in completing it. Subsequent tests could then be ordered and undertaken at home independently. In response to a query regarding how long this initiative would last, it was explained that this was unknown at present, however, it was anticipated to last for some time as it was a national push from Government - alongside the vaccination programme.

The Chair thanked the Chief Executive for his attendance and contribution to the meeting.

NOTED

20/105 STRATEGIC PLAN 2020-23 - PROGRESS AT QUARTER THREE 2020-21

The Head of Strategy, Information and Governance provided an update to the Board, which included the following points:

- This Q3 update was in respect of the previous Strategic Plan, which covered the period October-December 2020, and which was presented to Executive on 16 February 2021;
- A new Strategic Plan was approved by Council on 24 February 2021 – the process to begin monitoring and reporting on this plan would begin in the next quarterly report;
- The delivery of the Strategic Plan, which was developed prior to the pandemic, had been impacted by COVID-19;
- In Q3, additional restrictions were seen in response to rising transmission that impacted on individual communities and economies across the country including Middlesbrough; the Executive would receive a report in respect of revised recovery arrangements in due course;
- Achievements made during Q3 were outlined, which referred to improvements in crime and ASB interventions; action to support children with remote learning; progress made in respect of Children's Services and the improvement journey; Future High Streets Fund; completion of the first phase of the town pot hole purge; and submission of new plans for the Boho X development; and
- Strategic risks – reference was made to the risk faced in relation to business continuity from the UK's exit from the EU at the end of the transition period in December, which was stood down due to the approval of the trade and security agreement with the EU at the end of December 2020. Risks and longer-term impacts and opportunities, such as the free port, were outlined to the Board, which would be monitored and reported on in future reports.

Following the update, Members were afforded the opportunity to ask questions.

A Member referred to paragraph 17 and the current position in respect of the new commissioning model. In response, it was indicated that an update would be sought from the Director of Adult Social Care and Health Integration and details provided in due course.

In response to a query regarding paragraph 36 and the transformation of the town centre, it was agreed that the Director of Regeneration would be invited to the next Board meeting to brief Members. The Chief Executive indicated that there was a full list of projects that formed the basis for the Future High Streets Fund and the Towns Fund, which would be considered by the Executive in the near future.

A Member referred to paragraph 28 and the increase in the rate of children subject to CPOs. In response to a query regarding management of complex needs, particularly during lockdown, the Director of Children's Services explained that work had been undertaken in this regard; two managed teams had been introduced to the assessments service and assisting with reducing the backlog of work. A decrease had been seen in the number of children subject to child protection plans in very recent weeks; the number of children looked after had also decreased. These decreases had provided resource to help improve practice. It was acknowledged that this was a steady work in progress; the service was on a three-year improvement journey.

A Member referred to paragraph 45 and the number of new jobs attributable to the Investment Prospectus; details were sought in respect of the target figure, together with the locations and status of the jobs. In response, the Head of Strategy, Information and Governance indicated that this information would be sourced from the Investment Prospects Tracker and forwarded accordingly.

A Member made reference to paragraph 15 and queried whether the figures stated in respect of Anti-Social Behaviour represented incidents or reportings, and whether (for example) the 46% increase in Hemlington was relative to that area or Middlesbrough as an entirety. In response, the Board was advised that figures related to reported incidents and were relative to the previous quarter, but further information in terms of the absolute numbers would be obtained and circulated.

The Chair thanked the Head of Strategy, Information and Governance for his attendance and contribution to the meeting.

AGREED that the information provided be noted, and the agreed action be undertaken.

20/106

REVENUE AND CAPITAL BUDGET - PROJECTED OUTTURN POSITION AS AT QUARTER THREE 2020/21

The Director of Finance and the Head of Financial Planning and Support provided an update to the Board; the following points were highlighted:

- The information detailed in the report was separated into two elements: COVID-19 related and non-COVID-19 related;
- The total projected outturn at the end of the year was £2.796m, which represented an underspend of £294,000 on non-COVID elements, and a cost of almost £3.1m on COVID-19 elements;
- Paragraphs 79-91 of the report detailed expenditure against the Investment Strategy, which had a revised budget of £50.363m. The current latest estimated outturn was £45.915m; there was a £5m underspend mainly due to delays in COVID-19;
- Paragraphs 92-93 of the report indicated that borrowing had reduced by £10.3m in Q3 to £221.7m;
- Total reserves were detailed in paragraph 94, which showed approximately projected to be £28.5m, which could be used and earmarked for particular purposes;
- Appendix 1 of the report detailed virements; Appendix 2 showed the revised Investment Strategy which would be used from this point onwards; and
- The main area of financial effect was in Children's Care (just over £4m). This was an area of concern; full year effects would be seen in respect of this next year.

Following the update, Members were afforded the opportunity to ask questions.

In response to an enquiry regarding Adult Social Care and Children's Social Care and the potential impact of COVID-19 on those budgets over the coming years, it was explained that this was a concern, but there were a lot of unknowns at present. Consideration was given to increases in Adult Social Care costs and further increases in light of a greater need for home support. It was hoped that a funding review would be undertaken in the near future. It was acknowledged that this was an issue, which would be monitored closely.

A Member made reference to paragraphs 59-63 in respect of income reduction and queried how much of a risk this was going forward. In addition, a reduction to mileage for staff had been noted – it was queried whether this would be pursued at the current time and/or whether this would be revisited. In response, it was explained that the reduction in the mileage rate would be revisited in September by the Executive. This matter had been postponed due to the pandemic, during which time a reduction in mileage had been seen. There was a need to monitor the income longer-term, which was ultimately why as many reserves as possible needed to be built-up. The authority was not necessarily going to receive all of the income that had been received pre-COVID-19, which provided reasoning as to why some COVID-19 contingencies had been built into the budget in future years.

A Member referred to the balance of reserves and sought reassurance that matters were in hand and that there had not been any significant (recent) changes. In response, it was indicated that, in the budget report, the General Fund Reserve had been increased from £9.4m to just over £11.5m in anticipation of this. The aim was to increase reserves without affecting service provision.

A Member made reference to Appendix 2 and queried the anticipated return on the £26m that was being channeled into the Boho X development. In response, the Head of Financial Planning and Support advised that he would source further information regarding this.

The Chair thanked the Director of Finance and the Head of Financial Planning and Support for their attendance and contributions to the meeting.

AGREED that the information provided be noted, and the agreed action be undertaken.

20/107 **SCRUTINY CHAIRS UPDATE**

The Scrutiny Chairs/Vice Chairs provided updates in respect of the work undertaken by their respective panels since the last meeting of the Board.

NOTED

20/108 **ANY OTHER URGENT ITEMS WHICH, IN THE OPINION OF THE CHAIR, MAY BE CONSIDERED.**

North East Scrutiny Network

The Chair advised that she had attended a meeting of the North East Scrutiny Network on 26 March 2021. This covered the region and the aim of the group was about sharing information, knowledge and experience; it was not a decision-making body. The meetings met on a quarterly basis. During discussion at this meeting, it was agreed that six individuals from each Local Authority would be invited to attend. It was felt that this would be a useful forum for Scrutiny Chairs. It was explained that presentations were delivered from the Centre of Governance on Health and Housing

Thursday 8th April, 2021

Solutions, which covered poverty, homelessness, the impact of COVID-19, the response to COVID-19 and domestic abuse. The Chair found this network very useful and encouraged people to attend if offered the opportunity.

NOTED

This page is intentionally left blank

Report of:	Chief Executive
Submitted to:	Overview and Scrutiny Board – 29 June 2021
Subject:	Executive Forward Work Programme

Summary

Proposed decision(s)
It is recommended that the Overview and Scrutiny Board consider the content of the Executive Forward Work Programme.

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

Contribution to delivery of the 2020-23 Strategic Plan		
People	Place	Business
Open and transparent scrutiny supports all elements of the Mayor's Vision.	Open and transparent scrutiny supports all elements of the Mayor's Vision.	Open and transparent scrutiny supports all elements of the Mayor's Vision.

Ward(s) affected
All Wards affected equally

What is the purpose of this report?

To make OSB aware of items on the Executive Forward Work Programme.

Why does this report require a Member decision?

The OSB has delegated powers to manage the work of Scrutiny and, if appropriate, it can either undertake the work itself or delegate to individual Scrutiny Panels.

One of the main duties of OSB is to hold the Executive to account by considering the forthcoming decisions of the Executive and decide whether value can be added by Scrutiny considering the matter in advance of any decision being made.

This would not negate a Non-Executive Member's ability to call-in a decision after it has been made.

What decision(s) are being asked for?

It is recommended that the Overview and Scrutiny Board consider the content of the Executive Forward Work Programme.

Other potential decisions and why these have not been recommended

No other options were considered.

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

Not Applicable

Financial

Not Applicable

Policy Framework

The report does not impact on the overall budget and policy framework.

Equality and Diversity

Not Applicable

Risk

Not Applicable

Actions to be taken to implement the decision(s)

Implement any decision of the Overview and Scrutiny Board with regard to the Executive Forward Work Plan.

Appendices

The most recent copy of the Executive Forward Work Programme (FWP) schedule is attached as Appendix A for the Board's information.

Background papers

Executive Forward Work Plan

Contact: Caroline Breheny
Email: caroline_breheny@middlesbrough.gov.uk



Appendix 1

Ref No. / Ward	Subject / Decision	Decision Maker and Decision Due Date	Council Strategy	Key / PFP	Likely Exemption	Background documents	Member / Officer Contact
1009965 All Wards	The South Tees Carers Strategy and the model for future commissioning That Executive approves the model for the commissioning of the South Tees Carers offer and that Executive approves the South Tees Carers Strategy and action plan.	Executive 13 Jul 2021		KEY	Public		The Mayor - Executive Member for Children's Safeguarding and Adult Social Care and Public Protection <i>Lynn Beevers</i> <i>lynn_beevers@middlesbrough.gov.uk</i>
Executive Member - Communities and Education							
1009319 All Wards	Culture and Communities Scrutiny Panel - Final Report -	Executive 13 Jul 2021		KEY	Public		Executive Member - Communities and Education <i>Marion Walker, Head of Stronger Communities</i>

	Community Cohesion and Integration The aim of the investigation was to examine community cohesion in Middlesbrough and what work was being undertaken by the Council and its partners to support and develop this.						
Page 28 I008185 All Wards	Community Safety Plan 2020-2022 That Executive approves the Community Safety Plan 2020-2022 as agreed by the Community Safety Partnership on 23rd October 2020.	Executive 13 Jul 2021		KEY	Public		Executive Member - Communities and Education <i>Lucy Green</i> <i>Lucy_Green@middlesbrough.gov.uk</i>
I009413 All Wards	PSPO Supports the proposals to extend the existing town wide PSPO (previously known as gating orders) for a further 3 years.	Executive 7 Sep 2021		KEY	Public		Executive Member - Communities and Education <i>Marion Walker, Head of Stronger Communities</i>
Executive Member - Environment							

I009420 All Wards	ECS Capital Infrastructure Investment Executive approval is required for the ECS Capital Asset Strategy.	Executive 7 Sep 2021		KEY	Public		Executive Member - Environment <i>Chris Bates</i> <i>Chris_Bates@middlesbrough.gov.uk</i>
I008176 All Wards	Proposed School Cleaning Price Increase 20/21 That Executive considers the proposed school cleaning price increase for financial year 2020/2021 and approves the proposed recommendations.	Executive 14 Sep 2021		KEY	Public		Executive Member - Environment <i>Martin Shepherd</i> <i>martin_shepherd@middlesbrough.gov.uk</i>
I009940 All Wards	ECS Installation of Town Wide Lighting Scheme Decision required on agreeing to allocate Capital Funding.	Executive 13 Jul 2021		KEY			Executive Member - Environment, Finance & Governance <i>David Jamison</i> <i>david_jamison@middlesbrough.gov.uk</i>
I009939 All Wards	ECS Capital Infrastructure Investment Decision required on agreeing to allocate Capital Funding.	Executive 13 Jul 2021		KEY			Executive Member - Environment, Finance & Governance <i>David Jamison</i> <i>david_jamison@middlesbrough.gov.uk</i>

Executive Member - Finance and Governance							
I009601 All Wards	Change to telephony opening hours for Revenues and Benefits An amendment to the telephony opening hours for Revenues and Benefits from 8.30am until 5.00pm (Friday 4.30pm) to the new opening hours of 10.00am until 4.00pm Monday to Friday effective from Monday 5 July 2021.	Executive Member - Finance and Governance Date T		KEY	Public		Executive Member - Finance and Governance <i>Keely Trainor</i> <i>Keely_Trainor@middlesbrough.gov.uk</i>
I009402	Annual Equality and Inclusion Report	Executive 13 Jul 2021			Public		Executive Member - Finance and Governance <i>Keely Trainor</i> <i>Keely_Trainor@middlesbrough.gov.uk</i>
I008210	Surveillance Policy Surveillance Policy sets the governance framework for decisions to undertake covert directed surveillance where	Executive 13 Jul 2021			Public		Executive Member - Environment, Finance & Governance <i>Keely Trainor</i> <i>Keely_Trainor@middlesbrough.gov.uk</i>

	there is a legitimate reason to do so.						
I009403	Community Engagement Policy	Executive 13 Jul 2021			Public		Executive Member - Finance and Governance <i>Keely Trainor</i> <i>Keely_Trainor@middlesbrough.gov.uk</i>
I009573	Early Payment Scheme This will be a report to Executive in order to agree to call off the NEPO Early Payment Framework to award a contract to Oxygen Finance in order to implement an early payment scheme. In implementing this contract it will result in policy changes for the Council which will be clearly detailed in the report for approval. The ultimate aim is to pay suppliers as early as possible and where appropriate receive a payment for doing this.	Executive 13 Jul 2021			Public		Executive Member - Finance and Governance <i>Keely Trainor</i> <i>Keely_Trainor@middlesbrough.gov.uk</i>

1009690 All Wards	CIPFA Financial Resilience / Management Code To provide Executive with an assessment of the results of the CIPFA Financial Resilience Index 2021, and also to provide Executive with details of the CIPFA Financial Management Code and an assessment of compliance and the next steps.	Executive 13 Jul 2021					Executive Member - Finance and Governance <i>Keely Trainor</i> <i>Keely_Trainor@middlesbrough.gov.uk</i>
1009647 Kader	Land at St David's Way - Proposed Freehold Disposal [PART A] Proposal to dispose of Council owned land for the purpose of residential development.	Executive 13 Jul 2021		KEY	Public		Executive Member - Finance and Governance <i>Keely Trainor</i> <i>Keely_Trainor@middlesbrough.gov.uk</i>
1009646 Kader	EXEMPT - Land at St David's Way - Proposed Freehold Disposal [PART B] Proposal to dispose of Council owned land for the purpose of residential development.	Executive 13 Jul 2021		KEY	Fully exempt		Executive Member - Finance and Governance <i>Keely Trainor</i> <i>Keely_Trainor@middlesbrough.gov.uk</i>

1009949 All Wards	Corporate Debt Management Policy The purpose of this new policy is to provide clear guidance on the recording, reporting, recovering and monitoring of the Council's debt and income.	Executive 13 Jul 2021		KEY			Executive Member - Environment, Finance & Governance <i>Keely Trainor</i> <i>Keely_Trainor@middlesbrough.gov.uk</i>
1008778 All Wards	Process to Administer Grant Funding This report seeks support for implementing a Policy for the Council receiving and managing grant funding received from the Government and other third parties. It also requests approval for the delegation to officers of decisions relating to the distribution and expenditure of any such funding in consultation with the Section 151	Executive 7 Sep 2021		KEY	Public		Executive Member - Finance and Governance <i>Keely Trainor</i> <i>Keely_Trainor@middlesbrough.gov.uk</i>

	Officer. Where there is an element of discretion with regard to the allocation of funding, that officers have delegated authority to make amendments to the scheme and the criteria for receiving grants, in consultation with the Section 151 Officer.						
1009721	Strategic Plan 2021-24 – Progress at Quarter One 2021/22 Report outlining performance against the Strategic Plan at Quarter One 2021/22	Executive 7 Sep 2021					Executive Member - Finance and Governance <i>Keely Trainor</i> <i>Keely_Trainor@middlesbrough.gov.uk</i>
I009948 All Wards	Supplier Incentive Programme Proposal to commission an early payment scheme system for payment of invoices earlier than the standard 30 days	Executive 7 Sep 2021		KEY			Executive Member - Environment, Finance & Governance <i>Keely Trainor</i> <i>Keely_Trainor@middlesbrough.gov.uk</i>

	and bring associated change in practice and anticipated efficiencies in process.						
I009723	Strategic Plan 2021-24 – Progress at Quarter Two 2021/22 Report outlining performance against the Strategic Plan at Quarter Two 2021/22	Executive 9 Nov 2021					Executive Member - Finance and Governance <i>Keely Trainor</i> <i>Keely_Trainor@middlesbrough.gov.uk</i>
I009724	Strategic Plan 2021-24 – Progress at Quarter Three 2021/22 Report outlining performance against the Strategic Plan at Quarter Three 2021/22	Executive 14 Feb 2022					Executive Member - Finance and Governance <i>Keely Trainor</i> <i>Keely_Trainor@middlesbrough.gov.uk</i>
Executive Member - Regeneration							
I009248 Ayresome; Kader; Trimdon	Stainsby Country Park and Masterplan To adopt the Stainsby Country Park and	Executive 28 Jun 2021		KEY	Public		Executive Member - Regeneration <i>Paul Clarke</i> <i>paul_clarke@middlesbrough.gov.uk</i>

	Masterplan.						
I009678 Stainton and Thornton	Hemlington Grange North Development Guidance Withdrawal of Hemlington Grange North design guidance.	Executive 13 Jul 2021					<i>Paul Clarke</i> <i>paul_clarke@middlesbrough.gov.uk</i>
I008779 All Wards	2021/22 Transport and Infrastructure Capital Programme That Executive approves the proposals to allocate funding to deliver infrastructure as identified within the report.	Executive 13 Jul 2021		KEY	Public		Executive Member - Regeneration, Executive Member - Environment <i>Chris Orr</i> <i>Chris_Orr@middlesbrough.gov.uk</i>
I009808 All Wards	Green and Blue Infrastructure Strategy 2021 - 2037 To adopt the Green and Blue Infrastructure Strategy 2021 - 2037. The strategy is designed to identify and prioritise the actions required to strengthen Middlesbrough's network of green	Executive 13 Jul 2021		KEY			Executive Member - Regeneration <i>Paul Clarke</i> <i>paul_clarke@middlesbrough.gov.uk</i>

	and blue features up until 2037, and will be a key evidence document in the preparation of the Local Plan.						
1009969 Central	Middlehaven Option Agreement The granting of an option agreement development of Middlehaven and in line with an agreed masterplan.	Executive 7 Sep 2021		KEY			Executive Member - Regeneration <i>Richard Horniman, Director of Regeneration</i> <i>Richard_Horniman@middlesbrough.gov.uk</i>
1009598 Ayresome; Berwick Hills and Pallister; Brambles and Thorntree; Central; Linthorpe; Newport; North Ormesby; Park; Park End and Beckfield	MDC Empty Homes Partnership To confirm the financial arrangements to enable Middlesbrough Development Company to enter into a partnership with The Ethical Housing Company to invest in the refurbishment of empty and poor quality properties in the TS1 and TS3 areas.	Executive 7 Sep 2021		KEY			Executive Member - Regeneration <i>Richard Horniman, Director of Regeneration</i> <i>Richard_Horniman@middlesbrough.gov.uk</i>

--	--	--	--	--	--	--	--

Overview and Scrutiny Board: Chief Executive update

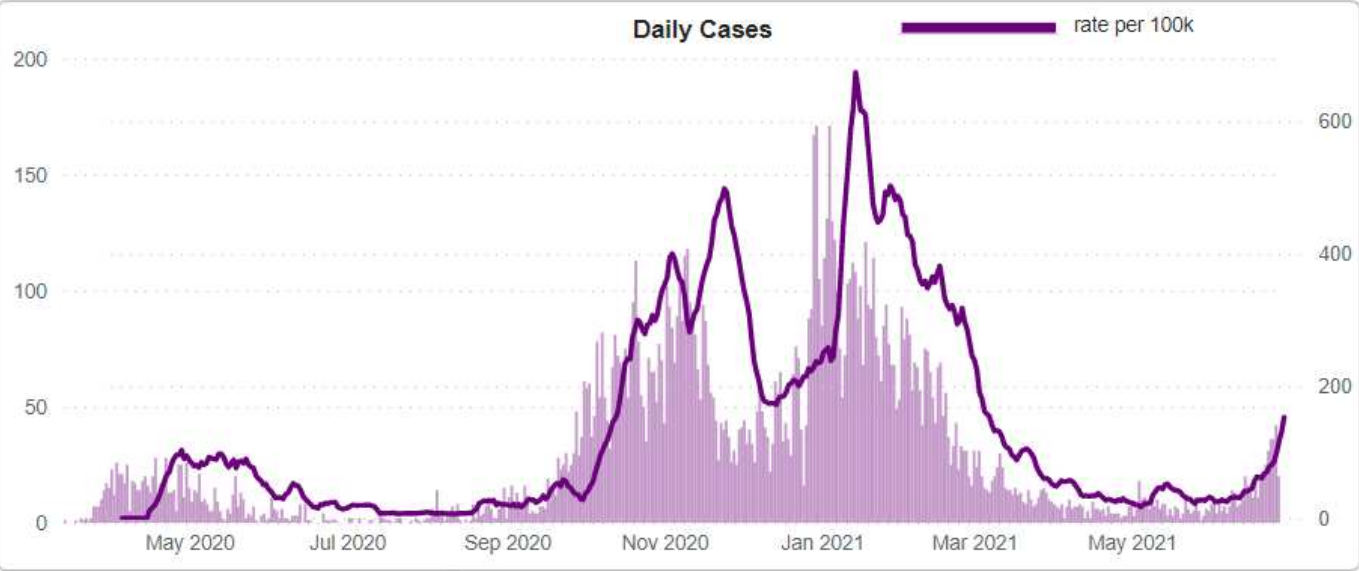
29 June 2021

Agenda

- COVID-19 update
- Liverpool City Council Best Value report
- Upcoming Executive decisions
- Council financial resilience



COVID-19 overview



Last updated 28/06

North East and national vaccination summary (18+)

Local Authority	Dose 1 %
1 Northumberland	85.7
2 Dorset	85.0
3 Derbyshire	84.2
4 Cumbria	83.7
5 Rutland	83.6
6 East Riding of Yorkshire	83.1
7 North Somerset	83.1
8 Isle of Wight	83.0
9 North Tyneside	82.3
10 North Yorkshire	82.2
11 Rotherham	81.6
12 Hampshire	81.6
13 Shropshire	81.4
14 Gloucestershire	81.2
15 Somerset	80.8
16 Staffordshire	80.7
16 Suffolk	80.6
18 Leicestershire	80.6
19 Worcestershire	80.4
19 Devon	80.4

106 Middlesbrough	67.5
-------------------	------

Local Authority	Dose 2 %
1 Dorset	70.5
2 Isle of Wight	69.2
3 Torbay	68.9
4 Derbyshire	66.7
4 Northumberland	66.4
6 North Yorkshire	66.4
6 East Riding of Yorkshire	65.9
8 Cumbria	64.8
9 Shropshire	64.4
9 Redcar and Cleveland	64.4
11 North Somerset	64.3
12 Somerset	64.2
12 Staffordshire	63.7
12 East Sussex	63.5
15 Rotherham	63.3
16 Worcestershire	63.2
17 Devon	63.0
17 Nottinghamshire	62.9
19 Hampshire	62.8
20 Suffolk	62.8

84 Middlesbrough	53.1
------------------	------

NE Local Authority	Dose 1 %	Population 50+ %
1 Northumberland	85.7	47.8
9 North Tyneside	82.3	41.0
33 Sunderland	79.2	40.6
41 Redcar and Cleveland	78.3	44.0
59 County Durham	77.7	41.9
59 South Tyneside	76.6	42.0
61 Gateshead	76.4	39.6
66 Stockton-on-Tees	76.0	38.7
66 Darlington	76.0	41.1
78 Hartlepool	74.2	40.3
106 Middlesbrough	67.5	34.7
121 Newcastle upon Tyne	62.2	30.2

NE Local Authority	Dose 2 %
4 Northumberland	66.4
9 Redcar and Cleveland	64.4
35 North Tyneside	60.9
38 County Durham	60.3
42 Hartlepool	59.5
50 South Tyneside	58.4
50 Stockton-on-Tees	58.4
50 Darlington	58.4
57 Sunderland	57.9
61 Gateshead	57.5
84 Middlesbrough	53.1
122 Newcastle upon Tyne	42.1

Uptake rates by Council area don't take account of the age demographics. The middle table shows the differences in proportion of 50+ (47.8% in Northumberland to 34.7% for Middlesbrough). Once deprivation and BAME is considered, it becomes more difficult for Middlesbrough to match Northumberland.

