

EXECUTIVE

Date: Tuesday 8th November, 2022
Time: 1.00 pm
Venue: Mandela Room

AGENDA

- | | | |
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| 2. | Declarations of Interest | |
| 3. | Minutes - Executive - 18 October 2022 | 5 - 12 |

THE MAYOR

- | | | |
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| 4. | Medium Term Financial Plan Update and Budget Savings Proposals 2023/24 | 13 - 36 |
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EXECUTIVE MEMBER FOR FINANCE AND GOVERNANCE

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DEPUTY MAYOR AND EXECUTIVE MEMBER FOR CHILDREN'S SERVICES

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EXECUTIVE MEMBER FOR ADULT SOCIAL CARE, PUBLIC HEALTH, PUBLIC PROTECTION, AND DIGITAL INCLUSION

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| 11. | Approval of the Taxi Licensing Policy 2022 | 179 - 412 |
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EXECUTIVE MEMBER FOR REGENERATION

- | | | |
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| 12. | Planning and Building Control Fees | 413 - 430 |
| 13. | Any other urgent items which in the opinion of the Chair, may be considered. | 431 - 432 |

Charlotte Benjamin
Director of Legal and Governance Services

Town Hall
Middlesbrough
Monday 31 October 2022

MEMBERSHIP

Mayor A Preston (Chair), Councillors B Cooper, D Coupe, TA Grainge, S Hill, L Mason, E Polano, M Smiles and S Walker

Assistance in accessing information

Should you have any queries on accessing the Agenda and associated information please contact Chris Lunn / Scott Bonner, 01642 729742 / 01642 729708, chris_lunn@middlesbrough.gov.uk / scott_bonner@middlesbrough.gov.uk

EXECUTIVE

Date: 8 November 2022

Time: 1.00 p.m.

Venue: Mandela Room

MEMBER	IN ATTENDANCE
Mayor A Preston	
Councillor B Cooper	
Councillor D Coupe	
Councillor T Grainge	
Councillor S Hill	
Councillor L Mason	
Councillor E Polano	
Councillor M Smiles	
Councillor S Walker	

Present by invitation:

MEMBER	IN ATTENDANCE
Councillor M Saunders Chair of the Overview and Scrutiny Board	

Present as an observer: Members signatures only

NAME	IN ATTENDANCE (please tick)
OFFICER	IN ATTENDANCE (please tick)
M Adams	

C Benjamin	
R Brown	
S Butcher	
G Field	
R Horniman	
T Parkinson	
S Reynolds	
E Scollay	
H Seechurn	

MEMBERS OF THE PUBLIC	IN ATTENDANCE (please tick)

EXECUTIVE

A meeting of the Executive was held on Tuesday 18 October 2022.

PRESENT: Mayor A Preston (Chair) and Councillors B Cooper, D Coupe, TA Grainge, S Hill, L Mason, E Polano, M Smiles and S Walker

PRESENT BY INVITATION: Councillor C McIntyre

ALSO IN ATTENDANCE: Councillors C Cooke and A Hellaoui, G Cooper, E Craigie (Teesside Live), A Hoy and A Humble

OFFICERS: G Field, J Hedgley, R Horniman, T Parkinson, A Perriman, H Seechurn and S Reynolds

APOLOGIES FOR ABSENCE: None

22/36 **DECLARATIONS OF INTEREST**

Name of Member	Type of Interest	Item/Nature of Interest
Mayor Preston	Prejudicial	Agenda Item 9 - Consultation on the Proposal to Designation the Newport 2 Area for a Selective Landlord Licensing Scheme Interest in a business that owns houses in the Newport 2 Area
Councillor B Cooper	Prejudicial	Agenda Item 9 - Consultation on the Proposal to Designation the Newport 2 Area for a Selective Landlord Licensing Scheme Owns property in the Newport 2 Area

22/37 **MINUTES - EXECUTIVE - 6 SEPTEMBER 2022**

The minutes of the Executive meeting held on 6 September 2022 were submitted and approved as a correct record.

22/38 **50 FUTURES EXPANSION**

The Executive Member for Regeneration and the Director of Regeneration and Culture submitted a report for Executive’s consideration.

The aim of the report was to inform members of the progress of the 50 Futures Work Experience Project and to provide an overview of the plans to expand the project externally with local employers.

50 Futures was developed as part of the Opportunity Middlesbrough strategy to support residents across the town to experience high quality work placements across a range of departments internally within the Council. The programme began in April 2019, with a target to engage 100 residents by March 2020.

In March 2020, the project was paused due to the Covid-19 Pandemic, which led to reduced engagement and limited access to internal placements as the whole country was placed in Lockdown.

50 Futures was working with 18 small local businesses who were providing work experience placements. The feedback from the businesses had been very positive and as a result of 50 Futures placements, 37 participants had been employed by external businesses. An employer section on the website was currently being developed which would allow employers to express an interest in the programme and find out how to get involved.

OPTIONS

No other options were considered as part of the report.

ORDERED

No decision was required for this report, it was to inform members on progress and future actions.

REASON

No reasons were considered as part of the report.

22/39

POOLE HOSPITAL DEFINITIVE MAP MODIFICATION ORDER

The Executive Member for Environment and the Director of Environment and Community Services submitted a report for Executive's consideration.

The Council had a statutory duty to promote the modification of the Definitive Map and Statement, by way of a Definitive Map Modification Order if evidence was discovered which suggested that public rights subsisted or were reasonably alleged to subsist along the line of the route.

The Council's Public Rights of Way Officer had looked into the history of the route and had searched for any available evidence, which would demonstrate that public rights had been shown to exist under Section 31 of the Highways Act 1980; and at Common Law by showing that the landowner, at some time in the past dedicated the way to the public either expressly, the evidence of the dedication having been lost, or by implication making no objection to use by the public of the way.

Having considered all of the available evidence, the officer was satisfied that the evidence was sufficient to satisfy the requirement under Section 53 (3)(c)(i) of the Wildlife and Countryside Act 1981.

OPTION

The Council had considered all available legal options to be able to record the route on the definitive map (see Appendix 1), and concluded that the most appropriate legal option would be a Modification Order under Section 53 of the Wildlife and Countryside Act 1981.

ORDERED

- 1. The Executive Authorises the Head of Legal Services to make an order under Section 53 of the Wildlife and Countryside Act 1981, to modify the Definitive Map and Statement by adding a footpath at the Poole Hospital estate in the parish of Nunthorpe.**
- 2. That the Order be confirmed by Middlesbrough Council as an unopposed Order if no objections or representations are received to the Order within the statutory timescales; or, if objections or representations to the Order are received that they be submitted by Middlesbrough Council to the Secretary of State with a request that the Order be confirmed.**

REASON

In most cases, it was usual for the Council to receive a claim to modify the Definitive Map from a member of the public, organisation or landowner but in some instances, the Council would also look to modify the Definitive Map where it found evidence.

Section 53 (3)(c)(i) was relevant in circumstances where the discovery by the authority (including through a third-party application), of evidence which showed that a right of way, which was not shown on the map and statement, subsisted or was reasonably alleged to subsist over land.

Thus, if a way was not shown on the Definitive Map but documentary evidence showed that a public right of way existed, or was reasonably alleged to exist, an application may have been made under this section for the path to be added to the definitive map and statement.

The s106 agreement and the Creation Agreement were supporting evidence to the question of whether the claimed route had been dedicated as a highway at common law.

It was therefore considered that the documentary evidence indicated that it was reasonably alleged the whole of the route (A-B-C-D-E-F) on the report map was dedicated as a public footpath.

Having considered all of the available evidence, the officer was satisfied that the evidence was sufficient to satisfy the requirement under Section 53 (3)(c)(i) of the Wildlife and Countryside Act 1981.

It was therefore considered that the Council should make a Definitive Map Modification Order to add the route A-B-C-D-E-F to the definitive map and statement as a Footpath.

It was considered that if the Order made by the Council was unopposed, it should be confirmed by the Council and if the Order was opposed it should be forwarded to the Secretary of State with a request that it be confirmed.

22/40

FINANCIAL RECOVERY PLAN 2022-23

The Executive Member for Finance and Governance and the Director of Finance submitted a report for Executive's consideration.

The report set out arrangements by each Directorate to support the Council's financial recovery plan for 2022/23.

The Quarter One budget monitoring report to Executive on 6 September 2022 reported a forecast overspend of approximately £9m for 2022/23. This was mainly due to pressures relating to additional inflation, the increased pay award, and increased demand, placement and agency costs within Children's Services, all of which were unknown at the start of the financial year and were national issues.

Following that report, each Executive Member and Director had reviewed discretionary spending plans in their area for the remainder of the financial year. An overview was contained in the report and indicated the forecast overspend could be substantially reduced to approximately £1.6m. Work would continue throughout the remainder of the year to improve this position further, wherever possible, in order to mitigate the risk on reserves.

The Mayor commented that difficult decisions needed to be made in order to reduce any detrimental impact on the public.

Executive was asked to note the progress made and approve the recovery plan as outlined in the report.

OPTION

To not propose a recovery plan for 2022/23 would mean that the Council's financial health was severely and adversely impacted with a continuing overspend, and if not corrected the Council's spending would be unsustainable.

ORDERED

1. That an addendum be made to point 32 of the report to read “Any impact on the strategic priorities will be referenced in the quarter two strategic plan performance report to be presented to Executive on 8 November 2022.”
2. That Executive note the progress being made to recover the financial position in 2022/23 by each Directorate;
3. That Executive approve the recovery plan for 2022/23 as set out in the report; and
4. That Executive note that the recovery plan will be used as a benchmark for reporting future budget variations.

REASON

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

22/41

TOWN CENTRE STRATEGY

The Mayor and Chief Executive submitted a report for Executive’s consideration.

High streets and town centres had long been subject to a range of issues, such as the 2008 economic downturn, changes in consumer behaviour, and, more recently, the Covid-19 pandemic. Across the country rises in anti-social behaviour, begging, street crime and other nuisance were evident and as the most significant town centre in the Tees Valley, Middlesbrough was not immune to those issues.

The Council had ambition to create a bright future for the town centre, transforming it by providing more reasons for people to use the town centre to live, work, learn and enjoy leisure. Alongside the many exciting developments that were underway to achieve this it was vital that the town centre provided a clean and safe environment that encouraged people to return.

Perceptions of safety and crime rates significantly influenced the vitality and viability of a centre. Stable major brands and independent businesses were affected by these and if left unattended there was a risk that this would damage the Council’s progress in transforming, adapting and recovering the high street economy.

It was therefore critical that those issues were addressed by introducing additional, co-ordinated and dedicated resources under a single point of authority and responsibility. Working with partners and utilising available Tees Valley resource, it was proposed that a pilot programme be delivered at a cost of £1,120,000 over 2 years. Funding would be derived through a combination of Shared Prosperity (£520,000) and Indigenous Growth Funds (£600,000), with no call on core Council funds.

OPTIONS

No other options were considered as part of the report.

ORDERED

That the Executive:

1. Endorse the approach of the pilot scheme over 2 years; and
2. Approve Middlesbrough Council being the accountable body for Tees Valley external funding.

REASON

Detailed engagement and consultation with town centre businesses, residents and stakeholders had made it clear that perceptions of ASB and crime were considered a

significant barrier to existing businesses and inward investment.

Left unaddressed would mean no hope to transform, adapt and recover Middlesbrough's Town Centre economy.

22/42

FINAL REPORT OF THE CULTURE AND COMMUNITIES SCRUTINY PANEL - TOUGH ENOUGH? ENFORCEMENT IN MIDDLESBROUGH AND ITS IMPACT ON CRIME AND ANTI-SOCIAL BEHAVIOUR - SERVICE RESPONSE

The Culture and Communities Scrutiny Panel had undertaken a review of enforcement action in Middlesbrough and its impact on ASB and crime in the town. A copy of the full report was attached. The Scrutiny Panel had made six recommendations upon which a response was sought from the relevant service area.

The Executive Member for Neighbourhood Safety and the Director of Environment and Community Safety submitted a service response to the recommendations of the Culture and Communities Scrutiny Panel. A copy of the action plan was attached.

The Chair of the Culture and Communities Scrutiny Panel presented the final report to the Executive. The Executive Member for Neighbourhood Safety presented the service response.

ORDERED

1. **That the content of the Culture and Communities Scrutiny Panel final report on Enforcement in Middlesbrough and its impact on Crime and Anti-Social Behaviour (Appendix 1) be noted; and**
2. **The action plan (Appendix 2), developed in response to the Scrutiny Panel's recommendations, be approved.**

REASON

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

22/43

DESIGNATION OF THE NEWPORT 2 WARD AREA FOR A SELECTIVE LANDLORD LICENSING SCHEME

****At this point in the meeting the Mayor and Councillor Cooper declared prejudicial interests and withdrew from the meeting. The Deputy Mayor and Executive Member for Children's Services Chaired for this item.****

The Executive Member for Regeneration and the Director for Adult Social Care and Health Integration submitted a report for Executive's consideration.

Local authorities had powers to introduce Selective Landlord Licensing (SLL) schemes over a five-year period in areas with a high number of private rented properties, low housing demand, poor housing conditions, high levels of deprivation, crime and migration and/or significant and persistent anti-social behaviour associated with the tenants of private rented properties.

The purpose of such a scheme was to improve standards of property management in the private rented sector, and when combined with other measures, that should lead to improved physical, social and economic conditions.

Two SLL schemes operated in Middlesbrough; one in North Ormesby and the second in a selected area of the Newport ward (known as the Newport 1 scheme.) Newport ward continued to experience major challenges. A proposal document had been drawn up (Appendix A) presenting the evidence to show that the remaining area of the Newport ward (known as the Newport 2 scheme) met the legal criteria to be designated a SLL area.

Secretary of State approval was not required for SLL schemes that covered 20% or less of its geographical area or privately rented properties, provided that the authority had consulted for at least 10 weeks on the proposed designation. The schemes in Middlesbrough did not meet the threshold for Secretary of State approval. Executive approval was sought for a period of consultation to be undertaken on the proposal documents for a Selective Landlord Licensing

Scheme in the Newport 2 area.

Executive approval was required as the scheme was delivered via a legislative framework requiring organisational approval to start formal consultation on the Proposal for the Newport 2 scheme prior to implementation.

OPTION

1. **Do not designate and continue with the existing arrangements.**
Carry on with the existing arrangement using the current resources available without a dedicated SLL team. This would mean utilising the current staffing and regulatory roles and managing the area through the existing arrangements.

Without a dedicated SLL team the Council would not have the legal controls to hold landlords accountable for their tenant and property management, there would be no staffing resource to carry out mandatory tenancy referencing, proactive housing standards inspections, or to respond to the antisocial behaviour. This would continue to have an imbalance and difference in the approach between the two areas of the Newport ward.

2. **Do not designate the area and carry out alternative interventions.**
Alternatives to Selective Licensing were considered for other wards prior to the designation of the North Ormesby and Newport Selective Licensing areas. These included voluntary registration and the use of traditional enforcement tools. These would require significant additional investment by the Council to achieve any sustainable change across the area.

Alternative interventions would have still required a need to ensure that that proactive assessment of properties and an increased focus on renting and management practices was sustained. While Selective Landlord Licensing was not intended to be indefinite, a shift to an alternative non-regulatory approach or only relying on traditional reactive enforcement tools was not considered appropriate to sustain or progress the improvements achieved.

Traditional interventions did not provide the level of engagement with landlords necessary for the desired improvements. Landlord take up of previous accreditation schemes had been very low, they tended to only engage with responsible landlords who saw a value in being part of a scheme. An example of a non-mandatory scheme is the Stockton PLuSS model which was run by landlords. Stockton Council figures showed that they had 80 members for this scheme with 539 properties and not all landlords who opposed their SLL scheme joined the accredited scheme.

Short term proactive enforcement projects could have an impact but were not sustainable without significant investment from existing revenue budgets or grant funding.

It was proposed that the recommended action was the most appropriate course to ensure a sustainable and cost effective solution to improving management standards in the private rented sector in the designated Newport 2 area and that a formal consultation be commenced.

REASON

The reason for the recommendations were contained within the OPTIONS element of the report.

22/44

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

At this point in the meeting the Mayor and Councillor Cooper returned to the meeting. The Mayor resumed his position as Chair.

There were no other urgent items of business.

22/45 **EXCLUSION OF PRESS AND PUBLIC**

ORDERED that the press and public be excluded from the meeting for the following items on the grounds that, if present, there would be disclosure to them of exempt information as defined in Paragraphs 3 of Part 1 of Schedule 12A of the Local Government Act 1972 and that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

22/46 **EXEMPT - DEALING WITH MAJOR VACANT TOWN CENTRE PROPERTIES**

The Executive Member for Regeneration and the Director for Regeneration and Culture submitted a report for Executive's consideration.

ORDERED

That the recommendations of the report be approved.

REASONS

The decision was supported by the following reason:

For reasons outlined in the report.

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

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MIDDLESBROUGH COUNCIL	
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Report of:	Elected Mayor of Middlesbrough Director of Finance
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Submitted to:	Executive
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Date:	8 November 2022
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Title:	Medium Term Financial Plan Update and Budget Savings Proposals 2023/24
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Report for:	Decision
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Status:	Public
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Strategic priority:	All
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Key decision:	Yes
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Why:	Decision(s) will incur expenditure or savings above £150,000 and have a significant impact in two or more wards
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Urgent:	No
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Why:	
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Executive summary

The report provides an update to Executive of the Council’s Medium Term Financial Plan (MTFP) for the period to 2025/26, and the current estimated budget gap for 2023/24. It also sets out the proposed budget savings and other proposals, and proposed Council Tax increase for 2023/24, and notes that following Council on 30 November 2022 the proposals will be, where required, subject to public consultation.

The report requests that the Executive:

- Notes the updated Medium Term Financial Plan position for 2023/24 to 2025/26, and the potential budget gap of £10m to £20m in 2023/24, with £15m being the mid-case assessment
- Endorses the following measures to contribute towards the potential budget gap in 2023/24, and notes that this report will be presented to Full Council on 30

November 2022, with consultation to commence, where required, on 1 December 2022 and ending on 23 January 2023:

- the proposed budget savings and other proposals for the 2023/24 budget. These total £14.2m in the full year, of which £5.4m are deemed to potentially affect service delivery levels and will be subject to public consultation (as detailed in Appendix 2)
- the proposed total Council Tax increase of 2.99% for 2023/24 (comprising of a 1.99% increase in general Council Tax and a 1% Adult Social Care Precept), pending any future Government announcements regarding referendum limits

Purpose

1. This report provides an update to Executive of the Council's Medium Term Financial Plan (MTFP) for the period to 2025/26, and the current estimated budget gap for 2023/24.
2. The report sets out the proposed budget savings and other proposals, and proposed Council Tax increase for 2023/24, and notes that following Council on 30 November 2022 the proposals will be, where required, subject to public consultation.

Background and relevant information

Strategic Plan for the 2022-24 period

3. Full Council approved a Strategic Plan for the period 2021-24 on 24 February 2021, setting out nine strategic priorities for this period in the light of Covid-19 and other external factors, following consultation with local communities.
4. On 30 March 2022, Council was advised that an annual refresh for the Strategic Plan 2021-24 would not be brought forward and that as such the current plan would remain in place for the coming financial year.
5. The "Refreshing the Strategic Plan workplan for the 2022-24 period" report to Executive on 5 April 2022 approved revisions to the Strategic Plan workplan for the 2022-2024 period, to demonstrate progress towards and achievement of Council approved Strategic Plan outcomes.

Medium Term Financial Plan

6. The Council maintains a Medium Term Financial Plan (MTFP) that sets out the financial envelope that is necessary to achieve those aims and the savings necessary for living within those financial plans (budget savings). The MTFP:
 - accurately analyses the current financial climate and the medium-term horizon, including the range of spending pressures facing the Council;
 - addresses the budget savings requirements for the MTFP period;
 - focuses investment on growing the town's economic base to improve local prosperity, and secure a robust and independent income stream to fund the Council's services.
7. The Medium Term Financial Plan to the end of 2024/25 was included as part of the Revenue Budget, Council Tax, Medium Term Financial Plan and Capital Strategy 2022/23 report presented to Council on 23 February 2022.
8. Since the report to Council in February 2022, there have been a number of changes which require the Council's MTFP to be updated. As reported previously in the 2022/23 Quarter One Projected Outturn report to Executive on 6 September 2022, and in the 2022/23 Quarter Two Projected Outturn report to this Executive, there are a number of factors which have the potential to significantly impact on the Council's financial position both in 2022/23 and in future years. These factors were largely unknown at the start of 2022/23 and are national issues which are being experienced by all local authorities. The current economic climate is providing a very high level of

uncertainty for all local authorities. These can be summarised as follows, with further details being provided in paragraphs 15 to 52 below:

- Government funding uncertainty
 - Children's Social Care
 - Additional hyper-inflation and the cost of living crisis
 - Uncertainty around the level of the Local Government pay award
 - Economic uncertainty, in particular increasing interest rates
9. In light of the projected overspend for 2022/23 reported at Quarter One, Executive on 18 October 2022 approved a Financial Recovery Plan 2022/23 which was intended to reduce the projected outturn for 2022/23. This included certain discretionary expenditure being curtailed, the early implementation of fees and charges increases, additional controls around vacancy and agency staff, the setting up of a Children's Focus Group, and the implementation of the approved Flexible Use of Capital Receipts Strategy. The achievement of the Financial Recovery Plan 2022/23 is a risk impacting the 2023/24 budget, and Directors are working on delivering the Financial Recovery Plan and seeking further discretionary spend savings in 2022/23 in order to try to achieve a balanced budget in 2022/23 and minimise the risk on the 2023/24 budget.
 10. The MTFP was initially revised in July 2022 and since then a number of meetings have been held with Executive during the summer, and a meeting was also held with the Group Leaders of all the political parties on 13 October 2022 to provide elected members with an overview of the MTFP and to brief them as to current MTFP gap and options available to fund the 2023/24 budget gap.
 11. This report provides an update report to Executive, and then to Full Council on 30 November 2022, as part of the usual annual budget setting process. The report details the anticipated changes to the Council's financial position in the period to 2025/26 since the budget report to Full Council in February 2022, along with the main assumptions and risks contained within the updated MTFP.
 12. Following the thorough review of all the factors affecting the Council's financial position, it is currently estimated that there will be a budget gap of between £10m and £20m for 2023/24, with a mid-case assessment of £15m. In previous years a more accurate estimate would be provided at this stage, however this year it is only currently possible at this stage to provide a very wide range of estimates for the potential budget gap for 2023/24 due to the high level of uncertainty that exists regarding a number of the factors as mentioned above. Further updates will be provided of any major changes to the estimated budget gap during the period until the budget report is presented to Full Council in February 2023.
 13. It should be noted that the financial position faced by the Council is not unique to Middlesbrough, and a number of other local authorities have announced that they are currently facing budget pressures and similar levels of budget gaps in 2023/24.
 14. No estimates of the potential budget gap in 2024/25 and 2025/26 have been provided at this stage as part of this update, due to the high level of financial uncertainty surrounding future local government funding, and at this stage no additional budget savings are proposed to cover any potential budget gap in 2024/25 and 2025/26 until further information is received and estimates are more robust. The estimates and the

potential requirement for any further budget savings in 2024/25 and 2025/26 will be reviewed again in the budget report to Full Council in February 2023.

Budget Assumptions

15. The budget report to Full Council in February 2022 detailed the key assumptions made in the MTFP, and this report shows the major changes since February 2022, with the following paragraphs providing details.

Government funding

16. The Autumn Budget and Spending Review 2021 (SR21), published by the Government on 27 October 2021, set out the Government's spending plans for the lifetime of the parliament.
17. Whilst SR21 provided a number of indications of the level of funding that will be available for local government over the period, it did not provide full details of the funding mechanism, or confirm that a multi-year funding settlement would be provided to local authorities. It also did not provide individual funding allocations for each local authority. The amount of funding for local government each year will be confirmed and the allocation to individual local authorities will be announced as part of the Local Government Finance Settlement each year, which for 2023/24 is expected to be provisionally published in late December 2022 (no date has yet been announced) and confirmed in February 2023. This level of uncertainty means that future funding still remains one of the most significant risks to the Council.
18. SR21 announced additional funding for local government and additional funding was received for 2022/23 as part of the Local Government Financial Settlement for 2022/23, however this was largely one-off for 2022/23 only and was not recurring. This was announced at a time of a stable economy and the economic circumstances have now changed.
19. Also, since the February 2022 budget report there have been numerous changes in senior positions within the Government leading to a continuing state of flux within the Government and a lack of any meaningful Government announcements regarding funding for local government both in the short term and in the future. At the time of writing, we are awaiting a statement on the Government's Medium Term Fiscal Review.
20. These factors and the level of uncertainty that exists remains one of the most significant risks to the Council.
21. Currently the following other assumptions regarding government funding have been made in the updated MTFP:
 - That there will be no increase or decrease to the current levels of Revenue Support Grant (RSG) and Business Rates Top Up Grant in 2023/24 and future years, apart from the application of inflationary increases
 - That currently there are no major changes to other grant assumptions outlined in the report to Full Council in February 2022.

22. The estimates of government funding will be revised when further information is available from the provisional Local Government Finance Settlement, which is expected in late December 2022, and this may mean changes are required to the Council's budget for 2023/24. These will be further updated in the 2023/24 budget report to Full Council in February 2023 upon receipt of the final confirmed Local Government Finance Settlement for 2023/24.
23. The Government have announced that the potential re-set of business rates retention of 75% (from the current 50%) and the introduction of a new "fair funding" formula for local government will now not take place within the period of the current Spending Review. Also, very few further details of the Government's "levelling-up" agenda have been provided to date. The key for Middlesbrough, as with other local authorities, will be the detail of the new systems and in how the new formulae are derived. The extent to which deprivation is recognised as a key cost driver for service need, in particular for adults and children's social care and public health, will be vital.
24. Notwithstanding the high levels of uncertainty regarding future Government funding, the Council's budgetary assumptions are based on the most up to date reliable information.

Local funding increases – Council Tax and Business Rates

25. The Revenue Budget, Council Tax, Medium Term Financial Plan and Capital Strategy 2022/23 report to Full Council on 23 February 2022 assumed that the Council would apply a 1.99% increase per year in the core general element of Council Tax in both 2023/24 and 2024/25.
26. In SR21 the Government indicated that the Adult Social Care Precept, which was allowed in previous years, will apply again in 2022/23, 2023/24 and 2024/25 (at a maximum increase of 1% per year). This in previous years has allowed Councils with Adult Social Care responsibility to increase their Council Tax by a set amount to help pay for the increased costs of Adult Social Care.
27. Therefore, following discussions with Executive regarding the Council Tax increase for 2023/24, Executive Members have indicated that their current recommendation is that the Council adopts a 1.99% increase in the core general Council Tax for 2023/24, and also an increase of 1% for the Adult Social Care Precept, meaning a total proposed Council Tax increase of 2.99% for 2023/24. This is an increase from the previous assumption of a 1.99% increase, but is in line with Government expectations as announced in SR21.
28. Executive Members have made this decision in order to reduce the additional budget savings that are required to be made in setting the budget for 2023/24. Also, it reflects the fact that the Government are likely to assume that the Council will increase its Council Tax by this amount in their calculation of the Council's Core Spending Power, which is a measure of how much the Government believes the Council can raise from Council Tax and that it has available to spend.
29. It should be noted that each 1% increase in Council Tax produces estimated additional income to the Council of approximately £650,000 per annum.

30. The effect of the proposed total Council Tax increase to 2.99% in 2023/24 on the Middlesbrough Council only element of the Council Tax (excluding Fire, Police and Parish precepts) for Band A and Band D properties is shown in the table below:

Band	2.99% increase	
	Annual (£)	Weekly (£)
A	36.07	0.69
D	54.11	1.04

31. In SR21 the Government announced that the referendum threshold for increases in Council Tax is expected to remain at 2% per year for 2022/23, 2023/24 and 2024/25. In addition, local authorities with social care responsibilities are expected to be able to increase the Adult Social Care precept by up to 1% per year over this period. The Department for Levelling Up, Housing and Communities (DLUHC) will set out full details of the Council Tax referendum principles and proposed approach to allocating grant funding through the Local Government Finance Settlement for 2023/24. The proposed 2.99% total increase in Council Tax in 2023/24 is within the current referendum limits set by the Government. Any change to the referendum limits may mean that the level of proposed Council Tax increase for 2023/24 will be revised following review by Executive.
32. There is estimated to be an increase in Council Tax income in 2023/24 and 2024/25 due to a predicted increase in the Council's Tax Base resulting from projected Housing Growth over the period. The estimates are currently being reviewed from those contained in the previous MTFP, following further analysis and information received as part of the Council Tax Base return submitted to Government in October 2022. These estimates will continue to be reviewed on a regular basis in light of the potential effect of delays to house building, currently mainly due to nutrient neutrality issues and lack of available resources in materials and labour, and will be updated as part of the budget report to Full Council in February 2023 when further information is available.
33. No growth, and only an amount for inflation, has been assumed in the Local Share of Business Rates estimated to be received by the Council in 2023/24 and 2024/25.

Pay awards

34. As mentioned in the Quarter One report and the Quarter Two report to this Executive, no agreement has yet been reached between the National Employers and the NJC Trade Unions as to the pay award for 2022/23 for Local Government Services employees effective from 1 April 2022. It is however likely that the National Employers offer of an increase of £1,925 on all NJC pay points 1 and above effective from 1 April 2022 will be eventually agreed and implemented. This equates to approximately an average 6.5% pay award costing approximately £6.5m per annum and this will mean that there will be a recurring additional £2m required in future years of the MTFP.
35. The current assumptions in the MTFP are for a 3% pay award each year in 2023/24 and 2024/25 and 2% in 2025/26. In light of the likely 2022/23 pay award and the potential underlying inflation that exists in the economy, the assumption for the 2023/24 pay award has been revised upwards. There is also a high level of

uncertainty around local government pay awards in future years, and therefore the assumptions made in the MTFP for future years will be constantly reviewed.

36. The Council set aside recurring funding for the effect of having to pay from 2022/23 increased National Insurance contributions for its own staff. Whilst the Government announced that this increase would be reversed from 1 November 2022 the Government is likely to recover this funding from local government, as it provided additional funding for this in the form of a grant.

Inflation

37. One of the major areas of increased expenditure during the latter part of 2021/22 and which has continued in 2022/23 was the level of inflation that existed in the economy, As shown in the Quarter One report and the Quarter Two report to this Executive several Directorates have been substantially affected by the hyper-inflationary increases that existed in areas such as fuel, energy, utilities, food, and also increased costs from providers for services such as Waste Disposal, transport provision for children and adults, and Adults and Children's Care providers due to the inflationary increases they have suffered. Further detail is provided within the Directorate variances section of the Executive report. An additional inflation contingency of approximately £4.6m recurring funding was built into the updated Medium Term Financial Plan (MTFP) presented to Full Council in February 2022 and this is held centrally. In light of the current continuing high level of inflation, there has been a need to review the amount and an additional £2m per annum has been included from 2023/24 to cover the potential effects of the additional inflation. There will be a need to closely monitor this, and further updates will be provided in future budget monitoring reports and the MTFP will be amended accordingly as appropriate and adjusted in the budget report in February 2023.
38. Contractual inflation has been provided for in the MTFP period, with approximately £1.6m being provided for in 2023/24. The level of contractual inflation will be reviewed again in the budget report to Full Council in February 2023.
39. Previously no provision has been made for inflation for general supplies and services, and it was previously expected that any inflationary pressures in this area would be met by Directorates from efficiency savings. This assumption is currently being reviewed as it is becoming increasingly difficult for this approach to be continued.
40. In the budget report to Full Council in February 2022 income from fees and charges had been assumed to increase on average by approximately 1% per annum over the MTFP period. However due to the budget gap that currently exists for 2023/24 this has been reviewed as mentioned in paragraph 55. All income will be closely monitored for performance against income targets and reviewed as necessary.

Living Wage

41. Increases in the National Living Wage will impact upon organisations – principally adult social care providers – who are contracted to carry out functions on behalf of the Council. Currently increases in the National Living Wage do not have an impact on Council employed staff as the current pay rates paid to Council staff are above the current National Living Wage rates.

42. In SR21 the Government announced that it remains committed to raising the National Living Wage in order so that it reaches two-thirds of median earnings, and the amounts that are allocated in the MTFP to cover the increases in cost expected as a result of this have been revised in line with current available information, and an amount of £2.7m has been allocated for this in 2023/24 and £6m over the MTFP period.
43. As with future pay awards there is a high level of uncertainty around this and whether the Government will further change the levels of increase for future years, and therefore this will be reviewed again in the budget report to Full Council in February 2023.
44. The Council previously made a commitment to follow the Living Wage Foundation recommended levels for pay. In light of the Council's current financial position this is now becoming very difficult to sustain. Any changes to the commitment will be brought forward for approval by Full Council in the budget report in February 2023.

Spending pressures –Children's Social Care

45. As extensively reported previously in line with national trends Children's Social Care, remains the biggest area of financial concern for the Council. The costs of these pressures in respect of increased level of need in relation to children in care and the increase in the cost of providing care is constantly being monitored.
46. The Council has an Ofsted Improvement Plan in place, and the financial situation is being closely monitored jointly by the Service and Finance, and a three year plan was drawn up in July 2021 for the potential MTFP impact.
47. The approximate £5m temporary funding provided to Children's Care in 2022/23 has been made permanent, and also in light of the current expenditure an additional £2m per annum has been provided for in the revised MTFP from 2023/24. This means that additional support totalling approximately £7m per annum has been provided for this in the revised MTFP from 2023/24 in order to achieve a steady state for the Service and ensure that the improvements currently being made in Children's Social Care are not compromised, and also in order so that the Service is on a firm financial footing with an appropriate budget which can be managed within.
48. It should be noted that whilst this additional funding has been provided for in the MTFP, if Children' Care continue to spend at its current rate then there is likely to be a further overspend of £5m in future years. Work has now commenced to re-establish budget arrangements with a view to reducing expenditure. Arrangements have also been brought in to enhance permanent staff pay, including the use of market supplements, in order to recruit and retain staff and reduce the reliance on agency staff.
49. Whilst the Local Government Finance Settlement in 2021/22 and 2022/23 provided additional funding for Social Care there is still a significant risk of additional increased level of need in relation to children in care and the increased in the cost of providing care and that in the event of this, sufficient additional Government funding is not provided to mitigate this. Along with funding uncertainty, the continued pressure of demands on Children's Social Care is the most significant financial risk to the Council.

50. Further Children's Social Care demand increases and any delays to the implementation of the Council's Ofsted Improvement Plan and any further negative Ofsted judgement continue to be a major potential risk to the Council and this is being constantly monitored, and further updates will be provided in future quarterly budget monitoring reports to Executive and in the budget report to Full Council in February 2023.

Other Spending pressures

51. Provision has been made in the updated MTFP from 2023/24 for the following ongoing spending pressures / service demand pressures which have been identified and are likely to continue in the future:

- £640,000 for the Integrated Transport Unit budget – increased demand due to a greater number of children qualifying for home to school transport, new schools, and an increase in costs to transport children out of the area. This is after providing for the effects of inflation on this budget mentioned above
- £500,000 for Adult Social Care - relating to Recruitment & Retention measures for staff groups difficult to recruit to where there are established shortages of staff, and increased staffing in the Integrated Support Service due to increased demand
- £1m per annum due to a requirement to build up Reserves of up to £10m for Insurance in order to cover claims that will potentially arise in the future as indicated by the recent Insurance actuarial review
- £400,000 per annum for 2023/24 to 2025/26 relating to an anticipated increase in Employers Pension contributions following the recent triennial actuarial review
- £1.1m to cover increased capital financing costs. This comprises of approximately £500,000 for the impact on the capital financing budget of the Council's current Investment Strategy, £250,000 for the impact of rising interest rate costs, and approximately £350,000 for provision in respect of the potential new and enhanced projects as outlined in paragraph 81 which subject to approval by Executive will be added to the Council's agreed Investment Strategy in the future

52. The following factors have also been considered in assessing the underlying budget gap and the adequacy of reserves:

- Potential requirement to repay Dedicated Schools Grant (DSG) Deficit to the Government - this could be £5m upwards
- Adult Social Care – Fair Cost of Care Reform
- Capital financing – increased borrowing requirement due to increasing construction costs
- Capital Financing – further increases in interest rate costs

Approach to solving the Budget Gap 2023/24

53. Executive Members have held a number of discussions regarding the MTFP and the changes that have occurred and the forecast budget gap of £10m to £20m for 2023/24 (with a mid-case assessment of £15m), which needs to be addressed. There is a legal requirement to set a balanced budget for the Council each year.

54. This has led to a requirement to examine a number of areas including potential additional budget savings and/or changes to the assumptions relating to the Council Tax increase in 2023/24, in order to enable a balanced budget to be set in 2023/24.
55. To mitigate the budget gap in 2023/24, the following areas were explored including:
- Applying the Adult Social Care Precept at 1% p.a., which will increase total Council Tax assumed to 2.99% p.a. (maximum currently allowed)
 - Recurrent savings from the 2022/23 discretionary spend review (as per the Financial Recovery Plan 2022/23)
 - Revisiting previously proposed (but not taken up) service savings proposals
 - Review of non-statutory services currently provided
 - Review of statutory services currently over-provided
 - Review of the Capital Investment Strategy to produce revenue capital financing costs savings
 - Review of expected income from Commercial Developments made by the Council
 - Increasing fees & charges (including the continuation of those early implemented in the Financial Recovery Plan 2022/23, and new proposals)
 - Accountancy technical adjustments (mainly Flexible Use of Capital Receipts) – one year effect only
56. As mentioned, in paragraph 27 Executive are currently proposing an increase in the Council Tax from the 1.99% increase assumed in the previous MTFP to a 2.99% total increase for 2023/24 (which includes 1% Adult Social Care precept for 2023/24). This is in line with Government expectations as announced in the Spending Review on 27 October 2021 (see paragraph 31 for further details). Further detail on the proposed increase in Council Tax is provided in paragraphs 25 to 31. These proposals are brought forward for consideration by this Executive and then noting by Full Council on 30 November 2022, after which public consultation on the budget and the proposed total Council Tax increase of 2.99% for 2023/24 will commence.
57. The following paragraphs show the proposed budget savings for 2023/24 and other options for reducing the budget gap in 2023/24.
58. The above approach demonstrates that the Council has considered the issues strategically and has a deliverable plan to ensure the Council's financial sustainability. However, it should be noted that due to the uncertainty around future Government funding and other factors this is a constantly moving situation, and this means that the financial position and Council Tax increase and the potential need for additional budget savings are subject to change. The reports to Executive and Full Council in February 2023 will provide a further update of the MTFP incorporating any further information which has become available, including the impact of the Local Government Finance Settlement which is expected to be provisionally received in late December 2022 and then finalised in February 2023.

Proposed Budget Savings

59. As mentioned in paragraph 12 the refreshed MTFP identifies that there is a budget gap in the region of £10m to £20m with a mid-case assessment of £15m, and

therefore as well as the proposed increase in Council Tax, budget savings or other proposals will be required in order to balance the 2023/24 budget.

60. Executive have proposed additional budget savings proposals with a full year effect totalling £9.4m towards the budget gap in 2023/24. The budget savings proposals include proposed increases in fees and charges (including both the continuation of those implemented early in November 2002 as part of the Financial Recovery Plan 2022/23, and new proposed increases), and also proposed capital financing savings arising from a review of the Council’s current Investment Strategy. These have been categorised using the same categories as in previous years as set out below:

Appendix	Description
1	<p><u>Budget Savings proposals that are considered to have minimal or no effect on front line service delivery levels -</u></p> <p>These proposals require no, or no further public consultation or impact assessment prior to consideration by Full Council as part of the 2023/24 revenue budget for implementation in 2023/24. Some internal consultation may be required prior to implementation if the proposals have a significant impact on employees, and this will be undertaken by management as appropriate.</p>
2	<p><u>Budget Savings proposals considered to potentially affect front line service delivery levels -</u></p> <p>These proposals will form part of the 2023/24 revenue budget, and will be subject to the impact assessment process and consultation either prior to consideration by Full Council as part of the 2023/24 revenue budget, or during 2023/24 for implementation in that year.</p>

61. It should be noted that there may be some movement between appendices. If it becomes clear that this is necessary, further work will be undertaken as appropriate.
62. Some proposed savings may not be fully achievable in 2023/24 and only a part year saving may be achieved in 2023/24, due to consultation requirements for staff, and any consultation required over and above the standard budget consultation because of nature of the proposals and the groups impacted, as per previous guidance on legitimate expectation and statutory basis. These such savings are however assumed to be fully achieved from 2024/25. The figures included in the appendices show the amount that will be saved in 2023/24 and then the additional amount that will be saved in 2024/25 to reflect the full year effect of these such savings. The impact of transition to implement the full year effect of the savings is approximately £2m in 2023/24 and this will be funded on a one-off basis in 2023/24 as it will continue to provide a recurring saving.
63. Following consultation, if any of the proposed budget savings are deemed to not be achievable then alternative budget savings will have to be found in order to meet the gap in the budget.

64. Savings proposals are subject to robust governance and monitoring and full delivery of the amounts included is assumed. If full delivery of the proposed budget savings is not achieved, then alternative or additional savings will be required.
65. As mentioned in paragraph 14 at this stage due to the level of uncertainty that exists the potential budget gap in 2024/25 and 2025/26 has not yet been fully determined and therefore any budget gap in these years may need to be funded from additional budget savings in the future. The requirement for any future years' savings proposals will be outlined in future MTFP update reports and will be subject to full consultation.

Other proposals to meet budget gap

Flexible Use of Capital Receipts

66. It is proposed that a Flexible Use of Capital Receipts Strategy is implemented for 2023/24, as was the case in 2021/22 and 2022/23, to fund transformation costs across the Council. In order to satisfy the legislation relating to this, this will be subject to approval by Full Council in the budget report in February 2023, and also confirmation will be required that the capital receipts are available in 2023/24 and that the transformation expenditure will provide future ongoing savings before the strategy can be implemented. It is currently estimated that the Flexible Use of Capital Receipts Strategy will amount to £3m in 2023/24, however this will be subject to further review and therefore may change.

Additional income from Commercial Developments

67. The income budgets relating to developments that the Council has made in the town have been reviewed in respect of Centre Square Buildings 1 and 2, Tees Advanced Manufacturing Park (TeesAMP), Captain Cook Square Shopping Centre, and the Cleveland Centre Shopping Centre. This review has produced estimated additional income of approximately £1.2m in 2023/24 to help meet the budget gap in 2023/24. These developments have provided additional income to the Council, after deducting capital financing costs, which has negated the need for the Council to make budget reductions to front line services.

Consultation

68. Consultation in respect of the proposed budget savings for 2023/24 detailed in Appendix 2 and the proposed Council Tax increase for 2023/24 will, following Full Council on 30 November 2022, commence on 1 December 2022 and conclude on 23 January 2023, with appropriate impact assessments undertaken considering responses to the consultation.
69. It is planned that the budget consultation will be undertaken this year as part of an "annual conversation" with local communities and the Council's stakeholders on the direction of travel and future (including spending plans), an approach which is being embedded within the Council's locality working approach. The "annual conversation" will build on the success of the previous years' budget consultations, closely involving elected members in proactively engaging stakeholders in the development of the Council's plans and spending decisions. It will have a clear brand identity and be promoted across social media and other channels, gathering both quantitative and qualitative information that will provide both real insight for the Council and real

influence for respondents. The aim is to encourage more people to take part in the annual budget consultation.

70. It is planned that the consultation will be politically led and will include:
- a general public survey on the Council's website, with hard copies on request
 - a general consultation email address
 - consultation with the Council's Overview and Scrutiny Board
 - consultation with the Council's partners and the local business sector, including a specific consultation meeting with the town's Chamber of Commerce
71. As mentioned in paragraph 62, due to consultation requirements for staff, and any consultation required over and above the standard budget consultation because of nature of the proposals and the groups impacted, as per previous guidance on legitimate expectation and statutory basis, some proposed budget savings may require a longer consultation than the budget consultation period and therefore there will be need to ensure that a consultation plan is developed, along with an appropriate final decision making point for these proposals.
72. The output of the consultation process will then be reported to Executive on 14 February 2023 and then to Full Council on 27 February 2023, which will:
- again refresh the MTFP following the Local Government Finance Settlement, set the 2023/24 budget and any required associated budget savings and targets, and set the Council Tax level for 2023/24;
 - comply with the Public Sector Equality Duty and set out any impacts identified from the proposals for 2023/24 and future years.

