

OVERVIEW AND SCRUTINY BOARD

A meeting of the Overview and Scrutiny Board was held on Wednesday 20 October 2021.

PRESENT: Councillors M Saunders (Chair), A Bell, D Coupe, D Davison, A Hellaoui, C Hobson, C McIntyre, J Platt, J Thompson and S Walker

PRESENT BY INVITATION: Councillor Eric Polano (Executive Member for Regeneration)

OFFICERS: C Breheny, T Parkinson, G Cooper, C Benjamin, A Hoy, R Horniman, I Wright, A Humble, P Stephens and S Bonner

APOLOGIES FOR ABSENCE: Councillors T Mawston, D McCabe and M Storey

20/34 **DECLARATIONS OF INTEREST**

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

20/35 **MINUTES - OVERVIEW AND SCRUTINY BOARD - 8 SEPTEMBER 2021**

The minutes of the Overview and Scrutiny Board meeting held on 8 September were submitted and approved as a correct record.

20/36 **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

20/37 **EXECUTIVE MEMBER UPDATE: EXECUTIVE MEMBER FOR REGENERATION**

The Executive Member for Regeneration, Cllr Eric Polano, was in attendance to update the Board on his aims and aspirations, progress made to date and to highlight any emerging issues relating to his portfolio. The Director of Regeneration was also in attendance.

As part of his update to the Board, the Executive Member for Regeneration explained that his portfolio did not neatly match the way in which services were structured and the slides included in his presentation showed the way the portfolio was set out and how services were structured.

It was explained that the main areas of the portfolio were as follows:-

Transportation – designing how people get about (not the maintenance of the roads)
Inward investment – attracting money, people and jobs into Middlesbrough
Economic development – growing the jobs available in the town
Housing development – increasing the options for people wanting to live here
Planning – managing the long term look and functionality of the town
Building control – ensuring things were built correctly and safely

In terms of changing the town centre one of the main areas of focus was on converting Captain Cook Square into a leisure destination. Currently the town centre had too much retail space and insufficient leisure space. The Council had therefore purchased Captain Cook Square in an effort to redress the balance.

In respect of developing the concept of urban living it was explained that Middlehaven was the focal point for a significant amount of investment to create more houses and apartments for people wanting to live in the centre of town.

Boho X was another key area of focus and would deliver sixty thousand square feet of commercial space for the digital sector. In addition the Council was currently refurbishing the Captain Cook Pub and work would soon commence on the Old Town Hall to bring these buildings back to life.

Clearing up eyesore sites and properties was another high priority and it was advised that the Council was investing in buying up eyesore sites and properties that were blighting local communities. In terms of the Future High Streets Fund and the Towns Fund Middlesbrough had received in the region of £35m to spend on changing the town centre and Middlehaven, as well as some other parts of the town. Delivering housing growth was a further area of focus and the Council was working with house builders to deliver 400-500 new homes each year.

The Executive Member for Regeneration advised the Board that in respect of his own personal priorities the areas that he was most passionate about driving through were dealing with the eyesore sites and properties and getting more people into the town centre. It was advised that the Council had invested £1m into working with Middlesbrough Development Company (MDC) to buy up or refurbish properties in local communities that were ruining people's lives. The Council was looking to tackle as many of these as possible and clean up some of the worst streets.

In terms of getting people into the town centre it was emphasised that there was a real need to encourage people to use the town centre again. However, we could no longer rely on people coming into the town centre to shop, as they would never do that in those numbers again.

In respect of what would be achieved over the next year it was anticipated that the following projects would be realised:-

- Captain Cook Square re-let to leisure operators
- Boho X open and occupied
- Hundreds of new homes underway in the centre of town
- Captain Cook pub brought back into use
- New community centres at Southlands and Nunthorpe
- Middlesbrough Station refurbished for the new London train
- Exchange Square regenerated
- New commercial space built on Centre Square (Melrose House site)
- Small sites brought back into use
- Tollesby shops replaced by new apartments
- Some key derelict properties brought back into use

Following the update in respect of the regeneration portfolio, Members were afforded the opportunity to ask questions.