Last updated 21/06

Vaccination rates by age band (15+)

Age Band	Unvaccinated	Dose 1 Only	Dose 2	Population	Unvaccinated	Dose 1 Only	Dose 2
15 to 19 years	8,364	261	484	9,109	91.8%	2.9%	5.3%
20 to 24 years	8,453	810	1,861	11,124	76.0%	7.3%	16.7%
25 to 29 years	8,433	1,915	2,384	12,732	66.2%	15.0%	18.7%
30 to 34 years	6,386	3,651	3,032	13,069	48.9%	27.9%	23.2%
35 to 39 years	4,542	3,933	3,200	11,675	38.9%	33.7%	27.4%
40 to 44 years	2,871	2,376	4,456	9,703	29.6%	24.5%	45.9%
45 to 49 years	2,060	2,249	4,882	9,191	22.4%	24.5%	53.1%
50 to 54 years	1,533	1,032	7,114	9,679	15.8%	10.7%	73.5%
55 to 59 years	1,097	752	8,225	10,074	10.9%	7.5%	81.6%
60 to 64 years	808	518	7,860	9,186	8.8%	5.6%	85.6%
65 to 69 years	529	244	6,693	7,466	7.1%	3.3%	89.6%
70 to 74 years	333	125	6,094	6,552	5.1%	1.9%	93.0%
75 to 79 years	162	64	4,113	4,339	3.7%	1.5%	94.8%
80 to 84 years	130	64	3,070	3,264	4.0%	2.0%	94.1%
85 to 89 years	86	37	1,789	1,912	4.5%	1.9%	93.6%
90 and over	80	17	890	987	8.1%	1.7%	90.2%
Total	45,867	18,048	66,147	130,062	35.3%	13.9%	50.9%

Over 50s vaccinated

48,701 | 91.1%

Over 50s unvaccinated

4,758 | 8.9%

Over 50s Dose 1 only

2,853 | 5.3%

Single dose numbers reducing steadily as more 50+ get second jabs
Those complete unvaccinated is down to 4,758 at 20/06, from 5,200 in mid-May, which shows concentration in most deprived areas.

Last updated 20/06

Vaccination Dose 1 Uptake Rates (by MSOA area)

MSOA	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 to 44	45 to 49	50 to 54	55 to 59	60 to 64	65 to 69	70 to 74	75 to 79	80 to 84	85 to 89	90 +	Total
Ayresome	3%	15%	15%	25%	29%	38%	45%	59%	71%	78%	77%	86%	89%	88%	83%	61%	35%
Middlesbrough Central	7%	17%	19%	28%	37%	47%	53%	62%	72%	72%	76%	88%	86%	88%	89%	74%	36%
North Ormesby & Brambles	6%	23%	28%	46%	52%	60%	69%	77%	84%	89%	92%	92%	94%	86%	96%	79%	58%
Linthorpe East & Albert Park	8%	23%	35%	52%	62%	68%	76%	80%	86%	89%	93%	92%	91%	96%	96%	86%	63%
Park End	9%	21%	39%	55%	65%	78%	81%	89%	91%	94%	91%	95%	98%	99%	97%	90%	66%
Berwick Hills	8%	25%	35%	59%	69%	78%	81%	86%	92%	94%	94%	95%	97%	96%	97%	91%	66%
Linthorpe West	9%	24%	37%	55%	65%	72%	81%	84%	89%	89%	92%	93%	96%	95%	92%	92%	66%
Newport & Maze Park	6%	28%	37%	58%	68%	73%	82%	88%	91%	93%	93%	95%	95%	94%	95%	85%	66%
Park Vale	8%	29%	43%	55%	61%	73%	78%	85%	90%	91%	94%	93%	96%	93%	88%	92%	66%
Beechwood & James Cook	7%	30%	41%	60%	65%	73%	82%	81%	86%	94%	95%	95%	93%	96%	96%	91%	67%
Thorntree	9%	24%	39%	60%	62%	76%	81%	87%	89%	93%	94%	93%	98%	97%	93%	96%	69%
Easterside	9%	26%	42%	60%	72%	77%	81%	87%	93%	96%	95%	94%	98%	94%	98%	95%	73%
Stainton & Hemlington	10%	31%	42%	66%	72%	81%	86%	90%	92%	93%	95%	97%	97%	98%	99%	97%	75%
Acklam	9%	36%	45%	68%	74%	83%	89%	93%	94%	94%	96%	96%	98%	98%	96%	98%	76%
Kader	10%	32%	47%	66%	81%	81%	89%	89%	94%	95%	94%	97%	98%	97%	96%	95%	77%
Coulby Newham	10%	34%	52%	65%	76%	86%	87%	90%	94%	94%	96%	95%	96%	97%	98%	97%	78%
Nunthorpe & Marton East	11%	33%	52%	70%	84%	87%	88%	92%	93%	95%	97%	97%	97%	97%	96%	95%	80%
Trimdon	9%	36%	48%	73%	80%	88%	90%	95%	94%	95%	96%	99%	98%	99%	98%	96%	81%
Marton West	12%	29%	48%	69%	82%	90%	93%	94%	94%	96%	98%	97%	99%	99%	99%	98%	82%
Total	8%	24%	34%	51%	61%	70%	78%	84%	89%	91%	93%	95%	96%	96%	96%	92%	65%

Medium super-output areas that are similar to how Middlesbrough wards are mapped.

Last updated 20/06

Liverpool City Council Best Value report

A Best Value inspection of Liverpool City Council (LCC) was commissioned following the arrest of the LCC Mayor and several senior officers. The report identified fundamental corporate governance weaknesses and as a result, commissioners will take on some LCC powers and oversight.

Key findings

Failure of senior officers to formally challenge / escalate concerning behaviour
Individual officers not supported /protected when challenging concerning behaviour
Member and officer roles and responsibilities not clearly understood / adhered to
Lack of legal oversight of key processes around regeneration and asset disposals
Active circumvention of corporate governance allowed without consequence
Failure to follow policy and procedure on procurement, contract management, partnership governance and financial spending led to unlawful decisions and failure to achieve Best Value
Weak Member training and lack of consequences for non-completion of training
Failure to declare hospitality
Poor records management

Upcoming Executive decisions (July)

Community Engagement: The start of improvements being made to our public consultation process, engaging with members of the public on specific matters and exploration of how we get public involvement in determining and delivering our Strategic Plan priorities.

Community Safety Plan: A multi-agency plan for dealing with Community Safety issues to ensure wider collaboration.

Built Asset investment plan: A plan to ensure proactive and effective maintenance of our assets.

Stainsby Masterplan: Consideration of Country Park, road and other requirements.

Council Financial resilience: See next slides...

Council Financial resilience

An annual assessment prepared by CIPFA to assess Councils ability to respond to financial pressures is undertaken, based on 12 separate but linked indicators ranking Local Authorities.

There is no overall league table and some of the indicators are subjective, though overall it gives a good feel for our medium to long term situation.

Council Financial resilience

Key findings:

- Middlesbrough's size / demographics will always leave us vulnerable to financial shocks, therefore maximum mitigation is essential
- Expenditure needs to be carefully controlled
- Council Tax Base needs to grow and have higher average values
- Reserves need to be protected and at an appropriate level
- We are not over-borrowed, though stringent monitoring is key

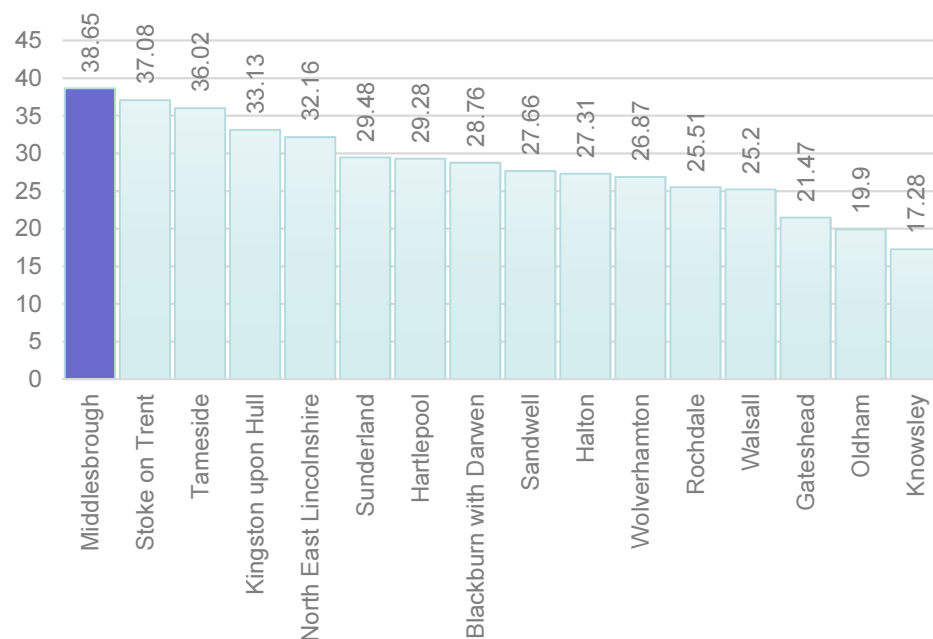
Structural position:

- Very high proportion of Council budget is spent on Social Care
- Middlesbrough has a very low Council Tax Base (lowest in the North East)
- Fees and charges and Business Rates income are relatively low (protects us from shocks like COVID)
- High-dependency on annual discretionary Central Government funding, leaving us vulnerable because outside our control / short notice

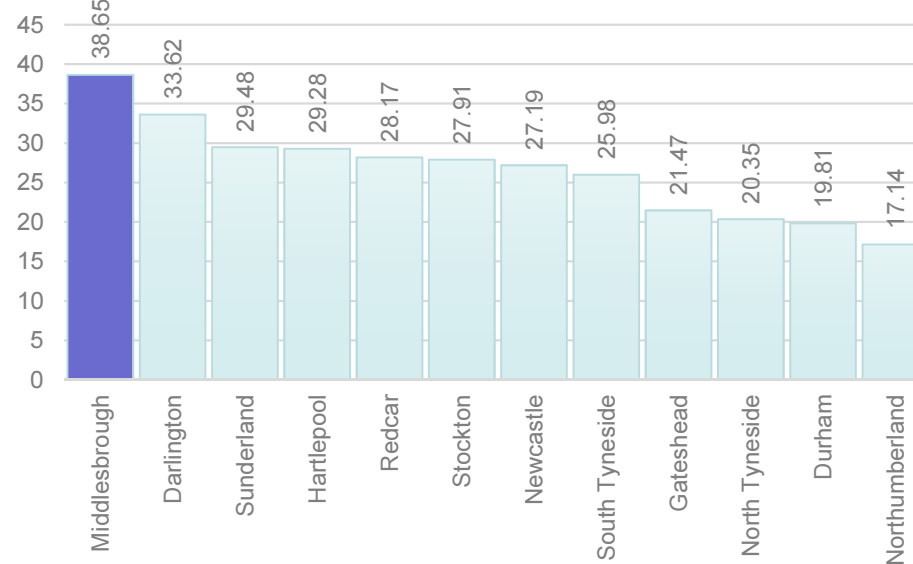
Council Financial resilience

Children's social care ratio % (spending on Children's social care, to net revenue expenditure):

CIPFA statistical nearest neighbours



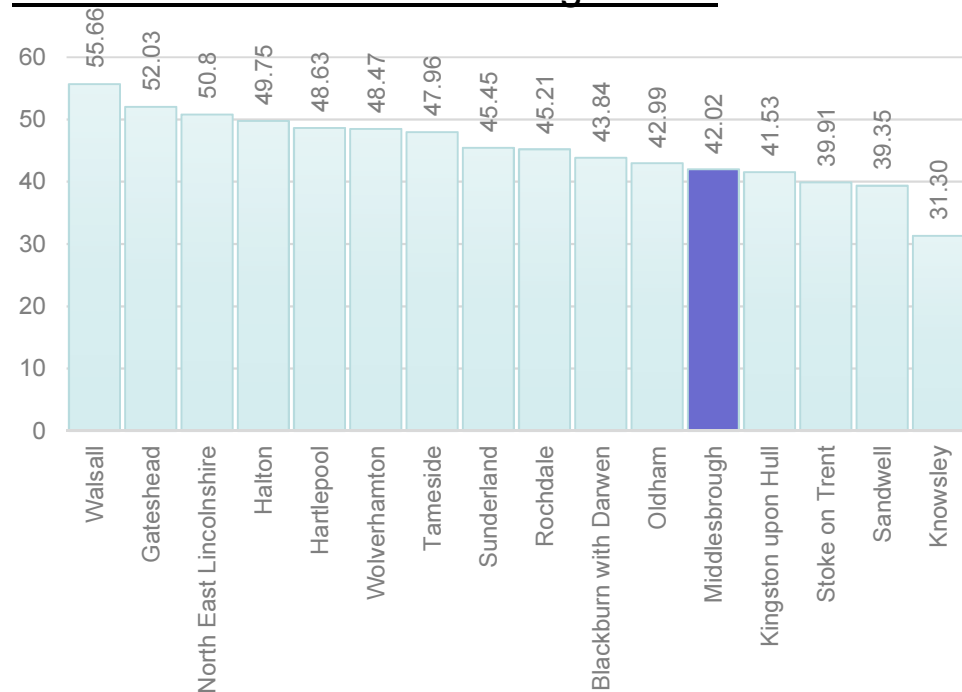
North East 12 neighbours



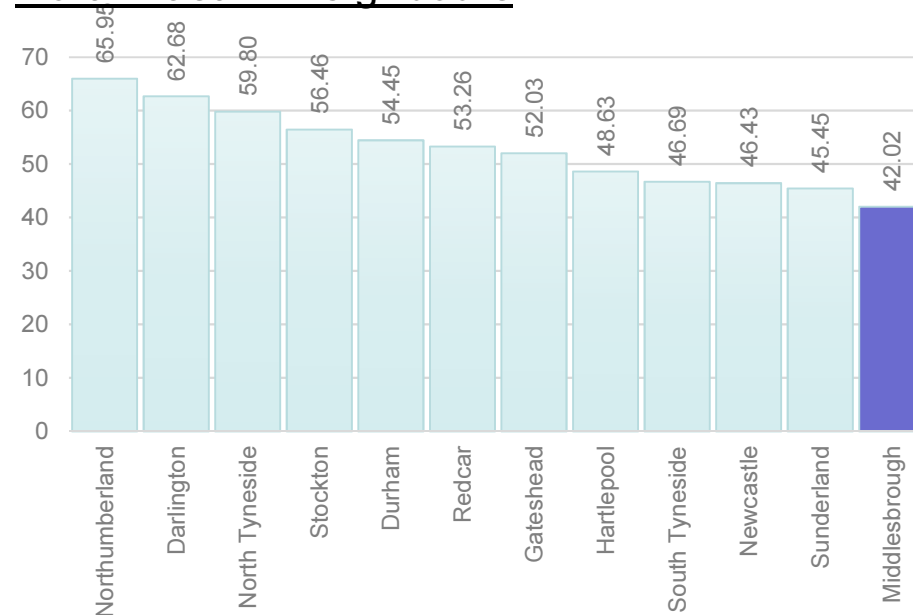
Council Financial resilience

Council Tax requirement / net revenue expenditure % (ratio of Council Tax as a proportion of net expenditure):

CIPFA statistical nearest neighbours



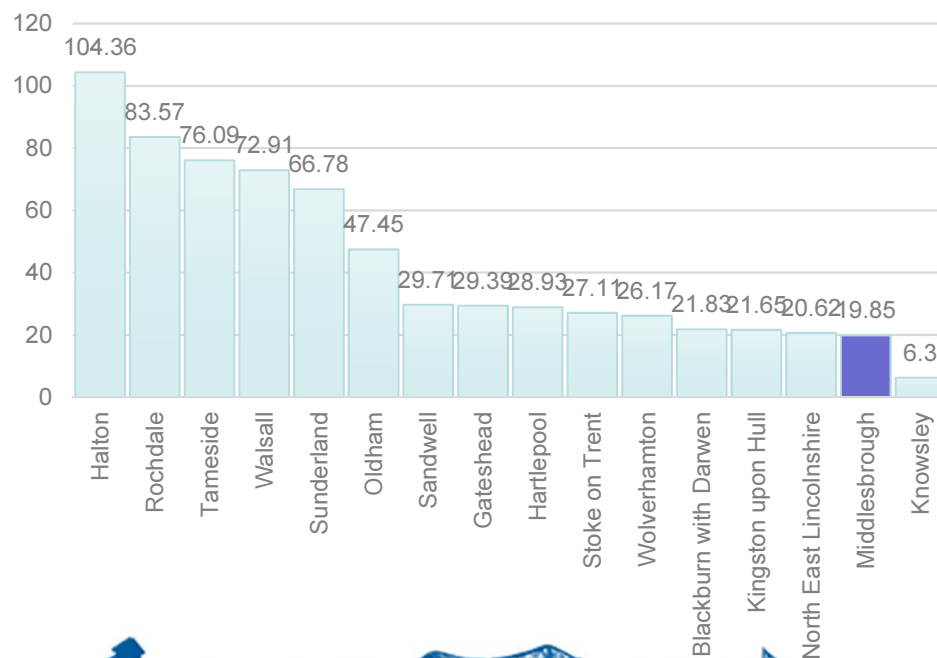
North East 12 neighbours



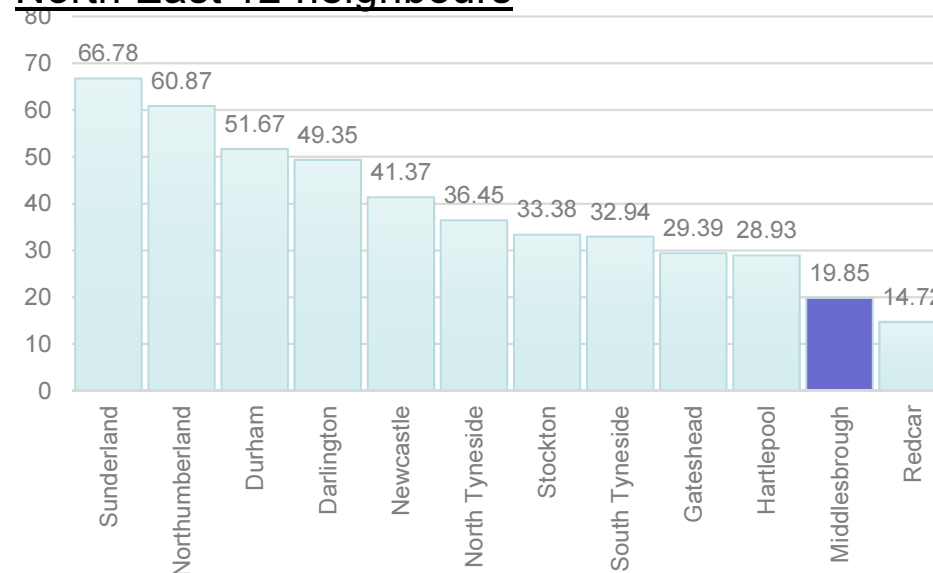
Council Financial resilience

Level of reserves % (ratio of current level of reserves i.e. total useable excluding public health and schools, to the council's net revenue expenditure)