Adequacy and use of Financial Reserves

73. The Director of Finance has reviewed the proposed level of balances held in the General Fund Reserve and advised that she considers it is appropriate to currently continue to maintain a minimum of £12m for 2023/24, as the current risk environment does not indicate an improved position. This advice is based on an assessment of financial risks against criteria set out by the Chartered Institute of Public Finance and Accountancy and the extent to which specific provisions are available to meet known and expected liabilities.
74. The current estimated level of the General Fund Reserve at the end of 31 March 2023 is approximately £12m as reported in the Revenue and Capital Budget – Projected Outturn position as at Quarter Two 2022/23 report to this Executive.
75. In the budget report to Full Council in February 2022, it was intended to add approximately £1.2m to reserves, however in light of the current financial environment it is intended that a central contingency to meet unexpected cost and price increases is created.
76. This updated MTFP, including the proposed Council Tax increase for 2023/24, should enable the level of the General Fund Reserve to remain above the minimum recommended level for 2023/24.

77. Further work will be carried out on the appropriate level of reserves for 2023/24 onwards following the receipt of the provisional Local Government Finance Settlement in late December 2022 and the latest financial performance in 2022/23, and will be updated in the budget report in February 2023.
78. The Council intends to allocate an additional £500,000 in 2023/24 to its Change Fund in order to support the achievement of the proposed budget savings, including any redundancy payments required to be made to affected staff, and also any other transformation activity required.

Investment Strategy

79. The Council's Investment Strategy is updated each quarter via the quarterly budget monitoring reports, and in accordance with this the Investment Strategy has been further revised as part of the Revenue and Capital Budget – Projected Outturn position as at Quarter Two 2022/23 report to this Executive.
80. The Investment Strategy will be further updated at Quarter Three, and also a full revision of the Investment Strategy for the MTFP period, including 2025/26, will be included in the budget report to Full Council in February 2023.
81. As mentioned in paragraph 51 provision has been made in 2023/24 in respect of the potential capital financing costs for potential projects which subject to approval by Executive will be added to the Council's agreed Investment Strategy in the future. These relate to new and enhanced capital projects which have been deemed to be essential replacement or repairs to assets:
- Purchase of new replacement vehicles
 - Replacement Traffic Signals
 - Repairs to Bridges and Structures
 - Essential repairs to Newport Bridge
 - Essential repairs to Transporter Bridge
 - Replacement of Street Lighting columns
82. As mentioned in paragraph 60 as part of the proposed budget savings it is proposed that following a review of the Council's Investment Strategy a number of projects are either reduced or removed from the Council's current Investment Strategy in order to produce revenue capital financing savings. These are shown in the proposed budget savings in Appendices 1 and 2 and total £324,000 in 2023/24.

What decision(s) are being recommended?

The report requests that the Executive:

- Notes the updated Medium Term Financial Plan position for 2023/24 to 2025/26, and the potential budget gap of £10m to £20m in 2023/24, with £15m being the mid-case assessment
- Endorses the following measures to contribute towards the potential budget gap in 2023/24, and notes that this report will be presented to Full Council on 30

November, with consultation to commence, where required, on 1 December 2022 and ending on 23 January 2023:

- the proposed budget savings and other proposals for the 2023/24 budget. These total £14.2m in the full year, of which £5.4m are deemed to potentially affect service delivery levels and will be subject to public consultation (as detailed in Appendix 2)
- the proposed total Council Tax increase of 2.99% for 2023/24 (comprising of a 1.99% increase in general Council Tax and a 1% Adult Social Care Precept), pending any future Government announcements regarding referendum limits

Rationale for the recommended decision(s)

83. The Council has a legal obligation in relation to setting a balanced budget and to meet the challenging financial targets faced in the MTFP. The setting of the budget is part of the policy framework and therefore requires Full Council approval.
84. To enable the Council to meet its statutory responsibility to set a balanced revenue budget in 2023/24 and to ensure that a proper framework is in place for the medium term financial management of the Council, which will enable the Council to take a systematic, coherent, and controlled approach to addressing ongoing financial challenges over the medium-term, while attempting to maximise its contribution to the Mayor's priorities for Middlesbrough.

Other potential decision(s) and why these have not been recommended

85. Not applicable.

Impact(s) of the recommended decision(s)

Legal

86. The Council is required under legislation to set a balanced budget for each year. The Medium Term Financial Plan and revenue and capital budgets form part of the Council's policy framework, as set out in its constitution. The approach outlined within the document will enable the Council to operate within the resources available and continue to meet its many statutory duties.
87. Elected members (individually and collectively) have a fiduciary duty to local taxpayers and so duty to facilitate, rather than frustrate, the setting of a lawful budget, and not to do so would bring damaging legal, financial, operational, and reputational consequences for the Council, and precepting authorities such as the police, fire service and local parish councils. It may also give rise to personal liability for individual members for misfeasance in public office, negligence, or breach of statutory duty, should they be found to be purposely failing to set a lawful budget.

Strategic priorities and risks

88. The revision of the Council's Medium Term Financial Plan for 2023/24 to 2025/26 plays a fundamental role in ensuring that the Strategic Plan is delivered effectively.
89. The proposed approach will ensure a positive impact on the strategic risk that the Council fails to achieve a balanced budget. The proposed approach also aligns with legal requirements around consultation and assessing the impact of proposals. It therefore impacts positively on the risks that the Council could fail to achieve good governance or comply with the law.
90. There is a risk that the financial position of the Council will be adversely affected by any non-achievement of the Financial Recovery Plan 2022/23 as detailed in paragraph 9, and any non-achievement of the proposed budget savings and other proposals for 2023/24 outlined in the report.

Human Rights, Equality and Data Protection

91. As stated in paragraph 60, savings proposals for 2023/24 and beyond have been initially assessed and categorised in Appendices 1 and 2.
92. The Council must ensure that, in line with the Public Sector Equality Duty, that any budget saving proposals, other budget proposals, or proposed Council Tax increases thought to impact on those with protected characteristics are assessed, mitigated where possible and/or justified. As such impact assessments for specific proposals and the proposed Council Tax increase will be completed prior to consideration by the appropriate decision-making body, where required. This will be either prior to the presentation of the 2023/24 budget report to Full Council in February 2023, or during 2023/24 prior to the decision to implement the proposed budget saving being taken.

Financial

93. The reports highlights that there is a current estimated budget gap in 2023/24 of £10m to £20m, with a mid-case assessment of £15m.
94. This report sets out proposed budget savings for 2023/24 in Appendices 1 and 2 totalling a full year effect of £9.4m. It is proposed that budget savings proposals in Appendix 2 will now be the subject of public consultation. As mentioned in paragraph 62 some proposed savings may not be fully achievable in 2023/24 and only a part year saving may be achieved in 2023/24, due to consultation requirements for staff, and any consultation required over and above the standard budget consultation because of nature of the proposals and the groups impacted, as per previous guidance on legitimate expectation and statutory basis. These such savings are however assumed to be fully achieved from 2024/25. The figures included in the appendices show the amount that will be saved in 2023/24 and then the additional amount that will be saved in 2024/25 to reflect the full year effect of these such savings. The impact of transition to implement the full year effect of the savings is approximately £2m in 2023/24 and this will be funded on a one-off basis in 2023/24 as it will continue to provide a recurring saving.

95. Other proposals which will help to meet the current estimated budget gap in 2023/24 have also been developed. These include the proposed implementation of a Flexible Use of Capital Receipts Strategy, estimated to be £3m in 2023/24 (see paragraph 66 for details), and a review of additional income from commercial developments estimated to be worth approximately £1.2m in 2023/24 (see paragraph 67 for details).
96. It is proposed that for 2023/24 Council Tax will increase by a total of 2.99% (comprising of a 1.99% increase in general Council Tax and a 1% Adult Social Care Precept), (see paragraphs 25 to 31 for details). This is an increase from the 1.99% increase previously assumed in the MTFP and will produce a further £650,000 of income per annum to the Council.
97. The table below provides a summary of the proposals, totalling £14.2m, to meet the current estimated budget gap for 2023/24:

	Full year effect £m
Proposed budget savings not subject to public consultation (Appendix 1)	4.0
Proposed budget savings subject to public consultation (Appendix 2)	5.4
Proposed implementation of a Flexible Use of Capital Receipts Strategy for 2023/24	3.0
Additional income from Council Commercial Developments	1.2
Additional income from proposed increase in Council Tax from 1.99% to 2.99% for 2023/24	0.6
TOTAL	14.2

98. The final proposed 2023/24 budget will be presented to Executive on 14 February 2023, and then to Full Council for approval on 27 February 2023.
99. In the event that significant changes to the Council's financial position come to light in the interim then the level of proposed budget savings and proposed Council Tax increase in 2023/24 may need to be revised ahead of the budget report to Full Council on 27 February 2023.

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

Action	Responsible Officer	Deadline
That this report is presented to Full Council on 30 November 2022, and following that consultation on the proposed budget savings and Council Tax increase will commence on 1 December 2022 and conclude on 23 January 2023	Head of Financial Planning & Support	30 November 2022

The output of the consultation process will be reported as part of the Revenue Budget, Council Tax, Medium Term Financial Plan, and Capital Strategy 2023/24 report to Executive on 14 February 2023 and Full Council on 27 February 2023	Head of Financial Planning & Support	27 February 2023
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Appendices

1	Budget savings proposals that are considered to have minimal or no effect on front line service delivery levels
2	Budget Savings proposals considered to potentially affect front line service delivery levels

Background papers

Body	Report title	Date
Council	Revenue Budget, Council Tax, Medium Term Financial Plan and Capital Strategy 2022/23	23/2/22
Executive	Refreshing the Strategic Plan workplan for the 2022-24 period	5/4/22
Executive	Revenue and Capital Budget – Projected Outturn position as at Quarter One 2022/23	6/9/22
Council	Flexible Use of Capital Receipts Strategy 2022/23	7/9/22
Executive	Financial Recovery Plan 2022/23	18/10/22
Executive	Revenue and Capital Budget – Projected Outturn position as at Quarter Two 2022/23	8/11/22

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(Deputy S151 Officer)

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Appendix 1: Budget Savings proposals that are considered to have minimal, or no effect on front line service delivery levels

These proposals require no, or no further public consultation or impact assessment prior to consideration by Full Council as part of the 2023/24 revenue budget for implementation in 2023/24. Some internal consultation may be required prior to implementation if the proposals have a significant impact on employees, and this will be undertaken by management as appropriate.

Ref:	Budget savings proposal	23/24 (£000's)	24/25 (£000's)	Total (£000's)
Various	Continuation of fees and charges increases implemented early in November 2022 as part of the Financial Recovery Plan 2022/23 (full year effect)	1,111	0	1,111
ASC02	10% increase in charges for Health Authority contributions to Adult Social Care services	77	0	77
ASC04	Increased charges to recipients of Adult Social Care services	88	0	88
ASC05	Remove funding for unused Move in Move on service	86	0	86
CC07	Maximise Supporting Families Grant and use for Council services	206	0	206
CC08	Cease to develop the Trauma Informed Practice model	15	0	15
CC11	Delete Participation posts in Children's Strategic Services	85	0	85
CC13	Reduction in specialist staffing compliment providing services to children and young people	85	0	85
CEN02	Senior Management Review	341	244	585
CEN03	Capital financing cost savings arising from a review of the Investment Strategy	162	0	162
ECS02	10% increase in charges for Building Cleaning to schools and other organisations	249	0	249
ECS04	10% increase in Streetworks permit scheme charges (subject to national guidance)	32	0	32
ECS09	Cease enhanced level of support to community groups for environment projects	50	0	50
ECS10	Reduction of 1 supervisor in Highways Services	35	0	35
ECS11	Reduction in Council funding to Environment City	47	0	47
ECS13	Vacate Co-op building used for Locality Working in Newport and use alternative location	30	0	30
ECS16	Increased use of Indigenous Growth Fund (IGF) grant funding to fund Council services in the town centre, such as Area Care	142	0	142
EP02	Cease Council contribution to Virtual School	26	0	26
EP04	Reduce Education Achievement Team from 3 to 1 members of staff	62	44	106
EP05	Technical adjustment within Ethnic Minorities Achievement Team (EMAT) budget	6	0	6

LGS02	Saving in IT licensing fee	16	0	16
LGS03	Democratic Services - Reduction in member and non-member related administration	44	31	75
LGS04	Deletion of 2 project management posts	100	0	100
LGS05	Delete apprentice post in ICT service	14	0	14
LGS06	Delete political assistant vacancy	20	19	39
LGS07	Reduction in admin. support to senior managers	47	0	47
PH01	Reduced management capacity of the Public Health Team	181	0	181
PH02	Reduction in expenditure on miscellaneous Public Health programmes, including reduced support to other networks	115	0	115
RC03	Director of Regeneration - general restriction of discretionary spend	25	0	25
RC04	Economic Development - Reshaping of the Economic Growth Team to provide a greater focus on town centre issues that will be funded by external resources	100	0	100
RC08	Reduction of 20% in the Council's Marketing and Communications function	70	28	98
RC09	Highways Service Management - Reduction in in the team supporting development of the road network	30	0	30
TOTAL		3,697	366	4,063

Appendix 2: Budget savings proposals considered to potentially affect front line service delivery levels

These proposals will form part of the 2023/24 revenue budget, and will be subject to the impact assessment process and consultation either prior to consideration by Full Council as part of the 2023/24 revenue budget, or during 2023/24 for implementation in that year.

Ref:	Budget savings proposal	23/24 (£000's)	24/25 (£000's)	Total (£000's)
ASC03	Adult Social Care - Increase in assessed client contributions to packages of care - 2.5% for clients receiving care in the community and 3.35% for client care in residential homes	251	0	251
CC02	Redesigning part of Gleneagles Residential Home to provide long-term residential care for children	334	334	668
CC03	Stop providing dedicated Family Group Conferencing and incorporate into social work teams	195	0	195
CC04	End Safe Families contract	56	19	75
CC05	Reduction in Council funding for Youth Services. Support is currently being provided to youth work organisations to access funding from central Government	83	17	100
CC06	Do not implement Council decision to extend Youth Services in areas of high anti-social behaviour	150	0	150
CC09	Cease the Young Carers contract to support children and young people with caring responsibilities	28	9	37
CC10	End provision of services delivered by Not in Education, Employment or Training (NEET) Team	125	90	215
CC12	Reduce direct provision of and financial support to families to provide non-residential short breaks for children and young people with disabilities	368	368	736
CEN01	Do not implement Council decision to pilot Locality Officer in Hemlington	40	0	40
ECS03	School Catering - increase in primary school meal prices from £2.15 to £2.40 and secondary school meal prices from £2.25 to £2.50 in line with inflation	181	0	181
ECS05	Increase rent charges by 10% at Metz Bridge Travellers Site in line with inflation	10	0	10
ECS06	Street Lighting - approx. 1 in 2 lights will be turned off between midnight and 6am in less used spaces and intermittently in other appropriate spaces where safe to do so (will not affect road junctions and major roads)	74	74	148
ECS07	Do not implement Council decision to provide Pest Control Services	90	0	90
ECS08	Do not implement Council decision to provide additional Tree Maintenance service	150	0	150
ECS12	Reduce Council expenditure on Neighbourhood Safety and seek to maximise grant funding	583	417	1,000
ECS14	Reduce opening hours of hubs in line with demand, and introduce self-serve at Rainbow and Neptune libraries and reduce opening hours of other libraries in line with demand. Also delete vacant posts and reduce expenditure on supplies and services in Libraries and Hubs	208	63	270

ECS15	Scale back approved additional capital investment of £15 million in Highways Repairs and Maintenance to £7.5 million producing capital financing cost savings	162	0	162
EP03	Reduce Council subsidy for nurseries so that our nurseries are economically viable, which could mean the potential closure of Bright Stars Nursery due to falling demand and other provision in the area	12	9	21
EP06	Develop Children's Centres into Family Hubs	154	153	307
FIN06	Cease Welfare Rights Service	130	44	174
RC02	Captain Cook Car Park - introduction of £1 charge as replacement of 3 hours free parking at Captain Cook after fall off of Tees Valley Combined Authority (TVCA) grant	200	0	200
RC05	Culture - Use external funding to deliver events such as the Orange Pip Market	120	28	148
RC06	New model for parks management	44	0	44
RC07	Move to digital only production of Love Middlesbrough magazine	7	0	7
TOTAL		3,755	1,624	5,379

MIDDLESBROUGH COUNCIL	
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Report of:	The Elected Mayor of Middlesbrough; Chief Executive
Submitted to:	Executive
Date:	8 November 2022
Title:	Corporate Performance Update: Quarter Two 2022/23
Report for:	Information
Status:	Public
Strategic priority:	All
Key decision:	No
Why:	Choose an item.
Urgent:	No
Why:	

Executive summary	
<p>This report advises the Executive of corporate performance at the end of Quarter Two 2022/23, providing the necessary information to enable the Executive to discharge its performance management responsibilities and where appropriate, seeks approval of any changes (where these lie within the authority of the Executive).</p> <p>This report also asks that the Executive:</p> <ul style="list-style-type: none"> • notes progress of delivery of the Strategic Plan 2022-24 at Quarter Two 2022/23, detailed in Appendix 1 • notes the impact of proposed / approved in-year savings as part of the Financial Recovery Plan 2022/23 on the Strategic Plan workplan, detailed in Appendix 2 • notes the Council's updated position in relation to Strategic Risk, at Quarter Two 2022/23, with heatmaps detailed in Appendix 3 • notes progress of the 2022/23 Directorate Priorities at Quarter Two 2022/23, detailed in Appendix 4 	

Purpose

1. This report advises the Executive of corporate performance at the end of Quarter Two 2022/23 and where appropriate seeks approval of any changes, where these lie within the authority of the Executive.

Background and relevant information

2. The Council's Scheme of Delegation gives the Executive collective responsibility for corporate strategic performance, together with associated action.
3. This report provides the necessary information to enable the Executive to discharge its performance management responsibilities, setting out progress against Executive action, the Strategic Plan and other key associated items, together with actions to be taken to address any issued identified.
4. The projected 2022/23 financial outturns are presented separately to this meeting of the Executive, and so not repeated here. Where performance has had a significant impact on finances this is highlighted within the body of the report.
5. As part of continuous improvement in performance and risk management, the Council's Leadership Management Team (LMT) has implemented monthly reviews of corporate performance utilising a Directorate Performance dashboard, drawing data from a range of performance systems.
6. The output from these sessions is reflected through quarterly updates to the Executive and Overview and Scrutiny Board and covering in addition, progress in delivering actions agreed by the Executive, key Directorate performance issues and other performance-related matters.

Overall progress at Quarter Two

7. The Council's performance overall at Quarter Two saw a slight dip in performance, with progress towards expected performance standards as set out in the Council's risk appetite, achieved in three out of five performance disciplines.
8. Significant work has taken place to address the projected 2022/23 overspend position and to provide for a balanced budget in 2023/24. The outcome of this work will likely impact on some of the current Strategic Plan workplan initiatives, previously approved by Executive and has a result, impacted on performance monitoring outcomes in Quarter Two 2022/23, as referenced in paragraph 21 of this report and detailed in Appendix 2.

Progress in delivering Executive actions

9. Actions agreed by the Executive to deliver approved decisions are tracked by LMT, monthly. If, subsequent to the Executive's approval, any action is found to be no longer feasible or appropriate, or cannot be delivered within the approved timescales, this report will be used to advise the Executive of this and seek approval of alternative actions or amended timescales.

10. At the end of Quarter Two 2022/23, 80 of 97 live actions (82%) were reported as on target to be delivered by the agreed timescales, worsened from the reported position at Quarter One and below the 90% standard of achievement of actions.
11. With no amendments for Executive approval proposed, it is assumed that overall, Executive actions will be achieved within their approved timescales.

Progress in delivering the Strategic Plan 2022-24

12. At the 23 February 2022 meeting, Council was advised that an annual refresh for the Strategic Plan 2021-24 would not be brought forward and that as such the Strategic Plan would remain in place for 2022/23, to ensure that the Council has sufficient time to consider implications of national and potential forthcoming local changes on its strategic direction.
13. At a meeting of the Executive on 5 April 2022, the refreshed Strategic Plan workplan for the 2022-24 period and Directorate Priorities for 2022/23 was approved, which combined provide a cohesive approach to the delivery of key priority activities across Council services.
14. Progress continues to be monitored via detailed milestone plans, adhering to the corporate programme and project management framework, where applicable. Progress will continue to be reported to all senior managers and Members as part of the quarterly corporate performance results reports presented to Executive and Overview and Scrutiny Board.
15. The Strategic Plan for 2022-24, sets out nine strategic priorities for this period which are supported by an associated set of outcome measures and a workplan, which will see delivery of sustained improvement, up to and beyond 2024.

Outcomes

16. The Strategic Plan measures are the outcomes expected from successful delivery of the Strategic Plan workplan and initiatives. As the Strategic Plan workplan was refreshed for 2022-24 in isolation to the existing Strategic Plan outcome measures, there is a diluted relationship between progress against delivery and outcome measures.
17. This will be addressed in the next annual refresh of the Strategic Plan to ensure demonstrable impact and effective reporting against Strategic Plan outcomes measures.
18. On that basis, reporting of Strategic Plan 2022-24 outcome measures will be deferred to the Year End 2022/23 Corporate Performance Update.

Workplan

19. At Quarter Two 2022/23, performance against the Strategic Plan workplan was as set out below, exceeding the corporate target of 90% with 98.4% (62 of 63) of initiatives on track.

Status	Q2 2022/23 position	Q1 2022/23 position	Expected standard	Standard achieved	Trend
COMPLETED	1.6%	0%	90%	Yes	↓
GREEN	96.8%	100%			
AMBER	0%	0%	N/A	N/A	N/A
RED	1.6%	0%	N/A	N/A	↓

20. The Red / off-track workplan initiative (*PEN05: Neighbourhood and town wide front garden competitions*) reported at the end of Quarter Two, will see a change control request for Executive approval, submitted in the Quarter Three corporate performance report.

21. Delivery of the Strategic Plan workplan will be further impacted following approval of the Financial Recovery Plan 2022/23 at a meeting of the Executive on 18 October 2022. The report details in-year savings proposals to address the forecasted overspend for 2022/23 of approximately £9m - as reported in the Quarter One outturn position. The effect of the in-year Recovery Plan on the Strategic Plan workplan is categorised by impacted, delayed and / or removed workplan activities, as outlined in Appendix 2 of this report.

Strategic Risk Register

22. The Council's strategic risks are:

- Failure to achieve a balanced budget
- Failure to comply with the law
- Failure to achieve good governance
- Failure to deliver the Strategic Plan and Directorate Plans
- Failure of partnership agreements.

23. All individual organisational risks are aligned to one of the above categories, with work ongoing to refine their content, which should see a reduction in the volume of risks. The heat maps below demonstrate the number of risks that contribute to those overall strategic risks.

24. Corporate performance reports advise on trend information and reasons for changes to those heat map positions, providing an overview of risk movement within the organisation and the narrative / context for such movement.

25. Appendix 3 sets out the movement of risks, split by risk category alongside a Quarter One comparison.

26. During Quarter Two rationalisation of risks continued, with risks meeting target and / or completed, removed from the register. It is anticipated that there will be a further rationalisation of risks during Quarter three. Significant changes to risk during Quarter Two to note, are as follows:

- The likelihood of Middlesbrough being disproportionately affected by low economic growth was increased in response to rising inflation and cost of living concerns.
- Risks around the Centre Square development was reduced further, following successful delivery of occupancy targets.

- The likelihood of the risk that there will be insufficient school places for Year 7 pupils in 2023/24 and 2024/25 has increased in likelihood following a Department for Education decision to delay the expected completion date of the new secondary school to 2025.

Progress in delivering Directorate Priorities 2022/23

27. Each year, Directorates set and are accountable for a set of Directorate-specific actions to ensure ongoing compliance with legal duties and best practice and that business change is well managed. Directorate Priorities for 2022/23 are set out at Appendix 3.

28. At Quarter Two 2022/23, 91% (89 of 98) of Directorate Priorities are on-track or completed; above the expected standard of 90% though with a slight dip against reported position at Quarter One.

Status	Q2 2022/23 position	Q1 2022/23 position	Expected standard	Standard achieved	Trend
COMPLETED	6%	0%	90%	Yes	↓
GREEN	85%	100%			
AMBER	0%	0%	N/A	N/A	-
RED	9%	0%	N/A	N/A	↓

Progress in delivering Programmes and Projects

29. The Council maintains a portfolio of programmes and projects in support of achievement of the Council's strategic and directorate priorities. At Quarter Two 2022/23, 91% (28 out of 31) of the programmes / projects were on-track to deliver against project time, cost, scope and benefits, remaining above the expected combined standard of 90%.

Status	Q2 2022/23 position	Q1 2022/23 position	Expected standard	Standard achieved	Trend
COMPLETED	0%	0%	90%	Yes	↓
GREEN	81%	77%			
AMBER	10%	20%	N/A	N/A	↑
RED	10%	3%	N/A	N/A	↓

Progress in other corporate performance matters

30. In addition to the above performance and risk issues, LMT reviews a range of other performance measures on a monthly basis, including compliance with agreed actions from internal audits, responsiveness to statutory information requests, information security incidents and complaints.

31. At Quarter Two 2022/23, the key points of note in matters of compliance, were:

- Complaints dealt with within timescales remains at 83%.

- Freedom of Information Requests (FOI) and Environment Information Requests (EIR) responded to within statutory timescales improved, increased from 80% to 86.9%.
- Overdue Subject Access Requests reduced further.

What decision(s) are being recommended?

32. That the Executive:

- notes progress of delivery of the Strategic Plan 2022-24 at Quarter Two 2022/23, detailed in Appendix 1
- notes the impact of proposed / approved in-year savings as part of the Financial Recovery Plan 2022/23 on the Strategic Plan workplan, detailed in Appendix 2
- notes the Council's updated position in relation to Strategic Risk, at Quarter Two 2022/23, with heatmaps detailed in Appendix 3
- notes progress of the 2022/23 Directorate Priorities at Quarter Two 2022/23, detailed in Appendix 4

Rationale for the recommended decision(s)

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

Other potential decision(s) and why these have not been recommended

34. Not applicable.

Impact(s) of the recommended decision(s)

Legal

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

Strategic priorities and risks

36. The proposed recommendations are key to and consistent with supporting deliver of the Council's strategic priorities and risks, as set out in the Strategic Plan.

Human Rights, Equality and Data Protection

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

Financial

38. Any financial implications relating to issues set out in this report, are summarised in the Revenue and Capital Budget – Quarter Two Outturn Position 2022/23 report, also considered by the Executive at its meeting of 8 November 2022.

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

Action	Responsible Officer	Deadline
Impact of Financial Recovery 2022/23 on Strategic Plan 2022-24 workplan to be implemented on associated performance systems	Strategy Delivery Manager	28/10/2022

Appendices

1	Strategic Plan Workplan: progress at Quarter Two 2022/23
2	Strategic Plan Workplan: Financial Recovery Plan 2022/23 impact
3	Strategic Risk at Quarter Two 2022/23
4	Directorate Priorities 2022/23: progress at Quarter Two 2022/23

Background papers

Body	Report title	Date
Council	Strategic Plan 2021-24	24/02/21
Executive	Strategic Plan 2021-24: approach to delivery	11/05/21
Executive	Strategic Plan 2020-23 – Progress at Year End 2020/21	15/06/21
Executive	Corporate Performance Update: Quarter One 2021/22	07/09/21
Executive	Corporate Performance Update: Quarter Two 2021/22	07/12/21
Executive	Corporate Performance Update: Quarter Three 2021/22	14/02/22
Executive	Refreshing the Strategic Plan workplan for the 2022-24 period	05/04/22
Executive	Corporate Performance Results: Year End 2021/22	14/06/22
Executive	Corporate Performance Results: Quarter One 2022/23	06/09/22
Executive	Financial Recovery Plan 2022/23	18/10/22

Contact: Gemma Cooper, Strategic Delivery Manager
Email: gemma_cooper@middlesbrough.gov.uk

Appendix 1: Strategic Plan Workplan; Progress at Quarter Two 2022/23

We will show Middlesbrough's children that they matter and work to make our town safe and welcoming and to improve outcomes for all children and young people.	Q1 2022/23 position	Q2 2022/23 position
Expand the current model for youth provision in areas that suffer high levels of deprivation		
Make steps towards every child playing a musical instrument by extending to one other school or year group		
Evidence that Middlesbrough Council listens to children's voices		
Create and deliver a strategy to increase digital inclusion for children, young people and adults across Middlesbrough		
Consolidate and build on recent Children's Services progress to improve Ofsted rating		
Explore potential for the establishment of an Eton Sixth Form in Middlesbrough		

We will work to address the causes of vulnerability and inequalities in Middlesbrough and safeguard and support the vulnerable.	Q1 2022/23 position	Q2 2022/23 position
Deliver and extend the 50 Futures programme		
Further develop the Dementia Friendly Middlesbrough programme		
Achieve 'Age Friendly Communities' status		
Implement and extend locality working		

We will tackle crime and anti-social behaviour head on, working with our partners to ensure local people feel safer.	Q1 2022/23 position	Q2 2022/23 position
Support the police and hold them to account for each neighbourhood		
Establish and support Neighbourhood Watch schemes across the whole town		
Increase CCTV across the whole town		
More environmental action and punishment for fly tipping		
Encourage more residents to report crime and ASB		
Reward and champion individuals for being good neighbours		

We will tackle crime and anti-social behaviour head on, working with our partners to ensure local people feel safer.	Q1 2022/23 position	Q2 2022/23 position
Increased enforcement against problem properties / streets / gardens in disrepair		

We will ensure our town acts to tackle climate change, promoting sustainable lifestyles.	Q1 2022/23 position	Q2 2022/23 position
Develop an Urban Farm		
Develop local wildlife / nature reserve in North Ormesby and one other site		
Demonstrate increased recycling rates		
Establish six community growing areas		
Double the size of our urban meadows / wildflower planting sites		
15 new EV charging points across town		
Big community tree planting days		
Middlesbrough hosts inaugural climate conference		

We will ensure the recovery of local communities, businesses and the Council's operations from COVID-19, taking opportunities to build back better.	Q1 2022/23 position	Q2 2022/23 position
Delivery of the Council's COVID19 Recovery Plan to enable individuals, families, communities and business across Middlesbrough achieve a proper level of functioning, post-Pandemic		
Ensure effective Council response to immediate issues of COVID19 impacting upon individuals, families, communities and business		

We will work closely with local communities to protect our green spaces and make sure that our roads, streets, and open spaces are well-designed, clean and safe.	Q1 2022/23 position	Q2 2022/23 position
Improve identified play parks and spaces in line with our Towns Fund Recommendation		
Establish the requirement for potential CPO of derelict buildings and problem sites		
Improve our Highways		
12 new back alleys are reclaimed, improved and showcased		

We will work closely with local communities to protect our green spaces and make sure that our roads, streets and open spaces are well-designed, clean and safe.	Q1 2022/23 position	Q2 2022/23 position
Neighbourhood and town wide front garden competitions		
Vastly improve Thorntree and Pallister Parks in line with Towns Fund Recommendation		
Creation of Tree Maintenance Squad and ongoing maintenance work programme		
Creation of a subsidised Pest Control service		

We will transform our town centre, improving accessibility, revitalising unused assets, developing iconic new spaces and building more town centre homes.	Q1 2022/23 position	Q2 2022/23 position
Complete town-wide lighting scheme		
Consider potential for BOHO digital expansion		
St Hilda's housing starts around Old Town Hall		
Protect and celebrate heritage through marketing and comms strategies and complete planned works on Captain Cook pub and Old Town Hall		
Open three entertainment facilities within Captain Cook Square (cinema, Lane 7, eSports)		
Commence construction on the south side of the dock		
Action plan agreed and commenced for House of Fraser building		
Action plan agreed and commenced for Centre North East		
Action plan agreed and commenced for The Crown Pub building		
Action plan agreed and commenced for Gurney House		

We will invest in our existing cultural assets, create new spaces and events, and improve access to culture.	Q1 2022/23 position	Q2 2022/23 position
Increased ticket sales and attendance of events through effective marketing		
Complete improvements to Teesaurus Park		
Create three new annual events in 2022 as per existing approvals		
Aim for all children to get an experience of live theatre		
Increase attendance at existing Council events like Orange Pip		
Increase visitor numbers to museums and attractions		
Increase tickets sales at town hall performances		

We will ensure that we place communities at the heart of what we do, continue to deliver value for money and enhance the reputation of Middlesbrough.	Q1 2022/23 position	Q2 2022/23 position
Encourage public to help drive decision making		
Introduce a marketing campaign and associated support to significantly grow Middlesbrough Lottery		
Work with the voluntary sector to create and promote volunteering opportunities and an increase in volunteers		
Introduce Neighbourhood Action Weeks, driven by volunteers		
Market a small local grant programme		
Market a strong buy-local campaign		
Commence work on the new Southlands Centre		
Commence work on Nunthorpe community centre		
Promote Middlesbrough on the national stage		
Increase sponsorship income from businesses for various council activities		
Improve user experience of the council website, increasing online transactions		

Appendix 2: Strategic Plan workplan; Financial Recovery Plan 2022/23 impact

Strategic Plan workplan initiative	Impact on Strategic Plan workplan for 2022/23
Children and Young People	
Expand the current model for youth provision in areas that suffer high levels of deprivation	A delay to the expansion of Youth Provision services.
Evidence that Middlesbrough Council listens to children's voices	Deletion of two participation posts will see limited capacity to work with children and young people to gather and address views.
Vulnerability	
Deliver and extend the 50 Futures programme	Milestone plan to be revised to address likely reluctance to provide placements during potential redundancy consultation.
Implement and extend locality working	Removal of vacant post for dedicated locality working officer in Hemlington.
Crime and Anti-Social Behaviour	
Support the police and hold them to account for each neighbourhood	Maintaining 5 vacant existing Street Warden posts will reduce the ability to support police operations.
More environmental action and punishment for fly tipping	Maintaining 5 vacant existing Street Warden posts will see a reduction in incident reporting of fly-tipping.
Increased enforcement against problem properties / streets / gardens in disrepair	Milestone plan to be revised to reference reliance on Neighbourhood Safety Team during potential redundancy consultation.
Climate Change	
Middlesbrough hosts inaugural climate conference	Climate Conference did not take place as planned.

COVID19 Response and Recovery	
Delivery of the Council's COVID19 Recovery Plan to enable individuals, families, communities, and business across Middlesbrough achieve a proper level of functioning	Milestone plan to be revised to reference in-year spending restrictions and reliance on existing services and teams, during potential redundancy consultation.
Ensure effective Council response to immediate issues of COVID19 impacting upon individuals, families, communities, and business	Milestone plan to be revised to reference in-year spending restrictions and reliance on existing services and teams, during potential redundancy consultation.
Physical Environment	
Improve our Highways	Reduced investment will see 20% less priority Red / Amber carriageways improvements.
Creation of Tree Maintenance Squad and ongoing maintenance work programme	Delay to creation of Tree Maintenance Squad and ongoing maintenance programme.
Creation of a subsidised Pest Control service	Delay to creation of a subsidised Pest Control service.
Town Centre	
Complete town-wide lighting scheme	Additional areas to be lighted will now not progress.
Culture	
Increased ticket sales and attendances of events through effective marketing	In-year spending restrictions will limit ability to promote some community-based activities and events.
Create three new annual events in 2022 as per existing approvals	In-year spending restrictions will see only pre-agreed in-year events taking place.
Increase tickets sales at Town Hall performances	In-year spending restrictions will limit the ability to promote some activities and shows, specifically community-based
Quality of Service	
Market a small local grant programme	Removal of local grants offered to community groups up to the overall value in total of £20k.

Appendix 3: Strategic Risk at Quarter Two 2022/23

	Quarter One					Quarter Two				
Failure to achieve a balanced budget	Likelihood					Likelihood				
	1	2	1	2	1	2	1	4	4	1
Failure to comply with the law	Impact					Impact				
	4	3	1	2	1	4	3	5	6	3
Failure to achieve good governance	Likelihood					Likelihood				
	2	5	3	1	1	3	1	5	2	1
Failure to deliver Strategic and Directorate plans	Impact					Impact				
	3	7	10	4	4	6	7	7	2	2
Failure of partnership agreements	Likelihood					Likelihood				
	1	1	2	1	1	1	1	3	2	2
	Impact					Impact				
	1	1	2	1	1	1	1	2	2	1

Appendix 4: Directorate Priorities 2022/23; Progress at Quarter Two 2022/23

Environment and Community Services

Priority	Q1 2022/23 position	Q2 2022/23 position
Review and deliver the Community Safety Strategy to reduce crime and anti-social behaviour across Middlesbrough		
Complete works on Column 22b.		
Complete inspections of bridges and structures and implement resulting works where appropriate.		
Determine the future operational status of the Transporter Bridge and secure appropriate investment.		
Secure additional Capital funding to improve the condition of the Council's operational and commercial built asset portfolio		
Review the Asset Management Framework for Middlesbrough.		
Seek funding to improve the A66 through Middlesbrough.		
Implement Year Two actions of the Council's Green Strategy.		
Embed corporate values within the Directorate and make staff feel more valued.		
Improve staff communication within the Directorate so that staff feel more engaged and understand organisational priorities.		

Regeneration and Culture

Priority	Q1 2022/23 position	Q2 2022/23 position
Commence programme of investment in Middlesbrough Rail Station and the areas around it.		
Complete relocation of Teesside Archives.		
Development of central Middlehaven for commercial space (Boho X), housing units and restoration of the Old Town Hall and Captain Cook Pub.		
Commence programme of site infrastructure at Middlehaven through the Brownfield Housing Fund.		
Complete relocation of Council headquarters to Fountain Court.		
Prepare a new balanced Local Plan for consultation, based on greater community engagement.		

Priority	Q1 2022/23 position	Q2 2022/23 position
Market the premium housing sites at Nunthorpe Grange and Newham Hall.		
Deliver 450 new homes across Middlesbrough.		
Deliver Middlesbrough's Future High Streets Fund programme.		
Deliver Middlesbrough's Town Fund programme.		
Deliver transport schemes to improve efficiency and capacity of the network.		
Embed corporate values within the Directorate and make staff feel more valued.		
Improve staff communication within the Directorate so that staff feel more engaged and understand organisational priorities.		

Finance

Priority	Q1 2022/23 position	Q2 2022/23 position
Analyse impacts of Local Government finance reforms, including the Fair Funding Review and the provision of information to support the Council's position and representations to Government.		
Implementation of a centralised corporate welfare solution, to support the financial wellbeing of Middlesbrough residents.		
Review procurement policy and practice in preparation for the outcome of the Procurement Green Paper, including the opportunity for transformation and innovation.		
Review Valuation and Estates to ensure that both the development function and commercial management of assets are resourced and have clear strategic plans.		
Renegotiate the Section 75 arrangement with health partners to ensure services delivered are funded and fully accountable.		
Achieve an unqualified set of accounts for the 2021/22 financial year.		
Implement the 'payment to provider' solution, futureproofing with approach to procurement cards, ensuring the Council supports the local economy while delivering sound financial governance.		
Set a balanced budget for the Council and maintain an accurate and timely Medium-Term Financial Plan.		
Implement the new accounting regulations in relation to leasing.		
Implement the insurance service review and tender insurance contract arrangements to commence 1 April 2023.		
Monitor the financial position of the Council, including close working with Directorates ensuring correct allocation / maximising use of grants received (e.g. COVID-19), and the monitoring of the Investment Strategy and the effects on the Council's MTFP.		

Priority	Q1 2022/23 position	Q2 2022/23 position
Improve working and integration between services provided by Financial Planning & Support and Financial Governance & Revenues to maximise available resources and improve the overall service provided.		
Deliver a ward-based cash collection strategy, supporting vulnerable groups with payment solutions to improve Council Tax collection.		
Prepare and complete the Pension Fund triennial valuation as at 31 March 2023.		
Deliver ongoing training and development to the Pension Fund Committee and Board.		
Deliver sound business management practice through the delivery of the asset disposal policy framework, ensuring best value is achieved and the benefit of disposals are shared with local communities.		
Re-procure pensions administration contract.		
Embed corporate values within the Directorate and make staff feel more valued.		
Improve staff communication within the Directorate so that staff feel more engaged and understand organisational priorities.		

Adult Social Care and Health Integration

Priority	Q1 2022/23 position	Q2 2022/23 position
Prepare for the implementation of the Liberty Protection Safeguards.		
Develop a Clean Air Strategy for Middlesbrough.		
Review the Gambling Act Policy.		
Review the Licensing Act Statement of Licensing Policies.		
Implement the Newport 2 Selective Landlord Licensing scheme.		
Deliver next phase of integrated model of support for complex needs in Middlesbrough.		
Prepare for the implementation of the <i>People at the Heart of Care</i> White Paper.		
Prepare for the implementation of the two-day reablement standard in April 2023.		
Complete the implementation of the Domestic Abuse Act and evaluate provision.		
Embed corporate values within the Directorate and make staff feel more valued.		
Improve staff communication within the Directorate so that staff feel more engaged and understand organisational priorities.		

Public Health

Priority	Q1 2022/23 position	Q2 2022/23 position
Implementation of a partnership approach to ensure the best start in life for Middlesbrough children, reducing early health inequalities and focusing on the first 1001 days of life.	Green	Green
Publish a revised Pharmaceutical Needs Assessment for South Tees.	Green	Green
Publish the Director of Public Health's Annual Report.	Green	Green
Develop the Public Health workforce plan.	Green	Red
Recruit to shared Public Health Consultant roles with NHS and Teesside University.	Green	Red
Develop robust plans to deliver the Holiday Activity Fund, building on the learning from 2021.	Green	Blue
Pilot the use of the health inequalities assessment tool on policies and business cases in at least five key areas across Council.	Green	Green
Develop the 'Work Well' offer in collaboration with education partners to include the development of a bespoke employer-led programme for Public Health, with routes into long-term health and social care opportunities.	Green	Green
Complete the action plan for the Health and Happiness strand of the Green Strategy.	Green	Green
Complete in-depth insight work to understand how the Council can work with local communities to understand better local experiences of poverty and build better relationships.	Green	Green
Complete the health protection assurance report.	Green	Green
Develop and deliver an improved offer of support for addiction recovery through employment, housing and social / community re-integration.	Green	Green
Embed corporate values within the Directorate and make staff feel more valued.	Green	Green
Improve staff communication within the Directorate so that staff feel more engaged and understand organisational priorities.	Green	Blue

Children's Services

Priority	Q1 2022/23 position	Q2 2022/23 position
Deliver the Participation Strategy to support our service users to develop the services they receive in partnership with the Children and Young People's partnership.	Green	Red
Develop and deliver a workforce strategy to support a stable, skilled and focussed leadership at all levels and stable, permanent, skilled frontline workforce.	Green	Red
Deliver the multi-agency Early Help and Prevention Strategy to commit to supporting families at the earliest stage possible and increase the offer of youth provision.	Green	Green

Priority	Q1 2022/23 position	Q2 2022/23 position
Deliver the placement sufficiency strategy to increase our internal placement capacity (internal residential homes and in-house foster carers).		
Target young people who are NEET and provide support to progress into education, employment and training opportunities.		
Deliver the Inclusion and Specialist Support Strategic Plan to remove barriers to learning and wellbeing for children and young people.		
Deliver the Pupil Place Strategy, to ensure sufficient appropriate, high-quality school place are available for children and young people now in the future.		
Work with partners across Education, Health and Social Care to deliver the priorities within the local area SEND Strategy 2021-24.		
Deliver Middlesbrough Community Learning Strategy to increase learning opportunities across Middlesbrough in line with local, regional and national priorities.		
Deliver the Learning and Education Strategy to help school improvement and support educational outcomes in Middlesbrough.		
Work with school and partners to help improve attainment and attendance levels and reduce exclusions for all children across Middlesbrough.		
Deliver a refreshed Youth Justice Plan aligned to the Youth Justice Board's 'Child First' principle		
Embed corporate values within the Directorate and make staff feel more valued.		
Improve staff communication within the Directorate so that staff feel more engaged and understand organisational priorities.		

Legal and Governance Services

Priority	Q1 2022/23 position	Q1 2022/23 position
Commence implementation of revised business intelligence dashboard plan following agreement by LMT.		
Commence implementation of Robotic Process Automation within the Council.		
Develop an Operations Strategy (incl. Customer, ICT, operational estate, etc.) for the Council, to reflect post-COVID changes / new ways of working.		
Develop and implement a strategic planning cycle to inform the Council's approach to budget planning and consultation.		
Carry out Local Government Pension Scheme re-enrolment, in-line with legal obligations and duties.		
Ensure limitation dates are met in-line with the Prosecutors Code when dealing with instances of Crime and Anti-Social Behaviour.		
Further embed the Legal Business Partner approach to ensure Regeneration project deadlines and legal needs of the Council are aligned.		