A Member enquired as to whether there was an intention to address the issues of eyesore business properties, for example, on Wilson Street. As although these were not the Council's responsibility and they were the responsibility of private businesses and private landlords the Council's efforts to renew areas of the town centre would be negated if neighbouring properties already in a state of disrepair were not improved. The Executive Member for Regeneration advised that efforts were being made to contact owners of derelict properties and encourage them to undertake the necessary repairs to their premises in the first instance. If efforts were unsuccessful then the Council would consider other options including purchasing / renovating the premises.

A Member of the Board queried the level of focus on the town centre to the detriment of other areas and the lack of infrastructure that was provided when new developments were approved. However, it was appreciated that the financial resources available to the town were limited and therefore had to be spent wisely.

In respect of the proposals for the development of the town centre and increased emphasis on

the inclusion of leisure provision it was queried whether there was sufficient focus on retaining the current retail provision. The Executive Member of Regeneration advised that he fully appreciated the concerns raised, however, footfall in the town centre was declining and with the increase in online shopping and provision of out of town retail outlets future demand for town centre retail was forecast to decrease further. It was therefore imperative that action was taken now to diversify the offer available within the town centre. The Council therefore needed to accept that there would be a lot less demand for town centre retail in the future.

A Member of the Board made reference to the refurbishment of the Captain Cook pub and whether the intention was for the premises to operate as a pub once it was refurbished. It was advised that the intention was for the restoration to return the premises to a shell whereby an interested party could adapt the premises to meet its needs. Various proposals had been received recently including a proposal for the premises to be operated as a bistro; to be used as a headquarters for a digital company and to be converted into residential accommodation. Once the restoration work had been completed it would be put out to the open market, in order for expressions of interest to be received.

In terms of the restoration work undertaken by the Council in respect of the Captain Cook pub it was advised that once on site it had become apparent that more work was needed than initially envisaged. The Council was therefore undertaking the necessary works to ensure that all the mechanical and electrical issues had been addressed, as well as the refitting of the windows and the total cost would be in the region of £1.1m. This included Council capital that was approved previously, as well as some Town Fund investment funding.

In response to a query regarding the future development of Captain Cook Square it was advised that consultation with local residents would be undertaken prior to any approval of leisure developments.

In response to a query regarding the future of the Civic Centre site, Gurney House and Centre North East it was advised that the Council was currently working with the owners of both Gurney House and Centre North East to try and bring the premises back into use. The Council had resources available to it through the Towns Fund to help gap fund some of the viability issues in respect of those two buildings. The sheer size of the buildings did present a challenge as a trying to find one solution that worked at that scale was very difficult. There was the potential to convert one of them into a hotel, residential properties or a modern office, however, the level of investment required would be significant.

In respect of the Civic Centre it was advised that when the Council moved to Fountain Court in 2022 the Civic Centre site and building would be seen as a development opportunity. It was unknown at this stage as to whether the building would be presented to the open market first and then if there were no viable options the site second was yet to be resolved.

Reference was made to eyesore properties and specifically Douglas House and it was queried as to what was envisaged for this particular property. The point was also made that although there was a real need for eyesore properties in certain areas of the town to be addressed, for example in North Ormesby, the south of the town also required attention. In response it was acknowledged that the £1m recently set aside to tackle eyesore properties would not be sufficient to address all of the issues across the town. However, the need for work to be undertaken in respect of eyesore properties across the town was acknowledged.

In respect of Douglas House the Council had recently re-engaged with the owners of the property and owing to the availability of grant funding through the Towns Fund there was a possibility to utilise some of that support to close the viability gap and bring a proposal forward.

Reference was made to ambitious aims for 2021/22 and whether there was sufficient funding available for all of these projects to be realised. In respect of the projects referenced in was advised that these had been fully costed and funded to varying degrees. It was anticipated that these projects would be realised over the next year.

Clarification was sought in respect of the investment in addressing eyesore properties. It was confirmed that £1m had been set aside to tackle residential eyesore properties and a further £1m had been assigned to addressing issues with commercial properties.

In response to a query regarding the potential for a 4000-5000 seated arena to be developed in Middlesbrough it was advised that over the year's consideration had been given to the feasibility of developing an arena in the town. Specialists had recently been employed to advise the local authority of the possible viability of such a proposal.