CIPFA statistical nearest neighbours



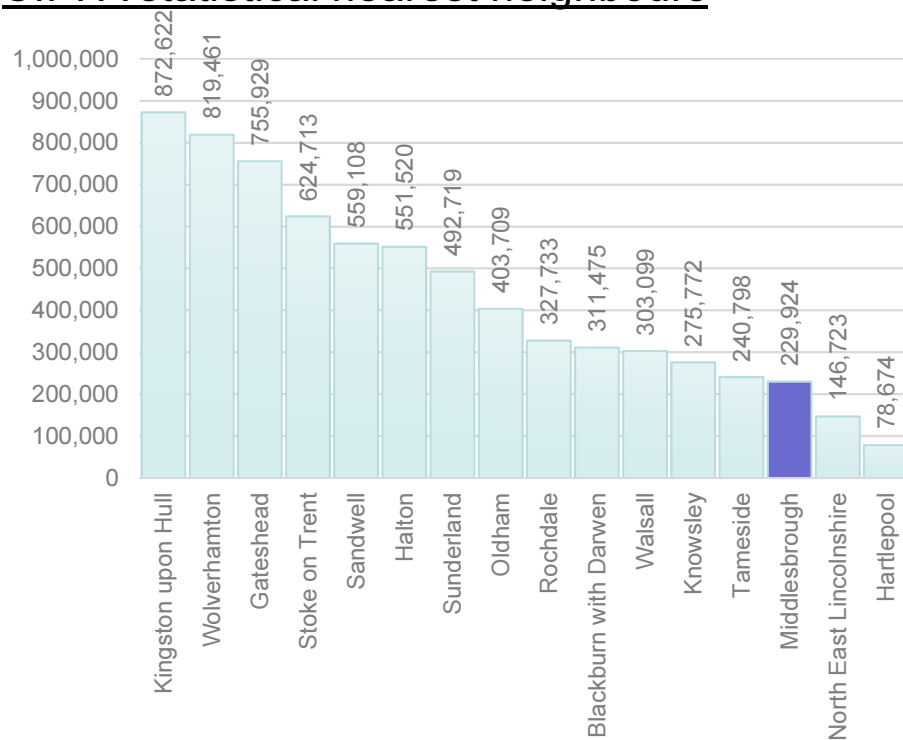
North East 12 neighbours



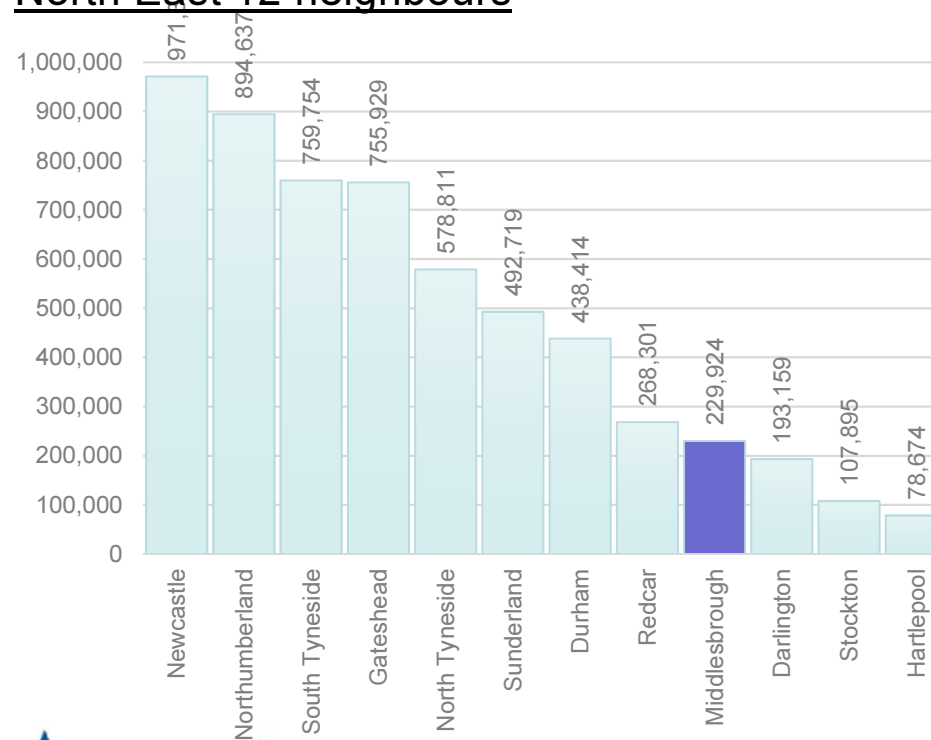
Council Financial resilience

Gross external debt (comparing gross external debt held by the council in £0000's)

CIPFA statistical nearest neighbours



North East 12 neighbours



Questions

This page is intentionally left blank

Town Centre Regeneration

National Picture: Town centres are changing

- The retail sector is going through a period of significant change not only nationally but globally
- The way we shop and the way that communities use their high streets is changing: we are shopping more online, making fewer big shopping trips and shopping 'little and more often' primarily at supermarkets and retail parks
- These changes have not only affected major national chains but have also impacted on small independent traders
- Online retailers are able to offer competitive prices, more choice and greater convenience this has affected the ability of established chain stores to continue to trade and new "independent" retailers to enter the market
- This isn't just happening in Middlesbrough, no one is immune!

Closures

- Debenhams, Topshop, Peacocks, Thorntons, Laura Ashley, Monsoon, TJ Hughes, Clinton Cards, Quiz Clothing, Jack Jones, The Disney Store, Starbucks, Miss Selfridge, Bistrot Pierre, H&M

Why?

- Covid-19 has amplified and accelerated the issues which have contributed to high street decline
- Higher than national average vacancy rate
- Retail heavy make up
- Lacking in leisure venues
- Need vs Want culture
- Lack of ABC1 demographic / Need for consumers with higher spending power
- Poor Perceptions, linked with Crime and ASB
- Consumer behaviour

Predicted Impact

- The trend of decline in traditional town centre models is irreversible and accelerating
- The pandemic is having a detrimental impact but it will be some time before a clear picture emerges of the full impact on consumer behaviour and the high street
- Much will depend on how businesses respond once government support ends
- Many retail and restaurant chains have said that a significant percentage of their stores will close
- Much will rely on Councils working proactively with high street businesses and other stakeholders to improve the vibrancy and resilience of their high streets

Middlesbrough's Strategy

To build a new economy based on multiple, diverse uses which will drive business, employment, living and leisure into central Middlesbrough. This approach will deliver mutually-sustaining zones and clusters of activity which will create critical mass and give a new purpose to our economy. This will include:

1. Living: building residential communities in central Middlesbrough
2. Skills and Learning: integrating our educational services and institutions
3. Working: Bringing Employment and Commercial uses to the centre
4. Health / Public Services: Bringing together public services in central areas
5. Culture and Leisure: Providing entertainment and spaces for people to enjoy
6. Retail: Maintaining a strong retail component in the high street

Delivery

- No ability to retain retailers – accept the inevitable
- Moving on from retail (50%)
- Purchasing property to gain control
- Future High Street Fund/Towns Fund
- 'Town Centre' v 'Centre of Town'
- CCS - conversion from retail to leisure
- Urban living
- Middlehaven

This page is intentionally left blank

MIDDLESBROUGH COUNCIL	
------------------------------	--

Report of:	<p>Andy Preston - The Mayor and Lead Member for Children's Safeguarding, Adult Social Care and Public Protection</p> <p>Tony Parkinson - Chief Executive</p>
-------------------	--

Submitted to:	Overview & Scrutiny Board - 29 June 2021
----------------------	--

Subject:	Strategic Plan 2020-23 - Progress at Year-End 2020/21
-----------------	---

Summary

Proposed decision(s)
<ul style="list-style-type: none"> That the Overview & Scrutiny Board notes progress in implementing the Council's Strategic Plan 2020-23 at Year-End 2020/21 and the ongoing impact of COVID-19. That the Overview & Scrutiny Board notes the changes and amendments to the COVID-19 Recovery Action Plans following Lockdown 3 (Appendix 1). That in light of the position outlined in the report, the Overview & Scrutiny Board notes the Council's updated Strategic Risk Register at Appendix 2. That the Overview & Scrutiny Board notes that future quarterly updates will report progress on the revised Strategic Plan for 2021-24, approved by Council on 24 February 2021, and that COVID-19 Recovery activity will be subsumed with the workplan underpinning the revised Strategic Plan, approved by the Executive on 27 May 2021.

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

Contribution to delivery of the 2020-23 Strategic Plan		
People	Place	Business
Quarterly monitoring, review and action planning plays a central role in ensuring that the Strategic Plan is delivered effectively.		

Ward(s) affected
None.

What is the purpose of this report?

1. This report advises the Overview & Scrutiny Board of progress against the 2020-23 Strategic Plan and COVID-19 Recovery Plan, and outlines strategic risks at Year-End 2020/21.
2. The Council refreshed its Strategic Plan during Quarter Four for the 2021-24 period to ensure that it remained current and reflective of major developments in the past year, in particular COVID-19 and the ongoing impact of Britain's exit from the European Union.
3. This therefore will be last progress update on the 2020-23 plan, with future quarterly reports updating on progress against the new plan for 2021-24.

Why does this report require a member decision?

4. This report provides the necessary information to enable the Overview & Scrutiny Board to discharge its scrutiny responsibilities, setting out:
 - a progress update against the 2020-23 Strategic Plan, summarising the actual and likely future impact of the COVID-19 pandemic on the Council's strategic objectives, where they are known at this stage;
 - an update on the Council's Strategic Risk Register; and
 - actions that the Council has taken and plans to take to address the issues raised.
5. The 2020/21 financial outturns are presented separately to this meeting of the Overview & Scrutiny Board, and so not repeated here. Where performance has had a significant impact on finances this is highlighted in both reports.

Report Background

COVID-19 Recovery Plan update

6. At its meeting of 24 November 2020, Executive approved the Council's revised approach to COVID-19 Recovery and noted the updated Recovery metrics and measures, as a result of nationally imposed restrictions and the resulting impact on the local approach to Recovery.
7. Also agreed was the delegation of approval for minor amendments to in-quarter timescales against Recovery metrics and measure timescales via the Recovery Group, with any significant variation to approach or deliverables, to be reported to and seek approval via the quarterly Strategic Plan progress reports to Executive.
8. Following this approval, work was undertaken to ensure revised metrics were reflective of the longer-term considerations for Recovery. As such, a decision was taken by the Recovery Group on 7 January 2021 in-line with its delegated authority to pause all Recovery sub-group meetings and associated activities in the coming quarter, until the impact of national lockdown upon Middlesbrough was fully understood, at which point Recovery approaches and priorities will be revisited / revised, where appropriate and brought back to Executive for approval as part of the Year-End Strategic Plan progress report, as advised at its meeting of 16 February 2021.

9. The current overall Red RAG status of the plan reflects the previously approved pause in Recovery activities and the impact of Lockdown 3 and subsequent focus on related exit activities.

Strategic Plan aim	Recovery workstream	Headline actions	G	A	R	Current Q4 RAG	Proposed change control RAG
People	Health and Wellbeing	3	3	0	0	G	G
	Children's Care	3	0	0	3	R	G
	Adult Social Care	4	3	1	0	A	G
	Education and Skills	3	2	1	0	G	G
Place	Environment and Infrastructure	3	2	0	1	R	G
	Business, Economy and Town Centre	5	4	1	0	G	G
Business	Council Services and Priorities	4	1	2	0	R	G
	Total	25	15	3	7	R	G

10. As such and following an assurance exercise against existing Recovery plans, a summary of proposed changes and amends are included at Appendix Two, which will see the overall Recovery RAG status shift to Green.
11. As one of the nine strategic priorities, going forward all associated Recovery works and activities will be subsumed within the Strategic Plan 2021-24 workplan approved by the Executive on 27 May 2021, and subject to the same governance process, with progress reported via quarterly Strategic Plan update reports to Executive and Overview and Scrutiny Board. As such as further update on progress will be included as part of the Quarter One Strategic Plan 2021-24 progress report and quarterly thereafter.

Progress against strategic priorities at Year-End 2020/21

12. The following paragraphs set out in brief the key headlines at year-end relating to the Council's 2020-23 strategic priorities, including where available current estimates of the impact of COVID-19 and future plans.

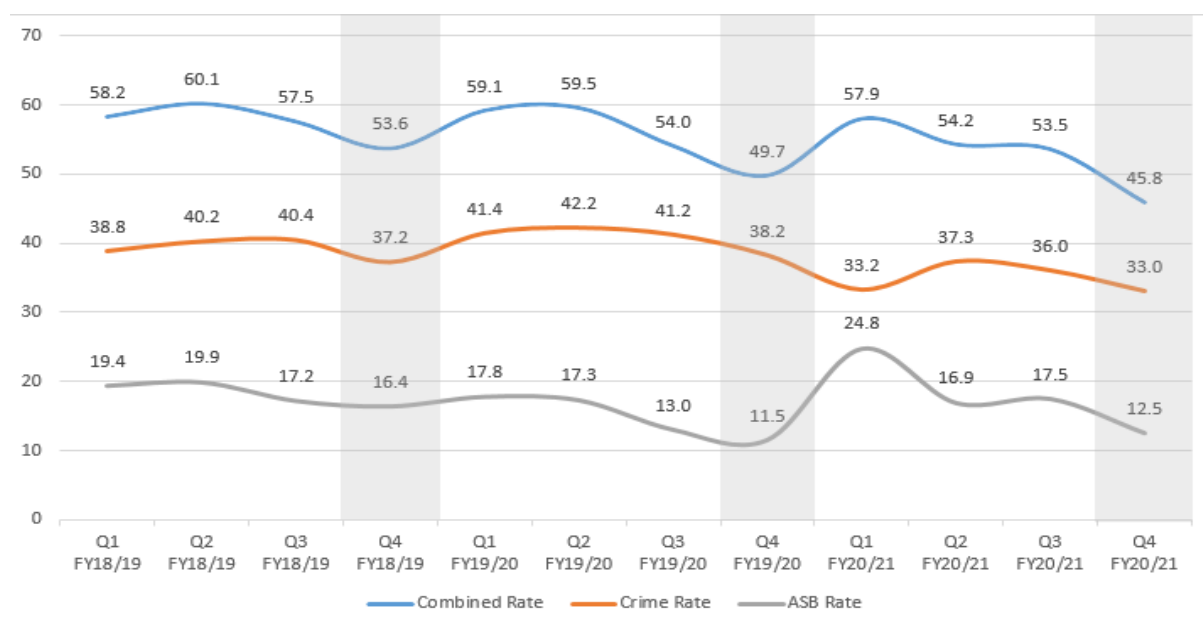


People

Tackling crime and anti-social behaviour head on (Mayoral priority)

13. The impact of COVID-19 on crime and anti-social behaviour (ASB), both nationally and within Middlesbrough, remains significant.
14. At 46.2 incidents per 1,000, the combined recorded crime and ASB measure in Middlesbrough showed a 14% decrease at the end of Quarter Four 2020/21 from the end Quarter Three.
15. The rate at Quarter Four was also 7% below the rate for the same period in 2019/20, and 14% lower than 2018/19. The quarterly movement of crime and ASB rates since

the start of 2018/19 is shown in the graphic below, showing the fall in crime and rise in ASB (due to COVID-19 infractions) in the immediate lockdown periods in Quarter One and from Christmas at the end of Quarter Three, and throughout Quarter Four.



16. Six wards demonstrated an increased combined rate at Year-End, primarily driven by an increase in ASB, though for Kader and Marton East Crime is the key driver:
 - Kader increased by 39% / 36 incidents (following a reduction of 13% / 13 incidents in the previous quarter);
 - Marton East increased by 23% / 25 incidents (following a reduction of 8% / 10 incidents in the previous quarter);
 - Acklam increased by 17% / 19 incidents (following a reduction of 4% / 4 incidents in the previous quarter);
 - Trimdon increased by 15% / 12 incidents (following a reduction of 29% / 34 incidents in the previous quarter);
 - Brambles and Thorntree increased by 11% / 45 incidents (following a reduction of 27% / 162 incidents in the previous quarter); and
 - Ayresome increased by 4% / 8 incidents (following a reduction of 21% / 53 incidents in the previous quarter).
17. The Council continues to implement a range of actions to tackle crime and anti-social behaviour in the town in partnership with Cleveland Police and other agencies, with street wardens issuing 1,281 warnings and 303 Fixed Penalty Notices in total during 2020/21. January and February 2021 saw a crackdown on properties involved in drug dealing in Newport ward.
18. Concern about the potential longer term impact of COVID-19 on mental health and substance misuse has been well-reported nationally. The new commissioning model for complex needs launched in April 2021 and will seek to address these issues by improving outcomes for people with complex, multiple needs.

Ensuring Middlesbrough has the very best schools (Mayoral priority)

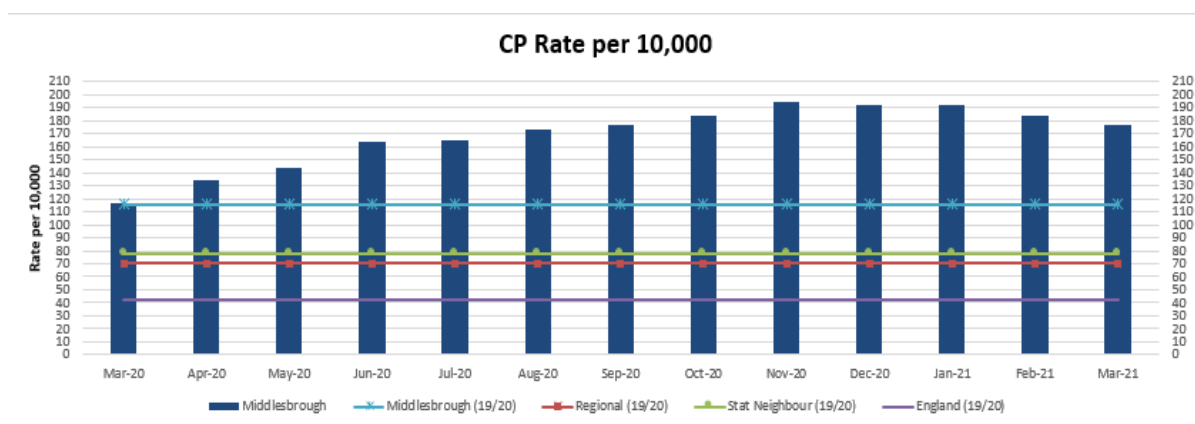
19. The DfE has announced that exams in 2021 will not go ahead as normal due to the ongoing pandemic. As in 2019/20, GCSEs, AS and A Levels will be awarded grades based on teacher assessment.
20. Outwood Academy Riverside, Middlesbrough's first new secondary school in a generation, moved into its temporary base at Russell Street during February 2021. Work on the school's permanent campus next to Middlesbrough College is due to start early next year, and it is now expected to open its doors in early 2024.
21. It is commonly acknowledged that months of lost time in school and longer-term changes to schooling arrangements are likely to have a significant detrimental effect on pupil attainment (particularly that of disadvantaged groups) in future years. The impact of COVID-19 on inequalities in educational outcomes continues to be a key focus of the Council's Recovery Plan.
22. During Quarter Four Middlesbrough pledged to be the first town or city in the UK to ensure every child will have access to an internet device to support their education. The Council will spend £350,000 on laptops and tablets to support more than 1,000 children.

Ensuring our town is an absolute leader on environmental issues (Mayoral priority)

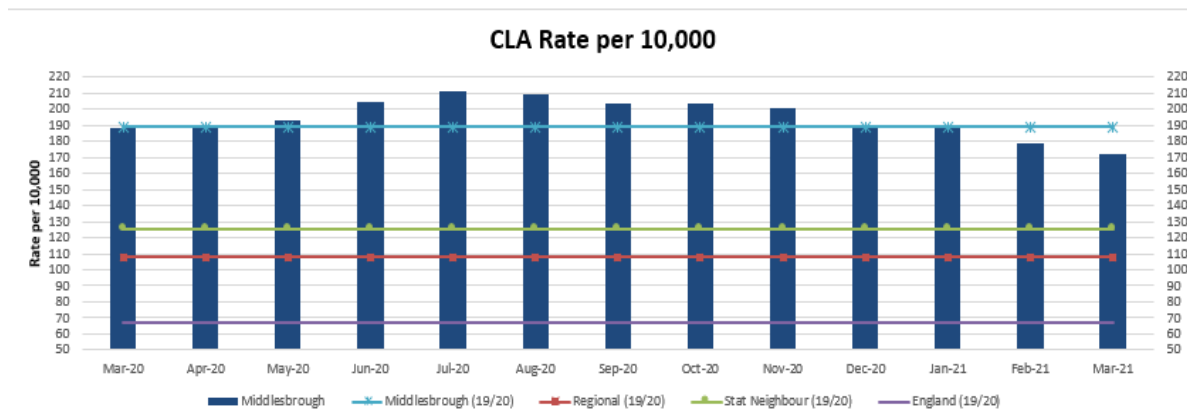
23. In Quarter Four Middlesbrough was named a "Tree City of the World" by The Arbor Day Foundation and the Food and Agriculture Organisation of the United Nations in recognition of its commitment to urban forestry.
24. Household recycling is reported in arrears so the Year-End 2020/21 result will be reported at Quarter One 2021/22.

Promoting the welfare of and protecting our children, young people and vulnerable adults / Transforming Children's Services

25. The Child Protection (CP) Plan rate decreased from 192.1 per 10,000 at Quarter Three to 176.9 at Year-End, while the rate of children looked after (CLA) by the Council decreased from 190.6 per 10,000 at Quarter Three to 171.7 (as shown in the graphs below). While the decrease in the rate of both CP and CLA within Middlesbrough is positive, and CLA has fallen below our rate at the end of March 2020, both rates continue to be the highest in the North East when compared to latest published figures.



	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
Middlesbrough's No. of CPP	382	440	471	536	542	567	580	601	637	630	629	602	580
Middlesbrough's Rate of CPP	116.5	134.2	143.6	163.4	165.3	172.9	176.9	183.3	194.2	192.1	191.8	183.6	176.9



	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
Middlesbrough's No. of CLA	618	623	634	670	692	687	669	667	657	625	617	585	563
Middlesbrough's Rate of CLA	188.4	190.0	193.3	204.3	211.0	209.5	204.0	203.4	200.3	190.6	188.1	178.4	171.7

26. Despite the decreasing rates in CP and CLA demand for statutory services remains high in Middlesbrough. Given local issues of deprivation, the low quality of housing in some wards and the high levels of substance misuse, domestic abuse and mental health issues across the town, there will be a higher level of need for statutory services compared to some parts of the Country.
27. Benchmarking tools are being used to help understand where Middlesbrough compares to other authorities, and a forecasting model has been developed to help understand Middlesbrough's 'steady state' i.e. at what point it can be said, with all of the above factors in mind, the number of children who would be expected to be seen in Children's social care.
28. Middlesbrough still has more cases in social care compared with overall early help numbers, internally and across the partnership. However, as part of ongoing improvement work, thresholds have been realigned and the continuum of need is reflecting the realignment of demand in line with service targets i.e. more children are being worked at an earlier stage in early help and less children at a Child Protection and Looked After threshold.
29. Key compliance performance figures continue to improve, with good performance on indicators such as such as contact to referral in 24 hours being maintained, and during in March 2021 visits, supervisions and assessment timescales reached the highest performance in the past 12 months.