Priority	Q1 2022/23 position	Q2 2022/23 position
Ensure effective implementation and transition to the new Liberty Protection Safeguards, through Legal advice and support to Adults Services.		
Continued Legal Services support to Children's Services Improvement Journey.		
Review implementation of revised approach to appraisal framework to ensure employee objectives are aligned to the Council's values and Strategic Priorities.		
Complete the Community Governance Review to establish future parish and community councils for Middlesbrough.		
Oversee delivery of actions within the 2020/21 Annual Governance Statement.		
Oversee delivery of actions with the 2021 Annual Equality and Inclusion Report.		
Embed corporate values within the Directorate and make staff feel more valued.		
Improve staff communication within the Directorate so that staff feel more engaged and understand organisational priorities.		

Appendix 1: Strategic Plan Workplan; Progress at Quarter Two 2022/23

We will show Middlesbrough's children that they matter and work to make our town safe and welcoming and to improve outcomes for all children and young people.	Q1 2022/23 position	Q2 2022/23 position
Expand the current model for youth provision in areas that suffer high levels of deprivation		
Make steps towards every child playing a musical instrument by extending to one other school or year group		
Evidence that Middlesbrough Council listens to children's voices		
Create and deliver a strategy to increase digital inclusion for children, young people and adults across Middlesbrough		
Consolidate and build on recent Children's Services progress to improve Ofsted rating		
Explore potential for the establishment of an Eton Sixth Form in Middlesbrough		

We will work to address the causes of vulnerability and inequalities in Middlesbrough and safeguard and support the vulnerable.	Q1 2022/23 position	Q2 2022/23 position
Deliver and extend the 50 Futures programme		
Further develop the Dementia Friendly Middlesbrough programme		
Achieve 'Age Friendly Communities' status		
Implement and extend locality working		

We will tackle crime and anti-social behaviour head on, working with our partners to ensure local people feel safer.	Q1 2022/23 position	Q2 2022/23 position
Support the police and hold them to account for each neighbourhood		
Establish and support Neighbourhood Watch schemes across the whole town		
Increase CCTV across the whole town		
More environmental action and punishment for fly tipping		
Encourage more residents to report crime and ASB		
Reward and champion individuals for being good neighbours		

We will tackle crime and anti-social behaviour head on, working with our partners to ensure local people feel safer.	Q1 2022/23 position	Q2 2022/23 position
Increased enforcement against problem properties / streets / gardens in disrepair		

We will ensure our town acts to tackle climate change, promoting sustainable lifestyles.	Q1 2022/23 position	Q2 2022/23 position
Develop an Urban Farm		
Develop local wildlife / nature reserve in North Ormesby and one other site		
Demonstrate increased recycling rates		
Establish six community growing areas		
Double the size of our urban meadows / wildflower planting sites		
15 new EV charging points across town		
Big community tree planting days		
Middlesbrough hosts inaugural climate conference		

We will ensure the recovery of local communities, businesses and the Council's operations from COVID-19, taking opportunities to build back better.	Q1 2022/23 position	Q2 2022/23 position
Delivery of the Council's COVID19 Recovery Plan to enable individuals, families, communities and business across Middlesbrough achieve a proper level of functioning, post-Pandemic		
Ensure effective Council response to immediate issues of COVID19 impacting upon individuals, families, communities and business		

We will work closely with local communities to protect our green spaces and make sure that our roads, streets, and open spaces are well-designed, clean and safe.	Q1 2022/23 position	Q2 2022/23 position
Improve identified play parks and spaces in line with our Towns Fund Recommendation		
Establish the requirement for potential CPO of derelict buildings and problem sites		
Improve our Highways		
12 new back alleys are reclaimed, improved and showcased		

We will work closely with local communities to protect our green spaces and make sure that our roads, streets and open spaces are well-designed, clean and safe.	Q1 2022/23 position	Q2 2022/23 position
Neighbourhood and town wide front garden competitions		
Vastly improve Thorntree and Pallister Parks in line with Towns Fund Recommendation		
Creation of Tree Maintenance Squad and ongoing maintenance work programme		
Creation of a subsidised Pest Control service		

We will transform our town centre, improving accessibility, revitalising unused assets, developing iconic new spaces and building more town centre homes.	Q1 2022/23 position	Q2 2022/23 position
Complete town-wide lighting scheme		
Consider potential for BOHO digital expansion		
St Hilda's housing starts around Old Town Hall		
Protect and celebrate heritage through marketing and comms strategies and complete planned works on Captain Cook pub and Old Town Hall		
Open three entertainment facilities within Captain Cook Square (cinema, Lane 7, eSports)		
Commence construction on the south side of the dock		
Action plan agreed and commenced for House of Fraser building		
Action plan agreed and commenced for Centre North East		
Action plan agreed and commenced for The Crown Pub building		
Action plan agreed and commenced for Gurney House		

We will invest in our existing cultural assets, create new spaces and events, and improve access to culture.	Q1 2022/23 position	Q2 2022/23 position
Increased ticket sales and attendance of events through effective marketing		
Complete improvements to Teesaurus Park		
Create three new annual events in 2022 as per existing approvals		
Aim for all children to get an experience of live theatre		
Increase attendance at existing Council events like Orange Pip		
Increase visitor numbers to museums and attractions		
Increase tickets sales at town hall performances		

We will ensure that we place communities at the heart of what we do, continue to deliver value for money and enhance the reputation of Middlesbrough.	Q1 2022/23 position	Q2 2022/23 position
Encourage public to help drive decision making		
Introduce a marketing campaign and associated support to significantly grow Middlesbrough Lottery		
Work with the voluntary sector to create and promote volunteering opportunities and an increase in volunteers		
Introduce Neighbourhood Action Weeks, driven by volunteers		
Market a small local grant programme		
Market a strong buy-local campaign		
Commence work on the new Southlands Centre		
Commence work on Nunthorpe community centre		
Promote Middlesbrough on the national stage		
Increase sponsorship income from businesses for various council activities		
Improve user experience of the council website, increasing online transactions		

Appendix 2: Strategic Plan workplan; Financial Recovery Plan 2022/23 impact

Strategic Plan workplan initiative	Impact on Strategic Plan workplan for 2022/23
Children and Young People	
Expand the current model for youth provision in areas that suffer high levels of deprivation	A delay to the expansion of Youth Provision services.
Evidence that Middlesbrough Council listens to children's voices	Deletion of two participation posts will see limited capacity to work with children and young people to gather and address views.
Vulnerability	
Deliver and extend the 50 Futures programme	<i>Limited</i> . Milestone plan to be revised to address likely reluctance to provide placements during potential redundancy consultation.
Implement and extend locality working	Removal of vacant post for dedicated locality working officer in Hemlington.
Crime and Anti-Social Behaviour	
Support the police and hold them to account for each neighbourhood	Maintaining 5 vacant existing Street Warden posts will reduce the ability to support police operations.
More environmental action and punishment for fly tipping	Maintaining 5 vacant existing Street Warden posts will see a reduction in incident reporting of fly-tipping.
Increased enforcement against problem properties / streets / gardens in disrepair	Milestone plan to be revised to reference reliance on Neighbourhood Safety Team during potential redundancy consultation.
Climate Change	
Middlesbrough hosts inaugural climate conference	Climate Conference did not take place as planned.

COVID19 Response and Recovery	
Delivery of the Council's COVID19 Recovery Plan to enable individuals, families, communities, and business across Middlesbrough achieve a proper level of functioning	Milestone plan to be revised to reference in-year spending restrictions and reliance on existing services and teams, during potential redundancy consultation.
Ensure effective Council response to immediate issues of COVID19 impacting upon individuals, families, communities, and business	<i>Limited.</i> Milestone plan to be revised to reference in-year spending restrictions and reliance on existing services and teams, during potential redundancy consultation.
Physical Environment	
Improve our Highways	Reduced investment will see 20% less priority Red / Amber carriageways improvements.
Creation of Tree Maintenance Squad and ongoing maintenance work programme	Delay to creation of Tree Maintenance Squad and ongoing maintenance programme.
Creation of a subsidised Pest Control service	Delay to creation of a subsidised Pest Control service.
Town Centre	
Complete town-wide lighting scheme	Additional areas to be lighted will now not progress.
Culture	
Increased ticket sales and attendances of events through effective marketing	<i>Limited.</i> In-year spending restrictions will limit ability to promote some community-based activities and events.
Create three new annual events in 2022 as per existing approvals	In-year spending restrictions will see only pre-agreed in-year events taking place.
Increase tickets sales at Town Hall performances	<i>Limited.</i> In-year spending restrictions will limit the ability to promote some activities and shows, specifically community-based
Quality of Service	
Market a small local grant programme	Removal of local grants offered to community groups up to the overall value in total of £20k.

Appendix 3: Strategic Risk at Quarter Two 2022/23

	Quarter One					Quarter Two				
Failure to achieve a balanced budget	Likelihood	1	2			2	1			
		4	3	1		4	4	1		
6		10	15		4	10	11			
3		4			3	5	1			
1		3			1	3				
	Impact									
Failure to comply with the law	Likelihood	1	2			2	2			
		4	9	3		5	6	3		
5		1	2		5	1	2			
1		3	5	6	1	3	4	6		
		Impact								
Failure to achieve good governance	Likelihood	2	3			3	1			
		5	3			5	2			
5		6	1	1	5	6	1	1		
1		1			1	1				
		Impact								
Failure to deliver Strategic and Directorate plans	Likelihood	4	3	1		6	7	1		
		3	7	10	4	2	7	7	2	
5		1	6		4	1	6			
1		2			1	1				
		Impact								
Failure of partnership agreements	Likelihood	1				1				
		1	2			1				
1		1	2			3				
2		2	2			2	2			
		Impact								

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Appendix 4: Directorate Priorities 2022/23; Progress at Quarter Two 2022/23

Environment and Community Services

Priority	Q1 2022/23 position	Q2 2022/23 position
Review and deliver the Community Safety Strategy to reduce crime and anti-social behaviour across Middlesbrough	Green	Green
Complete works on Column 22b.	Green	Green
Complete inspections of bridges and structures and implement resulting works where appropriate.	Green	Green
Determine the future operational status of the Transporter Bridge and secure appropriate investment.	Green	Red
Secure additional Capital funding to improve the condition of the Council's operational and commercial built asset portfolio	Green	Green
Review the Asset Management Framework for Middlesbrough.	Green	Green
Seek funding to improve the A66 through Middlesbrough.	Green	Green
Implement Year Two actions of the Council's Green Strategy.	Green	Green
Embed corporate values within the Directorate and make staff feel more valued.	Green	Green
Improve staff communication within the Directorate so that staff feel more engaged and understand organisational priorities.	Green	Green

Regeneration and Culture

Priority	Q1 2022/23 position	Q2 2022/23 position
Commence programme of investment in Middlesbrough Rail Station and the areas around it.	Green	Green
Complete relocation of Teesside Archives.	Green	Blue
Development of central Middlehaven for commercial space (Boho X), housing units and restoration of the Old Town Hall and Captain Cook Pub.	Green	Green
Commence programme of site infrastructure at Middlehaven through the Brownfield Housing Fund.	Green	Red
Complete relocation of Council headquarters to Fountain Court.	Green	Green
Prepare a new balanced Local Plan for consultation, based on greater community engagement.	Green	Green

Priority	Q1 2022/23 position	Q2 2022/23 position
Market the premium housing sites at Nunthorpe Grange and Newham Hall.		
Deliver 450 new homes across Middlesbrough.		
Deliver Middlesbrough's Future High Streets Fund programme.		
Deliver Middlesbrough's Town Fund programme.		
Deliver transport schemes to improve efficiency and capacity of the network.		
Embed corporate values within the Directorate and make staff feel more valued.		
Improve staff communication within the Directorate so that staff feel more engaged and understand organisational priorities.		

Finance

Priority	Q1 2022/23 position	Q2 2022/23 position
Analyse impacts of Local Government finance reforms, including the Fair Funding Review and the provision of information to support the Council's position and representations to Government.		
Implementation of a centralised corporate welfare solution, to support the financial wellbeing of Middlesbrough residents.		
Review procurement policy and practice in preparation for the outcome of the Procurement Green Paper, including the opportunity for transformation and innovation.		
Review Valuation and Estates to ensure that both the development function and commercial management of assets are resourced and have clear strategic plans.		
Renegotiate the Section 75 arrangement with health partners to ensure services delivered are funded and fully accountable.		
Achieve an unqualified set of accounts for the 2021/22 financial year.		
Implement the 'payment to provider' solution, futureproofing with approach to procurement cards, ensuring the Council supports the local economy while delivering sound financial governance.		
Set a balanced budget for the Council and maintain an accurate and timely Medium-Term Financial Plan.		
Implement the new accounting regulations in relation to leasing.		
Implement the insurance service review and tender insurance contract arrangements to commence 1 April 2023.		
Monitor the financial position of the Council, including close working with Directorates ensuring correct allocation / maximising use of grants received (e.g. COVID-19), and the monitoring of the Investment Strategy and the effects on the Council's MTFP.		

Priority	Q1 2022/23 position	Q2 2022/23 position
Improve working and integration between services provided by Financial Planning & Support and Financial Governance & Revenues to maximise available resources and improve the overall service provided.		
Deliver a ward-based cash collection strategy, supporting vulnerable groups with payment solutions to improve Council Tax collection.		
Prepare and complete the Pension Fund triennial valuation as at 31 March 2023.		
Deliver ongoing training and development to the Pension Fund Committee and Board.		
Deliver sound business management practice through the delivery of the asset disposal policy framework, ensuring best value is achieved and the benefit of disposals are shared with local communities.		
Re-procure pensions administration contract.		
Embed corporate values within the Directorate and make staff feel more valued.		
Improve staff communication within the Directorate so that staff feel more engaged and understand organisational priorities.		

Adult Social Care and Health Integration

Priority	Q1 2022/23 position	Q2 2022/23 position
Prepare for the implementation of the Liberty Protection Safeguards.		
Develop a Clean Air Strategy for Middlesbrough.		
Review the Gambling Act Policy.		
Review the Licensing Act Statement of Licensing Policies.		
Implement the Newport 2 Selective Landlord Licensing scheme.		
Deliver next phase of integrated model of support for complex needs in Middlesbrough.		
Prepare for the implementation of the <i>People at the Heart of Care</i> White Paper.		
Prepare for the implementation of the two-day reablement standard in April 2023.		
Complete the implementation of the Domestic Abuse Act and evaluate provision.		
Embed corporate values within the Directorate and make staff feel more valued.		
Improve staff communication within the Directorate so that staff feel more engaged and understand organisational priorities.		

Public Health

Priority	Q1 2022/23 position	Q2 2022/23 position
Implementation of a partnership approach to ensure the best start in life for Middlesbrough children, reducing early health inequalities and focusing on the first 1001 days of life.	Green	Green
Publish a revised Pharmaceutical Needs Assessment for South Tees.	Green	Green
Publish the Director of Public Health's Annual Report.	Green	Green
Develop the Public Health workforce plan.	Green	Red
Recruit to shared Public Health Consultant roles with NHS and Teesside University.	Green	Red
Develop robust plans to deliver the Holiday Activity Fund, building on the learning from 2021.	Green	Blue
Pilot the use of the health inequalities assessment tool on policies and business cases in at least five key areas across Council.	Green	Green
Develop the 'Work Well' offer in collaboration with education partners to include the development of a bespoke employer-led programme for Public Health, with routes into long-term health and social care opportunities.	Green	Green
Complete the action plan for the Health and Happiness strand of the Green Strategy.	Green	Green
Complete in-depth insight work to understand how the Council can work with local communities to understand better local experiences of poverty and build better relationships.	Green	Green
Complete the health protection assurance report.	Green	Green
Develop and deliver an improved offer of support for addiction recovery through employment, housing and social / community re-integration.	Green	Green
Embed corporate values within the Directorate and make staff feel more valued.	Green	Green
Improve staff communication within the Directorate so that staff feel more engaged and understand organisational priorities.	Green	Blue

Children's Services

Priority	Q1 2022/23 position	Q2 2022/23 position
Deliver the Participation Strategy to support our service users to develop the services they receive in partnership with the Children and Young People's partnership.	Green	Red
Develop and deliver a workforce strategy to support a stable, skilled and focussed leadership at all levels and stable, permanent, skilled frontline workforce.	Green	Red
Deliver the multi-agency Early Help and Prevention Strategy to commit to supporting families at the earliest stage possible and increase the offer of youth provision.	Green	Green

Priority	Q1 2022/23 position	Q2 2022/23 position
Deliver the placement sufficiency strategy to increase our internal placement capacity (internal residential homes and in-house foster carers).		
Target young people who are NEET and provide support to progress into education, employment and training opportunities.		
Deliver the Inclusion and Specialist Support Strategic Plan to remove barriers to learning and wellbeing for children and young people.		
Deliver the Pupil Place Strategy, to ensure sufficient appropriate, high-quality school place are available for children and young people now in the future.		
Work with partners across Education, Health and Social Care to deliver the priorities within the local area SEND Strategy 2021-24.		
Deliver Middlesbrough Community Learning Strategy to increase learning opportunities across Middlesbrough in line with local, regional and national priorities.		
Deliver the Learning and Education Strategy to help school improvement and support educational outcomes in Middlesbrough.		
Work with school and partners to help improve attainment and attendance levels and reduce exclusions for all children across Middlesbrough.		
Deliver a refreshed Youth Justice Plan aligned to the Youth Justice Board's 'Child First' principle		
Embed corporate values within the Directorate and make staff feel more valued.		
Improve staff communication within the Directorate so that staff feel more engaged and understand organisational priorities.		

Legal and Governance Services

Priority	Q1 2022/23 position	Q1 2022/23 position
Commence implementation of revised business intelligence dashboard plan following agreement by LMT.		
Commence implementation of Robotic Process Automation within the Council.		
Develop an Operations Strategy (incl. Customer, ICT, operational estate, etc.) for the Council, to reflect post-COVID changes / new ways of working.		
Develop and implement a strategic planning cycle to inform the Council's approach to budget planning and consultation.		
Carry out Local Government Pension Scheme re-enrolment, in-line with legal obligations and duties.		
Ensure limitation dates are met in-line with the Prosecutors Code when dealing with instances of Crime and Anti-Social Behaviour.		
Further embed the Legal Business Partner approach to ensure Regeneration project deadlines and legal needs of the Council are aligned.		

Priority	Q1 2022/23 position	Q2 2022/23 position
Ensure effective implementation and transition to the new Liberty Protection Safeguards, through Legal advice and support to Adults Services.		
Continued Legal Services support to Children's Services Improvement Journey.		
Review implementation of revised approach to appraisal framework to ensure employee objectives are aligned to the Council's values and Strategic Priorities.		
Complete the Community Governance Review to establish future parish and community councils for Middlesbrough.		
Oversee delivery of actions within the 2020/21 Annual Governance Statement.		
Oversee delivery of actions with the 2021 Annual Equality and Inclusion Report.		
Embed corporate values within the Directorate and make staff feel more valued.		
Improve staff communication within the Directorate so that staff feel more engaged and understand organisational priorities.		

MIDDLESBROUGH COUNCIL



Report of:	Executive Member for Finance and Governance Director of Finance
Submitted to:	Executive
Date:	8 November 2022
Title:	Revenue and Capital Budget – Projected Outturn position as at Quarter Two 2022/23
Report for:	Decision
Status:	Public
Strategic priority:	All
Key decision:	Yes
Why:	Decision(s) will incur expenditure or savings above £150,000
Urgent:	No
Why:	

Executive summary

This report advises the Executive of the Council's financial position as at Quarter Two 2022/23.

The report provides the necessary information to enable the Executive to discharge its financial management responsibilities, setting out:

- projected revenue and capital budget year-end outturns as at Quarter Two 2022/23;
- position statements in relation to the Council's borrowing and prudential indicators, and its reserves and provisions; and
- actions that the Council has taken and plans to address the issues raised.

The report requests that the Executive:

- Notes that there is a projected 2022/23 revenue budget year-end outturn as at Quarter Two of a £9.429m overspend.

- Notes that if the Financial Recovery Plan 2022/23 as approved by Executive on 18 October 2022 is fully implemented, then the forecast overspend can potentially be reduced to approximately £2.1m.
- Notes the management action being taken to address the shortfall and to improve this position further, wherever possible, in order to mitigate the risk on reserves.
- Notes the proposed implementation of a Flexible Use of Capital Receipts Strategy for 2022/23 to fund transformation costs, in particular in Children's Services, as approved by Full Council on 7 September 2022.
- Notes that the current projected outturn and any non-implementation of the approved Financial Recovery Plan 2022/23 will have a negative impact on the Council's current Medium Term Financial Plan, and that the ongoing financial challenges will continue into 2023/24 and future years. The position is currently being assessed and will be reported in a separate report to this Executive and then to Council as part of the Medium Term Financial Plan Update, and then as part of the budget strategy for 2023/24 to Executive and Council. It should be noted that there is currently a great deal of uncertainty in forecasting created by the pay award, inflationary pressures, and the impact on demand for services.
- Approves the proposed revenue budget virements over £150,000 as detailed in Appendix 1.
- Notes the 2022/23 capital budget predicted year-end outturn of £69.241m as at Quarter Two against a revised capital budget of £90.614m, and approves the revised Investment Strategy to 2024/25 at Appendix 2.

Purpose

1. This report advises the Executive of the Council's financial position as at Quarter Two 2022/23.

Background and relevant information

2. The Council's Scheme of Delegation gives the Executive collective responsibility for corporate strategic performance and financial management / monitoring, together with associated action. Standing Orders and Financial Procedures require the Executive's approval for major virements between revenue budgets, and in-year changes to the Council's capital Investment Strategy.
3. This report provides the necessary information to enable the Executive to discharge its financial management responsibilities, setting out:
 - projected revenue and capital budget year-end outturns as at Quarter Two 2022/23;
 - position statements in relation to the Council's borrowing and prudential indicators, and its reserves and provisions; and
 - actions that the Council has taken and plans to address the issues raised.
4. Standing Orders and Financial Procedures and Regulations require the Executive's approval of the proposed revenue budget virements over £150,000 (Appendix 1)
5. A revised Investment Strategy for the period to 2024/25 is attached at Appendix 2 for the Executive's consideration and approval.

Revenue Budget Projected Year-End Outturn as at Quarter Two 2022/23

6. The 2022/23 Revenue budget for the Council is £118,328,934 as set out in the Revenue Budget, Council Tax, Medium Term Financial Plan (MTFP) and Capital Strategy 2022/23 Report presented to Council on 23 February 2022.
7. As mentioned previously in the Revenue Budget, Council Tax, MTFP and Capital Strategy 2022/23 Report presented to Council on 23 February 2022 and in the Quarter One report, Children's Social Care remains the biggest area of financial concern and a three-year plan was drawn up in July 2021 for the potential MTFP impact. As part of this plan, Executive approved at Quarter One that the budget for Children's Care in 2022/23 would be temporarily increased for 2022/23 only by £5.665m, which is the amount requested by Children's Care for 2022/23 in the three-year plan drawn up in July 2021.
8. At Quarter One a projected year-end outturn position for 2022/23 of £9.012m was reported. This was mainly due to pressures relating to additional inflation, the increased pay award, and increased demand, placement, and agency costs within Children's Services, all of which were largely unknown at the start of the financial year and are national issues. In light of the projected overspend reported at Quarter One, Executive on 18 October 2022 approved a Financial Recovery Plan 2022/23 which was intended to reduce the projected outturn for 2022/23. This included certain discretionary expenditure being curtailed, the early implementation of fees and charges increases, additional controls around vacancy and agency staff, the setting up of a Children's

Focus Group, and the implementation of the approved Flexible Use of Capital Receipts Strategy. Full details of the actions approved and the impact on each Directorate were included in the Financial Recovery Plan 2022/23 report presented to Executive. The report indicated that the forecast overspend could be substantially reduced to approximately £1.6m.

9. The Council's projected year-end outturn position for 2022/23 as at Quarter Two is an overspend of £9.429m (8%) before the implementation of the Financial Recovery Plan. The split per Directorate is shown in the table below along with a comparison of the position as at Quarter One. Details of the Directorate variances are included in paragraphs 23 to 90.

Directorate	2022/23 Revised Full Year Budget £'000s	2022/23 Q2 Projected Outturn at Year End £'000s	2022/23 Projected transfer to central additional inflation contingency (to be actioned at year end when finalised) £'000s	2022/23 Q2 PROJECTED OVER (UNDER) SPEND AT YEAR END (after projected transfer to central additional inflation contingency) £'000s	2022/23 Q1 PROJECTED OVER (UNDER) SPEND AT YEAR END (after projected transfer to central additional inflation contingency) £'000s
Regeneration and Culture	2,890	3,162	0	272	182
Environment and Community Services	20,033	23,206	(2,500)	673	395
Public Health	(2,827)	(3,485)	0	(658)	(542)
Adult Social Care	43,468	46,291	(1,180)	1,643	1,595
Total - Adult Social Care and Health Integration	40,641	42,806	(1,180)	985	1,053
Education & Partnerships	1,842	1,487	0	(355)	(168)
Children's Care	44,297	52,936	(617)	8,022	7,025
Total - Children's Services	46,139	54,423	(617)	7,667	6,857
Legal and Governance Services	9,787	9,874	0	87	37
Finance	(13)	(1,166)	(24)	(1,177)	(1,176)
Central Budgets	(1,148)	(4,547)	4,321	922	1,664
Revenue Outturn	118,329	127,758	0	9,429	9,012

Note – the Q1 variances for Regeneration and Culture and Central budgets have been adjusted from that reported at Quarter One to account for the transfer of savings on the Concessionary Fares budget approved as a virement at Quarter One (£711,000), in order to provide better comparisons of the variances between Quarter One and Two (see paragraph 84 for more details).

10. The table below shows by Directorate the potential effect if the Financial Recovery plan is fully implemented as per the Executive report, and shows a revised forecast variance position for 2022/23.

Directorate	2022/23 Revised Full Year Budget	2022/23 Q2 Forecast Variance	2022/23 Recovery Plan	2022/23 Fees & charges increases from 1 November 2022	2022/23 Revised Forecast Variance
	£'000s	£'000s	£'000s	£'000s	£'000s
Regeneration and Culture	2,890	272	648	129	(505)
Environment and Community Services	20,033	673	419	132	122
Public Health	(2,827)	(658)	165	0	(823)
Adult Social Care	43,468	1,643	1,229	53	361
Education & Partnerships	1,842	(355)	0	29	(384)
Children's Care	44,297	8,022	811	1	7,210
Legal and Governance Services	9,787	87	156	23	(92)
Finance	(13)	(1,177)	225	96	(1,498)
Central Budgets *	(1,148)	922	3,240	0	(2,318)
TOTAL	118,329	9,429	6,893	463	2,073

NOTE

* Recovery Plan for Central Budgets includes £2.7m for adoption of the Flexible Use of Capital Receipts Strategy and £0.5m for vacancy and agency control which are currently shown centrally within Central Budgets, however these may at year-end be shown within Directorate budgets.

11. The above table shows that if the recovery plan is fully implemented then the projected outturn position of £9.429m as shown in the table in paragraph 9 can be reduced to approximately £2.1m. It is proposed that Directorate budgets are adjusted for the planned savings and fees and charges increases included in the Financial Recovery Plan 2022/23, and for the remainder of 2022/23 the revised budgets are used to show the revised forecast variance per Directorate in future quarterly budget monitoring reports. Virements for this have been included in Appendix One. There will be a requirement for close monitoring of progress against the Financial Recovery Plan, as any non-achievement of this will lead to increased drawdown on reserves and affect the Council's MTFP.
12. The Financial Recovery Plan 2022/23 includes the implementation of a Flexible Use of Capital Receipts Strategy for 2022/23 to fund transformation costs across the Council, principally within Children's Services, as approved by Full Council on 7 September 2022. In order to satisfy the legislation relating to this, confirmation will be required that the capital receipts are available in 2022/23 and that the transformation expenditure will provide future ongoing savings.
13. It is proposed that the final overspend at year-end resulting after the revenue spending controls have been implemented will be covered by Reserves, principally the Social Care Transformation Reserve. The current level of Reserves are shown in the Reserves and Provisions Section of this report (paragraphs 140 to 144) and detailed in Appendix 3.
14. The ongoing continuing financial effect of any pressures or underspends to budget will be built into future updates of the Council's MTFP.

General issues

15. One of the major areas of increased expenditure during the latter part of 2021/22 was the level of inflation that existed in the economy, and this has continued in the start of 2022/23 and is expected to continue for the remainder of 2022/23. As shown in the table in paragraph 9 several Directorates have been substantially affected by the hyper-inflationary increases that existed in areas such as fuel, energy, utilities, food, and also increased costs from providers for services such as Waste Disposal, transport provision for children and adults, and Adults and Children's Care providers due to the inflationary increases they have suffered. Further detail is provided within the Directorate variances section of the report. An additional inflation contingency of approximately £4.6m recurring funding was built into the updated Medium Term Financial Plan (MTFP) presented to Council in February 2022 and this is held centrally. In light of the uncertainty of the cost of these pressures, it is proposed that this additional inflation will be reported against the individual Directorates during 2022/23 and transfers from the centrally held budget will be made at year-end when the final effects in 2022/23 are confirmed. There will be a need to closely monitor this, and further updates will be provided in future budget monitoring reports and the MTFP will be amended accordingly as appropriate.
16. As mentioned at Quarter One another area where there are additional potential pressures is the pay award for 2022/23 for Local Government Services employees effective from 1 April 2022. No formal agreement has still yet been reached between the National Employers and the NJC Trade Unions. The NJC Trade Unions have put a claim in for a substantial increase with a minimum of £2,000 or the current rate of RPI (whichever is greater) on all pay points, alongside other requests such as for a reduced working week, an additional days leave, and various reviews of working arrangements and allowances. The National Employers have offered that with effect from 1 April 2022, an increase of £1,925 on all NJC pay points 1 and above, and an increase of 4.04% on some allowances. Currently the Trade Unions have not agreed to the National Employers offer.
17. The MTFP presented to Council in February 2022 assumed a 2% pay award for 2022/23, and this along with 1% provided for within the centrally held Inflation Contingency and a further amount equating to approximately 1% remaining in the centrally held Pay and Prices Contingency budget, means that there is currently approximately £3.5m held in Central budgets for the 2022/23 pay award which equates approximately to a provision for a 4% pay award for 2022/23.
18. At this stage in the absence of any formal agreement, it has been assumed in the Quarter Two projection that the National Employers offer will be implemented. The pay award offered is currently estimated to cost approximately £6.1m, which equates to approximately an average 6.5% pay award.
19. The budget pressure caused by the effect of the 2022/23 pay award has been mitigated by savings on the amount provided for the pay award for 2021/22, and also on the money set aside for the Employers National Insurance contributions increase following the Government's decision to reverse the increased employers National Insurance contributions from November 2022. The resulting estimated pressure of approximately £1.4m is included within Central Budgets as shown in the table in paragraph 9 and in paragraph 88.

20. Provision was made in the updated MTFP presented to Council in February 2022 for the future potential ongoing effects of Covid-19 on income in a number of the areas. Also, in the 2021/22 outturn report to Executive on 14 June 2022, a new earmarked Car Parking Pressures Reserve of £782,000 was set up for the potential ongoing effects of Covid-19 on car parking income in future years. The Government have confirmed that no further Government funding will be provided for 2022/23 for the further continuing effects for Covid-19. The effects of Covid-19 are therefore no longer shown separately in these quarterly budget monitoring reports with any continuing effects included within the Directorate totals, and consideration will be made as to updating the MTFP as appropriate for any such effect which is not currently provided for in future years.

Progress against budget savings

21. The Revenue Budget, Council Tax, MTFP and Capital Strategy 2022/23 Report presented to Council on 23 February 2022 included no further additional budget savings for 2022/23.

22. As mentioned in paragraph 11 close monitoring will take place of the in-year 2022/23 budget savings proposed as part of the Financial Recovery Plan 2022/23 approved by Executive on 18 October 2022. Updates on progress against these in-year savings will be included in future quarterly budget monitoring reports.

Directorate variances

23. The detail of the variances above or below £150,000 of the agreed budget are set out below. Where appropriate, the on-going effects of variances will be considered as part of future updates of the Council's MTFP.

Regeneration and Culture

24. Car parking income continues to be significantly lower than that achieved pre the Covid-19 pandemic. Year-end projections are currently showing a combined net loss of £98,000 at year end (after increasing car parking charges in November 2022 as part of the Financial Recovery Plan) which is a marked improvement from the £266,000 net loss reported at Quarter One, and can be attributed to a significant increase in income achieved from off-street parking.

25. The outturn projection for off-street parking includes a grant of £850,000 provided to the Council from Tees Valley Combined Authority in 2022/23 for the provision of 2 to 3 hour free parking across the Tees Valley.

26. At the end of financial year 2021/22 the Council created a Car Parking Pressures Reserve of £782,000, and it is intended that the final overspend for car parking in 2022/23 will be met from this Reserve and this will be actioned at year-end when the final year-end position is known.

Environment and Community Services

27. As mentioned in paragraph 15 the Environment and Community Services Directorate has been substantially affected by hyper-inflationary increases in a number of areas. The current estimated effects of this are summarised in the table below. These are likely to be subject to further change and as mentioned in paragraph 15, it is proposed that the

final pressures at year-end will be funded from the £4.6m additional inflation contingency within Central budgets provided for this as part of the 2022/23 budget setting.

Service Area	Description	£
Property Running Costs	Inflation on Utilities	817,900
Building Maintenance	Inflation of Materials & Contractors Pricing	100,000
Integrated Transport Unit	Inflation on Fuel & Contractors Pricing	250,000
Area Care & Central Operations	Inflation on Fuel & Materials	117,100
Waste Collection	Inflation on Fuel	113,000
Waste Disposal	Main Contract Disposal (increase of £7.36 per tonne)	292,000
Catering	Inflation on Food & Utilities	250,000
Fleet Services	Inflation on Fuel and Materials	185,000
Street Lighting	Inflation on Electricity	375,000
TOTAL DEMAND ON ADDITIONAL INFLATION CONTINGENCY BUDGET		2,500,000

28. There is a projected pressure of £467,000 (after the effects of inflation as outlined above) due to a greater number of children eligible for home to school transport and an increase in costs to transport children out of the area. This overspend has increased from the £360,000 reported at Quarter One as the demand on the service for the new academic school year has now been established. The ongoing effects of this will be considered as part of the MTFP update.
29. A shortfall in income and an overspend on expenditure within Bereavement Services is expected to result in a £263,000 pressure. As part of the Financial Recovery Plan, fees and charges have been increased by 10% as from 1st November 2022 and this should reduce the pressure to £103,000 by year end. However, even with the revised pricing structure it is not expected that the revised income target for 2022/23 will be achieved. A comprehensive review of the service will be undertaken in order to get this back on track.
30. The Supported Communities Service is expecting to produce an overall underspend totalling £175,000, mainly due to vacant posts. Further savings, including the freezing of currently vacant Street Warden posts (£85,000) and the delay in the introduction of the subsidised residents Pest Control service (£90,000) are intended to be made as part of the Council's Financial Recovery Plan 2022/23.
31. In addition, there are a number of budget areas within Environment and Community Services which have variances below £150,000, and these account for the overall total overspend on the budget.

Public Health

32. There are projected savings on Public Health budgets totalling £658,000 in 2022/23, with the majority of the projected savings being due to staffing savings as a result of delayed recruitment to vacant posts and other pay related savings with the Service.

33. As part of the Financial Recovery Plan following the Quarter One report, the Service has deleted several vacant posts, which will save approximately £150,000 by year end.

Adult Social Care

34. There are projected staff savings across the Service totalling £663,000 mainly due to staff turnover and delayed recruitment to vacancies. Similar to Children's Care (as detailed in paragraph 62 below), there are emerging difficulties within Adult Social Care relating to the recruitment of permanent social work staff, and the Service are having to consider recruiting agency staff to fill vacant posts. The Service are also currently in the process of introducing a change to how Social Workers progress through the career structure grades as a staff retention incentive. Further consideration may however need to be given to a further recruitment and retention bonus scheme to attract and retain staff.

35. In Quarters One and Two of 2022/23, there has been net growth of £1,480,000 in purchased care costs (mainly residential care) against the budget set at the start of 2022/23. Further growth of £290,000 is forecast to the year-end. As in previous years, this is subject to substantial change throughout 2022/23 depending on numbers of clients, and therefore this budget will be closely monitored, and updates will be provided in future quarterly budget monitoring reports.

36. As mentioned in paragraph 15 the Adult Social Care Directorate has been substantially affected by hyper-inflationary increases mainly from providers of services. This is currently forecast at approximately £1.2m for 2022/23. This is lower than the £1.6m provided for as part of the £4.6m additional inflation contingency within Central budgets provided as part of the 2022/23 budget setting. This amount is likely to be subject to further change and as mentioned earlier it is proposed that the final pressure at year-end will be funded from the centrally held budget. It should be noted that the £1.6m will be required in full ongoing in future years.

37. The above pressure is offset by the recovery of an additional £155,000 of direct payments surpluses in excess of the budgeted target.

38. The Bed and Breakfast budget for providing temporary accommodation for the homeless within the town is forecast to be overspent by £177,000 (after maximising homelessness grants).

39. In addition, there are a number of budget areas within Adult Social Care which have variances below £150,000, and these account for the overall projected overspend £1,643,000 on the Adult Social Care budget. It is predicted that this overspend will be reduced to £361,000 by year-end following the implementation of the Financial Recovery Plan.

Education & Partnerships

40. This is mainly due to a projected unbudgeted income of £498,000 for 2022/23 relating to school contributions to capital schemes, as contributions are to be funded from other sources, thereby creating a revenue saving. This saving is partly offset by projected overspends on the Children's Centres and Nurseries budgets totalling £75,000 due to reduced income from lower take up of services than expected.

41. For information, the Council received £168.6 m (before deductions and recoupment) of Dedicated Schools Grant (DSG) for 2022/23. The funding comprises of a number of blocks - Schools Block, Central School Services Block, High Needs Block, and Early Years Block. A large proportion of the Schools Block is passported directly to academies (known as recoupment).
42. It is projected that there will be a £5.1m total cumulative deficit on the DSG grant at the end of 2022/23, mainly attributed to the High Needs Block. This is an increase from the £3.756m total DSG deficit at the end of 2021/22, which included £5.062m attributed to the High Needs Block. This figure can fluctuate, both ways, and updates will be provided in future budget monitoring reports.
43. The Council currently has to account for such DSG deficits separate from its own finances, and cannot use its General Fund to clear the deficit. However, this only lasts until the end of March 2023, and therefore there is uncertainty around this in the future and a risk that after March 2023 the Council may have to provide for the DSG deficit built up over the years. This risk is accounted for in the determination of the General Fund Reserve included as part of the Revenue Budget, Council Tax, MTFP and Capital Strategy 2022/23 Report presented to Council on 23 February 2022.
44. The DSG conditions of grant require that any local authority with an overall deficit on its DSG account at the end of financial year 2021/22, or who's DSG surplus has substantially reduced, present a plan to the DfE for managing its DSG spend in 2022/23 and future years. There is also a requirement to provide information as and when requested by the DfE about pressures and potential savings on its high needs budget.
45. The Council complete regular DSG management recovery plans to outline forecasts over the next 5 years, and are also working with the DfE and have received a grant from "Delivering Better Value" (DBV) that is supporting work to bring this deficit down in future years using best practice and benchmarking across the country. DBV is a long-term programme and 55 other local authorities as well as Middlesbrough Council are on the DBV programme. It should be noted that Middlesbrough Council are not in the "Safety Valve" programme, which is for those local authorities with the greatest DSG deficits.
46. DfE also expect that schools be regularly updated via the Schools Management Forum about the authority's DSG account and plans for handling it, including high needs pressures and potential savings.
47. The increasing pressure in DSG and in particular the High Needs Block is due to the fact that alongside social care, the Service is predicting an increase in more complex placements with a forecast increase in Education, Health, and Care plans (EHCPs) in the future. In Middlesbrough, the number of EHCPs have increased from 1,272 in 2021 to a predicted level of 1,659 in 2022, a 30% increase, and this is predicted to increase further in the future. This is a national issue affecting a large number of local authorities. The Government have partly recognised this by an increase in funding allocated in the latest finance settlement for 2022/23 for both Schools and High Needs Blocks.

Children's Care

48. As detailed in paragraph 7 the budget for Children's Care for 2022/23 has been temporarily increased for 2022/23 only by £5.665m as part of the current 3-year MTFP plan. The variances in the table in paragraph 50 report against the revised budget for Children's Care in 2022/23 following the £5.665m temporary budget increase for 2022/23.
49. As mentioned in paragraph 15 the Children's Care Directorate has been affected by hyper-inflationary increases from providers. These are currently forecast to be approx. £617,000 for 2022/23, comprising of £408,000 for External Residential Placements and £209,000 for Independent Fostering Agency (IFA) payments. This amount was provided for as part of the £4.6m additional inflation contingency within Central budgets as part of the 2022/23 budget setting. This amount is likely to be subject to further change, and as mentioned earlier it is proposed that the final pressures at year-end will be funded from the centrally held budget. The variances in the table in paragraph 50 below assume the inflation will be provided for from central budgets in order to provide a real variance against budget.
50. There is a projected overspend on the total Children's Care budget at year-end of £8,022,000 as at Quarter Two (before any mitigations as part of the Financial Recovery Plan), an increase of approximately £1m from that reported at Quarter One. The table below shows the split of the additional £5.665m budget provided between the individual budgets within Children's Care, and summarises the variances against the individual revised budgets and a comparison to Quarter One, with further detail being provided in the paragraphs below.

Service Area:	2022/23 Original Budget	MTFP Temporary Increase in Budget for 2022/23	2022/23 Revised Budget	2022/23 Q2 Projected Outturn at year end (after additional inflation funding)	2022/23 Q2 PROJECTED OVER / (UNDER) SPEND AT YEAR END (after additional inflation funding)	2022/23 Q2 Variance from Q1 Position	2022/23 Q1 Projected Outturn at year end (after additional inflation funding)
	£000s	£000s	£000s	£000s	£000s	£000s	£000s
External Residential Agency Placements	8,968	(276)	8,692	12,850	4,157	(318)	4,476
Education Contributions to External Residential Agency Placements	(750)	0	(750)	(625)	125	0	125
ICB Health Contributions to External Residential Agency Placements	(1,252)	120	(1,132)	(1,392)	(260)	495	(755)
In-House Fostering	3,346	671	4,017	3,777	(240)	(203)	(37)
Independent Fostering Agency (IFA)	5,395	262	5,657	6,156	499	333	166
Adoption Services	1,282	0	1,282	1,285	2	(14)	16
Family & Friends Allowances	2,368	1,244	3,612	3,563	(49)	61	(110)
Safeguarding and Care Planning	2,969	727	3,696	5,203	1,508	604	904
Review and Development Unit	882	203	1,085	1,499	414	229	184
Referrals & Assessments	2,542	116	2,658	2,456	(201)	(167)	(34)
Children Looked After Teams	1,974	606	2,580	2,714	134	22	112
Internal Residential Service	3,861	0	3,861	4,074	213	(81)	293
Children with Disabilities service	1,516	0	1,516	1,971	455	96	359
Management and Administration	1,643	160	1,803	2,195	392	(32)	424
Improvement	0	1,832	1,832	2,856	1,024	(108)	1,132
Prevention Services	1,847	0	1,847	1,687	(159)	38	(198)
Other Resource Services	2,042	0	2,042	2,049	8	40	(32)
TOTAL	38,632	5,665	44,297	52,319	8,022	997	7,025

51. A proportion of the overspend is linked to transformation and improvement within Children's Services and as detailed in paragraph 12 it is proposed that a Flexible Use of Capital Receipts Strategy is implemented in 2022/23. It should be noted that as the amount has not yet been confirmed, the figures for Children's Care have not yet been amended for the effect of this.
52. The external residential agency placements budget is currently projected to be £4,157,000 overspent at year-end before the implementation of the Financial Recovery Plan 2022/23 savings (a decrease of £318,000 from Quarter One), mainly due to price increases within the market generally and a national shortage of available placements. Also there has been some delays in available placements which has led to placements initially being made at a higher cost whilst reduced cost long-term permanent placements are sought. The use of external residential placements is monitored on a weekly basis and if possible young people are moved to lower cost placements if it is in line with their care plan to do so. This is based on the 50 external residential placements at the end of Quarter Two (similar to Quarter One) and currently known movements in or out throughout the remainder of 2022/23.
53. The average cost per placement has increased significantly over the past 24 months due to demand across the country and a national lack of suitable placements. Requests for placements are being made multiple times with no interest being received from providers. This has led to increased costs and is a national challenge / pressure and not specific to Middlesbrough, despite Middlesbrough having one of the highest levels of demand for social care in the country. Also there have been increased costs for some of the remaining placements due to the complex nature of the remaining young people. The Children's Care MTFP plan has a challenging target for getting the average number of external residential placements throughout 2022/23 to 42, with a year-end position for 2022/23 at 37 places. This will require a lot of work around place planning and movement in order to achieve this, which may not result in a proportional level of cost avoidance.
54. The target in the Council's MTFP is to further reduce the number of paid external residential placements to 35 by April 2024. Whilst the reduction in numbers of children in external placements is broadly on track with that as per the action plan this will require close monitoring and regular review. The significant inflationary and market pressures on average placement costs also need to be closely monitored. Any significant variations from the targets currently set in the MTFP will require the MTFP to be adjusted.
55. As mentioned previously, further work led by the Directors within Children's Services has been undertaken to review all the young people in Residential Agency Placements and ensure that appropriate levels of funding are received from both the Integrated Care Board (ICB) for Health contributions and from Dedicated Schools Grant (DSG) for Education contributions. Due to the fact that the complexity of the Council's young people has increased along with the average placement costs, the Health and Education contributions should therefore also increase appropriately. However, the fewer placements Middlesbrough has the lower the Education and Health contributions. The outturn for the external residential placements budget includes increased Education contributions to placements, some paid direct to providers, of £625,000 for 2022/23, which is a £125,000 pressure on the £750,000 budget set for 2022/23. There is however a significant backlog of Education Health Care Plans, and this figure may

well in the future increase percentage wise in regard to contributions against the total Children's Care expenditure.