Reference was made to the high cost of bus fares at the moment and it was queried as to whether the Council regularly liaised with the bus companies in respect of such issues. It was confirmed that regular meetings with the bus companies were held, however, the bus companies were commercial operators and there was minimal influence the Council could have on the setting of fares.

The Chair thanked the Executive Member for Regeneration and Director of Regeneration for their attendance and contributions to the meeting.

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

20/38

CHIEF EXECUTIVE'S UPDATE

The Chief Executive was in attendance and provided an update to the Board in respect of the following:-

- COVID-19 update
- Executive update
- LMT update
- Chief Executive briefing staff feedback

In terms of the latest local COVID-19 data, as at 18 October 2021 the rolling seven-day rate of cases per 100k of the Middlesbrough population was as follows:

- 76 new cases had been added to the system on 18 October 2021;
- 557 new cases had been diagnosed in the last seven days;
- 395.1 rate per 100k of population (last seven days); and
- 302.20 COVID-19 deaths per 100k population.

Reference was made to the vaccination rates and to date 65.4% of over 12's in Middlesbrough had received 2 doses of the vaccine. In terms of vaccination by age range 9.6 % of young people in Middlesbrough aged 12 to 15 had received 1 dose of the vaccine and the vaccination rates increased with age. For example, 87.3 % of people aged 55 to 59 in Middlesbrough had received 2 doses of the vaccine and 94.2 % of people aged over 80 had received their 2 doses. It was emphasised that the number of over 50's unvaccinated in Middlesbrough was 8.2 %, which equated to 4,335 people and this was the area of greatest concern.

In relation to the Executive decisions taken recently it was noted that a number of reports had been considered. These included; a report on Middlehaven; the expansion of Middlesbrough College; Community Environmental Initiatives; Council Tax Reduction Scheme; Fountain Court and Centre Square Office development.

In respect of the current LMT strategic items it was advised that the focus was on poverty / social exclusion; reoccupation / Fountain Court; values / staff engagement; 2022/23 budget preparation; performance management and locality working.

Reference was made to the feedback received from staff in respect of the Chief Executive's staff briefings and it was noted that over 95% of staff rated the briefings as very good / good overall; over 90% rated the relevance and usefulness of the content of the briefings as very good / good overall; over 90% rated the opportunity to ask questions at the briefings as very good / good overall and over 70% had opted for the briefings to be continued virtually in the future with over 20% opting for a mix of virtual / in person. It was anticipated that the briefings would continue to be held virtually but on a six monthly basis an in person event would be held.

The themes from the free text responses to the Chief Executive staff briefings were provided and these included the following:-

- Staff valued hearing direct from the top
- Staff wanted the same level of engagement at Directorate level
- Subjects that staff were particularly interested in were; Strategic Priorities; Reoccupation; LMT thinking

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

A Member of the Board made reference to the fact that the take up of the COVID-19 vaccination by young people had been slow and queried whether there was any reported cases of young people in Middlesbrough being hospitalised with COVID-19. In respect of the older generation it was also queried as to whether people were being formally invited to receive their booster vaccinations or whether there was an expectation for them to present at vaccinations clinics. In response it was advised that there had been no significant hospitalisation of any children in Middlesbrough with COVID-19. The data showed that currently there were 3 children in James Cook University Hospital under the age of 19 with COVID-19.

In terms of the booster where individual had been inoculated and were over the age of 50 they were receiving invitations for their boosters.

In respect of the information provided by the Chief Executive, as part of his regular update to the Board, the view was expressed by Members that the information provided was extremely useful and informative and should continue.

Reference was made to the high number of cases of COVID-19 currently amongst the younger cohort and whether any action was being taken within schools to encourage take up of the vaccine. The Board was advised that work would be undertaken and there was currently discussions taking place across the whole of the North East in respect of this issue. A proposal had been put forward that a joint communication across all twelve local authorities be issued. However, it was felt that some of the communication material was not necessarily Tees centric and it may be more effective to adopt a more sub regional approach. A discussion was currently taking place amongst the Chief Executives of the Tees Valley to determine whether action should be taken on a Tees Valley footprint.