30. Incremental target setting has been successful in the Children's Care Directorate's performance clinic. Average caseloads are reducing slightly, and audit compliance has reached 100% in early help and 80% in social care – the highest performance to date. At the end of Quarter Four, 78% of audits were graded as Requires Improvement or better (the targeted level of performance) with 22% Inadequate.

Working with communities to improve local health and wellbeing / Joining up health and social care

31. It is clear that COVID-19 will have a negative impact on health inequalities, which are already pronounced within Middlesbrough, particularly around obesity, mental health and substance misuse, and healthy life expectancy.
32. As reported during Quarter Two, the Council has developed a health inequalities toolkit to support COVID-19 recovery planning and ensure proper consideration is given to the impact the virus has and will continue to have on groups and individuals and where these impacts might be greater. This toolkit was approved during Quarter Three, and Health Scrutiny has acknowledged it as a key tool for developing inclusive economies. Advanced public health practitioners have been allocated to support each of the recovery work streams in the identification and mitigation of health inequalities as part of recovery. This work has led to some positive engagement on the inequalities agenda, including:
- incorporating health care infrastructure into town centre design as part of the refreshed Town Centre Strategy, alongside ensuring that local developments take into context the health and care needs of communities; and
 - an invitation for Public Health to join a bid team with Regeneration and Teesside University for research regarding strategic developments in housing and area 'liveability'.
33. Community capacity building has been a key element of the Council's 'combination prevention' approach to minimising the spread of COVID-19 infection and the impact of any outbreaks within Middlesbrough.
34. In line with this, a grants programme has been implemented to enable grass roots organisations to support vulnerable people, with £366,000 provided to in 24 local organisations and a further £195,000 allocated to mental health and isolation support.
35. In addition, a community champions model has been established, with 41 community champions recruited covering a range of targeted groups, and a citizen-led approach to local communications adopted, with 21 grants of up to £5,000 issued to develop tailored messaging around testing, self-isolation and vaccination for targeted groups.
36. The Council is continuing to provide support to the health and social care sectors. During Quarter Three it worked closely with the NHS to support hospital discharges as part of efforts to ensure the NHS is not overwhelmed by cases during the current wave of the pandemic. It is also continuing to act as a co-ordinator for PPE supplies for the care sector, and education.
37. In addition, during Quarter Four it co-ordinated vaccine access to social care front line staff within the Council and the wider sector, and assisting services in their

roadmap planning for recovery. As at 18 May 2021, 54% of Middlesbrough's adult population had received at least one vaccination, with 34% of the total population being fully vaccinated according to Public Health England data.

Working with local communities to redevelop Middlesbrough's disadvantaged estates

38. Locality working is now operating in both localities agreed by the Executive during Quarter Two, with a small number of operational staff physically using the locality hubs and a wider multi-agency team working remotely. A strategic Design and Implementation Group is meeting monthly to oversee the development of action plans based on community-led priorities, with weekly officer meetings also underway.
39. Community involvement work has been delayed by the current COVID-19 lockdown, however communication with key community members has enabled locality managers to plan community projects that will resume as soon as restrictions lift. In addition, significant work has taken place in Newport ward linked to 'safer streets' and this is having positive impacts on the area.



Place

Transforming our town centre (Mayoral priority)

40. Town centre footfall decreased by 57% in Quarter Four from Quarter Three (from 2,311,000 to 998,760), driven by Lockdown 3. The continued closure of some premises, national consumer confidence and most particularly the continued absence of the office-based town centre workforce will continue to have an impact on footfall within the town centre, though the easing of lockdown and the re-opening of premises will see performance improve from Quarter One 2021/22.

Building more town centre homes – and protecting our green spaces (Mayoral priority)

41. 137 new houses were completed during Quarter Four, increasing performance from 35% to 37.1% of the overall Investment Prospectus target.
42. Middlesbrough's £14.1 million allocation from the Future High Streets Fund will help to boost the town's population and create a regional leisure hub. The Council's bid envisaged 650 new town centre homes for around 1,500 residents, with retail space converted to ensure the town has the right mix to attract footfall and spending. Investment will also be channelled to key projects including the old Town Hall, the Captain Cook pub, the new Southlands Centre and Captain Cook Square.

Making Middlesbrough look and feel amazing (Mayoral priority)

43. Street cleanliness improved significantly during 2020/21 with the proportion of sites inspected classed as acceptable increasing to 93%, up from 88.5% in the previous year.

Implementing our cultural strategy

44. The Council's performance venues remained closed in Quarter Four in line with COVID-19 restrictions, however following the Government's announcement of a roadmap back to recovery plans are in place for reopening the Town Hall later in 2021. The impact of COVID-19 on the Council's culture ambitions will continue to be a key focus of its Recovery Plan when activity is resumed.

Improving Middlesbrough's rail connectivity

45. As reported at Quarter One, a £35m local partnership has been formed to transform Middlesbrough station, with support from train operators. The scheme will deliver more train services to the town, including a direct rail link to London, platform extensions to accommodate longer trains and major customer service improvements.
46. The ambitious plan will see Platform 2 extended in anticipation of the direct London service, while the redevelopment of the undercroft will restore the building's distinctive archways, along with a direct pedestrian connection from Zetland Road to the northern entrance on Bridge Street West. Meanwhile funding from Historic England is helping to restore the public realm within Middlesbrough's Historic Quarter, with Zetland Road and Exchange Square set to form one of the key gateways into the town.

Developing Middlehaven as a residential, leisure and commercial centre

47. The £2.3 million Boho 8 project – the latest element of the hugely successful Boho quarter and the first development within Middlesbrough's Digital City project – was completed in January 2021.
48. Plans to build an urban farm in an historic part of Middlesbrough were approved in Quarter Four. The farm will provide a street café and shop selling produce grown on site, and facilitate the creation of jobs for local people.



Business

Winning investment and creating jobs (Mayoral priority)

49. Commercial and housing investment in Middlesbrough remains in line with targets, with 54.8% (£342,286,853) of the overall Investment Prospectus targets achieved at the end of the quarter – up from 52.2% (£326,086,853) at the end of Quarter Three. As with previous quarters, the rate of growth remains low given the ongoing pandemic. Areas of investment during the quarter were:

- Acklam Gardens
- Bracken Grange
- Grey Towers Village
- Ladgate Woods
- Milan Grove
- Millbrook – Low Gill
- Roworth Road
- Brookfield Woods
- Brookland Park
- Ashwood Park, Hemlington
- Flats at Hutton Road
- Elderwood Park Phase 1, Hemlington
- Boho 8

50. The number of new jobs attributable to the Investment Prospectus increased to 33.3% (1,666 total jobs) of the overall Investment Prospectus target (up from 26.2% / 1,354 jobs at the end of Quarter Three), driven by the new jobs brought by companies moving into Middlesbrough Centre Square offices.
51. The overall employment rate for Middlesbrough increased slightly from 64.2% at the end of Quarter Two, to 64.4% at the end of Quarter Three. Data is released a quarter in arrears, so the impact of COVID-19 will not be fully seen in the figures as yet.
52. The rise in unemployment as a result of COVID-19 poses a significant risk to living standards – claimant count in Middlesbrough has been steadily rising since December 2020, where it was at 10%, and has increased to 10.5% at the end of Quarter Four – 3.3% higher than the regional average.
53. A major focus of the Council's Recovery Plan will therefore be to support those sectors hardest hit by COVID-19, preserving local businesses and jobs, and supporting the unemployed to access jobs.

Introducing a new era of transparency and openness (Mayoral priority)

54. During 2020/21, the Council continued to ensure its democratic processes were accessible to the public by broadcasting all formal committee meetings. Following the cessation of regulations to enable remote committee meetings to be held, the Council reverted to in-person meetings from the end of Quarter four.
55. Over 1,225 datasets are now available on the Council's Open Data site. The site continues to be refreshed on a weekly basis with additional data added in response to request from residents, members, regulators, and others.

Creating positive perceptions of our town on a national basis (Mayoral priority)

56. A Marketing and Communications Delivery Plan for 2021-23 was finalised during Quarter Four, and is now in place. The delivery plan was presented to the Corporate Management Team and the Ad-Hoc Scrutiny Panel during Quarter Four for their views.
57. Alongside priority work relating to COVID-19, the Marketing and Communications team continued to concentrate on media activity linked to the Council's strategic priorities.

Developing and delivering balanced budgets every year

58. The Council's year end revenue outturn position for 2020/21 for non-COVID-19 elements is an underspend of £355,000 assuming that proposed transfers of £438,000 of the Public Health Grant underspend to a Public Health reserves and £1,598,000 of the Adult Social Care underspend to an Adult Social Care COVID Recovery Reserve, in order to help to mitigate future costs arising from COVID-19 in these areas, are approved by Executive.
59. There has been a financial pressure due to COVID-19 of £416,000 in 2020/21. On 2 September 2020 the Council approved the use of the General Fund Reserve to fund any overspend in 2020/21, with £4.928m being transferred from the Investment Fund

Contingency Reserve to the General Fund Reserve to fund this. It is now proposed that the remaining £4.512m funding set aside for this in the General Fund is transferred to a separate Reserve to cover potential costs arising from the COVID-19 recovery in 2021/22 and future years.

60. The final 2020/21 capital budget outturn at year-end is £42.078m. An updated Investment Strategy for the period to the end of 2023/24 is presented to this meeting of the Executive.
61. The Council's spending with local businesses reduced further below target in Quarter Four to 26% of overall expenditure, largely as a result of the ongoing pandemic. The 'Buy Boro' campaign continued to be promoted in the quarter to protect and promote Middlesbrough's small businesses through the COVID-19 outbreak and beyond.
62. The number of customer transactions undertaken online during Quarter Four was 12% higher than Quarter Three at 295,000, largely driven by residents booking a slot at the Household Waste Recycling Centre. Numbers for the entirety of 2020/21 are cumulatively 52% over the target for the year.

Making sure our management practices compare with those of the best

63. As previously reported, during Quarter Three the Council's External Auditors, EY, provided their assessment of the Council to Corporate Affairs and Audit Committee. They issued an unqualified opinion on the financial statements made by the Council. However, their Value for Money opinion was qualified on the grounds they were 'unable to conclude that the Council had proper arrangements in place to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people within its children's social care services during 2019/20 given the significant findings raised by the Ofsted inspection published in January 2020'.
64. The Council is addressing these matters through the Children's Services Improvement Plan, as outlined within this report. A progress inspection will be undertaken by OFSTED during Quarter One 2021/22 and the outcome reported to members thereafter.

Becoming recognised as a good employer

65. Employee sickness absence decreased from an average of 4.7% of working time at the end of Quarter Three to an average of 4.4% during Quarter Four. At the same point in 2019/20 lost working time stood at 4.3%.
66. The Council continues to support its workforce through the pandemic through the provision and effective utilisation of remote working technologies and a range of individual support initiatives, including face-to-face counselling. While under current restrictions employees must work at home wherever possible, an exceptions process is in place to allow employees access to office space in view of their household or personal circumstances, subject to a robust managerial risk assessment.
67. Taking into account illness from COVID-19, the 2021/22 sickness absence figures strongly suggest enabling home working has had a positive impact on employee

health and wellbeing overall, and this will inform the Council's future working arrangements.

What decisions are being asked for?

- 68. That the Overview & Scrutiny Board notes progress in implementing the Council's Strategic Plan 2020-23 at Year-End 2020/21 and the ongoing impact of COVID-19.
- 69. That the Overview & Scrutiny Board notes the proposed changes and amendments to COVID-19 Recovery Action Plans following Lockdown 3 (Appendix 1).
- 70. That in light of the position outlined in the report, the Overview & Scrutiny Board notes the Council's updated Strategic Risk Register at Appendix 2.
- 71. That the Overview & Scrutiny Board notes that future quarterly updates will report progress on the revised Strategic Plan for 2021-24, approved by Council in February 2021, and that COVID-19 Recovery activity will be subsumed with the workplan underpinning the revised Strategic Plan, approved by the Executive on 27 May 2021.

Why is this being recommended?

- 72. 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

- 73. Not applicable.

Impact(s) of recommended decision(s)

Legal

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

Financial

- 75. There are financial implications relating to some performance issues and COVID-19 recovery activity outlined in this report. These are summarised in the Revenue and Capital Budget / Final Outturn Position at Year-End 2020/21 report considered by the Overview & Scrutiny at this meeting.

Policy framework

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

Equality and diversity

- 77. As reported to Council in January 2020, no negative differential impact on diverse groups and communities is anticipated from the direction of travel set out in the Strategic Plan 2020-23.

78. As reported to the Executive in June 2020, no negative differential impacts on diverse groups and communities within Middlesbrough are anticipated from the delivery of activity set out within the COVID-19 Recovery Plan, which in part aims to address the assumed increase in local inequalities in income, health, educational attainment and other areas arising from COVID-19.

Risk

79. In line with the Council's Risk and Opportunity Management Policy, the corporate Strategic Risk Register (SRR) was reviewed in the quarter.
80. At Year-End 2020/21, the total number of risks on the SRR remained at 35 (19 red, 15 Amber and one green) with some movement. The SRR is summarised at Appendix 2.
81. One risk has been closed completely:
- Partners' funding issues impacting on joint services – this risk was closed as the context has changed significantly in light of ICS development and NHS restructuring.
82. One new risk was added to the SRR during Quarter Four:
- Failure of Boho X to deliver anticipated benefits and financial returns to Middlesbrough – the inclusion of this risk reflects the continuation of existing good practice in individually assessing and reporting the risks around large scale investment projects, with the current scoring reflecting the early stage of the project. The project is progressing well (planning permission is in place and a start on site is programmed for this autumn) and it is being managed through the formal, established processes. The impact of external factors on the project such as volatile construction pricing, third party performance and the attraction of appropriate tenants do however influence the risk profile, and need managing closely.
83. The severity of two existing strategic risks increased during Quarter Four:
- future contract costs for waste disposal are likely to rise significantly in the longer term, impacting on future MTFPs; and
 - there is some risk around the sufficiency of Year 7 school places in the medium-term.
84. The latter risk was scored upwards to reflect initial notification from the Department for Education (DfE) of a potential delay in the scheduled completion of Outwood Academy Riverside, which the DfE has advised may now be January 2024, rather than summer 2023 as originally planned. This potential delay could result in a shortfall in school places for the September 2023 intake. However, the Council is working with DfE to mitigate any delay and plan for any extra spaces that may be required.
85. There is no potential shortfall in places for September 2021 and the potential shortfall in places for September 2022 has been mitigated by actions undertaken by the

Council, in particular approval by the Executive on 24 May 2021 of £2.3m capital investment at Kings Academy to create 128 addition places.

86. The severity of six existing strategic risks reduced during Quarter Four:

- high residential voids in Middlesbrough and the impact of sales values on the Council;
- impact of external factors such as exiting in the European Union and COVID-19 on local development and Middlesbrough's economy;
- failure to adhere to corporate procurement policies;
- failure to comply with statutory duties;
- failure to adapt service delivery to COVID-19 Secure guidelines; and
- failure of employees, volunteers, and others to complete data protection training in turn causing breaches of data protection legislation.

87. Strategic risks will be subject to a fundamental review during Quarter One to reflect revisions to the Council's strategic priorities outlined in the Strategic Plan 2021-24.

Actions to be taken to implement the decision(s)

88. Mitigating activity set out in the main body of the report will continue to be applied by Directorates as stated.

Appendices

- 1 Summary of proposed changes and amendments to Recovery Action Plans
- 2 Summary Strategic Risk Register at Year-End 2020/21

Background papers

15/01/20	Council	Priorities of the Elected Mayor and Strategic Plan 2020-2023
18/02/20	Executive	Strategic Plan 2019-22 – Progress at Quarter Three 2019/20
16/06/20	Executive	Strategic Plan 2020-23 – Progress at Year-end 2019/20
16/06/20	Executive	COVID-19: the Council's response and Recovery Plan
18/08/20	Executive	Revenue and Capital Budget / Projected Outturn Position at Quarter One 2020/21
18/8/20	Executive	Strategic Plan 2020-23 – Progress at Quarter One 2020/21
24/11/20	Executive	Strategic Plan 2020-23 – Progress at Quarter Two 2020/21
24/11/20	Executive	Revised approach to COVID19 Recovery
16/02/21	Executive	Strategic Plan 2020-23 – Progress at Quarter Three 2020/21

Contact: Paul Stephens, Head of Strategy, Information and Governance
Gemma Cooper, Strategy Delivery Manager

Email: paul_stephens@middlesbrough.gov.uk
gemma_cooper@middlesbrough.gov.uk

Appendix 1: Summary of proposed changes and amendments to Recovery Action Plans

Recovery workstream	Action	Milestone ref.	Change required / proposed	Decision maker
Business, Economy and Town Centre	Increase town centre commercial property occupancy rates to 85% (69.7%) of pre-COVID levels	BE02.02: Undertake survey to identify occupancy % levels	End date to slip from April to May 2021	Chief Executive In-quarter movement
Environment and Infrastructure	Undertake a review of the longer-term effects / impact of COVID on community cohesion	EI01.01: Undertake survey to understand COVID19 related impact on community cohesion EI01.02: Produce action plan based on survey to Executive to inform further Recovery approach EI01.03: Establish monitoring arrangements to undertake activity to address / mitigate impact on community cohesion	End date slippage from June to September 2021 Date slippage from June - August 2021 to September - November 2021 Date slippage from September - October 2021 to November 2021 - January 2022	Executive Outside of in-quarter movement
Health and Wellbeing	Co-produce and deliver a Middlesbrough Health and Wellbeing Recovery Plan to address the impact of COVID-19 on health inequalities and relative targeted support by August 2023	HW02.01: Work with key partners to confirm delivery arrangements and associated plans for key areas of focus identified within the overarching Middlesbrough Health and Wellbeing Recovery Plan, to establish deliverables / outcomes	End date slippage from March to May 2021	Executive Outside of in-quarter movement
Adult Social Care	Develop and maintain appropriate support provision for informal carers, by June 2021	AS04.02: Delivery of training package for assessors AS04.03: Review and audit impact of training delivered AS04.04: Practice audit of carer needs to undertake review of carer support services	Action title references June 2021 and milestones to be amended accordingly: End date slippage from January to May 2021 End date slippage from February to June 2021 End date slippage from June to July 2021	Executive Outside of in-quarter movement
Education and Skills	Support all Middlesbrough schools following spikes / outbreaks, ensuring all vulnerable children have continued access to education by December 2021	ES02.06: Develop effective and accessible holiday enrichment activity in both the Easter and Summer school holiday periods ES02.07: Implement the Vulnerable Children's Attendance Project to contribute to improved school attendance of the most vulnerable children	2 new milestones added to reference learning / impact of lockdowns.	Chief Executive
Education and Skills	Provide opportunities and training to support people to move in to work and further training by March 2022	ES03.04: Secure Adult Learning Funding for the academic year 21/22 to deliver adult education and training for Middlesbrough residents	New milestone added to reference learning / impact of lockdowns.	Chief Executive

Recovery workstream	Action	Milestone ref.	Change required / proposed	Decision maker
Children's Care	Increase the number of early interventions where domestic abuse is factor, in response to the upsurge in rates of domestic abuse, as a result of COVID-19	CC01.01: Through analysis of the drivers for demand impacted by COVID 19, create a baseline, forecast model and targets to increase early interventions in relation to domestic abuse. CC01.02: Through development and implementation of the Early Help and Prevention Strategy, support a targeted offer for more families impacted by domestic abuse prior to risk escalation, including development of the referral pathway and training for partners.	End date slippage on both from March to September 2021	Executive Outside of in-quarter movement
Children's Care	Increase Early Help assessments across Newport and North Ormesby to mitigate increased levels of deprivation, unemployment and crime in Newport and North Ormesby as a result of COVID-19	CC02.03: Establish plan and approach to increase the proportion of Early Help assessments in Newport and North Ormesby to 6% with a view to mitigate impact of COVID-19. CC02.04: Establish a monitoring process to track early help assessments within Newport and North Ormesby to analyse effectiveness of early intervention	End date slippage on both from February to July 2021	Executive Outside of in-quarter movement
Children's Care	Resume service plans impacted by COVID-19 to support children in remaining with their families e.g. futures for families and family group conferencing	CC04.02: Review and ensure alternative ways of delivery are in place to support the delivery of family group conferencing	End date slippage from March to September 2021	Executive Outside of in-quarter movement
Council Services and Priorities	Agree a revised approach to community engagement through agreement of a 'Middlesbrough Community approach' by March 2021	All	Action monitored within SP workplan. Seeking approval to remove entirely.	Executive
Council Services and Priorities	To effectively enable all staff to work from the office environment for a proportion of time, by March 2021	All	Action monitored within SP workplan. Seeking approval to remove entirely.	Executive

Recovery workstream	Action	Milestone ref.	Change required / proposed	Decision maker
Council Services and Priorities	Key Council plans (MFTP, Strategic Plan, Business Continuity, Operations Strategy, etc.) will reflect the impact of COVID, to support Recovery / new normal, by December 2020	CS04.03: Review organisational needs in relation to plans for Customer, Digital, ICT, Communications, Accommodation and service delivery models, ensuring they support the new normal for agile working, post-COVID	Action title references December 2020 / mid-Lockdown 2 and 3. End date slippage from March to June 2021.	Executive Outside of in-quarter movement

Appendix 2: Summary Strategic Risk Register at Year-End 2020/21

The table below sets out high and medium risks to the achievement of the Council's strategic priorities at Year-End 2020/21 in order of severity, with impacts ranging from insignificant to extreme, and likelihood ranging from rare to almost certain to happen.