56. The above pressure on the external residential agency placements budget has however been partly offset by projected additional income received from the ICB of £260,000 above the revised budget for the contribution from Health towards the increased cost of placements due to the complex needs of the young people. This is however a decrease from Quarter One of £495,000, due to a complex young person moving out of residential services which has helped to reduce the overall costs of external residential care as mentioned above. Dedicated capacity has been provided to liaise with health commissioners in order to maximise health contributions.
57. The in-house fostering services budget is currently projected to be £240,000 underspent at year-end, an increase in underspend of £203,000 from that reported at Quarter One. This is due to a reduction in carers during Quarter Two, there are currently 161 placements, which is a reduction from 176 at Quarter One. The reduction is due to a concerning number of carers opting to transfer to Independent Fostering Agency (IFA) due to higher fees paid. A report is currently being prepared by the Service to propose an increase in payments to internal foster carers to bring them broadly in line with the payments received by carers from Independent Fostering agencies, in order to attempt to prevent this worrying trend continuing further. An increase in expenditure against 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 further increase capacity over the next few years.
58. The Independent Fostering Agency (IFA) placements budget is currently projected to be £499,000 overspent at year-end, an increase of £333,000 from the Quarter One position due mainly to the above mentioned transfer of in-house foster carers to agency. The number of placements / cases has increased to be currently at 150 (from 143 at Quarter One). This is after an increased additional temporary budget increase of £262,000 for 2022/23. Reductions in expenditure within this area are part of the MTFP strategy for Children's Services and the target is to get down to 121 places by April 2024, however as with external residential places close monitoring needs to take place with regard to inflationary pressures as well as reducing numbers.
59. There are currently 30 children in the process of being adopted, and it is currently projected that 27 Adoption Orders will be finalised in 2022/23. This may help to reduce the expenditure in Children's Care later on in the financial year.
60. The Family and Friends Allowances budget is currently projected to be £49,000 underspent at year-end, after the provision of additional temporary budget for 2022/23 of £1,244,000. This is based on an increased number of 473 placements/cases. It should be noted that demand on this budget is expected to continue to grow over the next few years as the Council continue to improve outcomes for Middlesbrough young people and make improvements to services. The costs associated with payments made under this budget are however significantly lower than those in other budgets, such as those in external residential agency placements or Independent Fostering Agency (IFA) placements. The service, alongside Legal services, are reviewing the policy in order to attempt to mitigate this pressure. This area is seen as a challenge across the country.

61. As with at Quarter One there is a significant overspend predicted at year-end on the Safeguarding and Care Planning teams revised budget for 2022/23. This is currently predicted to be £1,508,000, an increase of £604,000 from Quarter One, this is even after the provision of additional temporary budget for 2022/23 of £727,000 relating to agency costs, which is area where there is significant expenditure on. There are also forecast pressures relating to Section 17 payments and support packages for families to keep the young people out of care, and due to the fact that appropriate placements cannot be found and support packages are having to be put in place, which generally cost more than the placements themselves would cost. There have also been increased Professional and Legal costs (including parenting assessments and substance testing) to support improved pre-court proceeding works to reduce the risk of young people going into care into higher cost placements. The Council have received significantly improved feedback from courts relating to this work and this has helped to support improving relations with courts. The Service is working with Finance to analyse the costs further to evaluate value for money of these, and to determine if some of this cost is required to be included ongoing as part of the longer term strategy to reduce/avoid higher Children Looked After costs.
62. As with previous quarters, staff agency costs to cover sickness and vacant posts and transform the Service are a continuing major element of expenditure within the Safeguarding and Care Planning team's budget. It remains a challenge to recruit and retain social workers and this is a significant regional and national challenge as well. At the request of the Department of Education the Multi-Agency Strategic Improvement Board is now receiving updates on the work to recruit and retain social workers at every one of its meetings and this work is supported by the Council's leadership 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. Agency staffing has been put forward as a reduction in spend by Directorate for the MTFP work alongside the recruitment and retention strategy, which includes the Council's own academy where newly qualified staff are now coming through and will replace agency staff over the coming next 12 to 24 months and onwards. Leadership Management Team recently agreed a 15% market supplement, which is an improved offer from the current recruitment and retention schemes and will come into effect on 1st November 2022.
63. There is a projected overspend at year-end on the Review and Development budget of £414,000 after the provision of additional temporary budget for 2022/23 of £203,000 relating to agency costs, which is area where there is significant expenditure on. This is an increase from the Quarter One pressure of £184,000. Agency staff to fill vacant posts due to challenges in recruiting are creating a pressure in 2022/23, but as mentioned above these have largely been offset by the additional budget provided on a temporary basis in 2022/23. There is also a forecast pressure of £373,000 relating to the academy and front line costs, which is part of the recruitment and retention strategy to improve training and retain staff and build up our own social workers within, which supports the reduction of agency pressure in line with MTFP projections.
64. The Referrals and Assessments Service is projecting a £201,000 underspend (an improved position against that forecast at Quarter One of £167,000), due to staffing vacancies caused by the inability to recruit and the managed agency teams which have been covering the work being shown under the Improvement budget.

65. The Children Looked After teams' budget is projecting an overall £134,000 overspend at year-end (a slight increase from Quarter One) after the provision of additional temporary budget for 2022/23 of £606,000 relating to agency staff costs. Similar to that in the Safeguarding and Care Planning teams' budget, there is significant expenditure on agency staffing costs to fill vacancies and cover absences, and to support the Improvement Plan. The agency costs in 2022/23 have largely been covered by the temporary additional budget provided for 2022/23 for this area of £606,000, but in the longer term this remains an area of concern. As stated in paragraph 62, the reliance on agency staff is a significant risk to the Council in the medium to longer term. The other key pressure in this service area is from increased legal costs.
66. The Internal Residential Service budget is projecting a reduced pressure of £213,000 due to challenges around recruitment, which is requiring the use of agency staff and additional overtime across the Service. The Service are currently undertaking some work to review the salaries of residential workers to support the drive to recruit them. There are also costs to support the transition to independence that are required to reduce costs in Adult Social Care services. These pressures have been partly offset by income generated from charging a place to another Local Authority.
67. The Children with Disabilities Service is projecting an overall £455,000 pressure on its budget, an increase of £96,000 from Quarter One, mainly due to continued pressures from expensive care packages of support required for young people in the Service.
68. The Management and Administration budget is projecting a slightly reduced pressure of £392,000, even after the provision of additional temporary budget for 2022/23 of £160,000 relating to agency staff costs. There is a £266,000 projected net pressure arising from the very high cost of two agency payments for vacant Heads of Services posts, which is offset partly by the additional budget provided of £160,000. Middlesbrough has just recently been successful in being awarded a £330,000 grant from DfE for Improvement funding which should offset part of the cost of one of these Head of Service posts and also help towards some other expenditure. There are also £272,000 of previous years savings not predicted to be fully achieved, and a £43,000 projected pressure within a variety of Strategic Services budgets.
69. The Improvement journey continues in Children's Services, and it is currently projected that there will be £2,856,000 of expenditure relating to this in 2022/23. £1,832,000 of additional temporary budget was provided for this in 2022/23 as per the current MTFP 3-year plan, comprising of £1,154,000 specially provided for Improvement posts and £678,000 from the amount provided for agency costs which is to be shown against this budget. After the provision of the additional funding for 2022/23, there is a projected pressure of £1,024,000 on this budget. A reduction in this budget is required in future years in order to achieve the planned level of ongoing budget of £1,154,000 from 2024/25 for this area as per the current MTFP plan.
70. Prevention Services are reporting a forecast saving of £159,000 on their budgets (a slight reduction to that at Quarter One) due mainly to a projected over achievement of grant income for the Payments by Results element of the Supporting Families Grant, along with continuing to achieve efficiencies whilst delivering this service.
71. In addition to the above, there are a number of budget areas within Children's Care which have variances below £150,000, and these account for the overall £8,022,000 current projected overspend on the Children's Care budget at year-end before the

Financial Recovery Plan savings. In the Financial Recovery Plan there are £811,000 of savings planned to be made by year-end. A large majority of the planned savings in the Financial Recovery Plan are around reducing agency workers and external placements and these will be challenging targets, and therefore close monitoring will take place of progress against these, and this will be reported in future quarterly budget monitoring reports.

Legal and Governance Services

72. There are no budget areas within Legal and Governance Services which have projected variances above £150,000.

Finance

73. Teesside Advanced Manufacturing Park (TAMP) is now fully occupied. This has increased the amount of rent achievable on the site and decreased any financial liabilities to the Council such as business rates and service charges on voids. The projected outturn position at year-end is therefore significantly better than the budget, with an overachievement of income projected to be £151,000. This is a decrease from the £233,000 reported at Quarter One due to a failure of a business.

74. A net surplus of £355,000 is projected relating to excess rental income above budget from tenants renting space in Centre Square Buildings 1 & 2.

75. As mentioned in the report to Council in February 2022, additional unbudgeted income of £200,000 per annum from Captain Cook Square is assumed in the MTFP from 2022/23. It is projected that there will be additional income of £72,000 (after capital financing costs) above that budgeted for in 2022/23. This is similar to the position as at Quarter One following a virement of £50,000 actioned to the Car Parking budget at Quarter One.

76. The Council purchased the Cleveland Centre Shopping Centre on 7 January 2022, however no income target was assigned to the Cleveland Centre at the 2022/23 budget setting, and therefore there is projected unbudgeted income for the Centre of £1,232,000. This is after capital financing costs for the acquisition of the Centre have been transferred to the Capital Financing budget. Further updates of this will be provided in future budget monitoring reports to Executive, and the MTFP will be updated accordingly.

77. There is however a pressure of £111,000 projected in 2022/23 relating to the House of Fraser building (owned by the Council) following the departure of the previous tenant, due to maintenance and other costs until new tenants are secured for the building.

78. The Commercial Property Income budget is projecting a pressure of £346,000 across the portfolio. This is a significant improvement to Quarter One position due to a review of service charges to tenants. The pressure is due to a combination of vacancies, Council departments taking units preventing external rent income being achieved, and a small proportion of units being let to charitable and community organisations without charging. Additionally, the charge to tenants has not increased for a period of time, this is due to the quality of the units not being maintained. An exercise is planned to assess what capital would be required to update the units and whether the rent could be increased to such a point that there would be a return on the investment.

79. There are projected savings currently estimated to be £400,000 across the overall Resident and Business Support Service mainly due to the receipt of new burdens grant funding and vacant posts.
80. There is a net projected pressure of £158,000 on audit fees due to scale fee increases received for external audits of the Council's accounts up to the 2021/22 accounts. This pressure is after grant income of £46,000 being predicted to be received relating to the Redmond Review, and also a £20,000 Public Sector Audit Appointments (PSAA) Arbitration saving. External audit fees are planned to increase further in the future, mainly due to the increased complexity of the audits required, and this is a national issue for local authorities.
81. There is currently a predicted pressure of £90,000 on the costs of CIPFA providing independent support to review internal governance processes. These costs will be monitored throughout 2022/23 and reported in future quarterly budget monitoring reports.
82. In addition, there are a number of budget areas within Finance which have variances below £150,000, and these account for the overall £1,177,000 projected total underspend on the Finance budget at year-end (after inflation contingency funding). It is anticipated that there will be £321,000 savings achieved by year end as part of the Financial Recovery Plan which will further increase the underspend.

Central Budgets

83. As reported at Quarter One the Capital Financing budget is projected to overspend by £120,000 due to rising interest rate costs. In light of the increasing interest rates, this is a risk to the Council, and this will be closely monitored.
84. As reported at Quarter One there is a total budget saving for 2022/23 on payments to bus operators for the concessionary travel scheme of £711,000, which has been transferred from the Regeneration Directorate into the centrally held Pay and Prices Contingency.
85. Net projected savings of £325,000 are anticipated within the General Fund budget, mainly as a result of one-off income in year from credits on Business Rates accounts for Middlesbrough Council properties.
86. As stated in paragraph 15 an additional inflation contingency of £4,644,000 recurring funding was built into the updated Medium Term Financial Plan (MTFP) presented to Council in February 2022 and this is held centrally under Central Budgets. As detailed in paragraph 15, it is proposed that the additional inflation will be reported against the individual Directorates during 2022/23 and transfers from the centrally held budget will be made at year-end when the financial effects in 2022/23 are confirmed. £900,000 of the additional inflation contingency provided relates to the Pay Award for 2022/23, which will be utilised in 2022/23, and therefore currently the Central Budgets have a budget of £3,744,000 with no expenditure against it as the additional inflationary costs are held within Directorates.
87. It can be seen from the table in paragraph 9 that there are currently total projected costs of £4,321,000 in 2022/23 for additional inflation costs within Service Directorates.

Therefore, there is a projected pressure of £577,000 relating to additional non-pay inflation pressures across all Directorates against the total amount provided for in 2022/23. Whilst this is currently reported against the Directorates, the final amount will be reported at year-end against Central Budgets as the inflation contingencies are held centrally. This is based on best estimates, due to current hyper-inflationary increases the situation will continue to be monitored closely and updates provided in future reports. The anticipated ongoing inflationary requirement is also being considered as part of the updates of the MTFP.

88. As detailed in paragraph 19, whilst the decision to reverse the increased employers National Insurance contributions from November 2022 will produce savings, the proposed pay award for 2022/23 is currently forecast to be higher than that provided for and there is a resulting net pressure of approximately £1.4m due to these factors. This projected pressure will be shown against Central Budgets.
89. In addition to the above, there are a number of budget areas within Central budgets which have variances below £150,000, and these account for the overall £922,000 current projected overspend on the Central Budgets at year-end (after the transfer of additional inflation costs from Directorates).
90. The Financial Recovery Plan includes an estimated £2.7m for the adoption of the Flexible Use of Capital Receipts Strategy and £0.5m for vacancy and agency control which will be shown centrally within Central Budgets, however these may at year-end be shown within Directorate budgets.

Council Tax and Business Rates income

91. Income from Council Tax and Business Rates (NNDR) is accounted for within the Collection Fund. Because of the way that this works in relation to the General 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 Medium Term Financial Plan (MTFP) at the appropriate time.
92. The MTFP presented to Council in February 2022 included the estimated effect of Council Tax and Business Rates income during 2021/22, but it is clear that there are a number of issues, including the current economic climate, which may potentially result in pressures continuing on Council Tax and Business Rates income in future years, and this will be closely monitored and the MTFP will be updated for this as appropriate.
93. There is currently a growing uptake by residents of the Council Tax Reduction Scheme, and due to the current economic climate it is likely that this will increase further throughout the rest of the financial year. This will be closely monitored and the MTFP will be updated for this as appropriate.
94. Our budgeted Council Tax base includes assumptions on housing growth. If there is reduced growth in housing numbers, this will impact on income levels.
95. The Government provided support for businesses through increased business rates reliefs and grants in 2020/21. These largely remained in place during the first quarter of 2021/22, but reduced throughout the remainder of 2021/22 and the start of 2022/23. Following the reduction in the level of this support, businesses may struggle to pay

their business rates, and therefore there is a risk that Business Rates revenue reduces in the future if businesses fail or are unable to pay.

96. 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.
97. The Government has also provided grant funding to the Council through the Council Tax Energy Rebate Scheme to support households with increasing energy costs for 2022/23. This should help improve the level of Council Tax income collected in 2022/23, as where applications are not received from Council Tax payers for the Council Tax Energy Rebate Scheme, the income can be allocated to individual council taxpayers accounts reducing any amounts of council tax owed.
98. The position relating to Council Tax and Business Rates income for 2022/23 and future years and the effects on the Collection Fund will be closely monitored, and updates will be provided in future budget monitoring reports

Revenue budget spending controls

99. As previously reported to the Executive, a number of controls were implemented from 2019/20 to minimise overspending across the Council in-year and these remained in place for 2020/21 and 2021/22, and were continued into 2022/23, 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.
100. For 2022/23 the Council is continuing to minimise the use of agency staff where it is appropriate to do so, but it is acknowledged that there will be a need in 2022/23 for the use of agency staff within Children's Care, principally to cover vacant posts due to recruitment issues and also to support the continued transformation within Children's Services, however this will be minimised as far as possible. The Council is using additional recruitment and retention packages and market supplements to support the reduction of use of agency staff in future years. Monthly reports on agency costs will be provided to senior managers in order to provide information to enable them to monitor and control costs relating to this.
101. As mentioned in paragraph 8 Executive approved a Financial Recovery Plan for 2022/23. This includes the following actions to recover the position in 2022/23:
- Each Directorate was requested to identify where discretionary expenditure could be curtailed, stopping short of an in year spending freeze.
 - Additional controls around the recruitment to vacant posts and procurement of agency staff.
 - Member led focus meetings on the challenges facing Children's Services with an objective to mitigate demand and workforce challenges, concurrently assisting both the financial position and improvement journey.
 - The subsequent approval of the adoption of a Flexible Use of Capital Receipts Strategy for 2022/23 at Full Council in September 2022 to support transformation

102. Clearly the ongoing financial challenges will continue into 2023/24 and future years, and the position is currently being assessed and will be reported to Members in due course as part of a separate Medium Term Financial Plan Update report to this Executive and then to Council, and as part of the budget strategy for 2023/24 to Executive and Council. There is currently a great deal of uncertainty in forecasting created by the pay award, inflationary pressures, and the impact on demand for services.

Capital Budget Projected Year-End Outturn 2022/23 as at Quarter Two

103. As part of the Quarter One report to Executive on 6 September 2022, Executive approved a revised capital budget for 2022/23 of £90.614m. Following a further review and the inclusion of new additional schemes, removed schemes, increases to existing schemes, and the reductions to existing schemes (as detailed in paragraphs 105 to 108), it is currently predicted at Quarter Two that the Council will spend £69.241m at year-end.

104. The revised Investment Strategy to 2024/25 is included at Appendix 2 for approval.

105. No schemes over £150,000 are proposed to be removed from the Investment Strategy.

106. No new schemes over £150,000 have been added to the Investment Strategy.

107. The following three additions to schemes in the current Investment Strategy which have been recently approved by Executive are also to be included in the revised Investment Strategy, set out at Appendix 2 for consideration and approval:

- On 4 October 2022, Tees Valley Combined Authority (TVCA) provided the Council with official confirmation from the Department of Transport (DoT) of the City Region Sustainable Transport Settlement: Local Highway Authority Funding. The settlement provides funding details for the five financial years commencing 2022/23 to 2026/27. The Council will receive a total of £17,017,981, £3,403,596 per annum in each of the five years and is allocated as follows:
 - £1,067,795 per annum for Pothole Funding
 - £1,270,627 per annum for Highways Maintenance Formula and Incentive
 - £1,065,174 per annum for Integrated Transport Block.

The total settlement has been added to the Investment Strategy with years 2025/26 and 2026/27 included in the 2024/25 allocation until such time that the respective years are added. The relevant increases are on the following lines of the Investment Strategy:

- £5,325,870 – Local Transport Plan within Regeneration
 - £11,692,110 – Local Transport Plan – Highways Maintenance within Environment & Community Services.
- £875,000 has been added to the Investment Strategy in relation to Middlesbrough Development Company (MDC). This relates directly to additional costs incurred

within MDC's Boho Village scheme, but will be refunded directly to the Council through sales receipts achieved from the onward disposal of the development which has already been secured.

- In addition, on 18 December 2018, Executive approved the "Housing Delivery Vehicle (HDV) – Preferred Delivery Model" report. The report approved a funding package of up to £10,000,000, comprising of part equity and part loan to MDC. £1,000,000 of the loan has not been required to date. However, due to cost overruns within the Newbridge Court scheme, MDC now require the funds to be allocated to the company. The £1,000,000 has been sourced from pre-existing Council funds within the Affordable Housing scheme via Section 106, resulting in no additional resources being added to the Investment Strategy.

108. One scheme over £150,000 is proposed to be reduced within the revised Investment Strategy, set out at Appendix 2 for consideration and approval:

- On 1 September 2020, Executive approved the "Middlesbrough Development Company: Strategic Plan, CSI Site and Boho Village" report. The report approved capital borrowing of up to £24,000,000 for the construction of an apartment development on the former CSI site in the town centre and the Boho Village development at Middlehaven, subject to further sign off from the Council's Section 151 Officer. Subsequently, the Section 151 Officer approved and added borrowing of £9,500,000 to the Investment Strategy in relation to the CSI site scheme. It is now deemed that this scheme will not proceed and consequently the borrowing has been removed from the Investment Strategy.

109. 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 twenty two 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	2022/23	2022/23	2022/23	MEMO	
	Investment Strategy Revised Budget (as per Q1)	Investment Strategy Projected Outturn at Q2	Investment Strategy Projected Outturn Variance at Q2	New, increased & reduced Schemes / transfers	Real outturn variance excluding new, increased, & reduced schemes / transfers
	£'000	£'000	£'000	£'000	£'000
Regeneration and Culture	60,612	43,573	(17,039)	(8,273)	(8,766)
Environment and Community Services	11,704	12,205	501	2,338	(1,837)
Public Health	140	285	145	137	8
Education & Partnerships	9,308	4,571	(4,737)	0	(4,737)
Children's Care	366	442	76	0	76
Adult Social Care and Health Integration	3,593	3,608	15	0	15
Legal and Governance Services	4,478	4,441	(37)	0	(37)
Finance	413	116	(297)	(105)	(192)
Total	90,614	69,241	(21,373)	(5,903)	(15,470)

Regeneration

110. Boho X – £3,600,000 of the wider funding envelope for the construction of Boho X and Boho 8 is not required for the schemes. The funding, which consists of both Council resources and grant provided by TVCA has been re-profiled into 2023/24 with the intention of reallocation to other schemes within Middlehaven and the town centre as and when required.
111. Middlehaven Projects – £500,000 of resources are also available for schemes within Middlehaven. As per the above these resources will be allocated to specifically identified schemes as and when required. These resources are not expected to be expended within this financial year and have therefore been transferred into 2022/23.
112. Brownfield Housing Fund – The programme has been suspended until a solution is provided in relation to the issue of nutrient neutrality. Consequently, £1,050,000 of assumed grant funded expenditure has been redirected into 2023/24.
113. Future High Streets Fund – £1,835,000 of grant funding intended to be spent within the financial year has been transferred into 2023/24. This is due predominantly to extended negotiations with prospective new leisure tenants at Captain Cook Shopping Precinct. Whilst the negotiations are progressing positively, the delay in the anticipated dates of lease agreements has impacted upon assumed costs associated with fit-out works within the respective units at the precinct. Other delays for associated network adaptations and cycle infrastructure have also been encountered.
114. Teesside Advanced Manufacturing Park Phase 2 – Due to increased borrowing costs, additional work is being undertaken to determine the financial viability of the scheme. This has resulted in £250,000 of planned expenditure being transferred into 2023/24.
115. Housing Growth - £240,000 of resources have been re-profiled into 2023/24. This is largely due to the Council's considerations in respect of the most appropriate solution for the onward sale of the Newham Hall site, which has resulted in the pausing of the appointment of architects and consultants.
116. Cultural Development Fund – A tender process was undertaken with regard to the appointment of an architectural company to act as lead consultant on the project. Due to the disparity of the tenders in respect of the financial elements, in order to ensure that there was comparability in terms of expectations the tender process was extended with a clarification question. The extension has created delays in planned expenditure, resulting in £543,000 being re-profiled into 2023/24.
117. Towns Fund – East Middlesbrough Community Hub – Discussions are ongoing in respect of the final design and positioning of the building. This has impacted on the amount of assumed expenditure in-year, resulting in £500,000 being transferred to 2023/24.
118. Towns Fund – As per the Towns Fund Board, an allocation of £171,000 has been provided to Middlesbrough College as a contribution towards it identifying a property within the town centre for a college presence. The college is still considering options, resulting in the grant no longer being anticipated to be required in this financial year.

This, coupled with a delay in respect of improvement works at Pallister Park has resulted in a total of £236,000 being re-profiled into 2023/24.

119. New Civic Centre Campus – Whilst all costs associated with the scheme have not been finalised, it is currently envisaged that £360,000 of funds will be available upon completion of the scheme. These funds have been transferred to 2023/24 as contingency to ensure that any future amendments to the scheme can be funded from the overall budget provided.
120. Acquisition Of Town Centre Properties - £207,000 of funds relating to the acquisition of the Cleveland Centre remain available. The intended use of these funds are for landlord works within vacant units for the attraction of tenants and the optimisation of rent achieved within the units. It is not envisaged that the funds will be required within this financial year and have therefore been reallocated to 2023/24.

Environment & Community Services

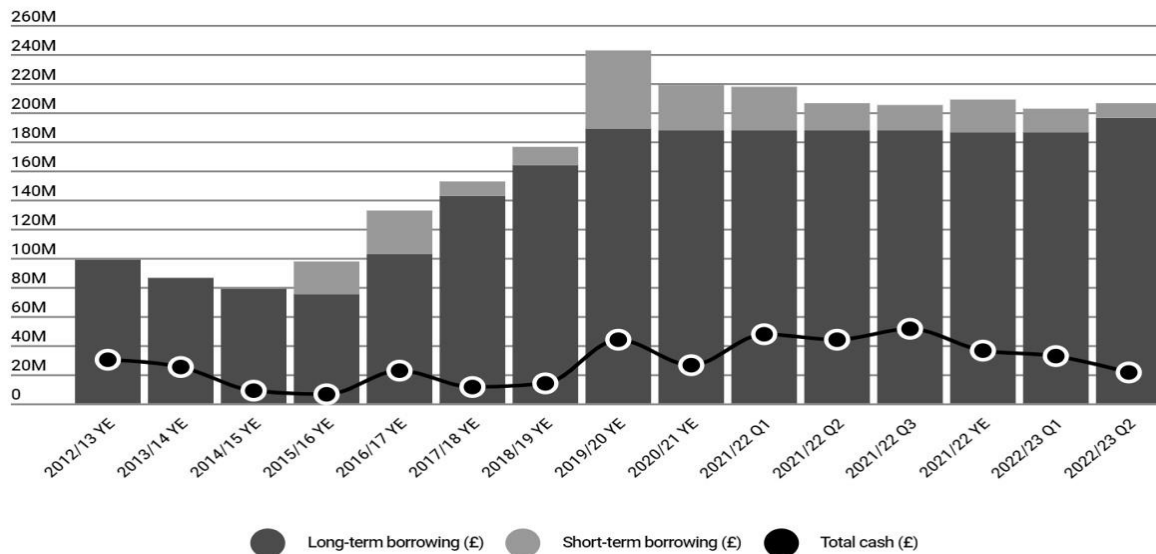
121. Purchase Of Vehicles – £200,000 of planned expenditure has been re-profiled into 2023/24, this is due to extended lead in times and therefore delays in the delivery of a number of vehicles on order.
122. Bridges & Structures (Non-Local Transport Plan) – Following the results of detailed inspections and consideration to contractor commitments, the schedule of works has been reviewed to ascertain which schemes can realistically be completed within the financial year. This has resulted in £800,000 of expenditure relating to the Newport and Marton Road schemes being transferred into 2023/24.
123. Town Hall Roof – The timing of the works has been reviewed with the decision being made to defer the commencement of the scheme until March 2024. This decision allows for the planning of events and avoids the cessation of bookings within the Town Hall, in order to minimise disruption and loss of revenue income. This has resulted in further slippage of £400,000 into 2023/24. The project is expected to be fully complete by the end of October 2024.
124. Towns Fund Ward Initiatives - Issues associated with procurement, planning permissions and the finalisation of specifications have resulted in delays in the creation of new play areas and community gardens. It has therefore been necessary to carry forward funds totalling £500,000 to 2023/24. All schemes are expected to be complete by the end of summer 2023.
125. CCTV – Due to the current volume of work within the service, the Safer Streets programme has taken priority. Additionally, two of the high rise buildings in East Middlesbrough which currently house major pieces of equipment are being demolished. The relocation of the equipment has taken precedent over the installation of new cameras. This has resulted in elements of the CCTV schemes completion being delayed. £200,000 of resources have been re-profiled into 2023/24 accordingly.
126. Property Asset Investment Programme - £474,000 of Council funds earmarked for expenditure in future years has been brought forward to 2022/23 in order to fund urgently required works, primarily at the crematorium and the Council's commercial sites.

Education & Partnerships

127. Contribution To New School at Middlehaven - The development of the Outwood Riverside school in Middlehaven has been delayed by the Department for Education (DfE) as a result of one of their contractors going into administration and unable to deliver the construction contract. As a result, the DfE have been required to go back out to tender to appoint a new preferred contractor, whilst this process is being progressing, the delay has resulted in £1,646,000 of the Council's contribution to the scheme being re-profiled into 2023/24.
128. Block Budget (Grant) School Condition Allocation – All works expected to be undertaken within the financial year have been allocated to specific schemes. £927,000 remains unallocated, this has been transferred for the funding of schemes expected to be undertaken 2023/24.
129. Block Budget (Grant) – High Needs Provision Capital Allocation – All works expected to be undertaken within the financial year have been allocated to specific schemes. £1,559,000 remains unallocated and has been transferred for the funding of schemes expected to be undertaken in 2023/24.
130. Maintained Primary Schools – Various small scale issues and delays in delivery have resulted in £166,000 being re-profiled into 2022/23
131. Special Schools – £185,000 has been reallocated to 2023/24, this is predominantly due to a delay in the relocation of the Cleveland Unit.

Borrowing & Prudential Indicators

132. The Council's total borrowing increased from £202.1m at 30 June 2022 to £205.7m at 30 September 2022. This increase of £3.6m reflects new short-term borrowing of £5.0m for cash flow purposes, the conversion of £10m of short-term borrowing into longer-term government borrowing, offset by a repayment of principal amounts on existing annuity loans held by the Council of £1.4m.
133. Cash balances started to reduce during the second quarter of 2022/23 from £32.5m at 30 June to £21.0m at 30 September. This reflects the usual trend of reduction in cash where government grants are received in advance early in each financial year and then these are utilised as time progresses. However, the cash balances are lower relative to previous Quarter Two reports and this reflects the ongoing revenue pressures evident in Children's Social Care. Cash is currently above the Council's trigger level for borrowing of £15m, but borrowing to fund the investment strategy and the use of revenue reserves will be needed in the third and fourth quarters of the year.
134. The ratio of short-term to long-term borrowing has decreased during the quarter given the repayment of £10m of the short-term loan portfolio into public works loan board long-term borrowing. This was to give an element of budget stability and certainty for the medium term. The recent rises in both bank rate and longer-term interest rates mean that deferring borrowing decisions where possible, and only taking cheaper short-term borrowing if essential, will result in marginal savings to the capital financing budget. The overall strategy for borrowing in the current inflationary climate is being discussed with our external treasury management advisers.



135. 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 thresholds are set as part of the integrated annual budget setting process in late February each year. CIPFA and Government view this approach as best practice in ensuring resources are allocated prudently to capital schemes.

136. The table below gives a comparison of the original budget against the actual position as at Quarter Two for 2022/23 on each of the prudential indicators adopted by the Council.

<u>Prudential Indicators - 2022/23 Quarter Two</u>		
	<u>Original Budget</u> <u>(£M)</u>	<u>Actual</u> <u>(£M)</u>
Capital Expenditure	124.825	69.241
<u>Financing</u>		
External Sources	74.344	41.579
Own Resources	6.296	3.257
Debt	44.185	24.405
Capital Financing Requirement	295.865	283.324
External Debt	268.350	205.667
Investments	15.630	21.020
Capital Financing	10.466	10.587
Cost as a % of Revenue Budget	8.8%	8.9%

137. The total capital spend & level of financing has reduced by £55.6m since the original budget was set for this financial year. This is explained in more detail in the Investment Strategy section of the report but essentially reflects re-profiling of scheme requirements to later years due to the changing needs on individual schemes, and low contractor availability. The reduction is mainly related to grant funding being deferred into the next financial year, but there is also some reduction in the debt levels required due to similar reasons.

138. The Council's total under borrowed position (external debt compared to the capital-financing requirement – or underlying need to borrow) is £77.7m, or 27.4%, at 30 September 2022. As cash balances reduce further during the 2022/23 financial year, with the level of reserves planned to be spent, plus the borrowing requirements within the Investment Strategy, between £40m - £50m of this under-borrowing will be needed to maintain the Council's overall liquidity position.

139. The amount of external debt at £205.7m and the total underlying need to borrow of £283.3m are both well below the Council's authorised debt limit of £356m for the year. This is the threshold above which any borrowing would be illegal. The cost of capital financing to the Council is slightly higher than set as part of the budget process due to recent increases in interest rates available for both short and long-term borrowing.

Reserves and Provisions

140. The table below sets out a summary of the balance of reserves and provisions at the start of 2022/23 and the current projection as at year-end, and further detail is provided in Appendix 3.

Reserves and Provisions 2022/23	Opening Balance	Proposed Use in Year	Additional Contributions	Transfers between reserves	Transfers from / (to) General Fund	Projected Balance at Year End
	£000's	£000's	£000's	£000's	£000's	£000's
General Fund Reserve	11,183	0	858	0	0	12,041
Earmarked Reserve - Social Care Transformation Reserve	7,072	(1,963)	0	0	0	5,109
Earmarked Reserves	25,750	(8,613)	230	0	0	17,367
Earmarked Reserve - Dedicated Schools Grant (DSG)	(3,756)	(1,344)	0	0	0	(5,100)
School balances	4,802	0	0	0	0	4,802
Provisions	1,921	0	0	0	0	1,921
TOTAL	46,972	(11,920)	1,088	0	0	36,140

141. As can be seen from the table above, a large proportion of the Reserves are earmarked for special purposes and cannot be used generally or to balance the budget.

142. It should be noted that the projected year-end balances do not currently include how the final revenue outturn at year-end 2022/23 will be funded, as it is hoped that the implementation of the revenue budget controls and the Financial Recovery Plan (outlined in paragraphs 99 to 102) will reduce the current projected overspend by the

end of 2022/23. The final revenue outturn at year-end 2022/23 will be funded from Reserves, with the remaining £5.109m Social Care Transformation Reserve initially being used. If the Financial Recovery Plan is fully implemented in 2022/23 then the projected final revenue outturn at year-end is currently projected to be £2.072m as shown in the table in paragraph 10, and this will mean that the balance on the Social Care Transformation reserve at year-end will be reduced to approximately £3m.

143. As noted earlier, any reduction in Reserves balances will have a negative effect on the current MTFP and the position is currently being assessed and will be reported to this Executive and then to Council as part of the Medium Term Financial Plan Update and as part of the budget strategy for 2023/24 to Executive and Council.

144. The use of Reserves will be managed by the Director of Finance, with reports being provided to Executive as part of the quarterly budget monitoring reports.

What decision(s) are being recommended?

The report requests that the Executive:

- Notes that there is a projected 2022/23 revenue budget year-end outturn as at Quarter Two of a £9.429m overspend.
- Notes that if the Financial Recovery Plan 2022/23 as approved by Executive on 18 October 2022 is fully implemented, then the forecast overspend can potentially be reduced to approximately £2.1m.
- Notes the management action being taken to address the shortfall and to improve this position further, wherever possible, in order to mitigate the risk on reserves.
- Notes the proposed implementation of a Flexible Use of Capital Receipts Strategy for 2022/23 to fund transformation costs, in particular in Children's Services, as approved by Full Council on 7 September 2022.
- Notes that the current projected outturn and any non-implementation of the approved Financial Recovery Plan 2022/23 will have a negative impact on the Council's current Medium Term Financial Plan, and that the ongoing financial challenges will continue into 2023/24 and future years. The position is currently being assessed and will be reported in a separate report to this Executive and then to Council as part of the Medium Term Financial Plan Update, and then as part of the budget strategy for 2023/24 to Executive and Council. It should be noted that there is currently a great deal of uncertainty in forecasting created by the pay award, inflationary pressures, and the impact on demand for services.
- Approves the proposed revenue budget virements over £150,000 as detailed in Appendix 1.
- Notes the 2022/23 capital budget predicted year-end outturn of £69.241m as at Quarter Two against a revised capital budget of £90.614m, and approves the revised Investment Strategy to 2024/25 at Appendix 2.

Rationale for the recommended decision(s)

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

Other potential decision(s) and why these have not been recommended

146. Not applicable.

Impact(s) of the recommended decision(s)

Legal

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

Strategic priorities and risks

148. The revenue and capital budgets form part of the Council's Policy Framework. All proposed variations set out in this report are in line with authority delegated to the Executive.

149. Any impact on the Council's Strategic Plan will be reported as part of the Corporate Performance Update: Quarter Two 2022/23 report to this Executive.

150. In line with the Council's Risk Management Policy, the corporate Strategic Risk Register will be reported to this Executive as part of the Corporate Performance Update: Quarter Two 2022/23

Human Rights, Equality and Data Protection

151. As reported to Council on 23 February 2022, no negative differential impact on diverse groups and communities are anticipated from the Council's planned budgetary expenditure.

152. The Financial Recovery Plan 2022/23 report to Executive on 18 October 2022 included that the financial recovery plan does not create policy change for service users, clients, and customers. The proposed Fees and Charges increases included in the Plan also do not result in disproportionate adverse impact on groups or individuals because they hold one or more protected characteristics.

Financial

153. The Council's revenue year-end outturn position for 2022/23 is currently projected to be an overspend of £9.429m.

154. If the Financial Recovery Plan 2022/23 as approved by Executive on 18 October 2022 is fully implemented, then the forecast overspend can potentially be reduced to approximately £2.1m.

155. As mentioned in paragraph 8 within the Financial Recovery Plan 2022/23, the Council's financial position will potentially be improved by the proposed implementation of a Flexible Use of Capital Receipts Strategy in 2022/23 to fund transformation costs across the Council, particularly within Children's Services, as approved by Full Council on 7 September 2022.

156. It should be noted that the current projected outturn and any non-implementation of the approved Financial Recovery Plan 2022/23 will have a negative impact on the Council's current Medium Term Financial Plan and that the ongoing financial challenges will continue into 2023/24 and future years. The position is currently being assessed and will be reported in a separate report to this Executive as part of future Medium Term Financial Plan updates, and then as part of the budget strategy for 2023/24 to Executive and Council. It should be noted that there is currently a great deal of uncertainty in forecasting created by the pay award, inflationary pressures, and the impact on demand for services.

157. The 2022/23 capital budget predicted year-end outturn as at Quarter Two is £69.241m, which if approved will become the revised Investment Strategy budget for 2022/23 as shown in Appendix 2.