In terms of schools undertaking work to encourage young people to take up the COVID-19 vaccine a Member of the Board queried the ethical validity of schools undertaking this role and their entitlement to do that.

The point was also made that anecdotally the take up of vaccines and boosters at the pop up vaccination centre at Newport Hub today had been fantastic and more of these events should be held. Positive feedback was also provided in respect of the introduction of locality working and the view was expressed that there would be real benefits in adopting this approach throughout the town.

Reference was made to the Council Tax Reduction Scheme and the point was made that there was a real need for a reduction in the cost of Council Tax for those people facing financial deprivation across the town. However, in order to finance the scheme it was queried as to whether the overall cost of Council Tax increased for other people within the town. In response it was advised that the two were not related and it was simply a case of the amount of funding the Council received for Council Tax support would be used in a more efficient and effective manner.

In terms of the current thinking by LMT in respect of poverty the view was expressed that there could be real benefits in involving the relevant ward Councillors on any working group that had been established to look in further detail at this issue. In response the Chief Executive advised that there would be merit in establishing an all-party working group to contribute specifically to this agenda.

In response to a query regarding the town's preparations for any future rise in the number of COVID-19 cases it was acknowledged that there was the potential for cases to increase with the onset of winter. However, the Council was more than capable of responding to any spike in cases based on the experience gained throughout the pandemic to date. Although it was acknowledged that at this stage the future trajectory of COVID-19 cases over this forthcoming winter period was unknown. The Board was advised COVID-19 still presented a danger and

the Council would be doing everything possible to encourage everyone to minimise the risks of infection wherever possible.

Reference was made to the £150,000 investment in the Community Environmental Initiatives over the next 3 years and further information was requested in respect of this scheme. The Board was advised that the money would be used for Community led environmental initiatives and a report would be available for Members perusal.

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

NOTED

20/39 **SCRUTINY CHAIRS UPDATE**

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

NOTED

20/40 **CULTURE AND COMMUNITIES SCRUTINY PANEL - FINAL REPORT - CULTURAL EVENTS IN MIDDLESBROUGH**

The recommendations to be submitted to the Executive were:

1) To enhance and strengthen community cohesion, cultural events traditionally held in the town centre should be delivered within communities where possible. Ideally this should take place with at least some elements of the Christmas 2021 celebrations.

2) Given its growing cultural and financial significance the Council should work with relevant third parties, including charities and the private sector, to introduce eSports as a regular and high profile cultural event. Where possible this should relate to wider leisure initiatives the Council is currently involved in.

3) Future leisure developments in the town centre should look to include opportunities for associated hospitality venues, such as an eSports business.

4) In order to attract a wider audience; the Council should continue to work with Teesside University so that the Town Hall can be used as a venue for the Animex Festival, ideally for the event held in 2022.

5) To attract audiences that sit outside Middlesbrough's local boundaries; the events team should explore how to exploit virtual event delivery by having an on-line component.

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

20/41 **REVENUE AND CAPITAL BUDGET – PROJECTED OUTTURN POSITION AS AT QUARTER ONE 2021/2022**

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 2021/22 Revenue budget for the Council was £116,492,035. The Council's outturn position for 2021/22 for non-Covid-19 elements was projected to be an overspend of £1.717m (1.5%). It was anticipated that there would be a potential financial pressure due to COVID-19 of £2.036m in 2021/22. The total projected outturn at the end of the year was £3.753m;
- The total projected overspend in 2021/22 would be covered by the full utilisation of the Social Care Demand Reserve of £0.5m and the Children's Services Demand Reserve of £0.732m, which were created at the end of 2020/21. The remaining £2.521m of the

total projected outturn pressure would be funded from the £4.512m Covid Recovery Reserve, which was created during 2020/21 to cover the potential costs arising from the Covid-19 recovery in 2021/22 and future years;

- Paragraphs 80-100 of the report detailed expenditure against the Investment Strategy, which had a revised budget of £93.716m. The current latest estimated outturn for 2021/2022 was £82.029m;
- Paragraph 101 of the report indicated that borrowing had reduced by £1m in Q1 to £217.8m;
- Total reserves were detailed in paragraph 108, which showed projections for 2021/22 to be £33.8m.
- Appendix 1 of the report detailed virements; Appendix 2 showed the revised Investment Strategy which would be used from this point onwards.