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	Failure to achieve full reimbursement from Government for costs incurred in responding to COVID-19 to date and risks of further costs being incurred as a result of local outbreaks (MFTP pressure).	Possible	Extreme	➔
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	Retail market distress impacting Middlesbrough town centre.	Likely	Major	➔
High	Breach of data rights due to untimely response to information requests.	Likely	Major	➔
High	Inadequate safeguarding practices lead to children and young people being at risk.	Likely	Major	➔
High	Failure of Boho X to deliver anticipated benefits and financial returns.	Possible	Major	NEW
High	High residential voids / low sale values within Middlesbrough.	Possible	Major	⬇
High	UK / EU Trade and Security Deal adversely affecting Council operations.	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	Children impacted by social care transformation.	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	➔
High	External factors (e.g. Brexit, COVID-19) impacting Middlesbrough's economy.	Possible	Major	⬇

Risk Level	Risk	Likelihood	Impact	Trend
High	Failure to adequately plan for new COVID-19 wave or subsequent pandemics.	Unlikely	Extreme	→
High	Disruption from national / local elections.	Likely	Moderate	→
Medium	Future waste disposal contract costs (MTFP pressure).	Possible	Major	↑
Medium	Insufficient year 7 school places available to meet demand over the next 5 years	Possible	Major	↑
Medium	Failure to develop effective partnerships.	Unlikely	Major	→
Medium	National Waste Review (MTFP pressure).	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	Failure to adhere to corporate procurement policies.	Possible	Moderate	↓
Medium	Terrorist incident (reflects National Threat Level).	Rare	Extreme	→
Medium	Failure to comply with statutory duties.	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	→
Medium	Insufficient primary school places in central Middlesbrough.	Unlikely	Moderate	→
Medium	Poor quality of services provided by health partners impacting / increasing demand for Council services.	Possible	Minor	→
Low	Data protection law breach – failure of staff to complete training.	Rare	Major	↓

This page is intentionally left blank

MIDDLESBROUGH COUNCIL	
------------------------------	--

Report of:	Councillor Barrie Cooper - Executive Member for Environment and Finance & Governance Ian Wright - Director of Finance
-------------------	--

Submitted to:	Overview & Scrutiny Board - 29 June 2021
----------------------	--

Subject:	Revenue and Capital Budget - Year-End Outturn Position 2020/21
-----------------	--

Summary

Proposed decision(s)
<ul style="list-style-type: none"> • That the Overview & Scrutiny Board notes the transfer to Reserves as detailed in the report and summarised in paragraph 122 of the report. • That the Overview & Scrutiny Board notes the 2020/21 revenue budget final year-end outturn of a £355,000 (-0.3%) underspend on non-Covid-19 elements (following approval by Executive on 15 June 2021 of the above transfers to reserves), and the financial effect of Covid-19 in 2020/21 of £416,000. • That the Overview & Scrutiny Board notes the transfer of the £355,000 underspend on non-Covid-19 elements to the General Fund Reserve. • That the Overview & Scrutiny Board notes the use of the General Fund Reserve, as approved by Council on 2 September 2020, to fund the £416,000 Covid-19 overspend in 2020/21. • That the Overview & Scrutiny Board notes the transfer of the remaining £4.512m funding set aside in the General Fund Reserve to a separate Reserve, to cover potential costs arising from the Covid-19 recovery in 2021/22 and future years. • That the Overview & Scrutiny Board notes the 2020/21 capital budget final outturn of £42.078m against a revised budget of £45.195m, and revised Investment Strategy to 2023/24, as detailed at Appendix 1.

Report for:	Key decision:	Confidential:	Is the report urgent?
Noting	NA	NA	NA

Contribution to delivery of the 2020-23 Strategic Plan		
People	Place	Business
Quarterly monitoring, review and action planning plays a central role in ensuring that the Strategic Plan is delivered effectively.		

Ward(s) affected
None.

What is the purpose of this report?

1. This report advises the Overview & Scrutiny Board of the Council's financial position at Year-End 2020/21, including the effect of Covid-19 on the Council's finances.

Why does this report require a member decision?

2. This report provides the necessary information to enable the Overview & Scrutiny Board to discharge its scrutiny responsibilities, setting out:
 - final revenue and capital budget outturns at year-end 2020/21;
 - position statements in relation to the Council's borrowing and its reserves; and
 - actions that the Council has taken and plans to address the issues raised.
3. A revised Investment Strategy for the period to 2023/24 is attached at Appendix 1.

Report Background

Revenue Budget Outturn 2020/21

4. As reported in previous reports, the Covid-19 pandemic is having a significant impact on the Council's financial position. This has also made the management of the Council finances more difficult in 2020/21 due to the constantly evolving situation, including the receipt of Government grant funding at short notice throughout 2020/21. Covid-19 financial pressures are being monitored separately from the normal non-Covid-19 financial position, and these are reported separately in paragraphs 53 to 84 below.
5. The 2020/21 Revenue budget for the Council is £116,397,000. A revised senior management structure within the Council was implemented during Quarter One and the financial position is reported against this new structure. The Council's year-end revenue outturn position for 2020/21 for non-Covid-19 elements is an underspend of £2,391,000.
6. It is proposed to transfer £438,000 of the Public Health Grant underspend to a Public Health reserves and £1,598,000 of the Adult Social Care underspend to an Adult Social Care Covid Recovery Reserve, in order to help to fund future costs arising from Covid-19 recovery in these areas. Executive approved these transfers to reserves on 15 June 2021 and the final revenue outturn position of £355,000 reflects this.
7. The split by Directorate of the final year end revenue outturn position for 2020/21 is shown in the table below :

Directorate	2020/21 Full Year Budget £'000s	2020/21 Final Outturn (excluding Covid-19) £'000s	2020/21 Over / (under) spend (excluding Covid-19) £'000s	2020/21 Proposed transfer to Reserves £'000s	2020/21 Over / (under) spend (excluding Covid-19 and after proposed transfer to Reserves) £'000s
Regeneration	3,571	2,416	(1,155)	0	(1,155)
Environment and Community Services	19,144	18,329	(815)	0	(815)
Public Health and Public Protection	(2,784)	(3,505)	(721)	438	(283)
Education & Partnerships	2,082	1,784	(298)	0	(298)
Children's Care	38,247	42,480	4,233	0	4,233
Adult Social Care and Health Integration	37,776	35,827	(1,949)	1,598	(351)
Legal and Governance Services	8,354	8,631	277	0	277
Finance	1,298	1,107	(191)	0	(191)
Central Budgets	8,709	6,937	(1,772)	0	(1,772)
Revenue Outturn	116,397	114,006	(2,391)	2,036	(355)

8. This when added to the Covid-19 pressures of £416,000 detailed in paragraphs 53 to 84 results in a total revenue outturn pressure at year-end 2020/21 of £61,000. This is a reduction of £2.735m from the £2.796m total projected revenue outturn pressure reported at Quarter Three.
9. The detail of the variances is set out below. At year-end, 36 areas had spent +/- £150,000 of the agreed budget.

Regeneration

10. Continued successful lettings at Tees Advanced Manufacturing Park (TAMP) during Quarter Four resulted in unbudgeted net additional revenue income of £458,000 being received in 2020/21. This position has improved by £100,000 from that projected at Quarter Three.
11. An underspend of £500,000 has been achieved from staff savings due to posts being held vacant within the Cultural Services budgets pending a review of the wider Cultural Services.
12. In addition to the above, there are a number of budget areas within Regeneration, which have variances below £150,000, and these account for the overall £1,155,000 total underspend on the Regeneration budget at year-end 2020/21.

Environment and Community Services

13. The Property Services budget was underspent by a total of £94,000 at year-end. Within this budget, there are savings of £168,000 on building running costs due mainly to reduced occupation of buildings during Covid-19 in addition to a reduction in energy costs, in particular electricity where wholesale prices through NEPO arrangement have reduced. Savings of £197,000 occurred due to vacant posts within Building Cleaning. In addition, there was a saving of £65,000 within the Integrated Transport Unit (ITU), which is an improvement on the projected £100,000 overspend position reported at Quarter Three due to the further lockdown and school closures

that occurred during Quarter Four, which resulted in reduced demand and therefore reduced costs for the service. As reported at Quarter Three there has been a shortfall in income due to a decrease in the number of cremations following the opening of a crematorium in Stockton, which has resulted in a pressure totalling £185,000 at year-end. This pressure is lower than the £275,000 projected at Quarter Three as a result of the number of cremations and burials being higher than expected in Quarter Four. In addition, there has been an income shortfall due to the closure of the Transporter Bridge, which has produced a pressure of £150,000 at year-end, a slight reduction from that reported at Quarter Three.

14. The Transport and Infrastructure budget was underspent by £290,000 at year-end, a slight increase in underspend from that reported at Quarter Three, mainly due to efficiencies from the Streetlighting contract returning in-house, and staff savings from vacant posts.
15. The Environment Services budget produced a total saving of £313,000 at year-end. This is primarily due to an underspend on salary costs caused by vacant posts and reductions in other expenditure within Catering totalling £181,000 due to the closure of schools in Quarter Four. In addition, there were savings across the Places and Spaces budget of £104,000 and Waste Disposal budget of £28,000. The increase in the amount of savings from that reported at Quarter Three has been due to reduced expenditure in non-frontline services following the lockdown and Covid-19 restrictions imposed from the end of December to the end of March. This has not resulted in any effect on frontline service delivery levels to residents during the year.

Public Health and Public Protection

16. Savings on Public Health budgets totalling £438,000 have been achieved in 2020/21 due to a £202,000 saving caused by reduced activity for some demand led services, such as Stop Smoking, NHS Healthcheck programme, rehabilitation, and prescribing costs as a result of Covid-19, with the remainder of the savings achieved being due to staff and supplies and services savings. There were also staff and supplies and services savings in Public Protection totalling £283,000, partly as a result of charging staffing costs for work undertaken in relation to Covid-19 to Covid-19 grants.
17. It is proposed that the underspend of £438,000 on Public Health budgets is transferred to a Public Health Reserve for use in future years to allow for the potential future effects on services following the end of Covid-19 restrictions.

Education & Partnerships

18. As reported in previous quarters, the Tackling Troubled Families budget underspent by £155,000 at year-end, due to an over-achievement in completing and closing cases, thereby maximising grant income over and above the amount required to finance expenditure.
19. There is an underspend of £128,000 on the Education services budget, mainly due to staff savings.
20. There is a saving of £732,000 at year-end relating to school contributions to capital schemes, as contributions were funded from other sources, thereby creating a revenue saving. It is proposed that this is transferred to a Children's Services

Demand Reserve for use in future years to mitigate demand within Children's Services.

21. Following recommendations from external audit in previous year's audits, a detailed exercise has been undertaken to close and clear the balances of a number of holding and other codes, which are no longer used, within Education. This has created a net saving of £175,000. It is proposed that this is transferred to a Children's Services Improvement Reserve to help to fund improvements within Children's Services linked to the Ofsted Improvement Plan.

Children's Care

22. The residential agency placements budget was £1,130,000 (10%) overspent at year-end, an increase of £175,000 from that projected at Quarter Three. This was due to slightly slower than expected implementation of new initiatives during Quarter Four. The number of external residential placements has reduced to 65 at the end of 2020/21 from the 74 at the end of 2019/20, due to initiatives such as the Innovate Team, the Futures for Families Programme, and the provision of nine places at Daniel Court. Phase 2 of the Innovate programme started in Quarter Four, but this will take time to fully implement and achieve further financial savings.
23. The in-house fostering services budget was overspent by £429,000 (13%) at year-end, slightly lower than the Quarter Three projection. There has been an increased number of placements/cases by 6 in 2020/21 (from 158 to 164), in addition to the full year effect of 2019/20 increases. An increase in this budget should be positive as a whole as the cost per child is less expensive than other demand budgets, and the Service are working to increase capacity over the next few years.
24. The Independent Fostering Agency (IFA) placements budget was £913,000 (16%) overspent at year-end, which is a decrease from the £1,141,000 reported at Quarter Three. As reported in previous quarters this overspend is due to an increased number of placements / cases in 2020/21 (increase of 3 to 163 at year-end) and the full year effect of 2019/20 increases. Whilst capacity has been maximised within the internal in-house fostering service, an overspend will still exist on this budget to ensure that higher cost external residential placements are minimised. Without the increase in places in fostering in-house provision, the Independent Fostering Agency budget pressure would have increased significantly more than it has.
25. The Family and Friends Allowances budget was £1,074,000 overspent (51%) at year-end, slightly lower than the Quarter Three projection due to the numbers hitting a plateau during this period. The increase in 2020/21 has been from 312 to 373 young people (19.6% increase). This is due to a large increase in the number of cases in 2020/21 along with the full year effect of 2019/20 increases. The demand on this budget is forecast to increase in the next few years as the Council continue to improve outcomes for Middlesbrough young people. A working group is continuing to investigate processes and payments and there is a plan to increase benefit claim checks in order to attempt to mitigate this pressure.
26. There was an overspend of £1,046,000 (19%) on the Safeguarding and Care Planning, and Referral and Assessment teams budgets, an increase from the £585,000 reported at Quarter Three. Despite charging some costs to Covid-19, the overspend is mainly due to significant staff agency costs in 2020/21 to cover

sickness and vacant posts. It currently remains a challenge to recruit and retain social workers, and a strategy for this is included within the Ofsted Improvement Plan, and supported by the Council's management team. The recruitment of permanent Social work staff is a major challenge to the Council, with the continued reliance on the use of significant levels of agency staff being a significant risk to the long-term finances of the Council.

27. The Review and Development budget overspent by £275,000 (46%) at year end (similar to that reported at Quarter Three), due to increased staffing costs to support the reduction in caseloads of social workers to more manageable levels, and the recruitment of agency staff to fill vacant posts due to challenges in recruiting to social worker positions across Children's Services.
28. Internal Residential services budget underspent by £798,000 (28%) at year-end, broadly similar to the Quarter Three projection, due to a slower than anticipated implementation of new initiatives and the maximisation of grant funding. Daniel Court and Future for Families are both now open and Rosecroft is expected to re-open in Summer 2021 following refurbishment, and increasing occupancy and caseload levels at these establishments will generate future savings and cost avoidance.
29. The Children Looked After teams budget overspent by £153,000 (7%) at year-end. Similar to Assessment and Care Planning and Children in Need teams, this is mainly due to agency staffing costs to fill vacancies and cover absences, and to support the Ofsted Improvement Plan. This is lower than the Quarter Three projection as only priority vacancies and absences have been covered during Quarter Four. As stated in paragraph 26 the reliance on agency staff, is a significant risk to the Council in the medium to longer term.
30. The Short Breaks Respite and Direct Payments budget underspent by £290,000 (28%) at year-end, an increased saving from the Quarter Three projection, due to unexpected continued reduced spending on Short Breaks and Direct Payments.
31. The Directorate's management budget overspent by £286,000 (51%) at year-end, due to significant agency costs relating to senior staff within the Service. This will reduce in 2021/22 as senior staff move from agency contracts to permanent contracts.
32. The Executive Director of Children's Services budget overspent by £152,000 (15%) at year-end, similar to the Quarter Three projection. This is mainly due to budget pressures within the Administration and Strategic teams. A large proportion of this overspend will be removed in 2021/22 due to the Executive Director of Children's Services now being permanently employed by the Council.

Adult Social Care and Health Integration

33. There are staff savings across the Service totalling £681,000 at year-end, which is a substantial increase from that reported at Quarter Three, due to staff turnover and delayed recruitment to vacancies. In addition, there are supplies and services savings of £282,000 across the Service. The supply of equipment into people's homes has been affected by the Covid-19 pandemic resulting in an underspend of £110,000.

34. As a result of the Covid-19 pandemic, there is an overall reduction in the cost of care packages (mainly residential care) of £339,000 at year-end. In addition, service user's contributions to community care packages continue to be received in excess of budgeted income, resulting in a underspend of £435,000 at year-end. Both of these underspends have increased from that reported at Quarter Three due to the lockdown during Quarter Four.
35. At Quarter Three, £629,000 was set aside (from the reduction in care package costs) in respect of a pending High Court ruling in relation to potential backdated payments for sleep-in shifts. The High Court ruling was in favour of the Council and therefore this provision is no longer required creating a saving in 2020/21 due to this. There will also be no on-going recurring pressures in future years in relation to this.
36. As reported at Quarter Three a recurring saving of £500,000 per annum due to the reduction demand for long-term residential care has been achieved. This is after offsetting increased costs of Short Term care, Independent Supported Living, supporting people with Learning Disabilities and pressures on hospital social work. This saving has been included in the MTFP approved by Council on 24th February 2021. As reported in previous quarters the saving in 2020/21 due to this is to be transferred at year end to an Earmarked Reserve for future use against any potential future demand increases during the Covid-19 recovery period, and the outturn position currently assumes the transfer of the £500,000 to the Earmarked Reserve.
37. The total saving for Adult Social Care and Health Integration at year-end is £1,949,000, which is a substantial increase from that reported at Quarter Three due to the reasons reported above. As it is predicted that there will be increased demand for services provided by Adult Social Care in future years following the end of Covid-19 restrictions, it is proposed that £1,598,000 of the savings are transferred to an Adult Social Care Covid Recovery Reserve for the potential effects of increased service demand in future years.

Legal and Governance Services

38. The Legal Services budget overspent by £204,000 at year-end, mainly due to an increase in court referrals relating to the safeguarding of children and increased agency staffing costs to address the increased caseload. This is a slightly improved position from that reported at Quarter Three. This budget is being closely monitored and efforts are being made to reduce the use of agency staff and the overspend, and updates will be provided in future budget monitoring reports.
39. There is a projected overspend on the Strategic, Information and Governance budget totalling £274,000. This comprises of an overspend of £97,000 on the main Strategic, Information and Governance budget and an overspend of £177,000 on the Mail and Print budget, with both overspends mainly being due to unachievable income targets. A proportion of the unachievable income targets were removed as part of the Revenue Budget, Council Tax, Medium Term Financial Plan and Capital Strategy 2021/22 report to Council on 24 February 2021, with the remaining elements being further reviewed and if required will be included in further updates of the Council's MTFP.
40. As reported at Quarter Three there has been an overspend against the budget for Middlesbrough's contribution to the Coroner's Service, with the final year-end position being a £135,000 overspend against a £170,000 overspend reported at

Quarter Three. The overspend is due to a rise in the number of cases, and also an increase in medical fees and toxicology reports.

41. In addition to the above, there are a number of budget areas within Legal and Governance Services which have variances below £150,000, and these account for the overall £277,000 total overspend on the Legal and Governance Services budget at year-end 2020/21.

Finance

42. An overspend of £172,000 occurred on the Support Services Income budget at year end, lower than the £200,000 reported at Quarter Three, due to lower levels of income being able to be recharged to external bodies such as the Pension Fund.
43. The underspend on Strategic Commissioning and Procurement budgets has increased to £386,000 at year end, mainly due to increased income from the NEPO contract rebate, in particular relating to the electricity contract and also staff savings generated from an internal review of the service.
44. At Quarter Three it was reported that there was potential additional unanticipated unbudgeted income of £200,000 estimated to be received by year-end due to rental income from the recent purchase of the Captain Cook Shopping Centre. At year-end, this unbudgeted income has reduced to £64,000 due to the requirement to make increased bad debt provisions for income not yet received. The bad debt provisions have been made on a prudent basis due to the current circumstances and uncertainties surrounding the retail sector.
45. The Revenues and Benefits budget overspent by £370,000 at year end, rather than the £66,000 projected overspend reported at Quarter Three, due mainly to a further increase in the bad debt provisions for income from court costs and housing benefits overpayments being required to be made at year-end.
46. It was reported at Quarter Three that the Insurance and Risk Management budget was projected to overspend by £100,000, however due to a decrease in the amount and value of claims this overspend has now been eliminated.
47. Underspends totalling £283,000 within other budgets within the Finance Directorate make up the overall final year-end outturn underspend for the Finance Directorate.

Central Budgets

48. The Capital financing budget underspent by £198,000 at year-end, due to expected delays on projects and reduced interest rates. This budget will be closely monitored during 2021/22 and future years and updates will be provided in future reports.
49. In previous quarters, it was reported that there were non-rent pressures in 2020/21 relating to business rates and service charges for Centre Square Buildings 1 and 2, which the Council had to incur in 2020/21 due to tenants not being in place. The final year-end position relating to these costs was £74,000. This meant that the total pressure on Centre Square Buildings 1 and 2 (rent and non-rent elements) budgets due to delays in letting the buildings in 2020/21 was £391,000. Tenants for the

buildings have now signed contracts and are starting to occupy the buildings following fit out of the buildings, and this will create a surplus in future years.

50. As reported in previous quarters the Section 31 Business Rates Relief Grant budget underspent by £1,094,000 at year-end due to the receipt of additional unbudgeted grant income.
51. The central provision for Pay and Prices underspent by £504,000 at year-end. This was mainly due to a lower than estimated cost of the staff pay award in 2020/21.

Progress against budget savings

52. A total of £6.4m of budget savings for 2020/21 were approved by Council on 26 February 2020 as part of the 2020/21 budget setting. It has not been possible to achieve a number of budget savings due to Covid-19 and these are detailed in paragraph 73 below. There are a further £674,000 of budget savings (shown in the table below) which it will not be possible to achieve in 2020/21. These have been accounted for in the year-end outturns for the directorates above and form part of the overall total year-end outturn for 2020/21. The unachieved savings were removed from the MTFP as part of the Revenue Budget, Council Tax, Medium Term Financial Plan and Capital Strategy 2021/22 report to Council on 24 February 2021.