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

Action	Responsible Officer	Deadline
Mitigation in the form of revenue budget spending controls set out in the main body of the report and in the Financial Recovery Plan 2022/23 approved by Executive on 18/10/22, will continue to be applied to Directorates as stated.	Director of Finance	31/3/23
Actions outlined within the body of the report in relation to overspending within Children's Care will continue to be implemented.	Director of Children's Services	31/3/23
If approved, adoption of the revised Investment Strategy included at Appendix 2.	Head of Financial Planning & Support	30/11/22

Appendices

1	Proposed revenue budget virements above £150,000 at Quarter Two 2022/23
2	Proposed revised Investment Strategy to 2024/25
3	Detail of projected reserves and provisions as at Quarter Two 2022/23

Background papers

Body	Report title	Date
Council	Flexible Use of Capital Receipts Strategy	20/10/21
Council	Revenue Budget, Council Tax, Medium Term Financial Plan and Capital Strategy 2022/23	23/2/22
Executive	Refreshing the Strategic Plan workplan for the 2022-24 period	5/4/22
Executive	Revenue and Capital Budget – Projected Outturn position as at Quarter One 2022/23	6/9/22
Council	Flexible Use of Capital Receipts Strategy 2022/23	7/9/22
Executive	Financial Recovery Plan 2022/23	18/10/22

Contact: Andrew Humble, Head of Financial Planning & Support
(Deputy S151 Officer)

Email: andrew_humble@middlesbrough.gov.uk

Appendix 1 : Proposed revenue budget virements above £150,000 at Quarter Two 2022/23

<i>Proposed Virement Request</i>	Regeneration & Culture £000s	Environment & Community Services £000s	Public Health £000s	Education & Partnerships £000s	Children's Care £000s	Adult Social Care £000s	Legal & Governance Services £000s	Finance £000s	Central Budgets £000s
<i>Permanent</i>									
<i>Temporary</i>									
Financial Recovery Plan savings 2022/23 (as per Executive report 18/10/22)	(648)	(419)	(165)	0	(811)	(1,229)	(156)	(225)	3,653
Early implementation of fees and charges increases as part of Financial Recovery Plan 2022/23 (as per Executive report 18/10/22)	(129)	(132)	0	(29)	(1)	(53)	(23)	(96)	463
<i>Total Virement</i>	(777)	(551)	(165)	(29)	(812)	(1,282)	(179)	(321)	4,116
								Total:	0

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Appendix 2: Proposed Revised Investment Strategy to 2024/25

	Total Funding Required				
	2021/22	2022/23	2023/24	2024/25	TOTAL
	£'000	£'000	£'000	£'000	£'000
Regeneration & Culture					
Town Centre Related Projects	1,250	854	1,142	-	3,246
Middlehaven Related Projects	73	7	500	-	580
Housing Growth	176	206	3,286	-	3,668
BOHO X	7,345	12,890	3,600	-	23,835
BOHO 8	13	21	-	-	34
Brownfield Housing Fund	1,542	339	6,041	-	7,922
Towns Fund	1,030	2,369	10,453	4,967	18,819
Towns Fund - East Middlesbrough Community Hub	113	126	2,861	-	3,100
Future High Streets Fund	669	5,639	7,617	-	13,925
Acquisition of Town Centre Properties	12,829	-	1,207	-	14,036
New Civic Centre Campus	1,245	5,408	360	-	7,013
Middlesbrough Development Company	5,349	10,356	975	-	16,680
Teesside Advanced Manufacturing Park	1,179	15	-	-	1,194
Teesside Advanced Manufacturing Park - Phase 2	-	-	8,820	-	8,820
Local Authority Delivery 2 Green Homes Grant	208	883	-	-	1,091
Capitalisation Of Major Schemes Salaries	530	530	530	530	2,120
Capitalisation of Planning Services Surveys	20	20	80	40	160
Affordable Housing Via Section 106	-	-	1,156	-	1,156
Highways Infrastructure Development Section 106	-	-	2,402	-	2,402
The Big Screen	10	-	-	-	10
A66 Throughabout	4	-	-	-	4
Mandale Interchange	90	-	-	-	90
Tees Amp Footway / Cycleway	2	-	-	-	2
Linthorpe Road Cycleway	145	1,849	-	-	1,994
Replacement of Ticket Machines	-	89	100	-	189
LED Street Lighting Upgrade (Phase 2)	69	-	-	-	69
Members Small Schemes	25	-	-	-	25
Grove Hill Joint Venture Projects	-	14	-	-	14
Gresham Projects	16	8	-	-	24
North Ormesby Housing Joint Venture - Section 106 funded	16	339	-	-	355
Empty Homes 2015 To 2018	89	128	-	-	217
Local Transport Plan	1,054	995	2,071	3,195	7,315
Town Hall Venue Development	48	-	-	-	48
Cultural Transformation	13	-	-	-	13
Theatre Winches / Lifts	13	24	-	-	37
Dorman Museum	17	-	-	-	17
Contribution To Public Arts Projects	23	-	-	-	23
Public Art Work	34	-	-	-	34
Leisure Trust Investment - Equipment	69	-	6	800	875
Stewart Park Section 106	-	-	45	-	45
Investment In Parks	39	51	-	-	90
Teessaurus Park	77	53	120	-	250
Archives Relocation	233	118	10	-	361
Capitalisation Of Transformation Expenditure (via Flexible Use of Capital Receipts)	11	-	-	-	11
Cultural Development Fund - Enhancements To Central Library & Partner Organisations	-	242	2,992	1,124	4,358
Total Regeneration & Culture	35,668	43,573	56,374	10,656	146,271

Council Funding	External Funding
£'000	£'000
2,285	961
563	17
3,668	-
1,362	22,473
-	34
-	7,922
-	18,819
2,600	500
37	13,888
14,036	-
7,013	-
10,259	6,421
1,194	-
8,820	-
-	1,091
2,120	-
160	-
302	854
142	2,260
10	-
-	4
-	90
-	2
-	1,994
189	-
69	-
13	12
-	14
24	-
-	355
-	217
15	7,300
48	-
13	-
37	-
17	-
23	-
34	-
875	-
-	45
90	-
250	-
117	244
11	-
-	4,358
-	-
56,396	89,875

	Total Funding Required				
	2021/22	2022/23	2023/24	2024/25	TOTAL
	£'000	£'000	£'000	£'000	£'000
Environment & Community Services					
Purchase of New Vehicles	990	740	1,400	1,200	4,330
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
Local Transport Plan - Highways Maintenance	3,301	2,521	2,338	7,016	15,176
Street Lighting-Maintenance	648	465	468	468	2,049
Urban Traffic Management Control	54	137	100	-	291
Flood Prevention	67	23	-	-	90
Members Small Schemes	38	161	60	60	319
Property Asset Investment Strategy	1,236	1,941	160	621	3,958
Nunthorpe Sports Facilities	34	-	-	-	34
East Middlesbrough Community Hub	75	-	-	-	75
Section 106 Ormesby Beck	-	-	15	-	15
Section 106 Cypress Road	-	-	20	-	20
Hostile Vehicle Mitigation	243	131	-	-	374
Transporter Bridge	523	-	-	-	523
Bridges & Structures (non Local Transport Plan)	141	1,085	800	-	2,026
Henry Street	47	17	-	-	64
CCTV	31	169	200	-	400
Captain Cook Public House	726	-	-	-	726
Outer Area Shopping Centres	40	-	-	-	40
Waste Procurement Project	176	-	-	-	176
Lighting up the Town	200	-	-	-	200
Town Hall Roof	-	100	-	2,900	3,000
Municipal Buildings Refurbishment	-	-	1,500	-	1,500
Resolution House	22	87	500	-	609
Central Library WC	-	87	-	-	87
Cleveland Centre	-	605	1,365	-	1,970
Cargo Fleet Nature Reserve	6	94	-	-	100
Towns Fund Ward Initiatives	-	278	500	-	778
Traffic Signals -Tees Valley Combined Authority	126	374	-	-	500
Hemlington MUGA	-	30	-	-	30
Capitalisation Of Transformation Expenditure (via Flexible Use of Capital Receipts)	263	-	-	-	263
Changing Places Toilet - Albert Park	-	90	-	-	90
Highways Infrastructure	-	2,000	6,500	6,500	15,000
Total Environment & Community Services	10,140	12,205	16,996	19,835	59,176

Council Funding	External Funding
£'000	£'000
4,330	-
400	-
220	-
2,300	-
1,360	-
83	-
-	15,176
2,049	-
-	291
67	23
319	-
3,957	1
-	34
75	-
-	15
-	20
374	-
261	262
2,026	-
-	64
400	-
538	188
40	-
176	-
200	-
3,000	-
1,500	-
609	-
87	-
1,970	-
-	100
-	778
-	500
30	-
263	-
10	80
15,000	-
41,644	17,532

	Total Funding Required				
	2021/22	2022/23	2023/24	2024/25	TOTAL
	£'000	£'000	£'000	£'000	£'000
Public Health					
Health & Wellbeing Hub	-	-	679	-	679
Relocation of the Safe Haven to Middlesbrough Bus station	-	285	-	-	285
Total Public Health	-	285	679	-	964

Council Funding	External Funding
£'000	£'000
679	-
154	131
833	131

	Total Funding Required				
	2021/22	2022/23	2023/24	2024/25	TOTAL
	£'000	£'000	£'000	£'000	£'000
Education & Partnerships					
Block Budget (Grant) Devolved Formula Capital - Various Schools	-	138	-	-	138
Block Budget (Grant) S106 Avant Low Gill	-	-	35	-	35
Block Budget (Grant) School Condition Allocation	-	-	541	-	541
Block Budget (Grant) Basic Needs	-	-	93	4,641	4,734
Block Budget (Grant) Special Provision Capital Fund	-	58	-	-	58
Block Budget (Grant) High Needs Provision Capital Allocation (HNPCA)	-	-	1,139	-	1,139
Schemes in Maintained Primary Schools	1,005	1,263	409	60	2,737
Schemes In Primary Academies	138	21	633	-	792
Schemes In Secondary Academies	(81)	2,006	414	-	2,339
Schemes In Special Schools	144	879	1,516	5,400	7,939
Capitalisation Of Salary Costs	103	106	111	-	320
Contribution to New School at Middlehaven	54	-	500	1,146	1,700
Block Budget (Grant) EFA Early Years 2 Year olds Entitlement (Trajectory Project)	-	-	7	-	7
Special Education Needs Projects	-	100	549	50	699
Total Education & Partnerships	1,363	4,571	5,947	11,297	23,178

Council Funding	External Funding
£'000	£'000
-	138
-	35
-	541
-	4,734
-	58
-	1,139
1,005	1,732
13	779
-	2,339
216	7,723
-	320
700	1,000
-	7
-	699
1,934	21,244

	Total Funding Required				
	2021/22	2022/23	2023/24	2024/25	TOTAL
	£'000	£'000	£'000	£'000	£'000
Children's Care					
Edge Of Care Project (Hub)	15	-	-	-	15
Rosecroft renovations	173	6	-	-	179
34 Marton Avenue, Fir Tree - Garage Conversion	246	23	5	-	274
Contact Centre - Bus Station Unit 1	76	221	30	-	327
Bathroom Refurbishment	18	3	-	-	21
Holly Lodge Sensory Room	-	100	-	-	100
Capitalisation Of Transformation Expenditure (via Flexible Use of Capital Receipts)	4,217	-	-	-	4,217
Fir Tree Refurbishment	-	39	-	-	39
Caravan Purchase	-	50	-	-	50
Total Children's Care	4,745	442	35	-	5,222

Council Funding	External Funding
£'000	£'000
15	-
179	-
274	-
327	-
21	-
22	78
4,217	-
39	-
50	-
5,144	78

	Total Funding Required				
	2021/22	2022/23	2023/24	2024/25	TOTAL
	£'000	£'000	£'000	£'000	£'000
Adult Social Care & Health Integration					
Chronically Sick & Disabled Persons Act - All schemes	618	960	711	610	2,899
Disabled Facilities Grant - All schemes	1,735	2,446	1,318	-	5,499
Capitalisation of Staying Put Salaries	50	50	50	50	200
Home Loans Partnership (formerly 5 Lamps)	23	5	55	-	83
Small Schemes	-	30	-	-	30
Connect/Telecare IP Digital Switchover	75	117	-	-	192
Total Adult Social Care & Health Integration	2,501	3,608	2,134	660	8,903

Council Funding	External Funding
£'000	£'000
2,602	297
4	5,495
200	-
-	83
-	30
138	54
2,944	5,959

	Total Funding Required				
	2021/22	2022/23	2023/24	2024/25	TOTAL
	£'000	£'000	£'000	£'000	£'000
Legal & Governance Services					
Desktop Strategy / Device Refresh	366	472	-	-	838
Enterprise Agreements	587	954	-	-	1,541
CRM	31	42	-	-	73
IT Refresh - Network Refresh	69	379	-	-	448
IT Refresh - Lights On	338	425	-	-	763
ICT Essential Refresh & Licensing	270	1,483	1,865	2,185	5,803
ICT Innovation Budget	12	-	-	-	12
GIS Replacement	36	43	-	-	79
Prevention & Partnership Tablets	3	67	-	-	70
Sharepoint	-	541	-	-	541
HR Recruitment	-	35	-	-	35
HR Pay	-	-	37	-	37
Capitalisation Of Transformation Expenditure (via Flexible Use of Capital Receipts)	526	-	-	-	526
Total Legal & Governance Services	2,238	4,441	1,902	2,185	10,766

Council Funding	External Funding
£'000	£'000
838	-
1,541	-
73	-
448	-
763	-
5,803	-
12	-
79	-
70	-
541	-
35	-
37	-
526	-
10,766	-

	Total Funding Required				
	2021/22	2022/23	2023/24	2024/25	TOTAL
	£'000	£'000	£'000	£'000	£'000
Finance					
Former Partnership Investment (ICT Infrastructure Revenues & Benefits)	130	20	247	-	397
Business World Upgrade	8	27	-	-	35
Derisking Sites	97	69	1,400	900	2,466
Capitalisation of Property Finance Lease Arrangements	-	-	3,500	1,000	4,500
White Feather Project North Ormesby	9	-	-	-	9
Total Finance	244	116	5,147	1,900	7,407

Council Funding	External Funding
£'000	£'000
397	-
35	-
2,466	-
4,500	-
9	-
7,407	-

	Total Funding Required				
	2021/22	2022/23	2023/24	2024/25	TOTAL
	£'000	£'000	£'000	£'000	£'000
ALL DIRECTORATES					
Total ALL DIRECTORATES	56,899	69,241	89,214	46,533	261,887

Council Funding	External Funding
£'000	£'000
127,068	134,819

	Total Funding				
	2021/22	2022/23	2023/24	2024/25	TOTAL
FUNDED BY:	£'000	£'000	£'000	£'000	£'000
Borrowing	22,596	24,405	32,906	13,685	93,592
Finance Leases	-	-	3,500	1,000	4,500
Capital Receipts	13,482	2,700	7,362	4,695	28,239
Grants	18,715	38,638	41,009	26,365	124,727
Contributions	2,085	2,941	4,283	783	10,092
Revenue Resources	21	557	154	5	737
Funding from Reserves	-	-	-	-	-
Total FUNDING	56,899	69,241	89,214	46,533	261,887

Council Funding	External Funding
£'000	£'000
93,592	-
4,500	-
28,239	-
-	124,727
-	10,092
737	-
-	-
127,068	134,819

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Appendix 3: Detail of projected reserves and provisions as at Quarter Two 2022/23

Reserves and Provisions 2022/23	Opening Balance £000's	Proposed Use in Year £000's	Additional Contributions £000's	Transfers between reserves £000's	Transfers from / (to) General Fund £000's	Projected Balance at Year-End £000's
General Fund Reserve	11,183		858			12,041
Earmarked Reserve						
Social Care Transformation Reserve	7,072	(1,963)				5,109
Earmarked for specific purposes						
Public Health Reserves	668	(553)				115
Adult Social Care Covid Recovery Reserve	1,530	(773)				757
Business Rates Deficit Reserve -S31 Grant re. 21/22	6,617	(6,617)				0
Business Rates Risk Reserve	1,877					1,877
Business Rates Relief Reserve	49					49
Change Fund	174	(404)	230			0
Insurance Fund (MBC)	116					116
CCC Insurance Fund	0					0
Insurance Fund (Fire)	0					0
School Achievement Reserve	0					0
Car Parking Pressures Reserve	782	(266)				516
Other Reserves & Provisions	13,937					13,937
Earmarked Reserves	25,750	(8,613)	230	0	0	17,367
Earmarked Reserve						
- Dedicated Schools Grant (DSG) Reserve	(3,756)	(1,344)				(5,100)
School balances	4,802					4,802
Provisions	1,921				0	1,921
TOTAL	46,972	(11,920)	1,088	0	0	36,140

NOTE

That the projected year-end balances do not currently include how the final revenue outturn at year-end 2022/23 will be funded, as it is hoped that the implementation of the revenue budget controls and Financial Recovery Plan 2022/23, outlined in paragraphs 99 to 102, will reduce the current projected overspend by the end of 2022/23. The final revenue outturn at year-end 2022/23 will be funded from Reserves, with the remaining £5.109m Social Care Transformation Reserve initially being used.

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MIDDLESBROUGH COUNCIL	
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Joint Report of:	Executive Members For Finance and Governance & Regeneration Directors Of Finance & Regeneration and Culture
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Submitted to:	Executive
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Date:	8 November 2022
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Title:	Business Support Strategy
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Report for:	Decision
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Status:	Public
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Strategic priority:	Vulnerability
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Key decision:	Yes
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Why:	Decision(s) will have a significant impact in two or more wards
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Urgent:	No
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Why:	N/A
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Executive summary
<p>Following approval of the Welfare Strategy for Residents in July 2022, the introduction of the recently designed support strategy for Businesses now aligns existing policy frameworks and solutions, plus provides a comprehensive approach to supporting businesses who may be in need of financial assistance, advice or support.</p> <p>The strategy is designed to provide a single point of contact and creates cross directorate solutions between Resident and Businesses Support and Regeneration.</p> <p>The proposed decision is that Executive; -</p> <ul style="list-style-type: none"> • Approves the adoption of the Business Support Strategy • That delegated authority to approve any future revisions/modifications to the strategy be provided to the Head of Resident and Businesses Support and the Director of Regeneration.

Purpose

1. This report highlights the opportunity for efficiencies with a scale up (or down) approach according to economic climate and resource availability within the Local Authority. Working with businesses effectively from the outset streamlines processes and avoids duplication of work.
2. To co-ordinate strategies to support a holistic approach to Residents and Business services, which recognises the nature of their inter dependency.
3. To seek approval of the proposed delivery approach to support businesses.

Background and relevant information

4. Resident and Business Support Services has recently developed and introduced a Welfare Strategy for Residents as part of its overall strategic approach to improving the quality of service to Middlesbrough residents.
5. The Business Support Strategy sets out a similar approach/methodology, identifying both internal and external opportunities/solutions that can support a business through its journey with the aim of providing a simplified effective route that can be scaled up (or down) according to the current economic climate and resource availability.
6. In a challenging economic climate and difficult trading conditions it is acknowledged that businesses will potentially seek additional support from the Authority to support their businesses and in some cases may face decline. At this time, some businesses may take the decision to streamline their staff complement or have to close the business permanently.
7. The overarching strategies consider both the business and the resident's circumstances. The business is supported under the relevant policies and residents who find themselves facing an unemployment situation or reduced employment hours can be signposted to the welfare solution for residents to ensure their individual needs are met. Equally the strategy will inform where Local Authority resources should be targeted, depending on where we are in the macro-economic business cycle.
8. This strategy complements the Council's Strategic Framework, directly supporting the Council's Strategic Plan (Refreshed 2022-24), the Mayor's priorities and Directorate Priorities (2022 – 2023)
9. Likely touch points for businesses into the Authority include Resident and Businesses Support and Regeneration along with other key services such as Planning, Environmental Health and Public Protection.
10. Following the pandemic, the scale and nature of businesses engagement became more significant than ever, with businesses, in some cases, realising for the first time the strength and inter dependent relationship between the public sector and private businesses. In turn the benefits of cross directorate working is enhanced across Council services.
11. As a result, Resident and Businesses Services established a close working relationship with Regeneration to deliver efficient, fast and robust Covid 19 related businesses

support programmes and sought to develop this further through a matrix management solution which established joint working arrangements between two service areas, responsible for delivering businesses solutions.

12. The alignment has provided a robust link between Resident and Businesses Support and Regeneration to provide a 'one voice' approach. A term that has been used frequently by many Local Authorities and highlighted in a recent report by the Local Government Association (LGA). The aim of this strategy is to build on joint working approaches and provide a framework for working with businesses to ensure that the Authority provides a cost-efficient service, utilising supporting policies in order to achieve:

- A stronger and more sustainable local economy.
- Improved collection rates.
- Improved relationships with businesses.
- Public service excellence.
- Inclusiveness - To ensure all businesses are treated fairly.
- Quality support to businesses to maximise their growth potential and future stability
- Improved perceptions of the Council as the 'go to' independent service able to offer help, support and signposting where possible.

Objectives include:

- A clear and consistent businesses journey through the Local Authority.
- An understanding across service areas of the Businesses Support available.
- Strengthen and highlight the value further of cross directorate working arrangements.
- Identification of a businesses in distress and the support available.
- A single point of contact (SPOC).
- Accurate and compliant database information.
- Connections with all businesses networks designed to be far reaching across a wide range and diverse section of the businesses community.
- Up to date web pages and easy reference points within the Council's web pages.
- Agreed referral mechanisms between service areas.
- Faster approach to identifying gaps across the service areas for the businesses.

13. It is important the Council continues to reinforce the relationship with the private sector to provide businesses with a positive and efficient customer experience that supports the welfare of the businesses. Strategic business support programmes operating across the region complement the Authority's statutory services to enable the business to access the full range of training, advice and guidance to become a sustainable, self-sufficient operation.

14. Early recognition of the needs of a business, leads to an efficient interaction for both parties and determines from the outset which phase the businesses is in and the support needed. In turn the Local Authority benefits from a positive proactive and responsive relationship with the businesses, improved knowledge of local issues, improved confidences and clearer links with officers within the Local Authority.

15. It is recommended that any businesses presenting themselves to the Local Authority will have their circumstances evaluated as early as possible, with Residents and Businesses Support and Regeneration being the primary points of contact to support businesses through payment planning, support leading to the potential for more in-depth strategic support conversations.

16. A consistent approach will be adopted, essentially to minimise duplication, provide effective strategies for reducing multiple touch points, whilst delivering a rapid response. This approach encourages a deeper understanding for businesses with a cross directorate solution, thus providing a far more intuitive and positive experience for both the businesses and the Local Authority.
17. A 'one voice' approach will be further implemented to provide consistency, an approach that worked extremely well throughout the pandemic for businesses, providing a controlled dissemination of information to minimise information overload.

What decision(s) are being recommended?

18. The introduction of the recently designed Business Support Strategy now aligns existing policy frameworks and solutions and provides a comprehensive approach to supporting businesses who may be in needs of financial assistance, advice or support.
19. The strategy is designed to provide a single point of contact and create cross directorate solutions between Resident and Businesses Support Services and Regeneration.

The proposed decision is that Executive; -

- Approves the adoption of the Business Support Strategy
- That delegated authority to approve any future revisions/modifications to the strategy be provided to the Head of Resident and Businesses Support and the Director of Regeneration.

Rationale for the recommended decision(s)

20. The strategy actively supports the local economy by providing a co-ordinated business support approach.
21. Co-ordinated strategies provide the opportunity to deliver a holistic approach to both resident and businesses, recognising the nature of their inter dependence.
22. The strategy highlights the opportunity for efficiency measures and a scale up (or down) approach by working with businesses effectively from the outset to streamline processes and avoid duplication of work.

Other potential decision(s) and why these have not been recommended

23. No other potential decisions have been recommended as the approach is in response to directed actions within the Council's Strategic Plan as approved by Executive on 5 April 2022.

Impact(s) of the recommended decision(s)

Legal

24. There is no legal requirement to have a Business Support Strategy, although the rationale and justification is outlined above. Many of the existing policies are however adopted under various legal powers such as the Local Government Finance Act.

Strategic priorities and risks

The proposed policy will contribute as follows to the Council's strategic plan.

People	Place	Business
Supporting businesses directly impacts the lives of local people through employment, leisure and communities and seeks to strengthen work and leisure opportunities the lives of local people.	Supporting businesses improves Middlesbrough's economic infrastructure, its visual 'high street' attractiveness and enhances the area's reputation as a 'business friendly' area that is 'open for business'. It creates opportunities for local people and maintains the Authority's finances (MTFP) through efficiency measures and streamlining of processes.	Actively supports the local economy and sets a framework to work as effectively as possible to support the Authority's ambitions and meet the needs of the current economic climate.

25. This policy will impact on and seek to address the following risks:

- i. (01-050) Economic Growth - Continuing national decline in retailing environment has the potential to manifest further in Middlesbrough's town centre. The strategy seeks to implement a robust welfare strategy to identify support through strategic engagement.
- ii. (08-059) Efficiency savings, minimising duplication to support the Medium Term Financial Plan (MTFP)
- iii. Recovery of local communities, businesses and the Council's operations from COVID-19, taking opportunities to build back more support and improved services

Human Rights, Equality and Data Protection

26. An initial Human Rights and Equality impact assessment has been undertaken, which did not identify any significant issues at this stage (see appendix C)

27. The Council processes significant amounts of information on a daily basis, the majority of which relates to individuals. The General Data Protection Regulation (EU) 2016, Data Protection Act 2018, and associated legislation Privacy and Electronic Communications Regulations 2003 will be adhered to, with additional guidance and

training sought from the DPO officer where required to manage the potential for data breaches from cross directorate working.

Financial

28. The strategy sets a framework that aims to deliver overall efficiencies. It will be flexible to meet ongoing organisational needs and can be tailored to adapt to the current economic climate. Overall, the strategy seeks to maintain businesses stability and sustain/improve collection rates; as such it supports the Council’s budget position and MTFP.

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

Action	Responsible Officer	Deadline
Business Support Strategy	Janette Savage	5 October 2022
Develop and introduce a cross-directorate Action Plan	Debbie Ingoldsby	31 st March 2023

Background papers

Body	Report title	Date
Local Government Association	Supporting Councils with Businesses Engagement	Supporting councils with businesses engagement Local Government Association

Appendices.

- Appendix A Business Support Strategy
- Appendix B Middlesbrough Council Executive report – Refreshing the Strategic Workplan for 2022-24
- Appendix C Impact Assessment

Contact: Janette Savage - Head of Resident & Businesses Support.

Email: Janette_savage@middlesbrough.gov.uk

Business Support Strategy

Live from: xx xxxx 2022

Live until: xx xxxx 2026

Title	Business Support Strategy		
Creator	Author(s)	Debbie Ingoldsby (Strategic Business Manager)	
	Approved by	Janette Savage Sam Gilmore	
	Department	Resident and Business Support Economic Growth	
	Service area	Finance Regeneration	
	Head of Service	Janette Savage	
	Director	Helen Seechurn Richard Horniman	
Date	Created	5 July 2022	
	Submitted	5 October 2022	
	Approved	Xxxxx 2022	
	Updating Frequency	Xx years	
Status	Version: 0.1		
Contributor(s)	Head of Service – Residents/Business & Economic Growth, Strategic Business Manager,		
Subject	Business Support		
Type	Strategy		
	Vital Record		EIR
Coverage	Middlesbrough Council		
Language	English		
Document Control			
Version	Date	Revision History	Reviser
0.1	05.10.22	First draft	D Ingoldsby
Distribution List			
Version	Date	Name/Service area	Action
		Regeneration	
Contact:	Debbie_ingoldsby@middlesbrough.gov.uk		

1. Summary

- 1.1 The Business Support Strategy attempts to align within the existing strategy framework and complement the Resident Welfare Strategy recently developed by Residents/Business Support Services providing an overarching welfare solution to both Residents/Businesses.
- 1.2 The strategy highlights the existing collaboration already taking place between Council directorates to support business and recognises the effective business relationships already in place between the Local Authority and the private sector with the opportunity to strengthen this further.
- 1.3 This strategy highlights the strong relationship formed between Residents/Business support services and Regeneration, the expertise within the services, and the opportunity to reinforce the relationship further and roll out across the Council in a way that will provide businesses with a more efficient journey through Directorates.
- 1.4 Finally it promotes the opportunity for efficiencies with a scale up (or down) approach by working with business effectively from the outset to streamline processes and avoid duplication of work.

2. Background

- 2.1 Resident and Business Support Services has recently developed and introduced a Resident Welfare Strategy as part of its overall strategic approach to improve the quality of service to Middlesbrough residents. The strategy pulls together the benefits available to help residents, and the policies that underpin the approach. A dedicated service provides residents with a simplified route through the authority and provides advice and guidance around welfare rights, council tax relief, household fund support, crisis support and debt management.
- 2.2 The Business Support Strategy sets out a similar methodology, identifying initiatives both internal and external that can support a business through its journey with the aim of providing a simplified effective route that can be scaled up (or down) according to the Local Authority's need and the current economic climate.
- 2.3 This strategy complements the Council's Strategic Framework, directly supporting the Council's Strategic Plan (2021 – 2024), the Mayor's priorities and Directorate Priorities (2022 – 2023)

3. Strategic Aim

- 3.1 The Local Authority works with business in a variety of ways, with the entry points into the Authority wide ranging and varied depending on requirements. Likely touch points include Regeneration due to existing business relationships and engagement established to support inward investment, skills and job creation. Statutory Council functions also play a key role for business, notably through Resident/Business Support

Services with the collection of Business Rates, in addition to key public services such as Planning, Environmental Health and Public Protection.

- 3.2 Following the pandemic the scale and nature of business engagement became more significant than ever, with businesses, in some cases, realising for the first time the strength and inter dependent relationship between the public sector and private business. In turn the benefits of cross directorate working intensified throughout Council services.
- 3.3 As a result Resident/Business Support Services established a close working relationship with Regeneration to deliver efficient, fast and robust Covid 19 related business support programmes and sought to develop this further through a joint matrix management working arrangement.
- 3.4 The creation of a Strategic Business Management team to bridge the two service areas, provided a management structure that promoted autonomy, shared intelligence and leadership, whilst introducing a different perspective into each directorate.
- 3.5 The alignment has enabled a strengthened link between Regeneration and Resident and Business Services to provide a 'one voice' approach. A term that has been used frequently by many Local Authorities and highlighted recently by the Local Government Association (LGA).ⁱ

The benefits of cross directorate working are outlined further in the examples below:

Example 1:

Strategic Business Manager working across two Directorates (Resident/Business Support Services and Regeneration)

The manager sits within the Senior Management Team of both services and works closely with Non Domestic Rates supporting rates collection/strategic policy whilst supporting Economic Growth and Business Support functions within Regeneration

Benefits

- i. Understanding each directorate's motivations and how it relates to organisational vision and strategic framework
- ii. Nurtures camaraderie – a feeling of 'we're in this together' amongst colleagues
- iii. Improves communications and the business customer journey
- iv. Greater understanding of Directorate challenges with opportunities to develop innovative solutions

Example 2:

Creation of a new Enforcement and Investigation Manager role within Resident and Business Services to work alongside Regeneration and Housing teams.

Benefits

- i. Improves collection rates
- ii. Targets strategic properties and problematic vacant units within key areas of the town
- iii. Co-ordinates approaches, minimising duplication resulting in cost saving across the organisation
- iv. Improves communications and the customer journey
- v. Provides greater understanding of directorate challenges with opportunities to develop innovative solutions

3.6 The aim of this strategy is to build on joint working approaches and provide a framework for working with business to ensure that the Authority provides a cost efficient service in order to achieve:

- i. A stronger and more sustainable local economy:
- ii. Improved collection rates
- iii. Improved relationships with business
- iv. Public service excellence;
- v. Inclusiveness - To ensure all businesses are treated fairly
- vi. Quality support to businesses to maximise their growth potential and future stability
- vii. Improved perceptions of the Council as the 'go to' independent service able to offer help, support and signposting where possible.

3.7 Objectives include:

- i. A clear and consistent business journey through the Local Authority
- ii. An understanding across service areas of the Business Support available
- iii. Strengthen and highlight the value further of cross directorate working
- iv. Identification of a business in distress
- v. A single point of contact (SPOC), where possible
- vi. Accurate and compliant database information
- vii. Connections with all business networks to be able to reach a wide range and diverse section of the business community
- viii. Up to date web pages and easy reference points within the Council's web pages
- ix. Agreed referral mechanisms between service areas
- x. Faster approach to identifying gaps across the service areas for the business

4. Centralised Debt Collection Services

4.1 Resident/Business Support Services now incorporates an integrated solution around all of the Authority's Debt, Financial Assistance, Advice and Support. With a targeted focus on the financial welfare of Residents/Businesses the services model complements the new approach by providing a one-stop solution to enable the

identification and early intervention for businesses who are experiencing financial difficulty and who may require additional support.

- 4.2 Middlesbrough Council is committed to supporting viable businesses within this solution and aims to take positive steps to provide a tailored solution where possible.
- 4.3 The Council's comprehensive Corporate Debt Management policy in 2021 ([Corporate Debt Management Policy - 2021](#)) sets out how the Council manages all of its debt and income, which supports a fair and consistent approach to the recovery of debt across all Council services.
- 4.4 Furthermore the Council adopted a Corporate Write Off policy [Corporate Write Off Policy 2022](#) which sets out how the Council will consider writing off debt, the process for doing so, and facilitates a fair and consistent approach across all Council services.
- 4.5 These policies underpin the Business Support Strategy and ensure businesses receive the best possible support (see figure 1).

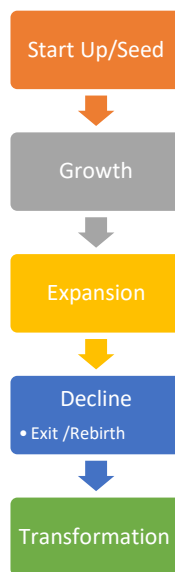
Figure 1 Business Support Strategy



5. Business Support

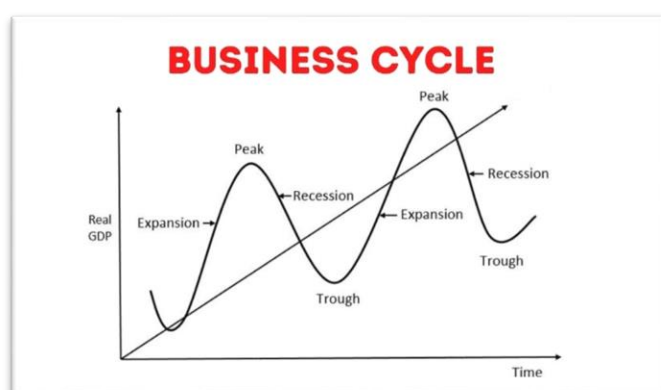
- 5.1 To improve business support it is worth understanding the lifecycle of a business. It is widely acknowledged that there are five stages of a business as outlined in Figure 2:

Figure 2 Business Lifecycle



- 5.2 The start-up phase is usually followed by a period of growth and expansion at varying pace depending on sector, demand, opportunity etc.
- 5.3 The ongoing effects of the pandemic are still evident with slow recovery across certain sectors, wider global energy impacts, supply, recruitment and retention issues and a cost of living crisis that have contributed to UK experiencing an economic downturn and challenging operating conditions. The Business Cycle highlights the forces which individual businesses have to manage.

Figure 3 Business Cycleⁱⁱ



- 5.4 As a business manages situations that threaten its viability it can lead to a feeling of being overwhelmed and a weight of responsibility that can result in overlooking its critical operations, such as payment obligations.
- 5.5 At this stage, support may be disregarded or remain misunderstood by the business as potentially being unsuitable or too time consuming to engage with. The opportunity

for the Local Authority to actively engage a business at this stage is therefore crucial to be able to discuss payment solutions or the wider business support available. The aim being to ultimately support business to stabilise and grow to sustain jobs, however it is recognised this may not always be possible. In a challenging economic climate it some businesses may take the decision to streamline their staff complement or close the business permanently.

- 5.6** The overarching strategies consider both the business and the resident's circumstances. The business is supported under the relevant policies and residents who find themselves facing an unemployment situation or reduced employment hours can be signposted to the welfare solution for residents to ensure their individual needs are met. Equally the strategies inform where Local Authority resources should be targeted, depending on where we are in the macro-economic business cycle.
- 5.7** Compared to some authorities Middlesbrough Council, pre pandemic, was in a relatively good position having developed strong external business relationships and a wide range of key contacts in business organisations such as Tees Valley Business, Teesside University, Federation of Small Businesses and North East England Chamber of Commerce. The team works closely with external partners to support priority business sectors, maintain strong business working relationships and manage inward investment and growth opportunities under the Council's business investment platform [Invest Middlesbrough](#)
- 5.8** The economic growth team provides a single point of contact, 1-1 support, signposting and engagement into wider corporate services relevant to the business. Table 1 highlights the support available through both Residents/Business and Regeneration services.

Table 1 Business Supportⁱⁱⁱ

Residents & Business (Non Domestic Rates)	Regeneration (Business Support)
Understanding rates liabilities, payment planning	Business guidance and support (including specialist support to Digital /Tech Sector, 1-1 discussions)
Discretionary Hardship Relief	Property Searches (private and public sector owned)
Small Business Rates Relief	Finance and Funding Options
Discretionary Rates Relief	Signposting to specialist external and internal support
Valuation Office support	Access to relevant business networks/marketing tips, exposure to promotional and marketing opportunities
	Introduction and Assistance with relevant programmes e.g. Buy Boro Programme, Teesside Restaurant Week

- 5.9** Table 2 highlights the range of programmes currently operating across the region. Many of the programmes are delivered locally by the Combined Authority's Business

Hub and Teesside University. The Local Authority fully supported this approach on the understanding that it would provide businesses with clear and comprehensive business advice and guidance, however, it has not necessarily always delivered as envisaged, leaving gaps in delivery and inconsistencies at times.

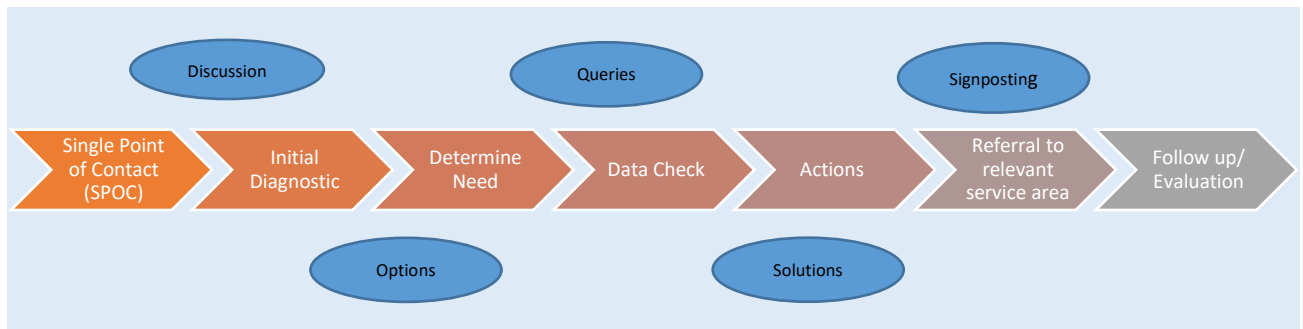
Table 2 Regional Support Programmes^{iv}

<p>Tees Valley Programmes Business Hub Growth Grants Research and Information Data, Intellectual Property guidance Capital Investment Grants SME Energy Efficiency Grants Skills Support and Training Grants Catalyst Fund Support towards regeneration Infrastructure Cultural Events and Art Grants Apprenticeship Support Grants CPI Enterprise Scale Up Programme TWI – engineering, technology, process support Support to creatives industries via Northern Film and Media programmes Department of International Trade (Export advisors) Start Up/Business Planning/Training through a number of local partners IDTC – Smart Manufacturing and Digitisation (Teesside University) Innovate Support (Teesside University)</p>	<p>Net Zero Hub (Tees University) Leadership & Management Training (Teesside University) Graduates for Growth (Teesside University) DigitalCity (scale up and digital support programmes) Tees Valley Hydrogen Innovation Project</p> <p>Regional and National Gov.uk Business Support Helpline Defence and Security Accelerator Programme UK Steel Enterprise (Grants and Investment) UK Research Institutions Innovate UK Innovate Edge Start-up Loans Co / British Business Bank Finance including Recovery Loans/Angel Investors Northern Powerhouse Investment Funds NE Export Academy UK Export Finance National Apprenticeship Scheme Business Enterprise Fund</p>
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6. Business Journey

- 6.1** It is important the Council continues to reinforce the relationship with the private sector to provide business with a positive and efficient customer experience to support the welfare of the business.
- 6.2** Early recognition of the needs of a business leads to an efficient interaction for both parties and determines from the outset which phase the business is in and the support needed. In turn the Local Authority benefits from a positive, proactive relationship with the business, as well as improved and up to date records.
- 6.3** It is recommended that any business presenting themselves to the Local Authority will have their circumstances evaluated as quickly as possible at their first point of contact, with Residents/Business and Regeneration remaining the primary points of contact to support business. The review should include collection and payment planning, hardship and discretionary support (where applicable) and a wider, more detailed, business support conversation.

Figure 4 Effective Business Journey



7. One Voice Approach

- 7.1** A consistent message is essential to minimise duplication and provide effective strategies for reducing customer call volumes and delivering a rapid response. This approach encourages a deeper understanding for business of the inter relationships between Directorates and provides a more positive experience for the business with the Local Authority.
- 7.2** A 'one voice' approach as highlighted in section 3.0, formed quickly during the pandemic and was critical to the fast paced nature of delivery and the need to provide consistency. Single messaging throughout the pandemic for business gave services an authority of over its message and a controlled dissemination of information to minimise information overload. An important factor at the time due to the volume of information circulating.
- 7.3** This approach works well across an organisation's cross cutting themes, underpinning its values, strategic vision and aim. The framework wheel below outlines how this approach integrates the business support strategy across the Local Authority's existing strategic framework.

Figure 5 Framework Wheel



OUR VALUES	CROSS DIRECTORATE WORKING	PEOPLE PLACE BUSINESS
Passion Integrity Creativity Collaboration Focus	One Voice Residents & Business Regeneration Planning Public Health/Protection Environment Children and Young People	Beneficial relationships Increased engagement Informed decision making
SUPPORT AND GUIDANCE	PUBLIC/PRIVATE RELATIONSHIPS	STRATEGIC FRAMEWORK
Place making Investment Regeneration Jobs, skills Economy	Statutory/Non statutory Services Wide ranging business support landscape Strong Sectors Resilient local economy	MTFP Integrated Debt Solution LTP, Local Plan Investment Prospectus Strategic Economic Plan

8. Monitoring and Review

- 8.1 The implementation and effectiveness of this strategy and its supporting policies will be checked and monitored by the Head of Service and strategic management team. The strategy will be reviewed after the first 12 months followed by a full review every three years.

9. Evaluation

- 9.1 A number of indicators are already in place to help monitor the objectives of the strategy, and further performance indicators will be added during the life of this strategy.
- 9.2 Having adopted the strategy, the existing measures will be reviewed, and if necessary further measures will be added. This action will be fulfilled within six months of the strategy going live.

10.0 Legislative and Regulatory Framework

- 10.1 Key elements of the legislative and regulatory framework for this policy are set out below.

Local Government Acts 1992 (as amended)	Establishes requirements to manage the Council's financial affairs and the appointment of a section 151 officer.
Data Protection Act 2018	Controls the lawful passing of personal data from one part of the Council to another.
Non-Domestic Rating (Collection and Enforcement)(Local Lists) Regulations 1989	Make provision for the collection and enforcement of non-domestic rates.
Insolvency Act 1986	Consolidates enactments relating to company insolvency and winding up, and bankruptcy of individuals
Equality Act 2010	Is an amalgamation of previous anti-discrimination laws. It is a law which protects from discrimination of unfair treatment on the basis of certain personal characteristics such as age
General Data Protection Regulation 2016 (GDPR) and Data Protection Act 2018 (DPA2018)	The GDPR/DPA2018 place a duty on the Council to comply with the data protection principles relating to processing of personal data: (1)(a) Lawfulness, fairness and transparency; (1)(b) Purpose limitation; (1)(c) Data minimisation; (1)(d) Accuracy; (1)(e) Storage limitation; (1)(f) Integrity and confidentiality (security); (2) Accountability (including the rights of data subjects).

Freedom of Information Act (FOIA) 2000	Under the FOIA, the Council has a duty to make information available to the public upon request, unless specific exemption(s) apply. It is also obliged to proactively and routinely publish information that has been frequently requested in the past in its Publication Scheme. Information requests frequently include requests for information held in emails.
Debt Respite Scheme (Breathing Space Moratorium and Mental Health Crisis Moratorium) Regulations 2020	Establishes a debt respite scheme and establishes a breathing space moratorium and a mental health crisis moratorium.
County Courts Act 1984,	Establishes a single county court and its jurisdiction
Civil Procedure Rules 1998	Establishes the rules of Civil Procedure used by various courts in the UK
Charging Orders Act 1979	An Act to make provision for imposing charges to secure payment of money due, or to become due, under judgments or orders of court; to provide for restraining and prohibiting dealings with, and the making of payments in respect of, certain securities; and for connected purposes.
Safeguarding Vulnerable Groups Act 2006	An Act to make provision in connection with the protection of children and vulnerable adults.
Modern Slavery Act 2015	An Act designed to combat modern slavery in the UK.
Tribunal Courts and Enforcement Act 2007	An act which makes provision for tribunals and inquiries, particularly relating to the enforcement of judgments and debts.
Insolvency Act 1986	Consolidates enactments relating to company insolvency and winding up, and bankruptcy of individuals
Equality Act 2010.	An amalgamation of previous anti-discrimination laws. It is a law which protects from discrimination of unfair treatment on the basis of certain personal characteristics such as age, gender, race, religion, etc.
Regulation of Investigatory Powers Act 2000 (RIPA)	Governs the use of covert surveillance by public bodies.

ⁱ [Supporting councils with business engagement | Local Government Association](#)

ⁱⁱ Reference www.businessyield.com

ⁱⁱⁱ Correct as at 22.9.22

^{iv} Correct as at 22.9.22

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Report of:	The Elected Mayor of Middlesbrough - Andy Preston Chief Executive - Tony Parkinson
Submitted to:	Executive
Date:	5 April 2022
Title:	Refreshing the Strategic Plan workplan for the 2022-24 period
Report for:	Decision
Status:	Public
Strategic priority:	All
Key decision:	No
Why:	Not applicable
Urgent:	No
Why:	Not applicable

Executive summary

On 30 March 2022, Council was advised that an annual refresh for the Strategic Plan 2021-24 would not be brought forward and that as such the current plan would remain in place for the coming financial year.

Whilst work continues to deliver against the current priorities, Executive will consider a revised Strategic Plan workplan which will address issues identified in the recent budget consultation, including infrastructure within the town.

This report seeks Executive approval of the proposed revisions to the Strategic Plan workplan for the 2022-2024 period, to demonstrate progress towards and achievement of Council approved Strategic Plan outcomes.

The Executive is also asked to note Directorate Priorities for 2022/23, which together with the Strategic Plan workplan, comprise an overall strategic delivery plan.

Purpose

1. The Strategic Plan is the Council's overarching business plan for the medium-term, and whilst it is typically refreshed on an annual basis and sets out the priorities of the Elected Mayor of Middlesbrough and other corporate priorities for the Council, its supporting workplan is the mechanism by which those priorities and associated outcomes will be delivered.
2. On 30 March 2022, Council was advised that an annual refresh for the Strategic Plan 2021-24 would not be brought forward and that as such the Strategic Plan would remain in place for the coming financial year, to ensure that the Council has sufficient time to consider implications of national and potential forthcoming local changes on its strategic direction.
3. Council was further advised that the Strategic Plan's supporting workplan would be refreshed to reflect and address issues identified in the recent budget consultation, including infrastructure within the town. This report seeks Executive approval for the refreshed Strategic Plan workplan for the 2022-24 period. Directorate Priorities for 2022/23, which in conjunction with the Strategic Plan workplan, provide a cohesive approach to the delivery of key priority activities across Council services, are provided for information.

Background and relevant information

4. Full Council approved a Strategic Plan for the period 2021-24 on 24 February 2021, setting out nine strategic priorities for this period in the light of COVID-19 and other external factors, following consultation with local communities.
5. 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. This is the first time such a document had been approved by the Executive, which under the Council's Scheme of Delegation has collective responsibility for corporate strategic performance, together with associated action.
6. In December 2021, *People at the Heart of Care*, the adult social care reform white paper, was published, setting out a 10-year vision for adult social care and providing information on funded proposals that the Government will implement in the medium-term.
7. In February 2022, the long-awaited *Levelling Up the United Kingdom* white paper was published, setting out how the Government plans to spread opportunity more equally across the UK.
8. Both white papers will result in fundamental changes to the local government operating environment which need to be considered in detail by Leadership Management Team and then by members.
9. A Community Governance Review is now underway within Middlesbrough and elections for Council and for the Mayor of Middlesbrough will be held in May 2023. Both have the potential to change the strategic direction of the Council and how it operates locally.