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

A Member queried as to what issues the Board should be most concerned about at present in respect of risk and unforeseen eventualities. It was advised that one of the emerging risks was in relation to energy inflation and whether that would filter through and become a longer term pressure, the legacy of COVID-19 on income was another key potential risk factor. The MTFP for next year was currently being prepared and those issues were being considered. The financial implications for the Council resulting from the new Health and Social Care Bill was another unknown at this stage, although it was anticipated that more detailed information would be available following the forthcoming Government Spending Review and Local Government settlement.

Reference was made the Environment and Community Services overspend and whether there was potential for that money to be pulled back over the course of this financial year. It was explained that the overspend was a result of the kerbside recycling company entering administration, which had generated a financial pressure of £500,000. The contract for kerbside recycling was currently out to tender and it was hoped that savings would be achieved following that process. Another risk in this area was the Integrated Transport Unit, as to a lack in the availability of taxi drivers increased costs were being incurred. Efforts were being made to pull back on costs but there were real challenges.

In response to a query regarding the problem recruiting HGV drivers it was advised that at present it was not impacting on the Council's provision of waste services. However, the query would be referred to the Director of Environment and Community Services for further information.

The amount of expenditure on Council purchase cards was queried and it was advised that some up to date information on this type of expenditure would be provided to the Board.

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 actions be undertaken.

20/42

STRATEGIC PLAN 2021-2024 – PROGRESS AT QUARTER ONE 2021/2022

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

- This Q1 update was in respect of the Strategic Plan, which covered the period April – June 2021, and which was presented to Executive on 7 September 2021;
- On 24 February 2021, full Council approved a Strategic Plan for 2021-24, setting out nine strategic priorities for this period. At its meeting of 11 May 2021, the Executive agreed an associated set of outcome measures linked to these priorities and a supporting workplan to deliver sustained improvement up to and beyond 2024.
- At the end of Q1, 15 of 24 (62.5%) of Strategic Plan outcomes were on target against the corporate standard of 75%. At the end of Q1, there were three 'Red Red' outcomes i.e. those not currently projected to meet target and with performance worsening.
- Details in respect of the 'Red Red' outcomes were outlined; the combined crime and anti-social behaviour rate per 1,000 people increased very significantly in Q1 to 55.07, up from the Quarter Four 2020/21 baseline of 44.1, taking performance well away

from the 2024 target of 43.6; the crime rate in June 2021 was the town's second highest in the past five years, driven by acquisitive crime in Central ward as retail reopened following the relaxation of COVID-19 restrictions; town centre vacancies increased and the current estimated vacancy rate was 17.8%, some way from the 2024 target of 13.25%; the household recycling rate dropped to 28.6% at the end 2020/21 from 33.1% in 2019/20 (and 33.7% in 2018/19), some way from the 2024 target of 35%.

- Strategic risks – the total number of risks on the Strategic Risk Register remained at 35, comprising 20 high risks, 14 medium and one low risk, with no risks added or closed off during the quarter;

The Chair thanked the Head of Strategy, Information and Governance and the Strategic Delivery Manager for their attendance and contribution to the meeting.

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

20/43

SCRUTINY CHAIRS' TRAINING

The Democratic Services Officer advised that reference had made at the recent Constitution and Members' Development Committee to Chair / Vice Chair training for Scrutiny Chairs. In light of the discussion a mandatory training session would be scheduled for Scrutiny Chairs / Vice Chairs by the end of November 2021.

It was emphasised that mandatory training for the Chairs of the relevant Children's Scrutiny Panel's was also included as part of the Council's agreed OFSTED Improvement Plan and must be undertaken on an annual basis. A day time and evening training session would be provided, in an effort to accommodate any Members working full time or with child / carers responsibilities. The training sessions would be held virtually.

AGREED that information in respect of the proposed dates be circulated and Chairs / Vice Chairs confirm their availability to attend the sessions.