Directorate	Ref	Proposal:	2020/21 £'000s
Environment and Community Services	ECS 19	Reduction in operational costs of fleet vehicles in line with planned efficiencies in services across the authority	86
Environment and Community Services	REG 06	Review of Transporter Bridge operational arrangements	40
Finance	CCC 09	Increase advertising income from Love Middlesbrough to ensure self-sufficiency	9
Public Health and Public Protection	PHPP 08	Reduced partnership contributions, decommissioning of small contracts, maintaining existing vacancies and identification of alternative funding sources (part of total saving unachieved)	100
Legal and Governance Services	DIG various	Various Digital savings	256
Regeneration	Invest to Save	Housing Delivery Vehicle	90
Public Health and Public Protection	Invest to Save	The Live Well Centre expansion	93
TOTAL			674

Covid-19

53. As reported in the previous quarterly budget monitoring reports and the MTFP Update reports to Executive and Council during 2020/21, the Covid-19 pandemic has had a significant impact on the financial position of all local authorities, including Middlesbrough, and the reports provided key areas affected and estimates of the position for the current financial year. The paragraphs below provide an update of the final position for 2020/21 at the year-end detailing the costs of Covid-19 and the grant funding provided by the Government. Paragraph 83 summarises the overall financial position in 2020/21, along with a breakdown of the funding split between the Government grant funding and the Council.

Government funding

54. As reported previously the financial impact of Covid-19 on local authorities has been recognised by the government and they have responded by making a number of

announcements about supporting local authorities financially, indicating that Local Authorities would be fully funded for their direct relevant costs incurred. Four tranches of Covid-19 general support funding totalling £15.574m were received in 2020/21. £877,000 had already been utilised in 2019/20, leaving £14.697m available for use in 2020/21. The Government has also announced a further allocation of general Covid-19 support funding of £5.310m for 2021/22 and updates of expenditure against this will be reported during 2021/22.

55. As reported previously the Government also announced on 2nd July 2020 further support comprising of :
- A scheme to part fund income shortfalls
 - The ability to recover Collection Fund (Council Tax and Business Rates income) shortfalls over three years as opposed to one year
56. The Sales, Fees and Charges (SFC) scheme which part funds income shortfalls involves a 5% deductible rate, whereby local authorities will absorb losses up to 5% of their planned budgeted 2020/21 sales, fees and charges income, with the Government compensating them for 75p in every pound of relevant loss thereafter. Two claims totalling approximately £3.3m have been made under the scheme covering the periods April to July 2020 and August 2020 to November 2020. The final claim for 2020/21 of approximately £1.1m was submitted on 28 May 2021, and therefore, subject to a final reconciliation process, Middlesbrough Council should therefore receive a total of approximately £4.4m funding in 2020/21 under the SFC scheme. The Government has announced that the SFC scheme will continue operating for the first quarter of 2021/22, and updates of this will be reported in the Quarter One report for 2021/22. It should be noted that the SFC scheme does not cover commercial income lost from investment activities and rental income.
57. A national allocation of Test, Track and Trace funding (£300m) was also announced in June 2020. This funding has been allocated to support local authorities in meeting their costs associated with Test, Track and Trace. The allocation for Middlesbrough was £1.566m. This grant funding is ringfenced for Test, Track, and Trace and potential local outbreaks. Middlesbrough Council spent £879,000 of this funding in 2020/21 with the remaining £687,000 of funding being transferred to 2021/22 for use in 2021/22.
58. During 2020/21 the Government also announced a Clinically Extremely Vulnerable (CEV) grant to provide support to Clinically Extremely Vulnerable people who need it, and Middlesbrough Council received a total of £538,000 grant funding in 2020/21. Middlesbrough Council spent £340,000 of this funding in 2020/21 with the remaining £198,000 of funding being transferred to 2021/22 for use in 2021/22.
59. The Government also announced on 22 October 2020 a Contain Outbreak Management Fund to provide funding to local authorities to support public health activities, such as local enforcement and contact tracing. This was originally based on an amount per head of population depending on which tier a local authority was in and was then extended for the subsequent national lockdown. The total amount allocated to Middlesbrough in 2020/21 was £3.968m, and this was fully utilised in 2020/21. The Government has also announced that there will be a further allocation for 2021/22 of £1.370m.

60. Various specific grant funding totalling approximately £5.3m was also provided to Adult Social Care, comprising of Infection Control, Workforce Capacity Fund and Rapid Testing grant funding. The majority of this grant funding was passported to external service providers in line with the grant conditions.
61. In the recent Spending Review and Local Government Finance Settlement the Government announced that, as well as allowing local authorities to spread the Collection Fund deficit (council tax and business rates income losses) arising in 2020/21 over the next 3 years (2021/22, 2022/23 and 2023/24), their commitment to compensate councils for 75 per cent of irrecoverable Council Tax and Business Rates losses for 2020/21. Details of the Government funding estimated to be received in 2021/22 in relation to this was detailed in the Revenue Budget, Council Tax, Medium Term Financial Plan and Capital Strategy 2021/22 report to Council on 24 February 2021.

Additional Expenditure

62. There has been £10.7m of additional expenditure associated with Covid-19 in 2020/21 and these cover a wide range of areas and services. This is a decrease from the £13.1m estimated at Quarter Three, due to the maximisation of the use of other government funding, in particular the Contain Outbreak Management Fund. The table below shows the additional expenditure per Directorate and the following paragraphs below detail the key areas of costs :

Directorate	2020/21 Covid-19 expenditure £'000s
Regeneration	1,415
Environment and Community Services	1,957
Public Health and Public Protection	120
Education & Partnerships	417
Children's Care	2,196
Adult Social Care and Health Integration	1,563
Legal and Governance Services	1,347
Finance	1,682
Total 2020/21 Covid-19 expenditure	10,697

63. Adult Social Care – there has been additional expenditure of approximately £1.3m due to the Council supporting the Care market through a temporary increase in fees in line with Government guidance, along with other additional expenditure of approximately £0.3m relating to Adult Social Care.
64. Children's Social Care Costs – there was approx. £2.2m of total additional expenditure comprising of delays in placements of children (approximately £1.8m), increased staffing and agency staffing costs (approximately £0.2m), and approximately £0.2m of other additional expenditure to deal with an increased number of cases and case backlogs caused by Covid-19. It should be noted that approx. £2.7m of additional expenditure has also been charged to COMF in order to maximise the use of other government funding, as mentioned in paragraph 62, and

this accounts for the reduction in this area from Quarter Three. There is also some emerging evidence that following the end of restrictions there may be further increases in numbers of children requiring support, but these are currently not known and will be updated in future reports.

65. There has been other expenditure relating to Children's Services, in particular around Legal Childcare case backlogs (£0.3m), and also within transport of children from home to school (£0.3m).
66. Environment and Community Services – additional expenditure of approx. £0.5m relating to staff costs within Highways Maintenance for work undertaken relating to Covid-19 occurred during 2020/21. In addition, there was increased expenditure of £0.5m relating to the increased costs of waste collection and disposal due to increased tonnages of waste.
67. Direct Covid-19 Costs - a number of direct costs were incurred, such as the procurement of PPE equipment (£1m), costs of the storage of PPE (£0.3m), Community Hub, Shielding and food supplies etc.
68. Other Covid-19 costs – There was increased additional expenditure of £0.15m relating to the costs of temporary mortuary provision at Teesside Advanced Manufacturing Park (TAMP), and increased costs for the removal of bodies. Additional staff costs of £0.3m were incurred within the Revenue and Benefits mainly for additional work undertaken in relation to the distribution of grants to businesses. There was also additional expenditure for additional ICT equipment of £0.6m.
69. SLM Leisure Trust – As detailed in previous quarterly reports there have been significant payments totalling made to SLM, the Council's provider of leisure facilities. When leisure facilities were closed due to national lockdowns and restrictions SLM furloughed the majority of their staff and the Council agreed to contribute to the remaining costs of furloughing the staff that the Government did not fund. In addition, when leisure facilities did briefly re-open during 2020/21 SLM could not operate to their normal subsidy, with the effects of a restricted operation due to social distancing significantly impacting on their income. The payments made to SLM totalled £1,044,000 in 2020/21. The Department of Culture, Media and Sport (DCMS) have provided grant funding to the Council of £304,000 in the form of the "National Leisure Recovery Fund", of which approximately £165,000 can be utilised in 2020/21 to offset the pressure, meaning that there has been a net pressure of £879,000 in 2020/21 due to the effects of Covid-19.

Reduction in income

70. The impact of the lockdown and closure of facilities and services has resulted in a loss of income, totalling £7m in 2020/21, across a broad range of areas. The table below shows the loss per Directorate :

Directorate	2020/21 Covid-19 reduction in income £'000s
Regeneration	2,929
Environment and Community Services	1,278
Public Health and Public Protection	140
Education & Partnerships	575
Children's Care	0
Adult Social Care and Health Integration	729
Legal and Governance Services	101
Finance	1,272
Total 2020/21 Covid-19 reduction in income	7,024

71. The list below highlights the main areas and the loss for each main area in 2020/21:

- Car Parking (£1.9m)
- Cultural activities (Town Hall, Middlesbrough Theatre, Museums, Newham Grange Country Park, Parks) (£0.9m)
- Catering income from schools (£0.5m)
- Adult Social Care - In house day centre care provision (£0.7m)
- Libraries and Community Hubs – room hire, book sales, and fines (£0.1m)
- Highways - Capital Works and Street Permit income (£0.2m)
- Education Services income from schools (£0.2m)
- Council run Nurseries and Children's Centres (£0.4m)
- Council Tax Court Costs and Housing Benefits Overpayments (£0.8m)
- Commercial Rents - business units, industrial estates, shops, bus station (£0.2m)
- Capital Finance - Rent and Interest (£0.2m)

72. As mentioned in paragraph 56 the Council will receive approximately £4.4m from the SFC scheme in 2020/21.

Unachievable savings

73. There are savings built into the Council's Change Programme totalling approximately £1.8m which have been unachievable in 2020/21 due to Covid-19. These include delays in planned savings of £175,000 relating to a review of direct payments within Adult Social Care, which it was not possible to progress in 2020/21 due to Covid-19. In addition, there were £1,094,000 of planned Digital project savings and a £180,000 saving to reduce staff mileage rates across the Council, which were not achieved in 2020/21 due to Covid-19. The Digital and staff mileage savings have been partly mitigated by savings in the Directorate outturn positions, for example by reduced mileage undertaken by staff as a result of Covid-19.

Council Tax and Business Rates Income

74. Income from Council Tax and Business Rates (NNDR) is accounted for within the Collection Fund. Due to regulations on the Collection Fund, the financial impact of any reduction in income does not immediately affect this year's financial position, it is effectively a shortfall to be resolved next year and will need to be reflected in an updated Budget and MTFP at the appropriate time.
75. During 2020/21 there were a number of issues, which resulted in significant pressures on Council Tax and Business Rates income.
76. There was an increase in people claiming Local Council Tax Support (LCTS) as the economic impact of the pandemic increases the number of households eligible for LCTS support. This led to a reduction in the overall amount of council tax assessed/collected compared to the level budgeted. Whilst the Government provided additional Covid-19 Council Tax Hardship Grant Funding of £2.832m to top up the local LCTS scheme, which meant approximately 6,000 customers not having to pay any Council Tax, there was still an effect on the estimated amount of debt outstanding as overall collection has been reduced.
77. Our budgeted council tax base includes assumptions on housing growth. If there is reduced growth in housing numbers, this will impact on total income levels.
78. Despite support for businesses through increased reliefs and grants, there remain a significant number who do not benefit from this support. There is a risk therefore that business rates revenue reduces if businesses fail or are unable to pay.
79. In addition, the level of outstanding council tax and business rates debt is likely to rise and the Council will need to review the potential to collect that debt and how it provides for this in the form of its bad debt provision.
80. Within the Revenue Budget, Council Tax, Medium Term Financial Plan and Capital Strategy 2021/22 report to Council on 24 February 2021 it was noted that the current estimated overall financial impact of Covid-19 on Council Tax and Business Rates income to the Council in 2020/21 was estimated to be £3.696m. It is normal practice that any arising deficit would need to be fully funded in 2021/22. However, as outlined in paragraphs 55 and 61 the Government announced that this could be spread over the next three years meaning that it was estimated that there would be an effect of £1.232m p.a. in 2021/22, 2022/23, and 2023/24. The Government also outlined that Government funding would be provided to compensate councils for an element of the deficit, based on a methodology which was provided to councils that 75% of any losses below a pre-determined level.
81. The Government provided councils with Section 31 Grant Funding for the lost income caused by the Covid-19 Business Rates Reliefs provided by the Government to businesses. The accounting regulations require that local authorities carry forward to 2021/22 the lost income from Business Rates via a deficit on the Collection Fund and then carry forward to 2021/22, via a reserve, the Section 31 Grant Funding provided in order to mitigate the Collection Fund deficit carried forward. This means that there is a need to transfer £10.555m of Section 31 Grant to a Business Rates Deficit Reserve and this will be used over the three-year period to offset any deficit that accrues and the remainder will be repaid to central government.

82. Due to the impact of Covid-19 and the need to follow some detailed technical guidance, which has been provided by the Ministry of Housing, Communities & Local Government (MHCLG) and the Chartered Institute of Public Finance and Accountancy (CIPFA), the calculation of the final Collection Fund year-end position has been delayed and is currently still being finalised. However, initial calculations indicate that the final year-end Collection Fund position is likely to be better than that estimated previously, as mentioned in paragraph 80, due to higher than anticipated collection rates. Any saving from this improved position will not be realised until 2022/23 and future years and updates of this will be provided in future budget monitoring and MTFP update reports to Executive.

Summary of Covid-19 Financial Pressures

83. The financial impact of the Covid-19 pandemic in 2020/21 is summarised below, along with a breakdown of the funding split between the Government grant funding and the Council, based on funding provided by the Government as detailed in paragraphs 54 to 61:

	<u>Grant Allocation 2020/21 £m</u>	<u>Actual 2020/21 £m</u>	<u>Cost to Council 2020/21 £m</u>
Extraordinary costs incurred		10.697	
Commercial income losses		0.499	
Unachievable Change Programme savings		1.803	
Total Covid-19 General Support grant (2020/21)	14.697	12.999	-1.698
Sales, Fees and Charges (SFC) income loss grant (2020/21)	4.411	6.525	2.114
NET COST TO COUNCIL OF COVID-19 2020/21			0.416
<u>OTHER COVID-19 GRANTS</u>			
	<u>Grant Allocation 2020/21 £m</u>	<u>Actual 2020/21 £m</u>	<u>Grant Remaining £m</u>
Clinically Extremely Vulnerable (CEV) - see Note 1	0.538	0.340	0.198
Test And Trace - see Note 2	1.566	0.879	0.687
Contain Outbreak Management Fund (COMF) - see Note 2	3.968	3.968	0.000
Total Other Covid-19 Grants	6.072	5.186	0.885
<u>Note 1</u>			
For CEV Grant £198k of remaining grant is to be carried forward for use in 2021/22.			
<u>Note 2</u>			
For Test & Trace £687k of remaining grant is to be carried forward for use in 2021/22.			
For COMF the full grant received has been fully utilised in 2020/21. The Council will receive another £1,370,402 of COMF funding in 2021/22 which will be used for schemes already approved which are progressing.			

84. The above table shows that there has been a financial pressure due to Covid-19 of £416,000 in 2020/21. On 2 September 2020 the Council approved the use of the General Fund Reserve to cover any overspend in 2020/21, with £4.928m being

transferred from the Investment Fund Contingency Reserve to the General Fund Reserve to fund this. It is now proposed that the remaining £4.512m funding set aside for this in the General Fund Reserve is transferred to a separate Reserve to cover potential costs arising from the Covid-19 recovery in 2021/22 and future years.

Revenue budget spending controls

85. As previously reported to the Executive, a number of controls were implemented in 2019/20 to minimise overspending across the Council in-year and these remained in place for 2020/21, specifically:
- a vacancy control process overseen by the Leadership Management Team;
 - checks against proposed expenditure of over £5,000 by the procurement team; and
 - strong controls over staff travel, the ordering of stationery and use of first class post.
86. The Council is continuing to minimise the use of agency staff where it is appropriate to do so, but it is acknowledged that currently there will be a need for the use of agency staff within Children's Care, principally to support the Ofsted Improvement Plan and also due to the impact of Covid-19. Monthly reports on agency costs are reported to senior managers for consideration.
87. As outlined in the Quarter Four report for 2019/20 a number of plans were put in place for 2020/21 to mitigate overspending within Children's Services. These were as outlined below :
- Subjecting cases of children looked after by the Council to ongoing audit, consistent decision making processes and a solutions panel chaired by the Director of Children's Care.
 - Re-establishing a Middlesbrough Multi Agency Children's Hub from 1 July 2020 to secure the consistency of thresholds and increasing step-downs to early help and more timely support for children and young people.
 - Increasing internal residential capacity at the Futures for Families Middlesbrough Hub (6 places) and Daniel Court (9 places) by 15 additional places, an increase of 136% on current provision. This will mean that more young people will be able to be accommodated by the Council at a lower cost than externally procured placements.
 - All external residential placements are being reviewed by a specialist project team set up by the Director of Children's Services to ensure that no children are in residential care who can be fostered or safely returned to their families or the care of relatives. In addition this team will look at all cases that are nearing requirement for residential care with the aim of making sure that all alternative options for support are fully explored before residential provision is approved.
 - Work continues to build on the 30% increase in the number of internal foster placements achieved in the financial year 2019/20, allowing children to be placed in high quality, local authority foster care as an alternative to more expensive agency placements.
 - An in depth review is taking place of the processes around the placement of children with friends and family to ensure that these are only made where necessary and that financial support represents value for money.

88. While the mitigations above have been progressed during 2020/21, and efficiencies have been made in placement methods, these will not have a positive effect on the bottom line position unless the overall numbers of children in care are brought under control.
89. The position around our numbers of children in care has been specifically referenced by the DfE Commissioner, and it is clear that for both quality of practice and financial reasons the number needs to be safely reduced. This will entail improvement of edge of care provision to support families and prevent children needing to become looked after and crucially improving practice and care planning to allow those children who are able to return home, be placed with family or friends or be adopted in as timely a manner as possible. This work is interdependent on our overall improvement journey and will not be a short term fix, however prioritisation in these areas is crucial to ensuring that our resources, both human and financial, are sufficient to deliver improvement. In 2020/21 the numbers of children in care have reduced, and the position will be constantly monitored and in future MTFP reviews an informed and prudent view will be taken of the length of time that will need to be allowed for this work to deliver results as well as the monitoring arrangements required.
90. The Council has set aside approximately £1.6m per annum of Council funding for 2020/21 and 2021/22 to support the Ofsted Improvement Plan. There has been an underspend of £188,366 against the allocation for 2020/21 and this will be carried forward to 2021/22. Progress against the plan is being monitored by the Multi-Agency Strategic Improvement Board, and any further variances from the budgets contained in the Ofsted Improvement Plan will be detailed in future budget monitoring reports.

Capital Budget Outturn 2020/21

91. As part of the Quarter Three report to Executive on 16 February 2021, Executive approved a revised capital budget for 2020/21 of £45.195m. This was then reviewed, with a further year being added, and approved by Council as part of the Revenue Budget, Council Tax, Medium Term Financial Plan and Capital Strategy 2021/22 report to Council on 24 February 2021.
92. Following a further review and the inclusion of new additional schemes, increases to existing schemes, and reductions to existing schemes (as detailed in paragraphs 95 to 97), the Council spent £42.078m at year-end. The reasons for the underspend to the revised capital budget are provided in the paragraphs below.
93. The revised Investment Strategy to 2023/24 is included at Appendix 1 for approval. It should be noted that capital receipts assumptions have been re-evaluated in light of Covid-19 and the Revised Investment Strategy takes accounts of this.
94. Two schemes over the £150,000 threshold were transferred between service areas:
- Town Centre Accommodation Strategy – The budget of £4,438,000 has transferred from Finance to Regeneration, as officers within that directorate are responsible for the project management of the fit-out of the new Civic Centre, Fountains Court.

- Essential Repairs to the Captain Cook Public House – On 26th February 2021, as part of the Future Developments of Middlehaven report, Executive approved the commitment of £538,000 of funds from the Boho X project to be re-assigned for the stabilisation of the Captain Cook Public House. These funds have transferred from Regeneration to Environment and Community Services.
95. There are no schemes within the Investment Strategy that have been removed. Two schemes have had funding reduced by more than £150,000, the details of each are as follows:
- Middlesbrough Development Company – The scheme has reduced by £169,000 of Section 106 contributions to account for costs that the Council incurred directly on behalf of the company.
 - Abingdon Primary School Extension, Alterations and Improvements Programme – The total resources within the Investment Strategy has reduced by £379,000 due to Council resources assigned to the project being removed and replaced by unallocated Basic Needs grant which is already accounted for within the Investment Strategy.
96. It is proposed to add the following schemes or increase existing schemes above £150,000 not yet approved by Executive, to the revised Investment Strategy, set out at Appendix 1 for consideration and approval :
- Local Transport Plan 2021/22 – On 10 May 2021, the Council received official notification from the Department of Transport via TVCA of Local Transport Plan grant funding of £3,403,262 for 2021/22.
 - Waste Procurement Project – £368,000 of resources are required for feasibility and consultancy charges in respect of a Joint Waste Disposal scheme that the Council has entered into with neighbouring local authorities.
97. The following which have been recently been approved by Executive are also to be included in the revised Investment Strategy, set out at Appendix 1 for consideration and approval :
- Towns Fund and Future High Streets Fund - Executive approved on 27 May 2021, the Towns Fund and Future High Streets Fund report. The report provides details of the Councils success in obtaining grant funding from MHCLG of £21,900,000 from the Towns Fund and £14,170,000 from the Future High Streets Fund. The report provides detail of how the grants will be utilised and the significantly positive effects and outputs which will be achieved throughout Middlesbrough.
 - Brownfield Housing Fund - on 26 February 2021, Executive approved the Future Developments of Middlehaven report. Stated within the report was confirmation that £7,922,000 of grant funding had been secured from the MHCLG Brownfield Housing Fund for the remediation of brownfield land within Middlehaven, which will result in the construction of 634 units.

- Linthorpe Road Cycleway - on 19 January 2021, Executive approved the Local Cycling and Walking Implementation Plan; Linthorpe Road Corridor report, which detailed plans for the re-allocation of road space to deliver cycle infrastructure improvement along the Linthorpe Road corridor. The project is fully funded from a £1,993,291 grant provided by TVCA.
- Schools Capital Programme 2021 – In a report to Executive on 24 May 2021 Executive approved the following new additions to the Investment Programme:
 - a) £750,000 of Section 106 (S106) developer contributions from the development of the Grey Towers site will be allocated equally to primary schools within Nunthorpe to fund enlargement schemes.
 - b) £1,645,311 Basic Needs capital grant allocation for 2022/23 as announced by the Department for Education on 21 February 2021.
 - c) £1,159,882 High Needs Provision capital grant allocation for 2021/22 as announced by the Department for Education on 25 March 2021.