10. Given the above factors, and considering the outcome of the recent public consultations, including the Let's Talk 2022/23 budget consultation, the Mayor and the Executive consider that the Strategic Plan remains fit-for-purpose at the present time and do not consider it necessary or prudent to propose significant changes to the plan for 2022/23, as noted at a meeting of full Council on 30 March 2022.
11. Strong progress has been made during 2021/22 in delivering the Strategic Plan Workplan, as set out in quarterly performance update reports to the Executive and Overview and Scrutiny Board; as such, the three interrelated corporate strategic aims of People, Place and Business, and the existing strategic priorities will remain in place for 2022/23:
- Children and young people
 - Vulnerability
 - Crime and anti-social behaviour
 - Climate change
 - COVID-19 recovery
 - Physical environment
 - Town centre
 - Culture
 - Quality of service
12. At the 30 March 2022 meeting of Council, it was noted that whilst work continues to deliver against the nine current Strategic Plan priorities, that Executive will consider a revised Strategic Plan workplan to address issues identified in the recent budget consultation, including infrastructure within the town.
13. Appendix 1 sets out the proposed revised Strategic Plan workplan 2022-24.
14. At the 23 February 2022 meeting of Council an amendment to the proposed budget was put forward, replacing paragraph 54 of the Revenue Budget, Council Tax, Medium Term Financial Plan, and Capital Strategy 2022/23 report. The amendment was in relation to a budget of £495k per annum provided for investment in services provided to residents, proposing and subsequently approving spend on the following priorities:
- £160k per annum to create a tree maintenance squad in order to initially clear the backlog of works, and create an ongoing tree maintenance programme to reduce backlogs potentially re-occurring in the future
 - £90k per annum to enable the Council to offer a subsidised Pest Control service to residents. This would include the recruitment of two additional pest control operatives
 - £150k per annum towards expanding the current youth provision, targeting areas of the town where crime and anti-social behaviour are high
15. It was also agreed at the same meeting of Council, that the remaining £95k per annum would be allocated throughout 2022/23 as other priorities develop. An informal decision was later made by the Mayor and Deputy Mayor to allocate the remaining amount of £95k, as follows:
- £40k to implement and extend locality working
 - £15k to make steps towards every child playing a musical instrument by extending to one other school or year group
 - £40k to increase enforcement against problem properties / streets / gardens in disrepair

16. Each of the above priorities are included within the workplan and will be subject to individual Executive reports, seeking approval on the approach to delivery and are factored in to the forward work programme.
17. Additionally, the Strategic Plan workplan includes several initiatives that may require reprioritisation of existing services / priorities, in order to deliver within the existing budget parameters. As such, individual Executive reports have been factored in to the forward work programme, to allow a decision to be made on the full understanding of any service delivery and / or financial implications.
18. As stated in The Local Code of Corporate Governance, clear and robust planning and control cycles for the Council's strategic and operational plans, priorities and targets and key performance indicators are well-established and demonstrate service and project performance.
19. Progress will continue to be monitored via detailed milestone plans, adhering to the corporate programme and project management framework, where applicable. Progress will continue to be reported to all senior managers and Members as part of the quarterly corporate performance results reports presented to Executive and Overview and Scrutiny Board.
20. In conjunction with the refresh of the Strategic Plan workplan for the 2022-24 period, Directorate Priorities have also been refreshed for the period 2022/23. This demonstrates a whole-Council approach to support delivery of the Council's strategic aims and priorities. As operational matters and for noting, Directorate Priorities for 2022-23 are detailed at Appendix 3.
21. As the Council's interrelated corporate strategic aims of People, Place and Business, and existing strategic priorities will remain in place for 2022/23 and therefore do not require a full Council decision, additional consultation with local communities and other stakeholders on these proposed revisions to strategic plan workplan, is not required.

What decision(s) are being recommended?

That the Executive:

- Approves the proposed Strategic Plan workplan activities to assure achievement of the Council's strategic aims and priorities for the 2022-25 period.
- Agrees the delegation of approval for minor amendments to in-quarter timescales to the Chief Executive. Any significant variation to approach or deliverables, will be reported to and seek approval via the quarterly corporate performance results reports to Executive.
- Notes the Directorate Priorities for 2022/23, which together with the Strategic Plan workplan, comprise an overall strategic delivery plan.

Rationale for the recommended decision(s)

22. To provide the necessary detail to demonstrate robust delivery plans of the Council's strategic priorities and assurance of the associated governance.

Other potential decision(s) and why these have not been recommended

23. It is imperative that the Council effectively articulates and communicates an overarching plan which directs activity across Directorates towards the achievement of its strategic priorities. As such, no other options were considered.

Impact(s) of the recommended decision(s)

Legal

24. Implementation and delivery of the Strategic Plan workplan will enable the Council to operate within the resources available to it, and continue to meet its various statutory duties, including the overarching Duty of Best Value.

Strategic priorities and risks

25. The overarching Strategic Plan sets out a range of activity to address the key risks set out within the Council's Strategic Risk Register to ensure achievement of strategic priorities, which is reported to the Executive on a quarterly basis.

26. An impact assessment of the Strategic Plan was completed when it was adopted and is relevant to this decision. Appendix 2 sets out the impact assessment of this proposed work plan, it finds that there are no concerns the planned activity could have an adverse impact on individuals or groups as a result of holding one or more of the characteristics protected by the Equality Act 2010.

Human Rights, Equality and Data Protection

27. Proposed changes to the Council's Strategic Plan workplan have been subject to a Level 1 screening equality impact assessment at Appendix 2. This identified that no negative differential impacts on diverse groups and communities within Middlesbrough is anticipated from proposed changes to the workplan.

28. It is proposed that the strategic priorities relating to vulnerability, crime and COVID-19 will become the Council's equality objectives for the period to 2024, in line with the requirements of the Equality Act 2010.

Financial

29. The Council's annual revenue and capital budgets are developed having due regard to the Council's Strategic Plan. In outlining an achievable programme that delivers performance improvement within reduced resources, the Strategic Plan (and its supporting workplan) demonstrates how the Council will deliver value for money for the taxpayer in the medium-term.

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

Action	Responsible Officer	Deadline
Implementation of the revised Strategic Plan workplan 2022-24, in line with timescales for first Performance Dashboard Review of 2022/23.	Strategy Delivery Manager	30/04/2022

Appendices

1	Proposed revised Strategic Plan workplan 2022-24
2	Equality impact assessment
3	Directorate Priorities 2022-23

Background papers

Body	Report title	Date
Council	Strategic Plan 2021-24	24/02/2021
Executive	Strategic Plan 2021-24: approach to delivery	13/04/2021
Council	Revenue Budget, Council Tax, Medium Term Financial Plan and Capital Strategy 2022/23	23/02/2022
Council	Strategic Plan Update	30/03/2022

Contact: Gemma Cooper, Strategy Delivery Manager

Email: gemma_cooper@middlesbrough.gov.uk

Impact Assessment Level 1: Initial screening assessment

Subject of assessment:	Business Welfare Strategy			
Coverage:	Crosscutting			
This is a decision relating to:	<input checked="" type="checkbox"/> Strategy	<input type="checkbox"/> Policy	<input type="checkbox"/> Service	<input type="checkbox"/> Function
	<input type="checkbox"/> Process/procedure	<input type="checkbox"/> Programme	<input type="checkbox"/> Project	<input type="checkbox"/> Review
	<input type="checkbox"/> Organisational change	<input type="checkbox"/> Other (please state)		
It is a:	New approach:	<input type="checkbox"/>	Revision of an existing approach:	<input checked="" type="checkbox"/>
It is driven by:	Legislation:	<input type="checkbox"/>	Local or corporate requirements:	<input checked="" type="checkbox"/>
Description:	<p>Key aims, objectives and activities To assess the impact of proceeding with the business welfare strategy</p> <p>Statutory drivers The Council does not have a statutory legal obligation to hold a Business welfare strategy. The strategy complements the Council’s Strategic Framework, directly supporting the Council’s Strategic Plan (Refreshed 2022-24), the Mayor’s priorities and Directorate Priorities (2022 – 2023)</p> <p>Key stakeholders and intended beneficiaries (internal and external as appropriate) The key stakeholders are: Council; businesses, strategic partners.</p> <p>Intended outcomes. To seek the adoption of the Business welfare strategy.</p>			
Live date:	Executive will consider the Strategy on 5 October 2022			
Lifespan:	Until further notice			
Date of next review:	October 2023			

Screening questions	Response			Evidence
	No	Yes	Uncertain	
Human Rights Could the decision impact negatively on individual Human Rights as enshrined in UK legislation?*	☒	☐	☐	No evidence to suggest that the strategy will have an adverse impact on individuals in terms of human rights.
Equality Could the decision result in adverse differential impacts on groups or individuals with characteristics protected in UK equality law? Could the decision impact differently on other commonly disadvantaged groups?*	☒	☐	☐	No evidence to suggest that the strategy will have an adverse impact on different groups or individuals in terms of equality.
Community cohesion Could the decision impact negatively on relationships between different groups, communities of interest or neighbourhoods within the town?*	☒	☐	☐	No evidence to suggest that the strategy will have an adverse impact on relationships between different groups, communities of interest or neighbourhoods within the town.
Next steps: ➡ If the answer to all of the above screening questions is No then the process is completed. ➡ If the answer of any of the questions is Yes or Uncertain, then a Level 2 Full Impact Assessment must be completed.				

Assessment completed by:	Debbie Ingoldsby	Head of Service:	Janette Savage
Date:	29.9.22	Date:	

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

MIDDLESBROUGH COUNCIL	
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Report of:	Executive Member for Finance and Governance Director of Finance
Submitted to:	Executive
Date:	8 November 2022
Title:	Community Benefit Arising from Asset Disposal
Report for:	Decision
Status:	Public
Strategic priority:	Physical environment
Key decision:	Yes
Why:	Decision(s) will have a significant impact in two or more wards
Urgent:	No
Why:	Not Applicable

Executive summary	
<p>The report seeks an Executive decision to approve an amendment to the Asset Disposal Policy that ensures local communities will continue to benefit financially when a Council owned land or property asset is disposed of above market value within their locality.</p> <p>The report sets out the formal process for claiming community benefit contributions and clarifies that the 3% payment is directed to benefits whereby expenditure is limited to local authority direct or procured provision only.</p> <p>The Asset Disposal Policy forms part of the Council’s Estate Strategy and has the potential to impact upon all wards.</p>	

Purpose

1. The purpose of the report is to seek approval for revision to the Asset Disposal Policy that further clarifies the process for claiming community benefit contributions and ensures that expenditure linked to this is limited to local authority direct or procured provision only.

Background & relevant information

2. Middlesbrough Council holds a significant asset portfolio that is used to deliver services, support businesses and contribute to the well-being of the Town.
3. The acquisition and disposal of assets is essential to enable the Council to update its asset portfolio to meet the changing needs of Middlesbrough.
4. The Asset Disposal Policy sets out a comprehensive framework and governance structure for the disposal of the Council's land & property assets.
5. Operation of the Policy ensures that all disposals have clear objectives, decisions are made based on full information and that there is a full audit trail leading to any disposal.
6. The standing Council Asset Disposal Policy was approved by Executive in April 2021.
7. In some circumstances, an asset that is disposed of may attract a price that is considered to be in excess of open market value, and as such, amendments have previously been made to the Asset Disposal Policy to allow local communities to benefit should such circumstances arise.

Policy implementation

8. In response to comments made by the Council's External Auditors in previous years, further work to satisfactorily embed the Asset Disposal Policy was carried out during the financial year 2021/22 in order to ensure compliance.
9. On 13th April 2021, Executive approved the release of 3% of the value of any asset disposed of above market value as a financial contribution to be made available for the benefit of the ward in which the subject asset was based.
10. The Asset Disposal Policy was subsequently amended to reflect this change, and as a result a process was introduced which determined that once the 3% community benefit contribution was triggered, the respective Ward Councillors in which the subject asset was based, would be invited to submit their proposals to the Director of Finance and the Executive Member for Finance & Governance whom would then consider, and agree, the ward expenditure.
11. Since inception, a number of disposals have triggered this process, namely the disposal of Middlesbrough Warehousing in North Ormesby and Nunthorpe Grange Farmhouse.
12. The Asset Disposal Policy was not explicit in regard to the works that the 3% contribution could be spent on within the designated wards, however there was an intention that this would be works that the local authority would progress / carry out.
13. In the case of North Ormesby, the contribution assisted a third party organisation that provides significant community support.

14. Initially, the 3% community benefit contribution was intended to support the delivery of the following types of enhancements within local community areas:

- Enhanced physical environment – physical decoration, planters, resurfacing & play equipment.
- Expanded community facilities – additional street furniture, litter bins & dog waste bins.
- Improved security measures – additional lighting & security equipment.

15. The enhancements set out above are illustrative, but not exhaustive.

16. It is recommended that the original intention to contribute to such local enhancement should be progressed, and the Asset Disposal Policy attached at Appendix 1 amended accordingly:

- In the eventuality that an asset achieves a price in excess of the projected market value, 3% of the capital receipt will be made available for local community use for the ward in which the asset is located.
- The funding will be retained by the Finance Directorate, only direct local authority, or local authority procured expenditure will be spent within wards and agreement for use will be determined in consultation with the following parties:
 - Director of Finance
 - Executive Member – Finance and Governance
 - Ward member in which asset was situated

What decision(s) are being recommended?

17. That the Executive approves the proposed revisions to the Asset Disposal Policy to:

- a) Further clarify the process for claiming community benefit contributions; and,
- b) Ensure that expenditure is limited to local authority direct or procured provision only.

Rationale for the recommended decision(s)

18. To ensure that the Council continues to have an asset disposal process which is responsive, fit for purpose and allows the Council to clearly demonstrate Value for Money in relation to the disposal of council owned assets, but also a policy that reflects support to local communities.

Other potential decision(s) and why these have not been recommended

19. Do nothing - The Asset Disposal Policy could remain unchanged, and any assets disposed of above market value would have a positive impact in terms of an enhanced capital receipt. However, the Council is committed to locality working and the revisions proposed are an opportunity to further stimulate investment at ward level.

Impact(s) of the recommended decision(s)

Legal

20. The disposal of Council owned assets is governed by the Council's standing financial orders and Government legislation.

21. Adoption of the policy amendments, outlined in paragraphs 17 & 18 of the attached asset disposal policy (Appendix 1) does not create any specific legal issues, although the process actions and any subsequent steps to implement the policy amendments would need to be undertaken within the Council's legal framework.

Strategic priorities and risks

22. Implementation of the Asset Disposal Policy will help address risk and remove potential for challenge by the adoption of a robust and responsive, fit for purpose decision making framework.

Human rights, equality and data protection

23. There will be no negative, differential impact on protected groups and communities.

24. A Level 1 (Initial Screening) Impact Assessment (IA) will be carried out on individual asset disposals, if deemed appropriate.

25. The proposed decision does not involve the collation and use of personal data.

Financial

26. Except for the retention by the Council of contributions equating to 3% of qualifying above market asset disposals, there are no direct financial implications to report.

27. The assumed capital receipt is based on a market valuation. If an asset disposal should achieve a figure higher than the projected market valuation, this amended aspect of the policy will apply.

28. The disposal of Council assets will continue to be progressed in accordance with the delegation of responsibilities outlined within the Asset Disposal Policy.

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

Action	Responsible Officer	Deadline
Adopt the policy amendments from the date of determination	Valuation & Estates Manager	September 2022
Revise all necessary documentation	Valuation & Estates Manager	October 2022

Appendices

1	Asset Disposal Policy
2	
3	

Background papers

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

Body	Report title	Date
N/A	N/A	N/A

Contact: David Velemir, Valuation & Estates Manager

Email: david_velemir@middlesbrough.gov.uk

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Asset Disposal Policy

Live from: July 2022

Live until: July 2025

Title	Asset Disposal Policy		
Creator	Author(s)	David Velemir	
	Approved by	Content to be approved by Executive Committee	
	Department	Finance	
	Service area	Valuation & Estates	
	Head of Service	David Velemir	
	Director	Delegation to Louise Grabham	
Date	Created	January 2022	
	Submitted	April 2022	
	Approved		
	Updating Frequency	Every three years or as case law/legislation require changes	
Status	Version: 1.5		
Contributor(s)	David Velemir, Louise Grabham, Ian Wright, David Jamison, Andrew Perriman, Valuation & Estates Team		
	Legislation	Best Value Statutory Guidance, General Disposal Consent (2003), Local Government Act 1972.	
Subject	Asset Disposals		
Type	Policy		
	Vital Record		EIR
Coverage	Middlesbrough Council		
Language	English		

Document Control

Version	Date	Revision History	Reviser
1.0	December 2016	Policy content agreed within a report to Executive Sub-Committee for Property	Ian Wright
1.1	October 2017	Policy content transferred into a policy format – no change to content – signed off by Estates Strategy Board	Ian Wright / Ann-Marie Johnstone
1.2	January 2019	Additional guidance around what constitutes pipeline and active Disposals	Ian Wright
1.3	January 2020	Policy content to be agreed within a report to Executive Committee	David Velemir
1.4	April 2021	Policy content to be agreed within a report to Executive Committee	Louise Grabham
1.5	July 2022	Policy content to be agreed within a report to Executive Committee	David Velemir

Distribution List

Version	Date	Name/Service area	Action
1.0	December 2016	LMT, Asset Management, Economic Development, Finance, Legal and Valuation & Estates Teams	Disseminate
1.1	October 2017	LMT, Asset Management, Economic Development, Finance, Legal and Valuation & Estates Teams	Disseminate
1.2	January 2019	LMT, Asset Management, Economic Development, Finance, Legal and Valuation & Estates Teams	Disseminate
1.3	March 2020	Asset Management, Economic Development, Finance, Highways, Legal and Valuation & Estates Teams	Disseminate
1.4	April 2021	Asset Management, Economic Development, Finance, Highways, Legal and Valuation & Estates Teams	Disseminate

1.5	July 2022	Asset Management, Economic Development, Finance, Highways, Legal and Valuation & Estates Teams	Disseminate
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Scope and purpose

1. The acquisition and disposal of assets is essential to enable the Council to update its asset portfolio to meet the changing needs of Middlesbrough.
2. Ensuring that the Council's assets are disposed of properly and in the best interests of the town is a key duty of the Council.
3. The purpose of this policy is to set out how the Council will manage disposal of its assets. It provides a framework for decisions to be considered in the light of the responsibility to support communities and stimulate economic activity in Middlesbrough.
4. This policy applies to all property assets owned by the Council. Where approval to dispose of property has been granted under previous policy, steps will only be taken to retrofit application of this policy to 'live' disposal cases.

Equality and Diversity

5. This policy will provide:
 - A clear framework for the disposal of assets
 - A process that will support effective management of the Council's property assets.

Drivers and enablers

6. Asset disposals are an essential part of the delivery of the Council's Estates Strategy, which is intended to support the Mayor's priorities around people, place & business in addition to delivering the Council's Strategic Priorities of:
 - Physical Regeneration
 - Social Regeneration
 - Business Regeneration
7. The policy has been put in place to set out how the Council will manage its property portfolio. The Council's Estates Strategy allows groups its property assets under five categories to ensure they are being effectively managed (properties can move across these groups and may be applicable to more than one group because of the nature of the asset). The five categories are:
 - To generate revenue streams
 - To generate capital receipts
 - To stimulate economic activity
 - To support communities
 - To deliver operational services
8. This policy applies where a business case for disposal of an asset is approved by the Head of Asset Management, as it is no longer required by the organisation for operational purposes and disposal is recommended based on consideration of the Estates Strategy aims.

9. In the interests of completeness there is also a record of assets defined as pipeline disposals – these assets do not yet have an approved asset disposal business case, as they are at an early stage of consideration for disposal and no decision has been made that the Council has a desire to dispose. Once it is clear that the Council no longer requires an asset and wishes to pursue disposal, a business case will be approved by the Head of Asset Management and these disposals will then be classified as active disposals and follow this policy.
10. The disposal of Local Authority assets is governed by the General Disposal Consent (2003) under the Local Government Act 1972. This consent gives Councils the power to dispose of assets for market value or for less than the market value for the following reasons;

Asset Disposal Triggers

11. The Council's property assets will be kept under active management and be assessed with those properties being brought forward for disposal. This process will be overseen by the Council's Asset Management Team. Reasons for disposal could include:
 - Operational assets that are no longer required for the provision of services and/or a drain on the Council's resources
 - Commercial assets that are poorly performing in terms of income generation
 - Properties that have been identified as having the potential to support the voluntary sector in its work within the Town
 - Properties that could have a demonstrable effect on economic and/or social regeneration within the Town
12. This list is not exhaustive and there may be other issues that trigger the rationale for disposal. The trigger(s) for disposal will be fully set out in the Asset Disposal Business Case (ADBC) (attached at Appendix 1). This will be completed in order to establish the preferred use for the asset.

Overview of the asset disposal process

13. The approval process can be broken down into six stages:
 - Stage 1 – Completion of the ADBC and seek decision to market for disposal
 - Stage 2 – Approval given to market the asset for disposal
 - Stage 3 – Marketing of the asset
 - Stage 4 – Approval of sale/decision not to sell based on the outcome of the marketing exercise
 - Stage 5 – Legal Services instructed
 - Stage 6 – Completion of sale
14. These stages are set out in detail in the flow chart attached to this policy at Appendix 2 and the detailed procedure note attached at Appendix 3.

Approval processes

15. The Head of Asset Management will provide initial approval of any Asset Disposal Business Case, to provide assurance that the asset is no longer required by the Council for operational purposes.
16. The approval to market, and final approval to dispose/not sell, will be taken by the following, depending on the estimated value of the asset by the:
 - Valuation & Estates Manager – meets the non-key decision test and up to £50,000.
 - Director of Finance – meets the non-key test and up to £150,000.
 - Executive Committee – meets the key decision test (one element of this is that it is over £150,000).
17. In the eventuality that an asset achieves a price in excess of the projected market value, 3% of the capital receipt will be made available for local community use for the ward in which the asset is located. The funding will be retained by the Finance Directorate, only direct local authority, or local authority procured expenditure will be spent within wards and agreement for use will be determined in consultation with the following parties:
 - Director of Finance
 - Executive Member – Finance and Governance
 - Ward member in which asset was situated
18. A Community Benefit Form [CB1] & Practice Guidance note is attached at Appendix 4 setting out the process by which contributions can be made available.

Overview of the asset disposal process

19. This policy will be reviewed every three years, unless case law, legislation or changes in best practice require it to be reviewed sooner.

Appendix 1

Asset Disposal Business Case

Asset Disposal Business Case

Name of Asset:	
Asset Register Number:	
Current Use:	
Valuation at Current Use (Asset Register)	
Reason for Disposal:	
Latest Valuation (Proposed Disposal)	

Asset disposal stream (Please Select):

Generate Capital Receipt	
Stimulate Economic Activity	
Support Communities	

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

Officer requesting disposal (Responsible Service Manager):

Name:	
Position:	

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

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

If yes, please outline the potential use:

--

Estimated Value at Alternative Use	
------------------------------------	--

Is the Council proposing to dispose of the asset at an undervalue:

Yes		No	
-----	--	----	--

(To be completed by the Valuation & Estates Team)

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

--

Key factors to be considered when assessing potential disposals:

1.	
2.	
3.	
4.	

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

--

Asset not needed by the Council – approved to proceed:

Head of Asset Management	Yes	No	Date

Preferred method of marketing:

Formal/Informal Offers	
Private Treaty	
Auction	
Community Asset Transfer Process	

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

Method for final approval:

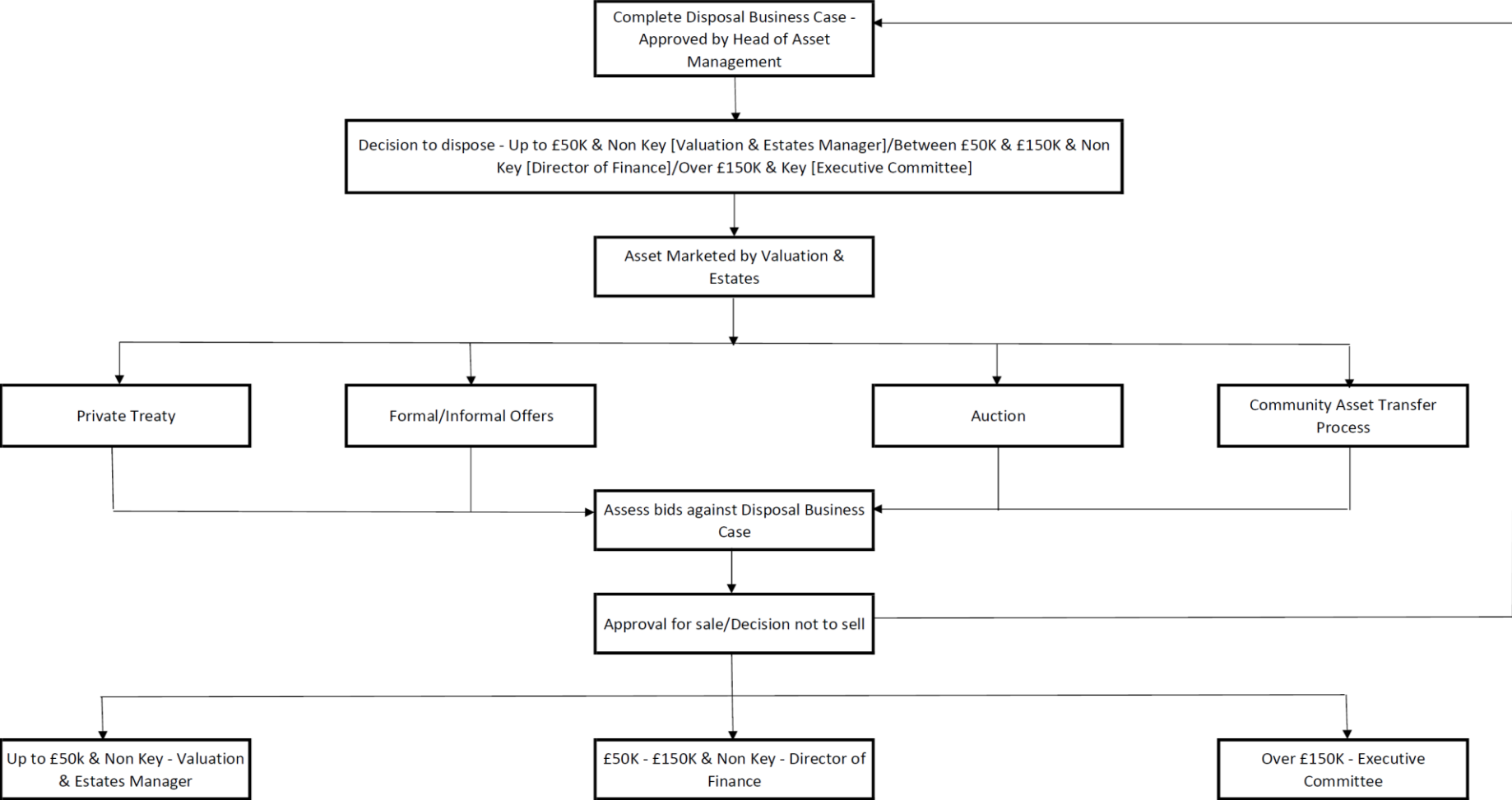
Estimated Value	Approval Required	Authorised	Date
Up to £50,000	Valuation & Estates Manager		
Between £50,000 and £150,000	Director of Finance		
More than £150,000	Executive Committee		

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

Appendix 2

Asset Disposal Process Flow Chart

Asset Disposal Process



Appendix 3

Detailed procedure note

This note should be read alongside the content of the Asset Disposal Business Case template form. It sets out actions that should be taken at each of the six stages of the asset disposal process:

- Stage 1 – Completion of the ADBC and seek decision to market for disposal
- Stage 2 – Approval given to market the asset for disposal
- Stage 3 – Marketing of the asset
- Stage 4 – Approval of sale/decision not to sell based on the outcome of the marketing exercise
- Stage 5 – Legal Services instructed
- Stage 6 – Completion of sale

Stage 1 – Completion of the ADBC

1. The completion of the Asset Disposal Business Case is the commencement of the asset disposal process under this policy. This represents the point where the Council decides that it wishes to actively consider disposal of an asset, prior to this point, consideration of the position of assets may still be monitored but will not be covered by this policy
2. Identification that the most appropriate way to manage an asset is to dispose of it, may come from a number of sources within the Council as part and parcel of day to day asset management. The source and rationale should be clearly recorded within the Asset Disposal Business Case 'reason for disposal' section. All ADBCs will be completed by the Officer requesting disposal in collaboration with the Valuations and Estates Team.
3. The primary reason for disposal should be indicated, whether it is to:
 - Generate capital receipts.
 - Stimulate economic activity.
 - Support communities.
4. The rationale for selecting the reason should be fully set out in the ADBC in this section.
5. It is important to note that because the completed ADBC is approved by Head of Asset Management, that person will not commission any requests for disposals to avoid a potential conflict of interests, although Officers within that service may do so.
6. The ADBC will identify whether an asset could be disposed of for an alternative use that may give greater benefit to the Council. The purpose of this free text section is to identify whether there are other uses that would generate a greater level of income than either the current use or the proposed use, if one has been suggested by the Officer requesting disposal. To give an example that illustrates the thinking required for this section, a building valued by the Council at £10,000 may have attracted interest from a potential buyer who has offered £15,000 – but, as a cleared site, the asset might generate £100,000 in capital, plus housing that would attract new homes bonus payments and increase the Council Tax

base of the Town. This last figure, with information on the additional benefits that could be derived, should be entered into the estimated value at alternative use in this example.

7. The next section of the ADBC will set out the key factors that should be considered when assessing disposals. Depending upon the asset, this might include:
 - Any regeneration plans for the area
 - The market value of the property
 - Any other outcomes required from the disposal that may include the potential social value offered by any sale, such as job creation and community benefits.
8. Again, this list is not exhaustive as it is impossible to anticipate every scenario that may result in an asset disposal.
9. In order for the Council to make properly informed decisions around disposal, the market value of the existing use of each asset must be sought at the point of the decision to dispose. Where appropriate, a professional valuation should be procured by the Valuation & Estates Team in order to properly consider the potential of alternative uses for a site/property that might provide an improved return for the Council than the existing, or identified, use.
10. A valuation is required because the valuation of an asset on the Council's balance sheet is likely to be different to its market value. For accounting purposes the valuation used for the balance sheet is usually based upon the replacement cost to the Council of the asset rather than what might be achieved if it is sold on the open market. Therefore an open market valuation is required before the disposal process commences.
11. At this stage it is also important for the Council to assess if some investment in the property, for example around ground investigations or planning consents, would be likely to increase the potential income that could be generated by the disposal.
12. As set out above, the Council is not bound to make decisions around disposals based upon purely financial criteria – it is however essential that the financial position is clearly set out, so that the opportunity cost of delivering other factors can be properly understood.
13. If the Council clearly understands the market value of an asset, with no constraints on the use a purchaser may make of the asset, then it will be able to assess how much potential capital receipt would need to be sacrificed in order to achieve a desired social, economic or environmental outcome.
14. Subject to compliance with the requirements of statutory legislation, the Council is then able to conclude that the reduction in capital receipt is worthwhile in order to obtain the economic, social or environmental value offered by the prescribed use.
15. It is also important that future revenue streams such as Council Tax, New Homes Bonus and Business Rates are properly factored into the equation when assessing the potential benefit to the Council of a transaction. Any assessment of a disposal must take into account the medium to long term and pick up these issues alongside the capital receipt and any short or long term liabilities.
16. The Disposal Business Case will be authorised in the first instance by the Head of Asset Management, to ensure that the disposal of the asset is in line with the Council's overall Estates Strategy.

Stage 2 – Approval given to market the asset for disposal

17. The disposal will then be approved as follows, depending on the estimated value of the asset by the:
 - Valuation & Estates Manager – meets the non-key decision test and up to £50,000.
 - Director of Finance – meets the non-key test and up to £150,000.
 - Executive Committee – meets the key decision test (one element of this is that it is over £150,000).
18. Where approval is via an Officer decision, this must be recorded and published following the Officer delegated decision making process. Democratic Services Officers can provide guidance on completion of this process.
19. Where a meeting of the Executive Committee is required, the Executive report process should be followed. Again, advice on this is available on the intranet, and from Democratic Services Officers.
20. Regardless of the approval route, the proposal to recommend marketing for disposal should be accompanied by sufficient information to provide assurance that the proposal is compliant with the Asset Disposal Policy.

Stage 3 – Marketing of the asset

21. The ADBC will identify the preferred method of Marketing as one of the following:
 - Formal/informal offers
 - Private treaty
 - Auction
 - Community Asset Transfer process

Stage 4 – Approval of sale/decision not to sell based on the outcome of the marketing exercise

22. The delegation of responsibilities for the approval of sales/decision not to sell are outlined below, and are based on the estimated value of the asset, not the sale offer(s) received;
 - Valuation & Estates Manager – meets the non key decision test and up to £50,000.
 - Director of Finance – meets the non key decision test and up to £150,000.
 - Executive Committee – meets the key decision test (one element of this is that it is over £150,000).

23. Any proposed sale that is less than the asset value for current use determined in the Disposal Business Case must be approved by the Director of Finance in their role as S151 Officer and the Director of Legal and Governance Services as Monitoring Officer prior to any of the authorisations taking place. This will apply to any proposed sale:
- **For Assets valued up to £50,000**
Above £10,000 variance from asset value
 - **For Assets valued between £50,000 and £150,000**
Above 20% variance from asset value
 - **For Assets valued above £150,000**
Above 20% variance from asset value or £150,000 variance from asset value
24. In addition to any requests for wayleaves, easements, licences or associated deeds, all new leases, associated renewals, variations and rent reviews are to be signed off by the Valuation & Estates Manager.

Stage 5 – Instruct Legal

Once appropriate approvals are secured, instructions to proceed in line with those respective approvals should be issued in writing to Legal Services. Fees will be demanded as standard by the Council in all disposal transactions – upon completion, purchasers will be required to pay the Council's reasonable legal fees (equivalent to 1.50% of the purchase price) and surveyors fees (equivalent to 2.00% of the purchase price). These fees will be subject to capped minimum payments of £1,500 (legal) & £2,000 (surveyors) and the authority to depart from this standard approach will be at the discretion of the Valuation & Estates Manager.

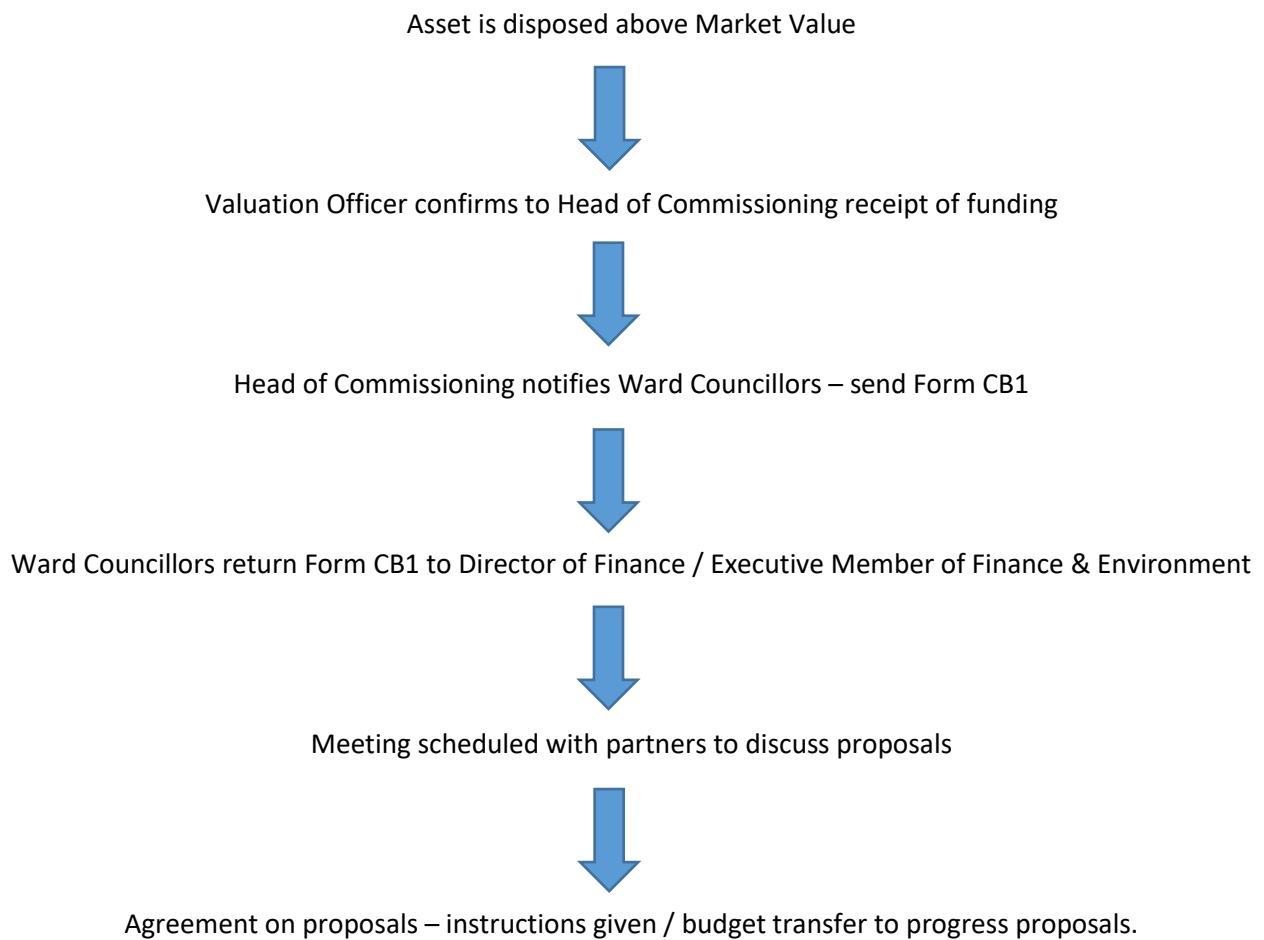
Stage 6 – Completion of Sale

25. Once contracts for sale of the asset have been exchanged, the asset will be classified as a completed disposal – if the sale does not proceed, the asset will be reclassified as a legacy disposal, and go back to stage 3 of this policy process.

Appendix 4

Community Benefit Form [CB1] Practice Guidance

Community Benefit Practice Guidance



Community Benefit Form [CB1]

Proposal Title:		
Date:		
Available Funding		
Proposals: <i>(Please outline detail of proposals including locations, costs, community benefit)</i>		
Proposal Submitted by:		
Date		
Approved	Y / N	
Approval Signatures/ Date :		

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MIDDLESBROUGH COUNCIL	
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Report of:	Deputy Mayor and Executive Member for Children’s Services Director for Education and Partnerships
Submitted to:	Executive
Date:	8 November 2022
Title:	Key Stage 4 Outcomes Report
Report for:	Information
Status:	Public
Strategic priority:	Children and young people
Key decision:	No
Why:	Report is for information only
Urgent:	No
Why:	Not Applicable

Executive summary	
<ol style="list-style-type: none"> 1. This report summarises examination data for 2022 for those pupils in Middlesbrough in key stage 4. 2. The report sets out, in detail, information concerning school and pupil performance at the end of key stage 4 and seeks to provide the necessary information for the Executive to consider. 3. The Executive is asked to note the analysis of results, which are presented in the following report and to acknowledge support provided to schools. 	

Purpose

1. The purpose of this report is to provide the Executive with an analysis of Key stage 4 2022 outcomes and an outline of support offered to schools.

Background and relevant information

2. It is important that pupils achieve good results in public examinations which demonstrate that they have reached a standard which allows them to access the next stage in their education. It also provides them with the skills and knowledge needed to progress to higher education and employment.
3. Prior to the pandemic from 2016- 2019 attainment measures at GCSE were improving against the national outcomes and were 1% above national in 2019. This had been achieved through improved focus on teaching, curriculum and school improvement through cluster-based working and sharing best practice as part of a 'system approach' to school improvement.
4. There were no summer exams in 2020 and 2021. There were two main reasons for this – both due to the Covid 19 pandemic. Firstly, the large and inconsistent levels of absence across schools in the country meant that many, if not all, young people had missed out on significant blocks of school, leading to the overall programme of study not being completed. Secondly, the traditional summer exams were not possible because of the risk of infection which would be caused.
5. Following the cancellation of GCSE's, schools undertook a robust assessment and moderation process with exam boards to produce Teacher Assessment Grades (TAGs). The Department for Education confirmed the TAGs will not be used to create performance table measures or qualification achievement rates at school or college level for use in accountability. The Authority, in agreement with our secondary schools, collated data for GCSE outcomes however analysis was more limited in 2020 and 2021 due to the lack of results generated by comprehensively set and moderated 'national' exams.
6. GCSE results in 2022 reflect an improvement in Middlesbrough for pupils especially in strong (5+) English/maths (1% increase) compared to the combined result of 2019 (the last external examination set). However, despite these gains, outcomes remain 7.3 percentage points below the TAG of 2021 outcomes as outlined in the data below.

		Middlesbrough All Pupils %	National All Pupils %	Difference %	Middlesbrough Disadvantaged %	National disadvantaged %	Difference %
2019	E&M 4+	56.3	64.9	-8.6	41.1	44.90	3
	E&M 5+	34.5	43.4	-8.9	21.4	24.8	-3.4
2020	E&M 4+	64.8	71.2	-6.4	50.1	52.5	-2.4
	E&M 5+	42	49.9	-7.9	27.7	30.4	-2.7
2021	E&M 4+	65.1	72.2	-7.1	51.7	53.1	-1.4
	E&M 5+	42.7	51.9	-9.2	27.8	31.7	-3.9
2022	E&M 4+	59.5	68.8	-9.3	43.5	48.4	-4.9
	E&M 5+	38.6	49.6	-11.0	26.2	29.6	-3.4

7. What is being done to improve attainment

8. Over the last 12-18 months the LA and schools have sought to address learning gaps and catch-up in order to narrow such gaps. There has been focus on the curriculum development and leadership, a key component in both the Quality of Education judgement in Ofsted and in ensuring young people's learning progression towards destinations at age 16 and 18. At 88%, the number of secondary schools achieving a good or better Ofsted judgment is four percentage points higher than national scores. This provides external verification that our secondary schools are providing a good quality of education and have taken positive action to ensure all pupils have access to their full educational entitlement.
9. It is known that the pandemic has had a disproportional impact on vulnerable families and the outcomes of disadvantaged and SEND pupils' remains a focus for improvement across the system. There is also a focus on well-being, maximising attendance and improving transitions at KS2 to 3 and KS4 to 5 through the Mental Health in Schools project.
10. [Education White Paper](#) sets out proposed reforms to the education system focussed on providing an excellent teacher for every child, delivering high standards of curriculum, behaviour and attendance, targeted support for every child that needs it and a stronger and fairer school system. The Vision within the White Paper reflects that of the proposals within the [SEND Green Paper, Right Support, Right Place, Right Time](#) which was published in March 2022. The Green Paper sets out proposals for ensuring greater support within an inclusive environment for our children and young people.
11. Middlesbrough has been named as a Priority Education Investment Area, meaning schools can access a share of a £40m pot and extra support for young people. The government has chosen 24 of its 55 education investment areas for the scheme with those Priority Education Investment Areas receiving tailored support to address local needs. Split across three years, the LA stands to receive £1.8million to be used to achieve the ambitions set out in the White Paper.
12. As part of the Schools White Paper the school attendance team is supporting Barnardos with a national attendance pilot and working to implement actions that provides clarity of expectations, provide early intervention and delivers targeted support for families to increase attendance of pupils across the town.
13. In collaboration with the Department for Education (DfE), the Local Authority is developing key actions to support the implementation of [Education White Paper](#) to improve the proportion of pupils achieving Level 5 English/maths and evidencing impact of improving outcomes, by challenging and scrutinising school leadership and capacity, and strengthening partnership working. A Locality Partnership Board – a range of educational stakeholders who can influence and make change, will drive forward improvement actions derived from a data led needs analysis.
14. Efforts to drive up school standards have taken a variety of different approaches to developing effective school improvement systems. These include responding differently to the challenges facing the education system such as implementing Learning Hubs to promote the sharing of best practice and using strategic review meetings to help determine professional development of staff. The learning hubs and network meetings

create opportunities and insight into areas for development required in schools. During the summer term, a range of reading approaches were delivered to all schools in Middlesbrough and in collaboration with the National Literacy Trust (NLT). This work is further being developed to address priority actions set out in the White Paper improvement action plan. Local Authority services such as the Ethnic Minority Achievement Team (EMAT) also contribute to the agenda by supporting and promoting the educational achievement of Ethnic Minority students and international New Arrivals. New approaches have been implemented to manage larger than expected inflows of international students from Nigeria such as pre-departure webinars that help explain admission processes and school expectations before arrival to Middlesbrough.

15. Local Authority transition tool has enabled the comprehensive sharing of pupil level information between Primary and Secondary schools. In addition to this document a range of approaches have been deployed to ensure the successful transition of year 6 pupils into year 7. These included:

- Opportunities to experience learning in key stage 3. Throughout the pandemic, 4 secondary schools offered virtual lessons for all year 6 pupils to participate and gain experience of learning styles and expectations as well as an opportunity to explore subject content
- LA wide agreed transition dates
- Face to face and virtual opportunities for pupils to further understand the secondary context

16. Ongoing work with the Tees Valley Combined Authority has secured funding to establish a range of supportive tools for schools to choose to access. These are:

- Professional Development SEND
- Ladders of Behavioural Intervention
- Closing the Vocabulary Gap in Science
- Peer 2 Peer Monitoring
- SENDCO Mentoring Programme

17. As we move forward and make progress towards achieving the ambitions set out in the White Paper, it is proposed that a range of professional development opportunities are available. These include:

- **Literacy for Learning** offers a structured two-year programme of professional development and training for teachers and focuses on improving literacy in secondary schools, particularly for disadvantaged students.
- **Secondary Interventions Programme.** A reading intervention for students aged 11 to 13 that can effectively support students improve their comprehension skills and motivation to read.
- **Disciplinary writing in the secondary curriculum.** This CPD programme is for teachers of subjects with extended writing at KS3 or 4, supported by literacy leaders. It will enable teachers to develop their practice in teaching writing in the curriculum. Literacy leaders will develop skills to lead a whole-school writing programme.

18. In addition and as part of the Government's Levelling Up campaign, a successful bid was made to implement a [Family Hub](#) model. Once implemented, this model will ensure families with children and young people aged 0-19 (0-25 SEND) can access integrated early help to overcome difficulties and build stronger relationships. The Hubs will act as the gateway to multiple services and the teams within them would be responsible for coordinating early years services and support across the local area.

Conclusion

19. In order to achieve the ambitions set out in both the White Paper and Family Hub model as well as those targets outlined in the [MCM Learning & Education Strategy](#) we will continue to work closely with all relevant stakeholders to improve outcomes, raise aspirations, reduce exclusions and improve attendance in the area so that we see improved outcomes in all key stages and pupils are fully prepared for their next stage of learning or employment. Success will be measured by achieving the Governments ambition that by 2030 90% of children leaving primary school in England reach the expected standards in maths and English and an increased percentage of pupils achieve GCSE grade 5 or above in English/maths. A Department for Education (DfE) Priority Area action plan will further hold stakeholders to account and make sustained and consistent improvements in order to secure improved outcomes. Planning for this is underway and, derived from a local needs analysis, key areas for improvement that will be identified.

What decision(s) are being recommended?

20. No decision is required.

Rationale for the recommended decision(s)

21. No decision is required

Other potential decision(s) and why these have not been recommended

22. This report is for information only.

Impact(s) of the recommended decision(s)

Legal

23. This impact is not relevant as no legal basis is required. The report is for information only.

Strategic priorities and risks

24. This report is for information only.

Human Rights, Equality and Data Protection

25. N/A

Financial

26. N/A

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

Action	Responsible Officer	Deadline

Appendices

1	
2	
3	
4	

No Background Papers

Body	Report title	Date

Contact: Karen Smith Head of Achievement
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MIDDLESBROUGH COUNCIL	
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Report of:	Deputy Mayor and Executive Member for Children’s Services Director of Education and Partnerships
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Submitted to:	Executive
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Date:	8 November 2022
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Title:	Special Educational Needs and Disabilities Sufficiency and Capital Developments
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Report for:	Decision
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Status:	Public
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Strategic priority:	Children and young people
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Key decision:	Yes
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Why:	Decision(s) will incur expenditure or savings above £150,000 and have a significant impact in two or more wards
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Urgent:	No
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Why:	Not Applicable
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Executive summary

This report sets out the information required for Executive to make a decision to discharge its duties to ensure:

1. pupil place-planning – ensuring that there are sufficient school places for all pupils in a local area in mainstream schools and settings for pupils with high needs (special schools and Alternative Provision); and
2. support for vulnerable pupils – ensuring appropriate support for pupils with additional needs and/or vulnerabilities, including those with Special Educational Needs and or Disabilities (SEND), those at risk of exclusion or requiring support from Alternative Provision (AP), and those requiring support from early help or children’s social care.

The report provides information on projected demand for school places for pupils with Special Educational Needs and Disabilities in mainstream and special settings.

The report sets how the Council intends to meet young people's needs in the face of growing demand and how it intends to support all vulnerable pupils, including those with SEND, those at risk of exclusion or requiring Alternative Provision (AP), and those requiring support from early help or social care.

Purpose

1. This report sets out the requirements to provide sufficient places and schools in Middlesbrough to meet the needs of children and young people with Special Educational Needs and Disabilities and to seek a decision of the Executive for capital programmes to achieve this requirement

Background and relevant information

2. Local authorities have a statutory obligation to ensure that sufficient are schools available for their area to provide primary and secondary education.
3. This report seeks a decision and provides the necessary information to enable the Executive to meet its obligations, setting out:
 - Pressures on the High Needs Block of the Dedicated Schools Grant and the causes of those pressures
 - Data forecasting the demand for specialist provision and the impact on Special Educational Needs on mainstream settings
 - Capital funding allocated by the Department for Education for the purpose of developing High Needs Provision (High Needs Provision Capital Allocation) and the Basic Need Funding Allocation
 - The proposed strategy for ensuring sufficiency for Inclusive, Special and Alternative Education in Middlesbrough.

Pressures on High Needs Funding

4. Since the end of the financial year 2018-19, the High Needs Block (HNB) of the Dedicated Schools Grant (DSG) has incurred a deficit due to increased demand on local provision to meet the needs of children and young people with Special Educational Needs and Disabilities (SEND) and vulnerable children, including those at risk of exclusion. The number of children and young people in Middlesbrough that have an Education, Health and Care Plan and need specialist provision increases year on year. This upward trend has been compounded by escalating needs caused by lost education during the global pandemic with an increase in children needing to move to specialist settings following a new statutory assessment or an annual or emergency review of their EHCP.
5. This increase is expected to continue in this academic year 22-23. This is due to the continued pressure in mainstream settings to support children in the early years that have missed vital early years education, and children's experiences during lockdown periods with difficulties in returning to full time education in both primary and secondary settings.
6. While the number of children and young people with SEND in the categories of Learning and Cognition, Physical and Medical Needs and Sensory Loss have remained relatively stable with the exception of children with Severe Learning Difficulties, more are presenting with Social, Emotional and Mental Health Needs and Speech, Language and Communication issues (including Autism Spectrum and Neurodiverse Conditions). In addition to those requiring

specialist settings, the 21-22 Academic Year saw a significant rise in Fixed Term and Permanent Exclusions.

7. A large proportion of excluded students go on to specialist assessment and are not reintegrated into mainstream provision. This pressure is impacting on Alternative and Specialist places. Middlesbrough council is finding it increasingly difficult to find suitable local specialist provision to meet the needs of these young people, as demand increases and outstrips the supply of places. This can result in the Council having to commission places in high-cost independent specialist settings, often with long travel distances requiring transport assistance resulting in a further upward pressure on the Council's transport budget.
8. These circumstances have a financial impact on the High Needs Block of the Dedicated Schools Grant. This budget has been under pressure since 17-18, and now has a cumulative deficit of £5,062,000. Aware of these financial difficulties, The Department for Education has invited Middlesbrough Council to join Delivering Better Value. This is a grant funded programme of support to identify and deliver projects that will support future financial sustainability of SEND provision and bring the High Needs Block to a balanced position.

Demand for Provision

9. Since 2018, demand for provision for children with Education Health and Care Plans has increased by more than 50% in almost every setting type available in the town. Exceptions to this is Post 16 education which saw a high dropout rate during the pandemic years, and Hospital and Alternative Provision which is used for SEND children and young people in exceptional circumstances.

Table 1: Demand for provision based on forecast of EHCP growth to 2027

Jan	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Mainstream schools or academies	229	257	298	309	403	664	742	792	916	1034
Resourced Provision or SEN Units	168	163	187	200	313	340	360	379	379	379
Maintained special schools or special academies	338	361	407	461	601	767	810	848	848	848
NMSS or independent schools	26	29	32	35	46	58	30	30	30	30
Hospital schools or Alternative Provision	38	29	21	30	39	36	38	40	42	44
Post 16	251	242	239	185	241	250	255	260	260	260
Other	0	0	0	52	16	0	0	0	0	0
Total number of EHCPs by placement type	1050	1081	1184	1272	1659	2115	2235	2355	2475	2595
Increase from previous year		31	103	88	387	456	120	120	120	120

10. To meet this demand to date, Middlesbrough Council developed provision locally, particularly in the areas of Autism Spectrum Disorders and Social, Emotional and Mental Health Needs. A decision has also been made to progress a secondary phase of Discovery Free School to support the large number of students in the town with Severe Learning Difficulties. The Council also places children at maintained and academy special schools in neighbouring authorities where available and appropriate. Unfortunately, this is still not sufficient to meet demand and capacity is augmented by the use of independent providers.

Strategy for Sufficiency in SEND and Alternative Provision

11. The SEND and Inclusion Sufficiency Strategy identifies the following priorities to secure sufficiency of places in Middlesbrough for children and young people with Special Educational Needs and Disabilities:
 - Early identification of needs to prevent escalation
 - Respond to the negative impact of COVID 19 lockdowns, particularly for those in the early years and foundation stages

- Develop expertise, curriculum and capacity in mainstream settings to transform mainstream schools and settings to deliver an inclusion target of 20% more Children and Young People with an EHCP
- Develop enough local, good quality provision to ensure children and young people with the most complex needs are able to be educated in Middlesbrough with excellent outcomes, including appropriate and sufficient Alternative Provision

12. **Early Identification of needs to prevent escalation** It is critical that children and young people with SEND have their needs identified as early as possible to ensure that any barriers to learning, where possible, can be overcome to ensure that children do not fall behind. Where support to access learning is not put in place, this exacerbates behaviours, and the gap widens in terms of age-related expectations. The Inclusion and Specialist Support Service has introduced an enhanced inclusion model to support schools with identification and intervention- this model supports settings across the 0-25 age range.
13. **Respond to the negative impact of COVID 19 lockdowns-when education settings returned in full after lockdown in January 2021.** It began to emerge that children in Early Years and KS1 had a higher incidence of delays in learning. Over the course of the 2020-21 Academic Year, referrals for Early Years and Inclusion Services and Education Health and Care Plan Assessments increased for children of nursery, reception and Key Stage 1 phases. Children's progress appeared to be affected particularly in the areas of Speech, Language and Communication (including suspected Autism Spectrum Conditions) and Social, Emotional and Mental Health Needs. These needs are not unique to Middlesbrough and have been recognised by OFSTED have published briefings on the impact of lockdown on early years here [Education recovery in early years providers: spring 2022 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/education-recovery-in-early-years-providers-spring-2022).
14. Subsequently, the number of children moving into ASD specialist provision in Reception tripled in number on the previous Academic Year. At the moment it is unclear whether these presenting needs will endure in the long term, and so the council has responded by establishing an assessment and intervention provision named Beverley Park. This intervention sets out to assess the needs of children in a short space of time and provide key intensive intervention. For children presenting with Speech and Language Needs but that do not have Autism, there is an expectation that children will be supported to integrate into mainstream settings when they have made some progress to catching up with their peers. This provision has been established for 3 years to support children born 2018-2021 who may be adversely impacted by the lockdowns during the pandemic. Evaluation of the programme will take place and consideration of a Key Stage 1 equivalent is being considered depending on presentation in Autumn Term of 2022-23. To facilitate this, an investment of £150,000 is needed to ensure the building is able to provide a safe and conducive environment for this work. This will work alongside the approved scheme for the Cleveland Unit at Hemlington Initiative Centre that reflects the changed needs of the early years and foundation stage cohort. Therefore, approval is sought to amend the Hemlington scheme to £300,000 so this can be achieved within one project.
15. To achieve financial sustainability, it is vital that more children and young people with SEND are taught in their local mainstream provision. Work to achieve this will include workforce development, support to the mainstream sector to deploy resources effectively and curriculum development to ensure a wide and varied accessible curriculum for children with a range of special needs. In addition, a capital grant scheme will support schools with match funding up to £20,000 to establish supportive environments for children and young people with sensory integration and social and emotional needs. This will be funded from the High Needs Provision Capital Allocation at a cost of £500,000. To support this initiative, the council will also commission a Holistic Primary Centre providing short term support and intervention for students experiencing periods of emotional distress and having associated social, emotional and mental health needs. This provision will deliver places for up to 16 children at any one time

to receive wrap around support, respite and therapeutic intervention so that they can return to their school and that their needs are prevented from escalating to requiring specialist support or being excluded from school. The capital contribution from the HNPCA will be £750,000. Grants will also be used to adapt resource bases in mainstream schools using £300,000 of HNPCA funding. This is combined with a comprehensive workforce development programme and school improvement strategy.

16. While inclusion in mainstream settings will achieve a good foundation for sufficient SEND provision in the town, there are still a significant number of children with very complex needs who require highly specialist teaching and environments to thrive. As referenced at paragraph 6, demand for specialist provision continues to increase in the areas of neurodiverse conditions (Autism, Foetal Alcohol Syndromes, etc), Social Emotional and Mental Health Needs and Severe Learning Difficulties. We intend to grow local provision to meet this demand in the long term and prevent the use of high-cost independent specialist provision. To do this the following programmes are required:

- Add a secondary phase to Discovery Free School to accommodate children with Severe Learning Difficulty to avoid out of area placements. This programme has already been approved at Executive with a council contribution of £6.2 million from Basic Need and HNPCA
- Development of a primary phase special free school for children with neurodiverse conditions for up to 100 places. This will provide an assessment and reintegration to mainstream model at Key Stage 1 and offer additional capacity at Primary for children who will continue to require specialist provision for their SEN. The council will prepare a submission to the free school wave for 21st October 2022. If unsuccessful, the council will need to consider alternatives to deliver additional primary places
- Identify and refurbish a building suitable for pupils with complex ASD, this will replace the FAIRFAX provision and allow for places to be added to provide 5 year groups. This will also free up space at Hollis to give extra places for SEMH. £250,000 from HNPCA will be used for this project. This will provide a highly specialist alternative to independent provision for students with ASD that require opportunities for academic pathways in an environment tailored to their sensory and social needs.
- Hemlington Initiative Centre modifications and moving of temporary classroom to the site to increase capacity for early years and foundation stage intervention named Beverley Park (already approved)

What decision(s) are being recommended?

That the Executive:

- Approve the following programmes for investment from High Needs Provision Capital Allocations as set out in the report

Fairfax Project

£250,000 from HNPCA to be used for refurbishment of a building for this project. This will provide a highly specialist alternative to independent provision for students with ASD that require opportunities for academic pathways in an environment tailored to their sensory and social needs.

Mainstream Transformation

A capital grant scheme to support schools with match funding up to £20,000 to establish supportive environments for children and young people with sensory integration and social and emotional needs. This will be funded from the High Needs Provision Capital Allocation at a cost of £500,000.

SEMH Primary Assessment and Intervention

Holistic Primary Centre providing short term support and intervention for students experiencing periods of emotional distress and having associated social, emotional and mental health needs. This provision will deliver places for up to 16 children at any one time to receive wrap around support, respite and therapeutic intervention so that they can return to their school and that their needs are prevented from escalating to requiring specialist support or being excluded from school. The capital contribution from the HNPCA will be £750,000.

Beverley Park at Hemlington Initiative Centre

Modifications and moving of temporary classroom to the site to increase capacity for early years and foundation stage intervention named Beverley Park. £150,000 has been already approved for a programme to refurbish Hemlington Initiative Centre on 24th May 2021. To accommodate this additional provision a further £150,000 HNPCA is required to add capacity for Beverley Park.

Rationale for the recommended decision(s)

17. To enable appropriate growth of SEND Education Provision to meet our statutory duty under Section 14 of the Education Act 1996

Other potential decision(s) and why these have not been recommended

18. N/A

Impact(s) of the recommended decision(s)

Legal

19. The Council faces the risk of not discharging their statutory duties. Without appropriate and sufficient provision, there is an increased risk of families taking the Council to tribunal to secure provision that will be directed by a judge for their child's needs.

20. The Council also has a duty to secure appropriate provision for pupils with SEND. Where there is a lack of local publicly maintained places, this can mean the Council needing to commission out-of-area places or, where necessary, places in mainstream schools with significant and costly support.

Strategic priorities and risks

21. We will show Middlesbrough's children that they matter and work to make our town safe and welcoming and to improve outcomes for all children and young people

22. We will work to address the causes of vulnerability and inequalities in Middlesbrough and safeguard and support those made vulnerable

23. We will ensure the recovery of local communities, businesses and the Council's operations from COVID-19, taking opportunities to build back better

Human Rights, Equality and Data Protection

24. A Level 1 Impact Assessment has been undertaken and is attached at Appendix 2. The proposal presents no specific issues relating to equalities or disability discrimination or impingement on human rights. The decision being sought aims to positively affect educational outcomes for young people aged 4-16 and in particular those with Special Education Needs and Disabilities, reducing the need for these children to travel greater distances to places outside of the town or be without appropriate education.

Financial

25. Middlesbrough Council receives High Needs Capital Grant Allocation from the DfE to assist in carrying out its duties in relation to providing school places and capital resources for children with SEND or requiring Alternative Provision.

26. This is a relatively new funding stream which replaces the DfE's Special Provision Fund and sees a significant uplift in the amount of money allocated at both a local and national level. In 2021/22, the Council received a two-year allocation of £5,007,532

27. While the current allocation is much more generous than previous years, it remains insufficient to tackle all of the needs in Middlesbrough. Basic Need grant funding is therefore being used to supplement the available funding. The Executive report of April 2022 set out a contribution of £6.2m towards the extension of provision at Discovery Special Academy into the secondary sector. This has subsequently been reduced to £3.2m as a result of the HNPCA allocation

28. The Council received HNPCA allocation of £1,159,882 in 21-22, £2,272k in 2022/23 and £2,735k in 2023/24. Considering previous years' carry forward and existing commitments, there will be £1,139k to fund future projects.

29. The council is expecting further HNPCA allocations from 2024/25 but it is not clear at what level funding will be provided by the DfE

30. Without the programmes to achieve a financially sustainable SEND provision, there are 2 considerations:

- The increase in an already significant deficit to the High Needs Block of the Dedicated Schools Grant
- The risk that DSG deficits may be transferred to the council as proposed by the DfE for future financial years

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

Action	Responsible Officer	Deadline
ASD/FAIRFAX provision-identify building and progress adaptation	Judi Libbey	April 2023
Commission SEMH Base	Judi Libbey	April 2023
Mainstream Grant Scheme Launch	Judi Libbey	November 2022

Appendices

1	Capital Funding Allocation and List of Programmes
2	Impact Assessment
3	

Background papers

Body	Report title	Date
Ofsted	Education recovery in early years providers: spring 2022 - GOV.UK (www.gov.uk).	Spring 2022

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Appendix 1: Capital Funding Allocations and List of Programmes

High Needs Provision Capital Allocation

Local authority number	Local authority name	Updated High Needs Provision Capital Allocations 2021-22	Updated High Needs Provision Capital Allocations 2022-23	High Needs Provision Capital Allocations 2023-24	Total High Needs Provisional Capital Allocations 2021-24
	ENGLAND	£300,000,000	£729,314,240	£750,000,000	£1,779,314,240
	NORTH EAST	£11,670,730	£25,631,110	£31,060,443	£68,362,283
841	Darlington	£500,000	£1,249,033	£846,140	£2,595,173
840	Durham	£2,354,865	£4,796,978	£6,444,869	£13,596,713
390	Gateshead	£1,343,333	£2,324,043	£2,027,593	£5,694,969
805	Hartlepool	£500,000	£962,737	£732,295	£2,195,031
806	Middlesbrough	£1,159,882	£2,272,147	£2,735,385	£6,167,414
391	Newcastle upon Tyne	£1,461,608	£3,937,599	£5,332,813	£10,732,020
392	North Tyneside	£663,432	£1,784,750	£2,059,754	£4,507,936
929	Northumberland	£851,302	£1,253,875	£2,450,340	£4,555,517
807	Redcar and Cleveland	£807,275	£639,217	£1,682,939	£3,129,432
393	South Tyneside	£632,130	£1,635,605	£1,604,353	£3,872,089
808	Stockton-on-Tees	£876,119	£1,927,798	£2,656,070	£5,459,987
394	Sunderland	£520,783	£2,847,328	£2,487,892	£5,856,003

List of New Programmes 22-23 to 2027

Programme	Description	Outcomes	Completion	Places created in total	Average cost per head to HNB send to independent specialist (only available alternatives)	Total cost to HNB per annum to send cohort to independent specialist	HIGH NEEDS BUDGET/REVENUE INVESTMENT	Annual Cost of places in provision created locally in maintained/academy sector	Annual cost avoidance at full capacity	HNPCA	BASIC NEED	APPROVAL STATUS
Fairfax	Special School for ASC	Satellite of Abbey Hill to increase places and prevent independent school places	Academic Year 23-24	40	£ 65,000	£ 2,600,000	£ 81,000	£ 1,000,000	£ 1,519,000	£ 250,000	£ -	Exec decision 08/11/22
Discovery Secondary School	Special School for SLD	Commissioning of Secondary phase	2027	80	£ 50,000	£ 4,000,000	£ -	£ 1,760,000	£ 2,240,000	£ 3,200,000	£ 3,000,000	Exec decision April 22
Mainstream Transformation	Workforce development, environment changes, to increase specialism to identify SEN and maximise inclusion	Increase number of CYP with SEND remaining in mainstream	2024	300	£ 30,000	£ 9,000,000	£ 2,000,000	£ 721,200	£ 6,278,800	£ 500,000	£ -	Exec decision April 08/11/22
SEMH Primary Assessment and Intervention	Build extension, develop and establish provision	Prevent EHCP assessments and needs for specialist/independent provision for Primary children with SEMH	23-24	20	£ 75,000	£ 1,500,000	£ -		£ 1,500,000	£ 750,000	£ -	Exec decision 08/11/22
Neurodiversity Free School	Apply for Free Special School for ASC Primary-convert Beverley to Secondary	Increase local places at cheaper cost that OOA/Independent-include exceptional neurodiversity conditions, i.e. FASD, use Beverley Park Model to keep specialist long term places to minimum	25-26	100	£ 95,000	£ 9,500,000	£ -	£ 2,200,000	£ 7,300,000	TBC-small contribution as will be funded by DfE Free School Programme	£ -	Bid submission approved July 22
Beverley Park	Combine with Cleveland Unit development programme to develop a future-proofed intervention centre	Provide assessment and intervention for children presenting with Neurodiverse Conditions in the Early Years to support integration into mainstream settings	22-23	18	£ 65,000	£ 1,170,000		£ 450,000	£ 720,000	£ 150,000		Exec decision 08/11/22
								Total		£ 4,850,000	£ 3,000,000	

Template for Impact Assessment Level 1: Initial screening assessment

Subject of assessment:	SEND Sufficiency and relevant Capital Developments in Middlesbrough Schools for Children and Young People with Special Educational Needs and Disabilities			
Coverage:	Service specific to Children’s Services			
This is a decision relating to:	<input type="checkbox"/> Strategy	<input type="checkbox"/> Policy	<input checked="" type="checkbox"/> Service	<input type="checkbox"/> Function
	<input type="checkbox"/> Process/procedure	<input type="checkbox"/> Programme	<input type="checkbox"/> Project	<input type="checkbox"/> Review
	<input type="checkbox"/> Organisational change	<input type="checkbox"/> Other (please state)		
It is a:	New approach:	<input checked="" type="checkbox"/>	Revision of an existing approach:	<input type="checkbox"/>
It is driven by:	Legislation:	<input type="checkbox"/>	Local or corporate requirements:	<input checked="" type="checkbox"/>
Description:	<ul style="list-style-type: none"> • Key aims, objectives and activities – to facilitate the development of sufficient SEND provision and intervention • Statutory drivers – the Council has a statutory duty to secure the provision of suitable education provision for young people, including the provision of sufficient school places to meet demand, under the Education Act 1996 • Differences from any previous approach – The establishment of additional special school provision in Middlesbrough would allow the Council to commission more local school places and avoid having to places pupils in out-of-area school provision. The development of intervention provision and broader inclusion in mainstream schools will support children and young people to enjoy better inclusion in their school and home communities. • Key stakeholders and intended beneficiaries – <ul style="list-style-type: none"> • Pupils and Parents of Pupils with Special Educational Needs; • Local ward members; • Tees Valley Education Trust; • Education and Skills Funding Agency; • Department for Education. • Intended outcomes – <ul style="list-style-type: none"> • The establishment of additional specialist places • Meet the needs and preferences of pupils with Special Educational Needs and prevention of escalation of needs to specialist requirements • Improve educational standards by ensuring that pupils with Special Educational Needs can secure a places in high quality settings • Reduce the requirement to secure school placements in out-of-area provision, reducing travel times for students and avoiding increasing costs of provision for Middlesbrough Council; 			

Live date:	Completion during Academic Year 23-24 for all projects included in decision
Lifespan:	There is no end date to the proposal and the changes are intended to be permanent.
Date of next review:	July 2024

Screening questions	Response			Evidence
	No	Yes	Uncer tain	
<p>Human Rights</p> <p>Could the decision impact negatively on individual Human Rights as enshrined in UK legislation?*</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>There is no evidence to suggest that the decision would negatively impact upon any individual's human rights. The decision does facilitate these rights including:</p> <ul style="list-style-type: none"> the right to an education. <p>The proposal will positively impact on this right, increasing education provision in the local area.</p> <p>Evidence used to inform this assessment includes analysis of projected demand and the local provision of places, alongside feedback from schools and parents in Middlesbrough.</p>
<p>Equality</p> <p>Could the decision result in adverse differential impacts on groups or individuals with characteristics protected in UK equality law? Could the decision impact differently on other commonly disadvantaged groups?*</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>The Public Sector Equality Duty (PSED) requires that when exercising its functions the Councils must have due regard to the need to:-</p> <ul style="list-style-type: none"> eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act; advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and foster good relations between persons who share a relevant protected characteristic and persons who do not share it. <p>In having due regard to the need to advance equality of opportunity, the Council must consider, as part of a single equality duty:</p> <ul style="list-style-type: none"> removing or minimising disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic; taking steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of people who do not share it; and encouraging people who share a protected characteristic to participate in public life or in any other activity in which participation is low. <p>The Act requires that the needs of people with a disability are considered and that steps should be taken to take these into account. As this proposal relates to children with SEND, it is particularly relevant to the equality duties and the protected characteristics of age and disability. The proposal would have a positive impact on this group, increasing the availability of SEND school places within the borough, ensuring that more appropriate placements can be made and reducing the number of children required to travel greater distances to placements outside the borough, and facilitating more inclusion in mainstream settings.</p> <p>Evidence used to inform this assessment includes analysis of projected demand and the local provision of places, alongside feedback from schools and parents in Middlesbrough.</p>

Screening questions	Response	Evidence			
<p>Community cohesion</p> <p>Could the decision impact negatively on relationships between different groups, communities of interest or neighbourhoods within the town?*</p>	<table border="1"> <tr> <td style="background-color: #90EE90;"><input checked="" type="checkbox"/></td> <td style="background-color: #FFD700;"><input type="checkbox"/></td> <td style="background-color: #FFD700;"><input type="checkbox"/></td> </tr> </table>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>The decision is a part of a larger piece of work being driven by the Council's educational partners to meet the needs of young people with SEND. No negative impact is anticipated. The proposal would impact positively on community cohesion, increasing the availability of school places in the town.</p> <p>Evidence used to inform this assessment includes analysis of projected demand and the local provision of places, alongside feedback from schools and parents in Middlesbrough.</p>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			

Assessment completed by:	Judi Libbey	Head of Service:	Caroline Cannon
Date:	20 September 2022	Date:	20 September 2022

MIDDLESBROUGH COUNCIL	
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Report of:	Executive Member for Adult Social Care, Public Health, Public Protection and Digital Inclusion Director of Adult Social Care and Health Integration
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Submitted to:	Executive
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Date:	8 November 2022
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Title:	Approval of the Taxi Licensing Policy 2022
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Report for:	Decision
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Status:	Public
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Strategic priority:	Crime and anti-social behaviour, Children and Young People
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Key decision:	Yes
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Why:	Decision(s) will have a significant impact in two or more wards
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Urgent:	No
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Why:	Not Applicable
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Executive summary

The purpose of this report is to seek approval for the Taxi Licensing Policy 2022. Each local authority is required to set the standards it requires of its hackney carriage and private hire drivers, vehicles and operators by imposing local policies and conditions. A review of the current policy has been undertaken in line with the new Statutory Taxi and Private Hire Vehicle Standards recommended by the Department of Transport. These standards are designed to improve consistency in the taxi licensing system across local authorities and to reduce the risk of harm to all passengers, particularly focussing on those presented to children and vulnerable passengers.

In addition, several additional changes have been made to the Policy which were requested by the Taxi Trade. These changes relate to streamlining the application process, reducing costs and to align the Council's processes with other local authorities.

Purpose

1. To seek Executive approval for the Taxi Licensing Policy 2022.

Background and relevant information

2. Taxi legislation allows each local authority to set the standards it requires of its drivers, vehicles and operators by imposing local policies and conditions. Therefore, standards can and do vary considerably across England depending on the needs of each district.
3. For many years there has been a consensus that common core minimum standards were required to better regulate the taxi and private hire vehicle sector. As a result of detailed discussions with the trade, regulators and safety campaign groups the Department of Transport published the Statutory Taxi and Private Hire Vehicle Standards in 2020.
4. This document is published by the Secretary of State for Transport under section 177(1) of the Policing and Crime Act 2017 following consultation in accordance with section 177(5). The document sets out a framework of policies that, under section 177(4), licensing authorities “must have regard to” when exercising their functions. These functions include developing, implementing and reviewing taxi and private hire vehicle licensing regimes.
5. It is expected that following consultation with the trade the statutory standards should be incorporated into local taxi policies, unless there is a compelling local reason not to do so.
6. The 2020 Statutory Taxi and Private Hire Vehicle Standards reflect the significant changes in the industry and lessons learned from experiences in local areas since the Department’s Best Practice Guidance was published in 2010. The most significant changes to Middlesbrough’s Taxi Policy as a result of the 2020 Standards relate to:
 - checking the suitability of individuals and operators to be licensed;
 - safeguarding children and vulnerable adults, and
 - the Immigration Act 2016 which governs the prevention of illegal migrant working in the UK and requires applicants to prove that they have been granted leave to enter or remain in the UK and have a right to work in the UK before being considered for a licence., and
 - Common Law Police Disclosure (which replaced the Notifiable Occupations Scheme).
7. In addition, the policy changes requested by the taxi trade relate to:
 - Removal of practical driving assessment
 - Removal of local area knowledge assessment for private hire drivers (with the addition of a new requirement that all drivers have the use of a fully operation satellite navigation or similar device)
8. The policy has also been amended to reflect the scheme of delegation in relation to the functions of Licensing Committee and Officers, namely in relation to the ability of officers to suspend or revoke hackney carriage and private hire vehicle driver’s licences. The amendments have been made post consultation and Legal Services have advised that no further consultation is required as the changes simply reflect the delegations that have previously been made.

9. Officers do not expect there to be any significant adverse effect from the policy changes requested by the trade. In relation to the removal of practical driving assessment, this is not a requirement of other local authorities whose drivers and vehicles operate in the Middlesbrough area. Officers also believe that any examples of persistent poor driving can be properly address by the disciplinary process which can include referral of drivers to the Driver Improvement Scheme.
10. In relation to the removal of the local area knowledge assessment, this will have limited impact on the travelling public as all private hire drivers will be required to have access to a fully operation sat nav or similar device. Most Private Hire Vehicle Operators already operate their vehicles through comprehensive data systems which include sat nav functionality. In addition, the requirement for a local knowledge test is not consistent with other local authorities' policies whose drivers and vehicles operate in the Middlesbrough area.
11. A copy of the proposed Taxi Licensing Policy 2022 is attached at Appendix 1. The full details of all the changes to the current taxi licensing policy are shown in Appendix 2.

Consultation

12. In accordance with the statutory requirements, a consultation exercise was carried out between 11 May 2022 and 31 July 2022 with the taxi trade and other relevant stakeholders. A list of the consultees is attached at Appendix 3.
13. Following the consultation only one response was received. This response with Officer's comments is attached at Appendix 4.

What decision(s) are being recommended?

13. That Executive approve the Taxi Licensing Policy 2022.

Rationale for the recommended decision(s)

14. Licensing authorities must reach their own decisions, both on overall policies and on individual licensing matters, in light of the relevant law. However, the Statutory Taxi and Private Hire Vehicle Standards may be drawn upon in any legal challenge to the Council's practice and any failure to adhere to the standards, without sufficient justification, could be detrimental to the authority's defence.

Other potential decision(s) and why these have not been recommended

15. A decision could be made not to amend the current Taxi Licensing policy as proposed and the existing policy would remain in place. This is not recommended. The Department of Transport 's Statutory Standards improve consistency in the taxi licensing system across local authorities and reduce the risk of harm to all passengers particularly focussing safeguarding of young people and vulnerable passengers. There is a potential risk of legal challenge and reputational damage to the authority if the standards are not adopted. The additional policy changes proposed by the taxi trade will streamline the application process, reduce costs and align the Council's processes with other local authorities.

Impact(s) of the recommended decision(s)

Legal

16. The Council adopted Part 2 of the Local Government (Miscellaneous Provisions) Act 1976 (LG(MP)A) as amended on 6 February 1979. This legislation, together with the provisions of The Town Police Clauses Act 1847 (TPCA), places on the Council the powers and duties to carry out licensing functions in respect of hackney carriage and private hire licensing. As such the Council is responsible for the licensing of private hire drivers, vehicles and operators and hackney carriage drivers and vehicles. The Taxi Licensing Policy sets out the policy that the Council will apply when making decisions about new applications and licences currently in force.
17. As the changes to the Policy mostly relate to the recommendations made in the Statutory Taxi and Private Hire Vehicle Standards or have been requested by the trade, a period of consultation has been undertaken and responses have been considered, a legal challenge is unlikely.

Strategic priorities and risks

18. Taxi legislation allows each Local Authority to set the standards it requires of its drivers, vehicles and operators by imposing local policies and conditions. These policies and conditions are reviewed periodically to ensure they are kept up to date and reflect national guidance and any local needs.

Human Rights, Equality and Data Protection

19. An Equality Impact Assessment has been completed and is attached to this report (Appendix 5). Whilst there is evidence that a large percentage of the Taxi Trade in Middlesbrough are from ethnic minority groups there will be no negative, differential impact on any of the diverse groups and communities associated with this report.

Financial

20. The Taxi Licensing function is self-financing and is sustained by the ring fenced income from the licence fees from Private Hire Operators, Vehicles and Drivers. The proposed amendments are unlikely to have any negative financial impact on the Council.

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

Action	Responsible Officer	Deadline
The amended Policy will be applied to all new vehicle, driver and operator licence applications and existing licence renewals from the date of approval.	Tim Hodgkinson	28 days from the date of approval

Appendices

1	Draft Taxi Licensing Policy
2	Summary of proposed changes
3	List of consultees
4	Consultation responses and officer comments
5	Equality Impact Assessment

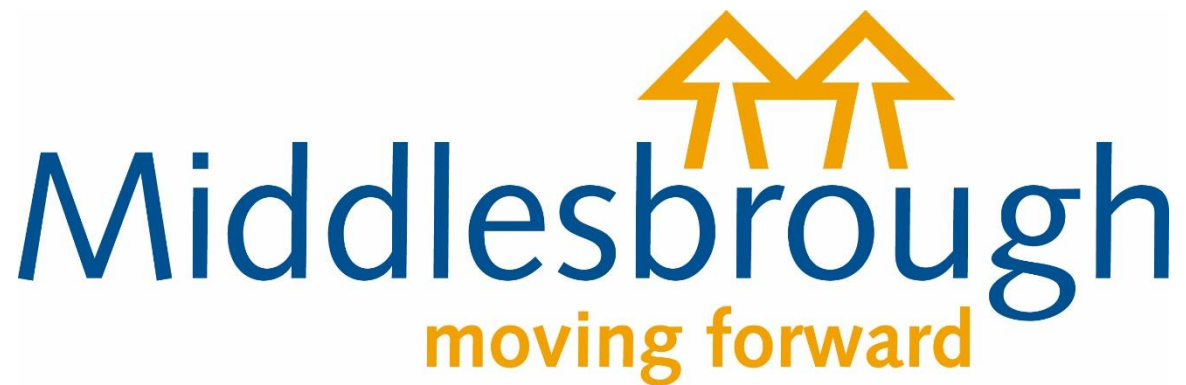
Background papers

Body	Report title	Date
Council	Current Taxi Licensing Policy	November 2019
Department of Transport	Statutory Taxi and Private Hire Vehicle Standards	2020
Finance Act 2021	Tax conditionality	April 2022

Contact: Tim Hodgkinson

Email: tim_hodgkinson@middlesbrough.gov.uk

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**Middlesbrough Council
Private Hire and
Hackney Carriage
Licensing Policy 2022**

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Section 1 – Introduction

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- Aims and Objectives
- Methods
- Best Practice Guidance
- Status
- Implementation and Review
- Consultation
- Partnership Working
- Related Policies and Strategies
- Equality
- Duties and Obligations under Equality Act 2010
- Immigration Status
- No Smoking Policy
- Safeguarding Vulnerable Passengers and Child Sexual Exploitation
- Service standards
 - Tax Conditionality

General

1. Hackney carriages (HCVs) and private hire vehicles (PHVs) play an important part in local transport. They are a flexible form of public transport that can play an increasingly important role in improving accessibility. Hackney carriages and private hire vehicles are used by all social groups.
2. The aim of local authority licensing of the hackney carriage and private hire trades is to protect the public and others who use (or can be affected by) Hackney Carriage and Private Hire services. Middlesbrough Council (the Council) is aware that the public should have reasonable access to hackney carriages and private hire vehicles because of the role they play in local transport provision but at the same time there should be an expectation that those involved in providing that service are safe and suitable to do so.
3. A hackney carriage is a public transport vehicle with no more than 8 passenger seats, which is licensed to “ply for hire”. This means that it may stand at ranks or be hailed in the street, within the controlled district of Middlesbrough, by members of the public. Private hire vehicles too must have no more than 8 passenger seats but they must be booked in advance by customers through an operator and may not ply for hire in the street.
4. Local authorities are responsible for licensing hackney carriage and private hire vehicles in their areas.

Powers and Duties

5. The Council adopted Part 2 of the Local Government (Miscellaneous Provisions) Act 1976 (LG(MP)A) as amended on 6 February 1979. This legislation, together with the provisions of The Town Police Clauses Act 1847 (TPCA), places on the

Council the powers and duties to carry out licensing functions in respect of hackney carriage and private hire licensing. As such the Council is responsible for the licensing of private hire drivers, vehicles and operators and hackney carriage drivers and vehicles. This document sets out the policy that the Council will apply when making decisions about new applications and licences currently in force.

Aims and Objectives

6. The principal purpose of Hackney Carriage and Private Hire licensing is to protect the public and promote public safety. The Council will adopt and carry out its Hackney Carriage and Private Hire licensing functions with a view to promoting the following:

- **The protection of the public, safeguarding and promoting the welfare of children and the vulnerable and the prevention of crime and disorder,**
- **The safety and health of the public and drivers,**
- **Vehicle safety, comfort and access,**
- **Encouraging environmental sustainability,**
- **Promoting the vision of Middlesbrough**
- **Providing clarity for licensees with regard to the Council's expectations and the decision making process.**

In promoting these licensing aims and objectives, the Council will generally expect to see licence holders and applicants continuously demonstrate that they meet or exceed the standards set by the Council.

a) The protection of the public, safeguarding and promoting the welfare of children and the vulnerable and the prevention of crime and disorder

- Raising awareness amongst the licensed trade, and the general public, of issues of safeguarding and promoting the welfare of children and vulnerable adults.
- Operating rules, conditions and disciplinary processes.
- Vetting, qualification, training and monitoring licensees.
- Measures to prevent nuisance from Hackney Carriage and Private Hire activities.
- Commitment to work with the police and other licensing authorities.
- An expectation that licence holders will treat all customers, passengers, the general public and Council officers with respect and courtesy at all times.

b) The safety and health of the public and drivers

- The establishment of professional and respected Hackney Carriage and Private Hire trades
- Consideration of history of convictions and cautions of all applicants.
- Driver training, qualification and performance.
- Knowledge of the Middlesbrough Borough area.

- Health and suitability to fulfil the role of a licensed driver.
- Crime prevention measures.
- Vehicle specifications.
- Safety at ranks including protection of drivers.
- Regular driver health checks.
- Public education campaigns.

c) Vehicle safety, comfort and access

- Standards of vehicle comfort and appearance.
- Space standards for vehicles.
- Location of ranks.
- Use of ranks.
- Provision of disabled facilities.
- Provision for the aged and the young.
- Provision of safe and comfortable premises for customers to use.

d) Encouraging environmental sustainability

Working with stakeholders in the trade in finding methods of reducing vehicle emissions and not issuing licences for vehicles that are unable to comply with any agreed European Emissions Standards.

e) Promoting the vision of Middlesbrough

“Making Middlesbrough look and feel amazing and to improve the lives of our residents”

This policy will contribute to promoting the priorities of the Council and will be enhanced by:

- Ensuring children and vulnerable adults are safeguarded from intentional and unintentional harm
- Reducing crime and anti-social behaviour so that Middlesbrough remains a safe place to live
- Improving health outcomes of local people so that they live longer and healthier
- Promoting a local economy that is vibrant and diverse
- Improving the visitor experience

7. This Policy shall apply in respect of applications, renewals, transfers and any other matter connected to the following licences:

- Private hire vehicle
- Private hire driver
- Private hire operator
- Hackney carriage driver
- Hackney carriage vehicle

8. This Policy shall also apply in respect of disciplinary and enforcement measures and will include codes of conduct to be followed by all persons licensed under this Policy

Methods

9. The methods to be employed will be:

- Setting the standards for the licensing of drivers, vehicles and operators.
- Periodical licensing and routine inspection of vehicles, with appropriate follow up action.
- Inspection of insurance policies and MOT certificates, with appropriate follow up action.
- Checks of driver's immigration status, tax registration, medical condition, criminal record, DVLA record, knowledge of safeguarding vulnerable passengers and knowledge of the Borough and legislative controls.
- Checks of operator's immigration status, tax registration, criminal record, knowledge of safeguarding vulnerable passengers and legislative controls
- Checks of vehicle proprietors' criminal records.
- Investigation of complaints with appropriate follow up action.
- Liaison and exchange of information with the Police and other agencies regarding issues of mutual concern in relation to offences or the conduct of licensees.
- Liaison with the hackney carriage and private hire trade by way of meetings and the issue of trade newsletters.
- Taking enforcement against licensed and unlicensed drivers and vehicles and/or disciplinary action including the issue of legal proceedings, verbal and written warnings, cautions, suspension or revocation of existing licences for breaches of legislation or conditions
- Giving advice
- Conditions attached to licences.
- The issue of guidance notes.
- Educating the public
- Safeguarding Vulnerable Passengers awareness training
- Disability awareness training

10. When developing policies, considering applications and taking enforcement action the Council is subject to the requirements of the Government's Regulators' Code and the Council's Regulatory Services Enforcement Policy and will make evidence based decisions and notwithstanding this policy each case will be treated on its own merits .

Statutory and Best Practice Guidance

11. In formulating this Policy consideration has been given to Best Practice Guidance and Statutory Guidance issued by the Department of Transport and to guidance issued by the Local Government Association and the Secretary of State and the Institute of Licensing. In addition the Council has given regard to the Statutory Taxi & Private Hire Vehicle Standards published in July 2020

by the Department for Transport under the provisions of the Policing and Crime Act 2017 when making amendments to this policy and has agreed to implement their recommendations as minimum core standards.

Status

12. In exercising its discretion in carrying out its regulatory functions, the Council will have regard to this Policy and the objectives set out above.
13. Notwithstanding the existence of this Policy, each application or enforcement measure will be considered on its own merits. Where it is necessary for the Council to depart from the Policy, clear and compelling reasons will be given for doing so.