98. The split by Directorate is shown in the table below, which also shows the “real” projected outturn variance if all of the additional new schemes, increased schemes, reduced schemes, and transfers between directorates are excluded. Explanations for variances of +/- £150,000 across 14 schemes are set out in the following paragraphs. These variances require movement within the Council’s four-year Investment Strategy, but do not affect the overall investment or cost of borrowing.

Directorate	2020/21 Investment Strategy Budget (as per Budget report to Council £'000	2020/21 Final Investment Strategy Outturn £'000	2020/21 Final Investment Strategy Outturn Variance £'000	MEMO	
				New, increased & reduced Schemes / transfers £'000	Real outturn variance excluding new, increased, & reduced schemes / transfers £'000
Regeneration	25,180	24,960	(220)	(169)	(51)
Environment and Community Services	8,993	7,524	(1,469)	433	(1,902)
Public Health and Public Protection	0	0	0	0	0
Education & Partnerships	4,912	4,093	(819)	(379)	(440)
Children’s Care	395	414	19	0	19
Adult Social Care and Health Integration	3,597	3,012	(585)	0	(585)
Legal and Governance Services	1,713	1,596	(117)	10	(127)
Finance	405	479	74	0	74
Total	45,195	42,078	(3,117)	(105)	(3,012)

Regeneration

99. Town Centre Related Projects (Centre Square Developments) - The Council is contractually obliged to provide contributions to tenants at Centre Square buildings 1 and 2 for elements of the fit out works undertaken by tenants, for example allowances for carpets that were not laid down. These allowances have not been claimed in 2020/21 as previously assumed, resulting in £248,000 of planned expenditure being transferred into 2021/22.

100. Housing Growth (Stainton Way Western Extension) – The Stainsby Country Park Executive report of 22 December 2020 stated that the masterplan would be adopted as design guidance in February 2021 and it was anticipated that work to develop the Stainton Way Western Extension could commence, with initial expenditure being incurred in 2020/21. The detailed consideration of the responses to the consultation process has caused the decision to adopt the masterplan to be delayed until May 2021 and as a result it has not been possible to commence the works as previously envisaged and £200,000 of planned expenditure has now transferred into 2021/22.
101. Middlesbrough Development Company - £711,000 of funds originally expected to be incurred in 2020/21 in relation to the Tollesby Shops project have been transferred into 2021/22. This was due to an uncertainty in respect of a grant from Homes England. The grant has now been approved but the delay caused has resulted in the start of the physical works being undertaken later than originally anticipated.
102. Town Centre Accommodation Strategy – in order to fund the purchase of the new Civic Centre, Fountains Court, approximately £1.8m of funding has been transferred from 2022/23 to 2020/21. As mentioned in paragraph 95 this budget now sits under Regeneration.

Environment and Community Services

103. Local Transport Plan (LTP) - due to issues arising within Redcar & Cleveland Council regarding joint tender arrangements, £1,009,000 of planned expenditure relating to principal inspections of bridges and structures has been transferred to 2021/22. These issues have now been resolved and the inspections are underway with an anticipated completion date of June 2021.
104. Hostile Vehicle Mitigation – The scheme was due to complete during 2020/21, however, delays associated with the late delivery of materials, as a consequence of Covid-19, have resulted in the project completion date now being expected to be late Spring 2021. £299,000 of project funding has therefore been transferred into 2021/22.
105. Urban Traffic Management Control – The contractor has been unable to complete the works as anticipated due to delays caused by Covid-19. This has resulted in £191,000 being transferred into 2021/22.
106. Transporter Bridge - £179,000 has been transferred into 2021/22, due to additional safety concerns, which have resulted in delays in the inspections and urgent safety works, which have now been completed.
107. Street Lighting Maintenance – The maintenance programme has been delayed due to bringing the service back in-house and Covid-19 issues regarding staff needing to self-isolate, resulting in £177,000 of planned expenditure being re-profiled into 2021/22.
108. Property Services Building Investment – In order to carry out essential works to various built assets, it has been necessary to bring £180,000 of planned future years expenditure into 2020/21.

Education and Partnerships

109. Schemes In Special Schools – £330,000 has been transferred into 2021/22 as works on the heating pipework at Priory Woods are subject to a review of the heating system, which will be undertaken in 2021/22.
110. Schemes In Maintained Primary Schools – The snagging works in respect of the Breckon Hill Extension and Alteration scheme did not complete as planned in 2020/21 resulting in the works being completed in 2021/22. Due to the delays, £150,000 of planned expenditure has therefore been re-profiled from 2020/21.

Adult Social Care and Health Integration

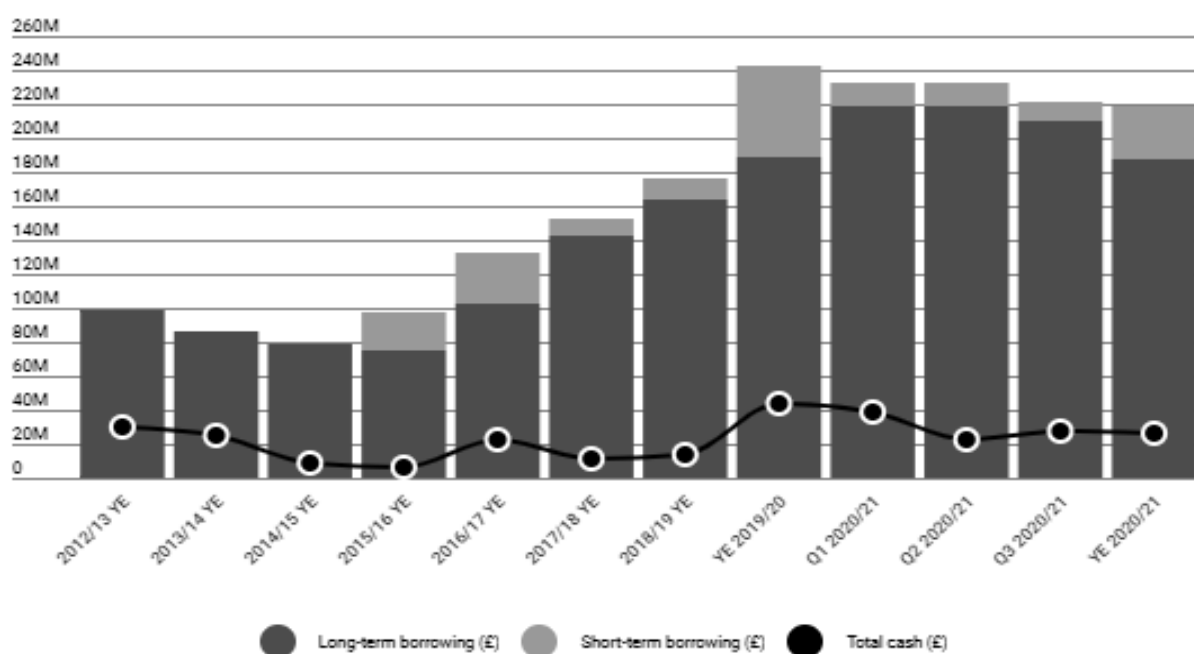
111. Disabled Facilities Grant – The national lockdown that commenced in late December 2020 has resulted in a lack of contractor availability. This coupled with service users shielding and not permitting contractors into their homes has resulted in £396,000 of works not being undertaken as planned in 2020/21. The funds have therefore been transferred into 2021/22.

Finance

112. Derisking Sites - £158,000 of future years budget has been brought into 2020/21 to fund various works that have been required in-year.
113. The following transfer of budget to / from schemes within the same Directorate has taken place
 - £465,000 of funding is available within the Investment Strategy following the acquisition of the Captain Cook Shopping Precinct and 37 Linthorpe Road (the House of Fraser building) for amounts lower than the funding provided. These available funds have been transferred to the Teesside Advanced Manufacturing Park (TAMP) scheme. The total funding for TAMP included an assumption that the capital receipt proceeds from two plots within the overall site would be added upon the sale of the land. The plots referred to are currently with legal for the completion of the sales. The savings from the Town Centre acquisitions present the opportunity for the necessary funds to be transferred now, with the receipts from the plots at TAMP being freed for wider capital investment. It should be noted that the TAMP project is proving to be significantly more successful than first envisaged in terms of the speed of securing tenancies and the revenue that the rent is achieving. Just one year after practical completion occupancy levels stand at 85% with only one unit left available for rent and the contractual heads of terms are currently being finalised with a tenant for this remaining unit.

Borrowing & Prudential Indicators

114. The Council's total borrowing decreased from £242.7m at 31st March 2020 to £218.8m at 31st March 2021. This decrease reflects the repayment of £20m of short-term borrowing taken out in the early weeks of the Covid-19 pandemic in March 2020 to ensure sufficient liquidity on emergency business grants. The remaining decrease of £3.9m relates to the repayment of principal on annuity loans held by the Council. No external borrowing was needed for Investment Strategy purposes due to much of the Covid-19 funding being paid in advance of need by central government and cash balances being healthy. This position is expected to unwind during the 2021/22 financial year.
115. The ratio of short-term to long-term borrowing has increased at 31st March 2021. This is a consequence of the maturity profile of the Council's debt portfolio and the fact that some of the long-term loans now have less than 12 months to run until they need to be fully repaid. These are now classed as short-term borrowing.



116. The affordability and sustainability of the Investment Strategy and its total level of external borrowing and capital financing costs is self-regulated by the Council through a set of prudential indicators. These are threshold levels that are set as part of the integrated budget setting process in late February. CIPFA and MHCLG view this as approach as best practice in ensuring resources are allocated prudently to capital schemes.
117. The table below gives a summary comparison of the budget against outturn position on each of the prudential indicators adopted by the Council.

Prudential Indicators - 2020/21 outturn position		
	<u>Budget</u> <u>(£m)</u>	<u>Actual</u> <u>(£m)</u>
Capital Expenditure	65.831	42.078
<u>Financing</u>		
External Sources	23.849	17.470
Own Resources	18.625	6.380
Debt	23.357	18.228
Capital Financing Requirement	259.174	246.448
External Debt	243.409	218.756
Investments	15.000	24.350
Capital Financing	10.153	9.955
Cost as a % of revenue budget	8.7%	8.5%

118. The total capital spend & level of financing have reduced considerably since the original budget was set for 2020/21. This is a result of a re-prioritisation of the Investment Strategy due to some capital receipts on land sales falling outside of the three-year medium term financial planning timeframe. Also it reflects a level of slippage on the existing programme for schemes not completed in the year as reported earlier in this report plus the impact of Covid-19 on the deliverability of individual schemes.
119. Although the Council has used £18.2m of borrowing to fund the overall programme during 2020/21, the Council has used internal funds (mainly from government grants paid in advance) to pay for this and therefore has not had to take any external loans. This is known as under-borrowing. The Council's total under borrowed position (external debt compared to the capital financing requirement – or underlying need to borrow) is £27.7m. This has increased from the £15.8m expected when the budget was set. Again this position should unwind during the 2021/22 financial year as the grants are used for their intended purposes and the borrowing needs to be taken for cash purposes.
120. The amount of external debt at £218.8m and the total underlying need to borrow of £246.4m are both well below the Council's authorised limit of £300m. This is the threshold above which any borrowing would be illegal. The lower level of external debt than expected at budget setting has contributed to an underspend against the capital financing budget of £0.2m. These costs now total 8.5% as a proportion of the net revenue budget.

Reserves

121. The impact of Covid-19 in 2020/21 has meant that the level of reserves at year-end is higher than in a normal year. A large proportion of this is due to the accounting treatment required for Section 31 Business Rates Relief Grant which is required to be carried forward to 2021/22 to fund the 2020/21 Collection Fund deficit (as detailed in paragraph 81). As detailed in the report savings have been made in service areas in 2020/21, however there is a need to maximise reserves as far as possible in order to fund the potential pressures that will arise in future years due to the on-going effects of the Covid-19 recovery and the pressures within Children's Services.
122. Within the report a number of transfers to reserves have been detailed. These are summarised below and it requested that the Overview & Scrutiny Board note the transfers to the appropriate reserves.
- Public Health Grant underspend to Public Health Reserve (£438,000)
 - Adult Social Care underspend to an Adult Social Care Covid Recovery Reserve (£1,598,000)
 - Ofsted Improvement Plan Budget underspend in 2020/21 to carry forward to 2021/22 via an Ofsted Support Reserve (£188,000)
 - Net saving from the clearance of holding and other codes, which are no longer used within Education, to a Children's Services Improvement Reserve (£175,000)
 - School contributions to capital schemes to a Children's Services Demand Reserve (£732,000)
 - Saving in Adult Social Care in 2020/21 due to the reduction in demand for long-term residential care to a Social Care Demand Reserve (£500,000)
 - Section 31 Business Rates Relief Grant to a Business Rates Deficit Reserve to fund 2020/21 Collection Fund deficit (£10,555,000)
123. The table below sets out a summary of the balance of reserves and provisions at the start of 2020/21 and as at year-end and further detail is provided in Appendix 2. The year-end balances include the transfer of funds to the reserves as detailed in paragraph 122 above and approved by Executive on 15 June 2021:

Reserves and Provisions	Opening Balance £000's	Use In Year £000's	Additional Contributions £000's	Transfers between reserves £000's	Transfers from General Fund £000's	Outturn Transfers £000's	Balance at Year End £000's
General Fund Reserve	9,400	0	746	416	0	(61)	10,501
Covid Recovery Reserve	0	0	0	4,512	0	0	4,512
Earmarked Reserves	16,069	(9,135)	14,383	(5,074)	439	14,186	30,869
School balances	3,241	(3,241)	4,864	0	0	0	4,864
Provisions	2,507	(2,475)	2,264	146	113	0	2,555
TOTAL	31,218	(14,851)	22,257	0	552	14,125	53,301

What decisions are being asked for?

- 124. That the Overview & Scrutiny Board notes the transfer to reserves as detailed in the report and summarised in paragraph 122 of the report.
- 125. That the Overview & Scrutiny Board notes the 2020/21 revenue budget final year-end outturn of a £355,000 (-0.3%) underspend on non-Covid-19 elements (following approval by Executive on 15 June 2021 of the above transfers to reserves) and the financial effect of Covid-19 in 2020/21 of £416,000.
- 126. That the Overview & Scrutiny Board notes the transfer of the £355,000 underspend on non-Covid-19 elements to the General Fund Reserve.
- 127. That the Overview & Scrutiny Board notes the use of the General Fund Reserve, as approved by Council on 2 September 2020, to fund the £416,000 Covid-19 overspend in 2020/21.
- 128. That the Overview & Scrutiny Board notes the transfer of the remaining £4.512m funding set aside in the General Fund Reserve to a separate Reserve, to cover potential costs arising from the Covid-19 recovery in 2021/22 and future years.
- 129. That the Overview & Scrutiny Board notes the 2020/21 capital budget final outturn of £42.078m against a revised budget of £45.195m, and notes the revised Investment Strategy to 2023/24 at Appendix 1.

Why is this being recommended?

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

Other potential decisions and why these have not been recommended

- 131. Not applicable.

Impact(s) of recommended decision(s)

Legal

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

Financial

- 133. The Council's year-end revenue outturn position for 2020/21 for non-Covid-19 elements is an underspend of £355,000 given that proposed transfers of £438,000 of the Public Health Grant underspend to a Public Health reserves and £1,598,000 of the Adult Social Care underspend to an Adult Social Care Covid Recovery Reserve, in order to help to mitigate future costs arising from Covid-19 in these areas, were approved by Executive on 15 June 2021. The £355,000 underspend on non-Covid-19 elements has been transferred to the General Fund Reserve.

134. There has been a financial pressure due to Covid-19 of £416,000 in 2020/21. On 2 September 2020 the Council approved the use of the General Fund Reserve to fund any overspend in 2020/21, with £4.928m being transferred from the Investment Fund Contingency Reserve to the General Fund Reserve to fund this. It has since been approved by Executive on 15 June 2021 that the remaining £4.512m funding set aside for this in the General Fund is transferred to a separate Reserve to cover potential costs arising from the Covid-19 recovery in 2021/22 and future years.
135. The final 2020/21 capital budget outturn at year-end is £42.078m. An updated Investment Strategy for the period to the end of 2023/24 is attached in Appendix 1 of this report.

Policy framework

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

Equality and diversity

137. As reported to Council in January 2020, no negative differential impact on diverse groups and communities is anticipated from the direction of travel set out in the Strategic Plan 2020-23 or the Council's planned budgetary expenditure.

Risk

138. In line with the Council's Risk Management Policy, the corporate Strategic Risk Register will be reported to the Overview & Scrutiny Board as part of the Strategic Plan 2020-23 – Year End 2020/21 report.

Actions to be taken to implement the decision(s)

139. Mitigating activity set out in the main body of the report will continue to be applied by Directorates as stated.
140. The actions outlined within the body of the report in relation to overspending within Children's Safeguarding will continue to be implemented.
141. The revised Investment Strategy included at Appendix 1 will be adopted.

Appendices

1. Revised Investment Strategy to 2023/24
2. Detail of reserves and provisions as at 31/3/21

Background papers

15/01/20	Council	Priorities of the Elected Mayor of Middlesbrough and Strategic Plan 2020-2023
26/02/20	Council	Revenue Budget, Council Tax, Medium Term Financial Plan and Capital Strategy 2020/21
16/06/20	Executive	Strategic Plan 2020-23 – Progress at Year-end 2019/20
18/08/20	Executive	Revenue and Capital Budget – Projected Outturn position as at Quarter One 2020/21
02/09/20	Council	Revenue and Capital Budget – 2020/21 Quarter One Projected Outturn position and the use of reserves for in year Covid-19 Pressures
29/09/20	Executive	Medium Term Financial Plan Update
24/11/20	Executive	Revenue and Capital Budget – Projected Outturn position as at Quarter Two 2020/21
24/11/20	Executive	Refreshing the Strategic Plan for the 2021-24 period
24/11/20	Executive	Medium Term Financial Plan Update, and Budget Savings Proposals 2021/22
22/12/20	Council	Medium Term Financial Plan Update, and Budget Savings Proposals 2021/22
16/02/21	Executive	Revenue and Capital Budget – Projected Outturn position as at Quarter Three 2020/21
16/02/21	Executive	Revenue Budget, Council Tax, Medium Term Financial Plan and Capital Strategy 2021/22
24/02/21	Council	Revenue Budget, Council Tax, Medium Term Financial Plan and Capital Strategy 2021/22

Contact: Andrew Humble, Head of Financial Planning & Support
Email: andrew_humble@middlesbrough.gov.uk

Appendix 1: Revised Investment Strategy to 2023/24

	Total Funding Required					Council	External
	2020/21	2021/22	2022/23	2023/24	TOTAL	Funding	Funding
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Regeneration							
Town Centre Related Projects	592	1,981	580	204	3,357	2,478	879
Middlehaven Related Projects	139	95	500	-	734	734	-
Housing Growth	91	2,485	1,183	-	3,759	3,708	51
BOHO X	1,112	11,413	13,422	-	25,947	1,362	24,585
BOHO 8	2,428	34	-	-	2,462	-	2,462
Brownfield Housing Fund	-	5,202	2,090	630	7,922	-	7,922
Towns Fund	-	3,525	17,875	500	21,900	-	21,900
Future High Streets Fund	-	8,670	5,500	-	14,170	-	14,170
Acquisition of Town Centre Properties	9,619	6	1,000	-	10,625	10,625	-
Town Centre Accommodation Strategy	1,863	2,575	-	-	4,438	4,438	-
Middlesbrough Development Company	865	12,869	-	-	13,734	9,703	4,031
Teesside Advanced Manufacturing Park	1,533	855	-	-	2,388	2,005	383
Capitalisation Of Major Schemes Salaries	530	530	530	530	2,120	2,120	-
Capitalisation of Planning Services Surveys	-	40	40	40	120	120	-
Affordable Housing Via Section 106	-	-	1,255	-	1,255	830	425
Highways Infrastructure Development Section 106	-	-	1,730	-	1,730	-	1,730
Stainton Way Dixon Bank Junction - Section 106	15	-	-	-	15	15	-
The Big Screen	-	20	-	-	20	20	-
A66 Throughabout	2,630	-	-	-	2,630	-	2,630
Mandale Interchange	397	22	-	-	419	-	419
Tees Amp Footway / Cycleway	293	-	-	-	293	-	293
Linthorpe Road Cycleway	-	1,994	-	-	1,994	-	1,994
Replacement of Ticket Machines	-	189	-	-	189	189	-
LED Street Lighting Upgrade (Phase 2)	348	69	-	-	417	417	-
Joint Air Quality Unit (JAQU) - All schemes	529	-	-	-	529	-	529
Members Small Schemes	26	38	-	-	64	29	35
Grove Hill Joint Venture Projects	-	14	-	-	14	-	14
Gresham Projects	779	10	-	-	789	789	-
North Ormesby Housing Joint Venture - Section 106 funded	66	355	-	-	421	-	421
Empty Homes 2015 To 2018	-	416	-	-	416	-	416
Local Transport Plan	900	1,914	-	-	2,814	13	2,801
Town Hall Venue Development	48	59	-	-	107	107	-
Cultural Transformation	-	21	-	-	21	21	-
Theatre Winches / Lifts	4	39	-	-	43	43	-
Dorman Museum	2	19	-	-	21	21	-
Contribution To Public Arts Projects	-	17	-	-	17	17	-
Public Art Work	23	35	-	-	58	58	-
Newham Grange Leisure Farm	113	-	-	-	113	113	-
Leisure Trust Investment - Equipment	-	75	-	-	75	75	-
Town Hall Telephone Kiosks Upgrade	15	-	-	-	15	15	-
Stewart Park Section 106	-	45	-	-	45	-	45
Investment In Parks	-	100	-	-	100	100	-
							-
Total Regeneration	24,960	55,731	45,705	1,904	128,300	40,165	88,135

	Total Funding Required				
	2020/21	2021/22	2022/23	2023/24	TOTAL
Environment and Community Services	£'000	£'000	£'000	£'000	£'000
Purchase of New Vehicles	298	930	1,000	1,200	3,428
Capitalisation of Wheeled Bin Replacement	100	100	100	100	400
Capitalisation of Street Furniture / Dog Fouling & Litter Bins	55	55	55	55	220
Capitalisation of Highways Maintenance	575	575	575	575	2,300
Property Services Building Investment	340	340	340	340	1,360
Parks Improvement	-	83	-	-	83
Nunthorpe Playing Fields S106	57	-	-	-	57
Local Transport Plan - Highways Maintenance	1,412	5,545	-	-	6,957
Street Lighting-Maintenance	401	645	468	468	1,982
Urban Traffic Management Control	202	291	-	-	493
Flood Prevention	237	11	-	-	248
Department for Transport Pothole Fund	1,100	-	-	-	1,100
Members Small Schemes	2	139	60	60	261
Property Asset Investment Strategy	1,177	639	919	1,200	3,935
Nunthorpe Sports Facilities	-	100	-	-	100
East Middlesbrough Community Hub	178	851	-	-	1,029
Christmas Lights	350	-	-	-	350
Section 106 Ormesby Beck	-	15	-	-	15
Section 106 Cypress Road	-	20	-	-	20
Hostile Vehicle Mitigation	196	374	-	-	570
Transporter Bridge	476	179	-	-	655
Henry Street	-	13	-	-	13
CCTV	-	50	-	-	50
Captain Cook Public House	-	538	-	-	538
Outer Area Shopping Centres	-	40	-	-	40
Waste Procurement Project	368	-	-	-	368
Total Environment and Community Services	7,524	11,533	3,517	3,998	26,572

Council Funding	External Funding
£'000	£'000
3,428	-
400	-
220	-
2,300	-
1,360	-
83	-
-	57
2,098	4,859
1,982	-
-	493
-	248
-	1,100
261	-
3,870	65
-	100
1,029	-
350	-
-	15
-	20
570	-
328	327
-	13
50	-
538	-
40	-
368	-
19,275	7,297

	Total Funding Required				
	2020/21	2021/22	2022/23	2023/24	TOTAL
Public Health and Public Protection	£'000	£'000	£'000	£'000	£'000
Health & Wellbeing Hub	-	756	-	-	756
Total Public Health and Public Protection	-	756	-	-	756

Council Funding	External Funding
£'000	£'000
679	77
679	77

	Total Funding Required				
	2020/21	2021/22	2022/23	2023/24	TOTAL
Education and Partnerships	£'000	£'000	£'000	£'000	£'000
Block Budget (Grant) Devolved Formula Capital - Various Schools	-	77	-	-	77
Block Budget (Grant) Section 106 Avant Low Gill	-	35	-	-	35
Block Budget (Grant) High Needs Provision Capital Allocation	-	1,060	-	-	1,060
Block Budget (Grant) School Condition Allocation	-	58	-	-	58
Block Budget (Grant) Basic Needs	-	5,861	1,645	-	7,506
Schemes in Maintained Primary Schools	2,387	1,285	167	-	3,839
Schemes in Primary Academies	195	395	400	-	990
Schemes in Secondary Academies	865	1,786	607	-	3,258
Schemes in Special Schools	544	681	-	-	1,225
Capitalisation of Salary Costs	102	104	-	-	206
Contribution to New School at Middlehaven	-	1,700	-	-	1,700
Block Budget (Grant) EFA Early Years 2 Year olds Entitlement (Trajectory Project)	-	7	-	-	7
Total Education and Partnerships	4,093	13,049	2,819	-	19,961

Council Funding	External Funding
£'000	£'000
-	77
-	35
-	1,060
-	58
-	7,506
602	3,237
-	990
-	3,258
371	854
-	206
700	1,000
-	7
1,673	18,288

	Total Funding Required				
	2020/21	2021/22	2022/23	2023/24	TOTAL
Children's Care	£'000	£'000	£'000	£'000	£'000
Edge Of Care Project (Hub)	347	35	-	-	382
Edge Of Care Project (Spencerfield 117-120)	18	-	-	-	18
Edge Of Care Project (3 Broadwell)	10	-	-	-	10
Rosecroft Renovations	35	182	20	-	237
Children's Care Residential Provision	1	230	19	-	250
Contact Centre - Bus Station Unit 1	3	-	-	-	3
Parklands Middlesbrough Intermediate Care Centre	-	234	20	-	254
Bathroom Refurbishment	-	18	-	-	18
Total Children's Care	414	699	59	-	1,172

Council Funding	External Funding
£'000	£'000
382	-
18	-
10	-
237	-
250	-
3	-
254	-
18	-
1,172	-

	Total Funding Required				
	2020/21	2021/22	2022/23	2023/24	TOTAL
Adult Social Care and Health Integration	£'000	£'000	£'000	£'000	£'000
Chronically Sick & Disabled Persons Act - All schemes	533	832	610	610	2,585
Disabled Facilities Grant - All schemes	2,285	3,120	-	-	5,405
Capitalisation of Staying Put Salaries	50	50	50	50	200
Home Loans Partnership (Formerly 5 Lamps)	29	54	-	-	83
Small Schemes	15	33	-	-	48
Connect / Telecare IP Digital Switchover	100	138	-	-	238
Total Adult Social Care and Health Integration	3,012	4,227	660	660	8,559

Council Funding	External Funding
£'000	£'000
2,513	72
816	4,589
200	-
-	83
-	48
238	-
3,767	4,792

	Total Funding Required				
	2020/21	2021/22	2022/23	2023/24	TOTAL
Legal and Governance Services	£'000	£'000	£'000	£'000	£'000
Desktop Strategy / Device Refresh	307	153	-	-	460
Enterprise Agreements	353	353	-	-	706
Customer Relationship Management	19	96	-	-	115
IT Refresh - Network Refresh	4	159	-	-	163
IT Refresh - Lights On	241	60	-	-	301
IT Refresh - LCS Development Capture	7	18	-	-	25
IT Refresh - Business Intelligence	-	3	-	-	3
ICT Essential Refresh & Licensing	233	2,447	2,185	2,185	7,050
ICT Innovation Budget	326	160	-	-	486
GIS Replacement	38	129	-	-	167
Civic Centre Device Refresh	8		-	-	8
Prevention & Partnership Tablets	-	70	-	-	70
HR Pay	-	37	-	-	37
Dashboards	60	-	-	-	60
Total Legal and Governance Services	1,596	3,685	2,185	2,185	9,651

Council Funding	External Funding
£'000	£'000
460	-
706	-
115	-
163	-
301	-
25	-
3	-
7,050	-
468	18
167	-
8	-
70	-
37	-
60	-
9,633	18

	Total Funding Required				
	2020/21	2021/22	2022/23	2023/24	TOTAL
Finance	£'000	£'000	£'000	£'000	£'000
Former Partnership Investment (ICT Infrastructure Revenues & Benefits)	37	397	-	-	434
Business World Upgrade	30	35	-	-	65
Derisking Sites	412	104	1,042	900	2,458
Capitalisation of Property Finance Lease Arrangements	-	3,500	500	500	4,500
Total Finance	479	4,036	1,542	1,400	7,457

Council Funding	External Funding
£'000	£'000
434	-
65	-
2,458	-
4,500	-
7,457	-

	Total Funding Required				
	2020/21	2021/22	2022/23	2023/24	TOTAL
ALL DIRECTORATES	£'000	£'000	£'000	£'000	£'000
Total ALL DIRECTORATES	42,078	93,716	56,487	10,147	202,428

Council Funding	External Funding
£'000	£'000
83,821	118,607

	Total Funding				
	2020/21	2021/22	2022/23	2023/24	TOTAL
FUNDED BY:	£'000	£'000	£'000	£'000	£'000
Borrowing	(18,228)	(20,999)	(4,474)	-	(43,701)
Finance Leases	-	(3,500)	(500)	(500)	(4,500)
Capital Receipts	(6,374)	(11,782)	(8,652)	(8,468)	(35,276)
Grants	(16,418)	(51,122)	(40,285)	(1,179)	(109,004)
Contributions	(1,052)	(5,992)	(2,559)	-	(9,603)
Revenue Resources	(6)	(321)	(17)	-	(344)
Funding from Reserves	-	-	-	-	-
Total FUNDING	(42,078)	(93,716)	(56,487)	(10,147)	(202,428)

Council Funding	External Funding
£'000	£'000
(43,701)	-
(4,500)	-
(35,276)	-
-	(109,004)
-	(9,603)
(344)	-
(83,821)	(118,607)

Appendix 2: Detail of reserves and provisions as at 31/3/21

Reserves and Provisions	Opening Balance £000's	Use In Year £000's	Additional Contributions £000's	Transfers between reserves £000's	Transfers from General Fund £000's	Outturn Transfers £000's	Balance at Year End £000's
General Fund Reserve	9,400		746	416		(61)	10,501
Covid Recovery Reserve	0			4,512			4,512
Earmarked for specific purposes							
Public Health Reserves	0					438	438
Adult Social Care Covid Recovery Reserve	0					1,598	1,598
Ofsted Support Reserve	0					188	188
Children's Services Improvement Reserve	0					175	175
Children's Services Demand Reserve	0					732	732
Social Care Demand Risk Reserve	0					500	500
Business Rates Deficit Reserve	0					10,555	10,555
Business Rates Risk Reserve	1,670						1,670
Business Rates Relief Reserve	49						49
Change Fund	415	(1,145)	1,321	(146)			445
Investment Fund	4,928			(4,928)			0
Insurance Fund (MBC)	0		270				270
CCC Insurance Fund	360	(324)					36
Insurance Fund (Fire)	0		0				0
Capital Refinancing Reserve	175						175
School Reserves - DSG	(2,065)	(2,001)	775				(3,291)
Other Reserves & Provisions	10,538	(5,665)	12,017		439		17,329
Earmarked Reserves	16,069	(9,135)	14,383	(5,074)	439	14,186	30,869
School balances	3,241	(3,241)	4,864				4,864
Provisions	2,507	(2,475)	2,264	146	113	0	2,555
TOTAL	31,218	(14,851)	22,257	0	552	14,125	53,301

MIDDLESBROUGH COUNCIL

<p style="text-align: center;">FINAL REPORT OF THE AD HOC SCRUTINY PANEL – MEMBERS' COMMUNICATIONS</p>

CONTENTS

Aims of the investigation	Page 2
Strategic Plan 2021-2024	Page 2
Terms of Reference	Page 2
Background Information	Page 2-3
Term of Reference A	Page 3
Term of Reference B	Page 4
Conclusions	Page 6
Recommendations	Page 7
Acknowledgements	Page 7
Background Papers	Page 7
Acronyms	Page 7

PURPOSE OF THE REPORT

1. To present the draft final report of the Ad Hoc Scrutiny Panel following its review into Members' media communications.

AIMS OF THE REVIEW

2. The Ad Hoc Scrutiny Panel sought to understand how Members receive and transmit media communications, and what support is available from the Council's Marketing and Communications team in this regard.

STRATEGIC PLAN 2021-2024

3. The scrutiny of this topic aligns with the Council's three core aims as detailed in the Strategic Plan 2021-2024¹:
 - People - Working with communities and other public services in Middlesbrough to improve the lives of local people.
 - Place - Securing improvements in Middlesbrough's housing, infrastructure and attractiveness, improving the town's reputation, creating opportunities for local people and improving our finances.
 - Business - Promoting investment in Middlesbrough's economy and making sure we work as effectively as possible to support our ambitions for People and Place.

Specifically, this topic contributes to the delivery of the Strategic Plan 2021-2024 as follows:

- People - Working with communities and other public services in Middlesbrough to improve the lives of local people.

TERMS OF REFERENCE

4. The terms of reference for the scrutiny panel's investigation were as follows:
 - A) To understand the Council's current position with regard to Members' communications; and
 - B) To explore what role social media plays in Members' communications.

BACKGROUND INFORMATION

5. Communication is a critical function of everyday life and, increasingly, the ability to communicate effectively is held to a premium. The pitfalls of poor or malicious communication are well rehearsed and can have significant detrimental consequences. The ability to communicate effectively brings many advantages, with many leading organisations citing that effective communication can:
 - Mitigate conflict;
 - Increase engagement;

¹ Middlesbrough Council's Strategic Plan 2021-2024

- Improve productivity;
 - Improve client relations;
 - Promote healthy workplace cultures;
 - Improve direction;
 - Boost satisfaction;
 - Increase motivation;
 - Strengthen teams; and
 - Improve public impressions.²
6. While these benefits are directed towards businesses, their ethos can easily be applied to local government politics. For example: the Local Government Association (LGA) sees strategic communication acting as "...a trusted advisor, navigator and leader."³ It is also recognised that councils not recognising the importance of strategic communications are likely to have ineffective links with their respective communities and stakeholders.
7. Politically, Middlesbrough Council has experienced a fractious political landscape since the elections of 2019 and it is undeniable that communication, specifically on social media, has played a role in that experience.
8. It was with these themes in mind that the Ad Hoc Scrutiny Panel was keen to understand what plans and procedures the Council had in place for Members' communications. In particular, the Panel aimed to understand what roles such procedures played in Members' presence on social media.

TERM OF REFERENCE A

To understand the Council's current position with regard to Members' Communications

9. Effective communication for councils is becoming more important, with the LGA finding during the course of peer reviews that "communications without strategy does not work." The importance and significance of communications within Middlesbrough Council is highlighted with the marketing team reporting directly to the Chief Executive.
10. The Council does not have a single strategic communications plan in place at present, however, one is likely to be implemented in the near future. It is intended that such a communications plan will complement the Council's Strategic Plan 2021-2024, align with the Council's strategic objectives and provide for how Members shape and receive Council communications.
11. Ordinarily, the Marketing and Communications Team receives requests that are reactive in nature, often requiring them to respond to matters quickly. This approach means that the team finds it difficult to shape messages that fully align with wider Council priorities. This reactive approach sometimes affects the team's ability to effectively communicate important work carried out by the Council, and the progress it is making against its strategic priorities.
12. While the Marketing and Communications team are sometimes perceived as the Council's Public Relations department, this has not officially been the case. However, the implementation of a communications plan, which would enable messages to be focused and directed, may allow this role to be realised, for the Council and Middlesbrough as a whole.

² [10 Benefits of Effective Communication in the Workplace | Indeed.com](#)

³ [Strategic communications in local government – the challenges and opportunities | Local Government Association](#)

13. The implementation of a communications plan would not only direct and guide communications, but would also allow the team to utilise key stakeholders (including Elected Members and staff groups) to create and spread positive perceptions of the Town. By employing an interactive model of communication based on the hub and spoke system, the plan would enable effective transmission and receipt of an effective message, and facilitate feedback on that message for continual improvement.

TERM OF REFERENCE B

Explore what role social media plays in Members' Communications

14. Social media use has grown significantly in recent years and is, for a large number of people, a normal part of everyday life. As of 2020, there were 45 million active social media users in the UK, accounting for 66% of the population.⁴
15. While no definitive data demonstrates comparative usage, it would be fair to assume that national trends are reflected in Middlesbrough.
16. Social media is no longer simply a means of keeping in touch with friends and family, it now provides the standard by which people form and maintain social groups, and provides a key source for news consumption.
17. As such, social media can be an effective tool for elected officials that want to engage with and convey important messages to their respective communities. This is recognised by the LGA, which has published several guides and toolkits in this area.⁵
18. However, while social media can be advantageous for mass communication purposes it can also be used for nefarious purposes, with high-profile cases being so-called "fake news". Indeed, internet users today are generally less likely than in 2018 to validate online information sources, and one in ten do not consider the truthfulness of factual information they find online.⁶
19. The recent COVID-19 pandemic is an example of how an unwillingness or unpreparedness to analyse information on social media can lead to negative outcomes. The World Health Organization (WHO) has previously said that the,
- "...infodemic" surrounding Covid-19 spread just as quickly as the virus itself, with conspiracy theories, rumours and cultural stigma all contributing to deaths and injuries."*⁷
20. Although television remains the most popular platform for accessing news and information (75%), the internet is used by 65% of people. Further, whilst the use of social media as a source of news and information has recently declined, a significant proportion (35%) of people actively do so⁸.
21. Regardless of usage statistics, however, it is an unavoidable fact that digital means of communication is now a common, everyday, feature of most people's lives.

⁴ [Updated: The Latest UK Social Media Statistics for 2019 - Avocado Social](#)

⁵ [Councillors and social media | Local Government Association](#)

⁶ [Adults' Media Use & Attitudes report 2020 \(ofcom.org.uk\)](#)

⁷ ['Hundreds dead' because of Covid-19 misinformation - BBC News](#)

⁸ [Fewer people getting news from social media - Ofcom](#)

22. Communications, whether from Council employees or Elected Members, can also provide a mechanism for behavioural change. For example, Bath and North East Somerset Councils ran a communications campaign to target hard to reach areas in order to increase recycling usage. Results of this campaign showed a 28% increase in reported usage of mini recycling centres, which was supported by tonnage data.⁹
23. Whilst the growth of, and reliance upon, digital platforms is an inescapable feature of modern life, it is crucial that the content of those platforms is accurate, reliable and relatable. As has been demonstrated with recent events, it has never been more important to avoid “fake news”.
24. Naturally, improving the message, whether through tone and/or content needs to be replicated on other mechanisms, such as fit-for-purpose web infrastructure, that can facilitate the actions espoused on the social media message.
25. Controlling the message via communication plans is one facet of a wider issue; there is little point in controlling the message if the message itself is not fit-for-purpose. As previously described, it is recognised that more people have access, and pay attention to, information delivered via electronic means.
26. As a result, there needs to be a quality in its content that conveys an effective message. Different organisations will adopt different styles to suit their audiences and subject matter, whether this be through appealing illustrations or humour. For example, the Museum of English Rural Life social media account, when edited by Adam Koszary, posted content appropriate material in relatable language in order to appeal to a wider audience via shares and re-tweets outside of its core demographic:



27. Appropriate content for Members’ communications has been raised previously and, whilst training for Members has been explored, it is important that such training is not only refreshed,

⁹ [Improving recycling through effective communications \(zerowastescotland.org.uk\)](http://zerowastescotland.org.uk)

but delivered regularly. This is particularly pertinent given the availability of digital platforms, and to ensure that Members are kept as up to date as possible. Assurance of high-quality communications by Members would complement the marketing team's wider approach.

28. The Panel heard that concerns had been raised by Members regarding the transmission of important communications, sometimes affecting Members' wards, without prior consultation. Some Members had commented they had read about initiatives on social media before being formally told, including Boho X; the new campus for the Northern School of Art; and Urban Park. It was felt that communicating in such a way degraded transparency and left the decision making process open to criticism.
29. There has been a notable shift in communications emanating from outside the Council's formal communications arrangements.
30. Whilst publicity about the Council and the work it carries out are welcome, Members are concerned that without a formal and consistent approach to communications there is a risk information is driven by the few not the many. The introduction of a formal communication structure for Elected Members (to complement the above mentioned communications plan) would not inhibit communications, but instead ensure consistency and equity of the message.
31. Whilst the communications plan would direct and structure messages, it is equally important that all Members adhere to communication best practice principles, as well as Member behaviour in accordance with the Code of Conduct.
32. Ensuring direction, consistency and appropriateness of Members' communications will require entrenchment within the Council's existing constitutional framework. Doing so will complement other mechanisms which, when combined, will provide flexibility and security for all Members and staff in the communications process.
33. The Council has both a Social Media Policy and IT Use Policy, both of which contain important information about proper conduct via electronic means. The Council is currently revising its Member Code of Conduct in line with the LGA's Model Code of Conduct, which was released in May 2021. As such, the Panel is keen to ensure the principles of these existing policies are reflected in the revised Code.

CONCLUSIONS

34. The Scrutiny Panel reached the following conclusions in respect of its investigation:
35. It is undeniable that we live in an information age where competing voices struggle to have their message heard. It is therefore critical that the Council takes appropriate action to ensure that its communications resonate with its residents.
36. From an operational perspective, the introduction of a communications plan that aligns with the Council's strategic priorities will help keep the message relevant and informative.
37. Politically, there will always be a difference of opinion between Members and they should be free to avail themselves of media platforms to promote Middlesbrough where possible. However, a mechanism should be implemented that all Members are bound by, which ensures the quality and equity of the messages being transmitted.

RECOMMENDATIONS

38. As a result of the information received, and based on the conclusions above, the Ad Hoc Scrutiny Panel's recommendations for consideration are as follows:

1. That a communications plan be implemented that aligns with the refreshed Strategic Plan 2021-2024 to ensure consistency and direction of council communications.
2. To ensure Members are well versed on social media etiquette; a training package be delivered to Members on the appropriate use of social media. Training should be carried out as a mandatory requirement on an annual basis (minimum).
3. That the principles of proper behaviour on social media be reflected in the revised Member Code of Conduct; and
4. As a corollary of recommendations one and two; a framework be developed to provide clarity to all Members on the appropriate use of social media.

ACKNOWLEDGEMENTS

39. The Ad Hoc Scrutiny Panel would like to thank the following for their assistance with its work:

- Andrew Glover – Head of Marketing and Communications, Middlesbrough Council; and
- Tony Parkinson – Chief Executive, Middlesbrough Council.

ACRONYMS

40. A-Z listing of acronyms used in the report:

- LGA – Local Government Association

BACKGROUND PAPERS

[Councillors and social media | Local Government Association](#)

[Strategic communications in local government – the challenges and opportunities | Local Government Association](#)

[How fake news has exploited COVID-19 \(pwc.co.uk\)](#)

[Checklist for councillors | Local Government Association](#)

[Adults' Media Use & Attitudes report 2020 \(ofcom.org.uk\)](#)

**COUNCILLOR JANET THOMPSON
CHAIR OF THE AD HOC SCRUTINY PANEL – 2020/2021**

**COUNCILLOR MICHAEL SAUNDERS
CHAIR OF AD HOC SCRUTINY PANEL – 2021/2022**

The membership of the Scrutiny Panel over the course of the review was as follows:

Ad Hoc Scrutiny Panel 2021/22

Councillors; D Coupe, C Dodds, T Higgins, J Hobson, J McTigue, D Rooney and M Storey.

Contact Officer:

Scott Bonner / Chris Lunn

Democratic Services

Telephone: 01642 729708 / 01642 729742

Email: scott_bonner@middlesbrough.gov.uk / chris_lunn@middlesbrough.gov.uk