Implementation and Review

14. This Policy will take effect from 1 2022
15. The Council will keep this Policy under review and will consult where appropriate on proposed revisions. A full review of the Policy will be conducted every five years from the date of effect above or at sooner intervals as may be deemed appropriate.
16. This policy will be implemented and become effective on the 1..... 2022 and will apply to all applicants and licensees. It is generally expected that applicants and licensees comply with the policy and standards set by the licensing authority. If the authority is requested to depart from the policy it will consider whether there is good reason or justification in that particular case to do so.
17. From the effective date, this Policy will override and supersede all existing policies in relation to private hire and hackney carriage licensing.
18. The Council may monitor and review this Policy or areas of the Policy prior to the five year period when considered necessary.
19. Subsequent to the introduction of this Policy, the Council may make decisions which change the content of this Policy. The changes may have immediate effect or be expressed as coming into effect on a given date. This Policy document will be regularly updated to reflect these changes. Amended copies of the Policy will be available via the Council's website.
20. The Council is also aware of the Government's ongoing review of the legislation and guidance appertaining to taxi and private hire licensing and will review this Policy in line with any changes to that legislation and/or any guidance issued should they be introduced during the term of the Policy.

Consultation

21. In preparing this Policy the Council has taken into account the views of:

- Licensees
- Cleveland Police
- British Transport Police
- Local transport providers
- Disability groups
- Local residents
- Local businesses
- Planning Authority
- Service users
- Members of the Public
- Tees Valley Licensing Liaison Authorities
- Safeguarding Children's Board
- Other Local Authority Departments
- Elected Members

22. The Council will also consult with other organisations when necessary.

23. The results of any consultation will be referred to the Licensing Committee for comment and Executive for final approval.

Partnership Working

24. The Council will work in partnership with the following agencies and individuals to promote the policy objectives:

- Local hackney carriage and private hire trade
- Police and Crime Commissioner
- Planning Authority
- Local Transport Authorities and Committees
- Local residents
- Disability groups
- Service users
- Driver and Vehicle Standards Agency (DVSA)
- Driver and Vehicle Licensing Agency (DVLA)
- HM Revenue and Customs (HMRC)
- Department of Work and Pensions
- Other Council Departments
- UK Border Agency
- Other Government Departments and Agencies
- Tees Valley Licensing Authorities
- North East Strategic Licensing Group
- National Anti-Fraud Network

25. The Council will hold meetings with the hackney carriage and private hire trade to consider future licensing issues.

Related Policies and Strategies

26. This Policy will be integrated with local planning, transport, tourism, equality and cultural strategies and other plans introduced for the management of the Borough and night time economy.
27. The Council will work in partnership with other agencies, including those referred to in paragraph 24.
28. The Council will work with the other neighbouring council representatives to seek harmonisation of policies and conditions, where applicable, across the Tees Valley District.

Equality

29. As an employer and service provider the Council is committed to ensuring equality in employment and service delivery. In achieving appropriate standards the Council is aware of its duties under the following legislation:
 - Equality Act 2010 including the Public Sector Equality Duty in Part 11 of that Act and any statutory instruments made under that Part
 - Human Rights Act 1998
30. The Council will strive to ensure that all persons (including those who may have a physical or mental disability) are fully represented and have their interests protected when dealing with the licensing service and will consider appointing an advocate or appropriate adult when requested or where deemed appropriate in the circumstances.

Duties and Obligations under Equality Act 2010

31. The Disability and Discrimination Act 1995 has been repealed by the Equality Act 2010 and those who provide transport services by way of Hackney Carriage and Private Hire vehicles are advised to contact the Equality and Human Rights Commission at www.equalityhumanrights.com for further information and advice on avoiding discrimination.
32. The Council has agreed that it will maintain a list of “designated vehicles”, (that is, a list of licensed wheelchair accessible HCVs and PHVs) under the provisions of Section 167 of the Equality Act 2010. The consequence of being on this list is that the driver of the vehicle must, under the provisions of Section 165 of the Equality Act 2010, undertake the duties detailed below to carry and assist passengers who use wheelchairs and not to make any additional charge for doing so, unless an exemption has been issued by the Council.

The duties are:

- to carry the passenger in a wheelchair;
- not to make any additional charge for doing so;
- if the passenger chooses to sit in a passenger seat, to carry the wheelchair;

- to take such steps as are necessary to ensure that the passenger is carried in safety and reasonable comfort;
- to give the passenger such mobility assistance as is reasonably required;
- to enable the passenger to get into or out of the vehicle;
- if the passenger wishes to remain in the wheelchair, to enable the passenger to get into and out of the vehicle while in the wheelchair;
- to load the passenger's luggage into or out of the vehicle;
- If the passenger does not wish to remain in the wheelchair, to load the wheelchair into or out of the vehicle.

Under the provisions of section 172 of the Act there is a right of appeal to the Magistrates Court by a vehicle owner against the decision of the Council to include their vehicle on the designated list. Any appeal must be made before the end of 28 days beginning with the date of the inclusion.

33. It is a requirement of a vehicle licence that wheelchair accessible vehicles have the appropriate equipment so as to transport passengers in wheelchairs safely and in reasonable comfort at all times. Any vehicle proprietor and/or driver found in breach of this may be subject to enforcement action.
34. Licensed drivers are also under a duty under this legislation to carry passengers with guide, hearing and other prescribed assistance dogs in their vehicles without additional charge. When carrying such passengers, drivers have a duty to:
 - a) Convey the disabled passenger's dog and allow it to remain under the physical control of the owner; and
 - b) Not to make any additional charge for doing so

Drivers who have a certifiable medical condition or a disability or physical condition which makes it impossible or unreasonably difficult for them to provide the sort of physical assistance which these duties require or where that condition is aggravated by exposure to dogs may apply to the Council for an exemption from the above duties on medical grounds. Applications for exemption must be made using the Council's application form along with evidence supporting their claim. This must include a medical certificate provided at the driver's expense, from the driver's own GP which demonstrates the driver has a genuine medical condition that is aggravated by exposure to dogs. This evidence should be in the form of a blood test, a skin prick test or clinical history. If granted, the Council will issue a tactile notice of exemption which must be displayed in any licensed vehicle driven by the driver and must be made available for inspection upon request and a register will be kept of exempt drivers.

If the application is unsuccessful the applicant will be informed in writing when an explanation of the reasons for the decision will be given. Under Section 172 of the Act there is a right of appeal to the Magistrates Court against the decision not to issue an exemption certificate. Any appeal must be made before the end of 28 days beginning with the date of the refusal.

35. Under the Equality Act 2010, it is an offence for any operator or driver to refuse to carry assistance dogs or to charge more for the fare or booking. On conviction for such an offence, drivers can be fined up to £1,000 and have their licence removed.

Immigration Status

36. The prevention of illegal migrant working in the UK is governed by the Immigration Act 2016
37. Applicants for the grant and renewal of a private hire operator's and private hire and hackney carriage driver's licences are required to prove that they have been granted leave to enter or remain in the UK and have a right to work in the UK before being considered for a licence. A list of acceptable documents can be found at www.middlesbrough.gov.uk/taxis. If an applicant has an indefinite right to remain and work in the UK they will only be required to prove that entitlement once.
38. No licence will be granted or renewed until the Council is satisfied that the applicant is not disqualified by reason of the applicant's immigration status.
39. Consideration will be given to any guidance issued by the Secretary of State.

No Smoking Policy

40. Smoking in a smoke-free place is prohibited under the Health Act 2006. In this context a 'smoke-free place' will include a licensed private hire and hackney carriage vehicle as well as a private hire operator's premise. In the context of the Health Act 2006, smoking relates to the smoking of cigarettes and other tobacco products.
41. However, the prevalence of e-cigarettes and Vaping is now on the increase. Although not tobacco products, e-cigarettes enable the inhalation of nicotine containing vapour. Whilst not all e-cigarettes contain nicotine, they are battery powered products that can often look like real cigarettes.
42. At the present time e-cigarettes are unlicensed and unregulated. The vapour could be an annoyance or health risk and the use of e-cigarettes helps create an impression that it is acceptable to smoke, particularly to young children. Whilst the tobacco substitute benefits of e-cigarettes are acknowledged, the public perception of perceived smoking, smoking tolerance and adverse imagery outweigh the as yet to be established benefits of smoking e-cigarettes.
43. To this end drivers must not smoke e-cigarettes or Vape, or allow passengers to smoke e-cigarettes or Vape whilst in a licensed vehicle. In addition e-cigarettes and Vaping should not be permitted in a private hire operator's premise which is open to the public. This is in line with the requirements of the Council's own No Smoking Policy which includes e-cigarettes.

Safeguarding Vulnerable Passengers and Child Sexual Exploitation (CSE)

44. Everyone is becoming aware of the well-publicised issues relating to CSE, Human Trafficking and County Lines exploitation that have occurred throughout the country. These are abhorrent crimes, and the Council as the Licensing Authority has a duty to assist the Hackney Carriage and Private Hire Trade and the public in tackling this issue, and to protect those who are vulnerable and/or being exploited. Taxi drivers have a unique role to play in transporting the general public and as a result may become aware of illegal activity, such as CSE, County Lines exploitation and other vulnerability issues that might be taking place and should therefore know what to do if such a situation is recognised.
45. All new applicants for hackney carriage and private hire drivers licences and private hire operators (who do not hold a drivers licence) are therefore required to undertake Council approved Safeguarding Vulnerable Passengers awareness training and produce a certificate as evidence of such training before a licence can be granted so as to equip them with the knowledge and skills to identify signs of potential abuse and how they should respond.
46. Applicants for Private Hire Operator licences are required to submit a Safeguarding Vulnerable Passengers policy in respect of their business to the satisfaction of the Council as part of the application process.
47. Failure to complete approved Safeguarding Vulnerable Passengers awareness training and/or produce the appropriate certificate or policy document may result in new applicants being refused a licence and may result in the suspension or revocation of an existing licence.
48. Questions relating to this subject are also posed in the Knowledge Test that all new applicants for driver licences must undertake as part of the criteria for the grant of a licence.
49. Private hire operators must have a policy on employing ex-offenders and are also required to carry out their own 'fit and proper' checks on all persons employed or otherwise used or engaged in their business that have direct contact with customers and/or dispatch vehicles, other than those already licensed by the Council, and to notify the Council of any concerns or complaints received concerning any drivers employed/used by them concerning safeguarding issues.
50. The Tees Valley Licensing Liaison Group, which comprises representatives from Middlesbrough, Hartlepool, Stockton, Darlington and Redcar and Cleveland Councils, through its representative from Hartlepool Council have worked in partnership with Barnardo's to develop a taxi specific CSE/vulnerable person awareness programme and their e-learning course is an approved training course to comply with this part of the policy.

51. The Council has also produced a Code of Conduct When Working With Vulnerable Passengers (Appendix J) to help promote a better understanding of this subject and to assist the trade in being able to identify those at risk, how to protect those who may be vulnerable or being exploited and to ensure that the actions of drivers do not negatively contribute to such persons becoming victims, and to whom to report concerns.
52. As the licensing authority for hackney carriages and private hire vehicles, the Council believes it is important that any children or vulnerable people using such vehicles can be safe and feel safe. To help ensure this, the Council considers that it is reasonable and proportionate even though licensed drivers are subject to enhanced criminal record checks, to take steps to ensure that people remain visible once they have entered a licensed vehicle – or to put it another way, that they do not become invisible. This can be partly achieved by ensuring that only vehicle manufactured body tinted glass be permitted on rear windows and no retrospective tint application or film be permitted to be applied to vehicle glass under any circumstances. Therefore the Council has set standards in respect of window tints that will be deemed acceptable. These can be found in the next section dealing with vehicle specifications.

Service standards

53. Licences, badges and plates will be produced for collection as soon as possible and normally within 5 working days of the Council receiving a complete vehicle, driver or operator application, the licence fee and all relevant supporting documentation and either:
 - The applicant meets all necessary licensing requirements and the licence can be granted under delegated powers by an officer, or
 - The applicant does not automatically meet all necessary licensing requirements and a licence is only granted when the Licensing Committee has very carefully considered the application.
54. Complaints will be acknowledged within 2 working days and investigations will commence or the complaint referred to the appropriate authority within 5 working days.
55. Public registers of Private Hire Drivers, Hackney Carriages and Designated Wheelchair Accessible Vehicles are available on the Council's website.
56. Compliance and enforcement statistics/information will be published on the Council's website monthly.
57. Licence fees will be reviewed annually.

Tax Conditionality

58. The Finance Act 2021 contains a section that introduces tax conditionality to licence applications for hackney and private hire drivers and private hire operators from 4 April 2022.

59. Tax Conditionality places new requirements on licensing bodies (the Council) and these will differ depending on whether the applicant is new or already licensed. The Council must carry out checks on applications from individuals, companies and any type of partnership to make sure they are aware of their tax responsibilities or have completed a tax check
60. In respect of first time applications the council will direct the applicant to HMRC's published guidance about their tax obligations and obtain a simple confirmation that they are aware of it via a declaration on the application form. No tax check will be required from such applicants.
61. An applicant will need to carry out a tax check if they are:
- Renewing a licence
 - Applying for the same type of licence that they previously held, that ceased being valid less than a year ago
 - Applying for the same type of licence already held with another licensing authority
62. The applicant must carry out the tax check with HMRC themselves and cannot ask a tax agent or advisor to do this for them.
63. The tax check will confirm whether an individual or a company is appropriately registered for tax and whether income from the licensed activity has been reported on a tax return. HMRC will provide the applicant with a 9-character tax check code which must be provided to the Council on the application form.
64. The Council is then required to obtain confirmation from HMRC that the applicant has completed a tax check before making a decision on any application and this will be by way of a simple digital service that is being developed by HMRC.
65. Failure to complete the declaration or to provide a tax check code will result in the application being rejected.
66. Further guidance on the tax check is available on GOV.UK:
www.gov.uk/guidance/changes-for-taxi-private-hire-or-scrap-metal-licence-applications-from-april-2022
67. Further HMRC guidance about tax registration obligations can be found at the following GOV.UK website addresses:
- PAYE information: www.gov.uk/income-tax/how-you-pay-income-tax
 - Registering for Self Assessment: www.gov.uk/register-for-self-assessment
 - Corporation Tax information: www.gov.uk/corporation-tax
68. Applicants are advised that Schedule 23 to Finance Act 2011 (Data Gathering Powers) and Schedule 36 to Finance Act 2008 (Information and Inspection Powers), grant HMRC powers to obtain relevant information from third parties.

This includes licensing bodies being required to provide information about licence applicants.

Section 2 – Vehicles – Private Hire and Hackney Carriage

- Specifications
- Private Hire Vehicles
- Hackney Carriage Vehicles
- Meters
- Trailers and tow bars
- Limitation of Numbers
- Accessibility – Wheelchair Accessible Vehicles
- Insurance
- Advertisements, Signs, Notices etc.
- Accident Notification
- Vehicle and Meter Testing
- Criminality checks for vehicle proprietors
- Vehicle Licence Application Procedure
 - New Vehicle Application
 - Vehicle Renewal Application
- General
- Change of Address
- Transfer of Interest
- Novelty Vehicle and Stretched Limousines
- Exempted Private Hire Vehicles
- Tinted Windows
- CCTV
- Environmental Considerations
- Demand Responsive Transport

Specifications

69. The Department for Transport Best Practice Guidance recommends that local licensing authorities should adopt the principle of specifying as many different types of vehicle as possible. They are, however, encouraged to make use of the “type approval” rules within any specifications they determine. Vehicle type approval is the confirmation that production samples of a design will meet specified technical, safety and performance standards. The specification of the vehicle is recorded and only that specification is approved.
70. All vehicles subject to new applications for hackney carriage and private hire vehicle licences, shall have appropriate M1 Vehicle Type Approval Certification from the Vehicle Certification Agency. Category M1 covers vehicles designed and constructed for the carriage of passengers, comprising no more than 8 seats in addition to the driver’s seat.
71. Applications for wheelchair accessible vehicles must be either, purpose built or converted prior to first registration. Applications in respect of wheelchair accessible vehicles converted prior to registration must be accompanied by a EC Certificate of Conformity for Completed Vehicles issued by the conversion company and endorsed by the Vehicle Certification Agency (VCA). Any wheelchair accessible vehicle having been converted since its

date of registration will not be accepted for licensing as a hackney carriage or private hire vehicle.

72. Applications in respect of novelty vehicles and stretched limousines will be determined on their individual merits but should as a minimum have Individual Vehicle Approval.
73. Vehicles will, in general, be licensed for the carriage of up to four passengers, but applications in relation to larger vehicles that can accommodate up to eight passengers will be accepted, provided that there is compliance with the specifications applicable to such vehicles. Vehicles may also be licensed to carry fewer passengers subject to compliance with specifications relating to passenger comfort and vehicle conditions.
74. Appendix A sets out the minimum specifications which are expected in respect of vehicles licensed by the Council.
75. In order to achieve and maintain a high quality of licensed vehicles, vehicles that have been deemed to be an insurance “write off” in accident damage category A and B will not be licensed. Vehicles that have been declared a category, S (formerly Category C) may be licensed providing the applicant provides an appropriate Engineer’s report and/or body alignment JIG report, approved by the Council, verifying the quality and standards of repair. Vehicles that have been deemed to be an insurance “write off” in accident damage category N (formerly Category D) may be licensed providing the applicant provides an appropriate Engineer’s report.

Private Hire Vehicles

76. A private hire vehicle is a motor vehicle constructed or adapted to seat fewer than 9 passengers, which is provided for hire with the services of a driver for the purpose of carrying passengers. All hirings for a private hire vehicle must be pre-booked thorough a licensed private hire operator. Any vehicle used as a private hire vehicle must be licensed under the provisions of the Local Government (Miscellaneous Provisions) Act 1976. In determining what vehicles fall within this definition the Council will give consideration to the guidance “Taxi and Private Hire Vehicle Licensing Best Practice Guidance” issued by the Department of Transport.
77. Under the provisions of the Act the Council must be satisfied that the following criteria is met before granting a private hire vehicle licence. The vehicle is:
 - Suitable in type, size and design for use as a private hire vehicle.
 - Not of such design and appearance as to lead any person to believe that the vehicle is a hackney carriage.
 - In a suitable mechanical condition.
 - Safe.
 - Comfortable.

78. In addition to the above legislative requirements this Policy also requires that vehicles be exceptionally well maintained at all times (see Appendix M) and the Council has imposed requirements relating to the specifications of the vehicle. These are attached at Appendix A.
79. All private hire vehicles must:
- Comply with the prescribed vehicle specification.
 - Not be black in colour with a yellow bonnet and boot/tailgate.
 - Be mechanically safe and roadworthy at all times.
 - Not be fitted with a roof sign of any description.
 - If the vehicle is fitted with a meter, it must be of a type approved by the Council.
 - Meters, after being checked for accuracy, must be sealed by an agent approved by the Council.
 - Display the Council's licence plates, which must be securely attached to the exterior front and rear of the vehicle as prescribed by a condition of licence.
 - Display decals issued by the Council, attached centrally to both front doors of the vehicle.
 - Display any signs required by the Council.
80. General conditions are attached to a private hire vehicle licence relating to the identification of the vehicle and safety issues. These are attached at Appendix B.
81. Additional conditions may be attached to the grant of a licence as are considered reasonably necessary.

Hackney Carriage Vehicles

82. A hackney carriage vehicle is a wheeled vehicle used in standing or plying for hire that is required to have a numbered plate fixed upon it. The legal definition of a hackney carriage is contained in the Town Police Clauses Act 1847.
83. A hackney carriage can ply for hire and also wait at a hackney carriage stand within the controlled district of Middlesbrough.
84. Hackney Carriages are also permitted to undertake pre-booked hirings, and this Council requires that applicants for hackney carriage vehicle licences shall be expected to demonstrate a bona fide intention to predominantly* ply for hire within the Borough of Middlesbrough to satisfy local demand. There shall therefore be a presumption that applicants who intend to operate remotely for the majority of the time shall not normally be granted a hackney carriage vehicle licence. (***Note:** predominantly is deemed to be '90% of all pre-booked work over any continuous seven day period'.)
85. Each application shall however be decided on its own merit and the above presumption may be rebutted only in exceptional circumstances. The Council shall place public safety above all other considerations.

86. Conditions can be imposed upon the grant of a hackney carriage vehicle licence and the Council has byelaws to control the conduct of both proprietors and drivers. These byelaws are attached at Appendix N.
87. The Council has imposed requirements relating to the specifications of the vehicle. These are attached at Appendix A.
88. General conditions are attached to a hackney carriage vehicle licence relating to the identification of the vehicle and safety issues. These are attached at Appendix C.
89. Additional conditions may be attached to the grant of a licence as are considered reasonably necessary.
90. All hackney carriage vehicles must:
- Comply with the prescribed vehicle specification.
 - Be black in colour with a yellow bonnet and boot/tailgate.
 - Be mechanically safe and roadworthy at all times.
 - Fitted with an approved roof sign bearing the word "TAXI"
 - Fitted with a 'for hire' sign
 - Fitted with a meter of a type approved by the Council, calibrated with the fares charged as determined by the Council.
 - Meters, after being checked for accuracy, must be sealed by an agent approved by the Council.
 - Display decals issued by the Council to both front doors of the vehicle.
 - Display the Council's licence plates, which must be securely attached to the exterior front and rear of the vehicle as prescribed by a condition of licence.
 - Display any signs required by the Council.

Meters

91. Meters, where fitted, shall be of a type approved by the Council and shall be calendar controlled and locked and sealed by the manufacturer/supplier so that tariff rates change automatically and cannot be changed or tampered with manually by any person.
92. The use of remote controls is prohibited.
93. Meters shall be fitted in a position approved by the Council's vehicle examiner, where they are not obstructed by other fixtures and fittings within the vehicle and so that all passengers conveyed in the vehicle can easily read the display. If the vehicle comes with a taximeter already fitted then the taximeter must not be moved to another location within the vehicle without prior approval of the Council.

Trailers and Tow Bars

94. Vehicles will not be permitted to draw a trailer.

Limitation on Numbers

95. No powers exist for licensing authorities to limit the number of private hire vehicles that they licence.
96. The present legal provisions on quantity restrictions for hackney carriages are set out in Section 16 of the Transport Act 1985. This provides that the grant of a hackney carriage licence may be refused for the purpose of limiting the number of licensed taxis “if, but only if, the person authorised to grant licences is satisfied that there is no significant demand for the services of hackney carriages (within the area to which the licence would apply) which is unmet”.
97. The Council has decided that it will not place a limit on the total number of hackney carriages it licences but will rely on market forces to dictate the number of applications it receives. However, all new applications must be for wheelchair accessible vehicles, subject to paragraphs 99 and 100 below.

Accessibility – Wheelchair Accessible Vehicles

98. In considering how accessible licensed taxis should be the Council has taken note that the Department of Transport recognises that some local licensing authorities will want to make progress on enhancing accessible taxi provision and encourages Councils to introduce taxi accessibility policies for their areas.
99. The Council is in favour of a mixed fleet of wheelchair accessible hackney carriages and saloon vehicles and has therefore restricted the number of saloon vehicles that are to be licensed as hackney carriages, which at the time of writing this policy is 190, through the adoption of a revised vehicle specification for new applications. Therefore, only saloon hackney carriages will be permitted to be replaced by another saloon vehicle. Wheelchair accessible vehicles must be replaced with another wheelchair accessible vehicle.
100. A specification for wheelchair accessible vehicles (WAVs) is set out at Appendix A, and all new applications for hackney carriage vehicle licences shall be required to comply with this specification.
101. The private hire trade will continue to be encouraged to licence a proportion of their fleet as wheelchair accessible vehicles which will be expected to comply with the same specification set out at Appendix A.
102. The Council has also agreed that it will maintain a list of “designated vehicles”, being a list of licensed wheelchair accessible vehicles under the provisions of Section 167 of the Equality Act 2010. The consequence of being on this list is that the driver of the vehicle must undertake the duties to carry and assist passengers who use wheelchairs, unless a medical exemption has been issued by the Council. The proprietor of a wheelchair accessible vehicle shall therefore ensure that every driver of the vehicle has had proper training in the use of all the equipment such as ramps and restraining straps provided to

ensure the safe loading, unloading and transportation of passengers in wheelchairs.

103. The Department of Transport has indicated that it is considering the wider legislative framework governing hackney carriages and private hire vehicles to see whether there are any further changes that could be made with the objective of enhancing provision for disabled people. The Council will review this Policy in line with any changes to that legislation or the issue of any further guidance should they be introduced during the term of the Policy.

Insurance

104. All vehicles must have a current valid policy of insurance at all times appropriate to the vehicle and its use. This policy must be in place before a licence can be granted.
105. Insurance certificates/policies for private hire vehicles will not be considered acceptable if they include cover for public hire purposes, unless a valid reason can be demonstrated as to why the vehicle should be insured for public hire as well
106. Individual policies shall be provided for each vehicle. However a fleet insurance policy will be accepted as long as it includes a schedule of all the vehicles covered. If the fleet policy covers a mixed fleet of both private hire and hackney carriage vehicles, the policy shall make it clear that cover for private and public hire services is subject to the appropriate local authority licences being held. It is the responsibility of the applicant to produce a valid certificate of insurance and the policy document when applying for the grant or renewal of a vehicle licence.
107. It is an offence to drive a vehicle without the appropriate insurance in place and all private hire and hackney carriage drivers must check with their employer that they are insured to drive a vehicle before they commence work. They should ensure that they have sight of the insurance document that covers them to drive before they drive the vehicle.
108. Requests to produce insurance may be made during the term of the licence. These requests must be complied with in accordance with the time scales stipulated in the request. Failure to present insurance is a criminal offence.
109. If a vehicle is off the road and uninsured at any time, the proprietor must advise the Council in writing as soon as practicable but in any event within 72 hours.

Advertisements, Signs, Notices etc.

110. No signs, notices, advertisements, video or audio display etc. or other marking shall be displayed on, in or from the vehicle subject to the following exceptions:

- a) Any sign, notice or other marking required to be displayed by legislation or any condition attached to a licence.
- b) Advertising approved by the Council.

111. Signs, notices or advertisements must not be of a content that the Council deems to be offensive or abusive. Further guidance as to the content of an advert may be sought from the Advertisement Standards Authority, www.asa.org.uk

112. No advertising on vehicles shall be allowed or affixed on any vehicle, without prior, formal written approval of the Council and specifically shall not:

- a) Be affixed to any window of the vehicle, unless specifically exempted in writing.
- b) Detract from or obscure any signage required by any licence condition.
- c) Affect the yellow boot and bonnet of hackney carriage vehicles and all other panels must be not less than 25% black

Applications for advertising consisting of full or partial 'body wraps' of vehicles will be considered on their individual merits.

113. All advertisements shall be approved by the Council and any unauthorised advertisements will be required to be removed and appropriate action will be taken for failure to comply with this Policy.

114. Any queries regarding advertisements must be referred to the Council.

Accident Notification

115. The proprietor must comply with any request to produce the vehicle for inspection at the Council Offices or other appropriate place, so that its condition can be assessed. Any failure to do so, without reasonable excuse, is an offence and the appropriate action will be taken.

116. The proprietor shall submit the vehicle for any further testing and/or examination as requested by the Council and shall be responsible for the production of any independent engineer's reports and/or body alignment JIG report considered necessary by the Council. Vehicles deemed to be an insurance "write-off" (i.e. in accident damage category A or B) will have their licence revoked. Category, S (formerly Category C) "write-offs" may continue to be licensed subject to an appropriate, approved engineer's report and/or body alignment JIG report, approved by the Council. Vehicles that have been deemed to be an insurance "write off" in accident damage category N (formerly Category D) may continue to be licensed providing the applicant provides an appropriate Engineer's report.

117. In order to verify the 'accident damage' and 'write off' status of a vehicle, a HPI check will be carried out by the Council. .

Vehicle and Meter Testing

118. All vehicles shall undergo an inspection by the Council's own vehicle examiners at initial application and thereafter annually until the vehicle is three years old from the date of first registration and then every six months thereafter. Such inspections will include the testing of any meter fitted in the vehicle but the frequency of meter tests will be annually irrespective of the age of the vehicle. A calibration certificate from a Council approved agent will be required for new applications and upon any subsequent tariff change. Annual testing of meters will be of the time element only.
119. It shall be the proprietor's responsibility to ensure that their licensed vehicle(s) is roadworthy, maintained to the Council's standards and specifications and fit for hire and reward purposes at all times. Vehicles must be submitted fully prepared for the test. It is not intended that the test be used in lieu of a regular preventative maintenance programme. If in the opinion of the vehicle examiner the vehicle has not been fully prepared, the test will be terminated and the vehicle failed. Proprietors failing to maintain their vehicles in a safe and roadworthy condition may have their licence(s) suspended or revoked by the Council.
120. Vehicles are to be tested in accordance with the Council's agreed test criteria and/or in respect of any issues identified by an authorised officer of the Council. For assistance see the Councils separate guidelines and Appendix D. The Council will also give consideration to any guidance issued by the Driver and Vehicle Standards Agency (DVSA) and the Public Authority Transport Network (PATN) regarding the testing of vehicles. Their current best practice guide "Hackney Carriage and Private Hire Vehicle National Inspection Standards" is considered to be the minimum standard acceptable to the Council.
121. Any vehicles failing this test will be required to have a further test, unless it has been agreed by an authorised officer that it is not necessary. A test failure may result in the suspension of the vehicle licence.

Criminality checks for vehicle proprietors

122. The Department for Transport Statutory Taxi & Private Hire Vehicle Standards states that it is important that licensing authorities are assured that those granted a vehicle licence pose no threat to the public and have no links to serious criminal activity. Although vehicle proprietors may not have direct contact with passengers they are still entrusted to ensure that the vehicles and drivers used to carry passengers are appropriately licensed and so maintain the benefits of the licensing regime.
123. Applicants, who are not already licensed as a driver, will therefore be required to submit a basic disclosure from the DBS with their application which has been issued no earlier than one month before making the application and in the case of an application made by a partnership or company this requirement will apply to each partner or director.

124. When a vehicle licence is granted the need to submit a basic DBS disclosure will be an annual requirement.
125. Additional applications from an applicant who has previously submitted an acceptable DBS disclosure will be accepted without the need for a further DBS disclosure during the period of 12 months from the date of issue of the first DBS disclosure.
126. Should the applicant cease to hold drivers licence then a basic disclosure will be required with the application or at the annual vehicle licence renewal.
127. If an applicant has spent six continuous months or more living outside the United Kingdom, evidence of a criminal record check by way of production of a "Certificate of Good Character" from the country/countries covering the relevant period will also be required unless previously submitted as part of a licensed driver application.
128. When determining the suitability of an applicant or licence holder with a conviction the Council will refer to its Policy on the Relevance, of Convictions, Cautions, Reprimands, Warnings, Complaints and Character which is at Appendix G and when consideration will be given to all offences other than those relating to driving.
129. Refusal to licence an individual as a driver or to suspend or revoke a driver licence will not automatically prevent that individual from being issued a vehicle licence. Such applications will be determined on their merits and when only information that would be disclosed on a basic DBS check will be considered.
130. Proprietors must notify the Council in writing within 48 hours of an arrest and release, charge or conviction of any offence.

Vehicle Licence Application Procedures

New Vehicle Application

131. The following documents are required to be submitted with new vehicle applications:
 - Vehicle application form, this must be from a named person(s), recognised legal person such as a limited company but must not be in a business name with no legal standing
 - DVLA vehicle registration document (V5C) bearing the applicant's correct name and address. Where an applicant has joined the Driver and Vehicle Licensing Agency (DVLA) V5C on Demand Scheme the printable PDF of the vehicle details from within their View Vehicle Record will be accepted as an alternative to the V5C document so long as it is accompanied by a copy of the letter from the DVLA confirming that the applicant has joined the V5C on Demand scheme.

- A certificate of motor insurance and the policy document, which must be valid on the commencement date of the licence.
 - Details of the operator of the vehicle (private hire only)
 - Meter calibration certificate (hackney carriage only)
 - Basic DBS disclosure (unless a current hackney carriage or private hire driver licence is held or an acceptable basic DBS disclosure has previously been submitted no earlier than 12 months previous) issued no earlier than one calendar month before making the application
 - A Certificate of Good Character (if applicable)
- (Note: and in the case of an application made by a partnership or company this requirement will apply to each partner or director.

132. New vehicle applications submitted without all of the relevant supporting documents and the appropriate fee will not be processed, except in the case of an application submitted without the vehicle registration document. If the vehicle registration document is not available at the time of application, then the application can still be processed and the licence issued and the applicant will be given a period of 28 days from the grant of the licence in which to produce the document. The vehicle licence may be suspended if the registration document is not produced by the end of the 28 day period.

133. In order to verify the 'accident damage' status of a vehicle, a HPI check will be carried out by the Council at the expense of the applicant. (Note this cost is included as part of the application fee). Vehicles identified as being an insurance "write-off" will be required to provide an appropriate Engineer's report and/or body alignment JIG report, as deemed necessary and approved by the Council, verifying the quality and standards of repair.

134. Please note that if the application is for a replacement vehicle, the new plates will not be issued until the existing plates have been returned.

Vehicle Renewal Application

135. The legislation does not allow for continuity of licence and it is the proprietor's responsibility to ensure that a renewal application is made in good time. Applicants for licence renewals are encouraged to make their application at least one month prior to the licence expiry date to ensure that a test appointment is secured prior to the expiry of the licence.

136. Renewal applications received after twenty eight days from the expiry date of a licence will not be accepted for processing and a new vehicle licence application will need to be made and the vehicle will be required to comply with the specification for a new vehicle licence and it will not be permitted to be used until the new application has been approved.

137. The following documents are to be submitted for annual vehicle renewal applications:

- Vehicle renewal application form in the name of the vehicle proprietor.

- A certificate of motor insurance, which must be valid on the commencement date of the licence.
- Details of the operator of the vehicle (private hire only)
- Basic DBS disclosure(s) issued no earlier than one calendar month before making the application (unless a current hackney carriage or private hire driver licence is held or an acceptable basic DBS disclosure has previously been submitted no earlier than 12 months previous)

138. Vehicle renewal applications submitted without all of the supporting documents and the appropriate fee will not be processed. Please note the existing rear plate must be returned before the new licence and plate can be issued.

General

139. Licence plates must be collected in person.

140. If an application is refused the fee will be refundable minus a proportion of the charge for an administration charge.

141. When granting a licence the Council has the discretion to attach, amend or remove a condition of the licence.

Change of Address

142. The proprietor must advise the Council in writing within 7 days of any change of address (that appears on the licence) during the period of the licence.

Change of partners/directors

143. When the proprietor is a company or partnership the proprietor must advise the Council in writing within 7 days of any change in directors or partners during the period of the licence.

144. New directors or partners will be required to provide a Basic DBS disclosure (unless a current hackney carriage or private hire driver licence is held or an acceptable basic DBS disclosure has previously been submitted no earlier than 12 months previous) issued no earlier than one calendar month before being notified to the Council and a Certificate of Good Character (if applicable)

Transfer of Interest

145. The proprietor shall notify the Council on the appropriate form within 14 days, giving the name and address of the new proprietor, if the interest or part interest in the vehicle is transferred to another person not currently named on the licence.

146. If the interest is transferred to a person currently named on the licence the Council should be advised to remove the outgoing proprietor.

147. The new proprietor shall complete the appropriate application form and will be requested to provide the following documents to the Council:

- Vehicle registration document (V5C) in new proprietor's name. If this has not yet been received then, once the application has been submitted, 28 days will be given in order to produce the appropriate V5C document.
- Valid certificate of motor insurance.
- Details of the operator of the vehicle (private hire only)
- Basic DBS disclosure (unless a current hackney carriage or private hire driver licence is held or an acceptable basic DBS disclosure has previously been submitted no earlier than 12 months previous) issued no earlier than one calendar month before making the application
- A Certificate of Good Character (if applicable)

148. The owner of a PHV is required to inform the Council, in writing, within 48 hours should they change the licensed PHV operator through which they operate their vehicle.

Novelty Vehicles and Stretched Limousines

149. The Council recognises the role novelty vehicles (e.g. converted fire engines) and stretched limousines have to play in the private hire trade to meet a public demand. However, the Council has not developed a separate licensing regime for such vehicles, rather it has widened the criteria of the current vehicle specifications and conditions that licensed vehicles must meet. Please see Appendices A and B. Therefore such vehicles will only be licensed as private hire vehicles.

150. Novelty vehicles and stretched limousines which clearly seat more than eight passengers will not be licensed as private hire vehicles as they are outside the scope of the licensing regime. However, when the precise number of passenger seats is hard to determine but the vehicle has space for more than eight passengers it may be possible to license the vehicle subject to condition that it will not be used to carry more than eight passengers and in these circumstances, each case will be determined on its merits.

151. It is not considered appropriate for such vehicles to be used for standard hirings and licensed operators shall only send such a vehicle when it has been specifically requested by the hirer.

152. Most novelty vehicles, in particular stretched limousines are imported for commercial purposes and are required to have undertaken an Individual test. This ensures that the vehicles meet modern safety standards and environmental standards before being used on public roads. Proof of type approval shall be submitted with the application documents.

153. Stretched limousines shall also have Qualified Vehicle Modifier or Cadillac Coach Builder approval where appropriate.

154. The operator of a novelty vehicle fitted with side facing seats shall provide a declaration that they will never be used to carry passengers under 12 years of age regardless of whether the vehicle is fitted with seatbelts.
155. There shall be no sale or provision of alcohol with any vehicle hire without a current premises licence under the Licensing Act 2003 being in force and if all of the occupants, save for the driver, are under the age of 18 then there shall be no alcohol at all in the vehicle for consumption or otherwise.
156. Where all the passengers in the vehicle consist of persons under the age of 14 years they must be accompanied by a responsible adult, other than the driver, who is over the age of 18.
157. There is no requirement for a vehicle to be licensed where it is being used in connection with a funeral, or is being wholly or mainly used by a person carrying on the business of a Funeral Director for the purpose of funerals.
158. A vehicle does not need to be licensed while it is being used in connection with a wedding.

Exemptions from Displaying Licence Plates on a Private Hire Vehicle

159. Private hire vehicles used exclusively for executive hire or novelty vehicles and stretched limousines will be permitted to apply for an exemption under Section 75(3) of the Local Government (Miscellaneous Provisions) Act 1976 from the requirement to display a licence plate.
160. Any proprietor of a licensed private hire vehicle wishing to apply for this exemption should be engaged exclusively in the provision of a 'chauffer style' executive service or the vehicle operated should be a stretched limousine or other novelty vehicle as agreed by the Council. The applicant should satisfy the Council that the specification of the vehicle and the overall level of service provision constitute an executive hire or novelty service. It is recommended that this is done by way of submission of contract specifications and/or evidence of all contract and account customers, including usage.
161. Applications are to be made in writing on the appropriate form and each application will be judged on its merits.
162. If granted then an Exemption Notice will be issued to the proprietor. The Exemption Notice shall not be granted for a period of more than one year and shall expire upon the expiry of the private hire vehicle licence.
163. The Exemption Notice is granted subject to the licensed private hire vehicle being operated in accordance with standard conditions and any additional conditions. Failure to comply with these conditions may result in the withdrawal of the Exemption Notice. The conditions are attached at Appendix E to this Policy.

164. A private hire operator, proprietor and driver operating under the provisions of an Exemption Notice remain subject to the requirements of the Local Government (Miscellaneous Provisions) Act 1976 with regard to the respective licences and the conditions attached in each case.

Tinted Windows

165. In the interests of public safety it is important that passengers carried in licensed vehicles are capable of being seen when viewed from outside the vehicle.

166. Therefore, the Council's specification relating to the use of tinted windows in licensed vehicles is as follows: -

- a) The windscreen shall have a minimum light transmission of 75%
- b) All other front side windows of the vehicle shall have a minimum of 70% light transmission,
- c) Glass to the rear of the "B pillar" is permitted have a light transmittance of less than 70% but only when vehicle manufactured body tinted glass is used in this area. The tinted glass must be part of the whole vehicle design when produced and pre-registered for that particular model and specification.
- d) No tinted glass whether manufactured or otherwise will be permitted to be added to a vehicle retrospectively following vehicle manufacture completion.
- e) No retrospective tint application or film will be permitted to be applied to vehicle glass under any circumstances

CCTV In Vehicles

167. The Department for Transport Best Practice Guidance recommends licensing authorities look sympathetically on, or actively encourage, the installation of security measures such as a screen between driver and passenger or CCTV systems as a means of providing some protection for drivers.

168. It is not proposed that such measures should be required as part of the licensing regime at this time, it is considered that they are best left to the judgment of the owners and drivers themselves. However proprietors wanting to install CCTV must seek formal written approval from the Council. The hackney carriage and private hire trades are also encouraged to build good links with the local police force, including participation in any Community Safety Partnerships.

169. The proprietor of any vehicle with CCTV must comply with any guidance or code of practice produced by the Information Commissioners Office or the Home Office and display a sign approved by the Council advising passengers that a CCTV system is in operation in the vehicle. In addition, information that CCTV is operating in a vehicle must be provided on booking systems. This can be by text on a website, scripts or automated messages on telephone systems.

170. It shall be the proprietor's responsibility to comply with Data Protection legislation.
171. The CCTV recording must be available for viewing by a Police Officer or an authorised officer of the Council on request. Any failure to comply with this request will be reported to the Council for consideration of the appropriate action to be taken.
172. Any reports of misuse of CCTV or recorded images may result in the immediate suspension or revocation of both the vehicle and driver's licences and/or referral to the Licensing Committee for consideration as to any disciplinary action.
173. It should be noted that external facing front and rear cameras used for the purposes of recording accidents or incidents outside the vehicle may also be installed without prior authorisation from the Council. Such cameras shall not be used for recording audio from within the vehicle, nor shall they be moved to record images inside the vehicle.

Environmental Considerations

174. The DOT guidance asks licensing authorities to consider how far their vehicle licensing policies can and should support any local environmental policies that may have been adopted, bearing in mind the need to ensure that benefits outweigh costs (in whatever form). They suggest that authorities may, for example, wish to consider setting vehicle emissions standards or promoting cleaner fuels.
175. Hackney carriage and private hire vehicles are an essential form of transport in the Middlesbrough Council area. Many people depend on such vehicles for trips that buses or other forms of public transport are incapable of making. They are able to achieve higher occupancy rates than a private car and so, to some extent, already play their part in helping to achieve environmental improvements in the Borough. It is, however, clearly important that emissions from hackney carriage and private hire vehicles are reduced as far as possible.
176. It is therefore considered that efforts should be made to improve, as far as possible, the efficiency of licensed hackney carriage and private hire vehicles by, in particular, reducing the levels of CO₂ emitted. Liquid petroleum gas (LPG) conversions to vehicles already licensed or to be licensed are therefore acceptable. Any conversion to LPG must be done by an LPG Association approved converter (unless manufactured as a dual fuel vehicle) and the conversion certificate produced to the Council for inspection and all equipment and its installation shall comply with the Motor Vehicle (Construction and Use) Regulations 1986 (as amended) and any current code of practice of the LPG Association.

177. It will be conditional that any spare wheel displaced as a result of any conversion must be stored in a location that does not impinge on the passenger carrying area of the vehicle.
178. Other alternative low emission fuel arrangements will be encouraged as technology improves e.g. electric/ hydrogen powered vehicles.
179. Clearly emissions from hackney carriage and private hire vehicles could be reduced further by encouraging better maintenance of vehicles and by switching off engines when stationary or idling, particularly at taxi ranks. It is, however, proposed that this aspect be tackled through education and promotion.

Age Restriction and European Emission Standards

180. A Government report suggests that, by adopting targeted air quality policies for road transport, significant reductions can be achieved for noxious pollutants in the atmosphere. It highlights the impact European wide emission limits are having on improving air quality. In private cars, these standards were introduced for new vehicles as follows:

- **Euro 1** became mandatory for new cars from 1993.
- **Euro 2** became mandatory for new cars from 1997.
- **Euro 3** became mandatory for new cars from 2001.
- **Euro 4** became mandatory for new cars from 2006.
- **Euro 5** became mandatory for new cars from 2011.
- **Euro 6** became mandatory for new cars from 2015.

181. Current vehicle policy requirements are that applications for new vehicle licences will only be accepted in respect of vehicles that are no more than five years old from the date of first registration. The licence of any vehicle will then terminate not more than ten years from the date of first registration. This will be extended to twelve years for London Style Cabs and side loading wheelchair accessible vehicles approved by the Council.

Attached at Appendix F is a table showing the breakdown of the current number of licensed vehicles by age which shows:

- all vehicle meet Euro 4 standards
- 760 vehicles meet Euro 5 standards and 1 does not
- 594 vehicles meet Euro 6 standards and 167 do not

Demand Responsive Transport

182. The Council welcomes initiatives such as taxi sharing schemes and taxi buses with the environmental and improved service benefits that they bring.
183. The Council recognises that these services can play a valuable role in meeting a range of transport needs and is keen to promote such services in order to increase the availability of transport to the travelling public.

184. The Council will work with service providers to bring about such schemes where there is a demand for them.

185. The main legal provisions under which flexible services can be operated are listed below:

Shared Taxis – Immediate Hirings (Section 10, Transport Act 1985):

186. The local licensing authority can develop a scheme whereby hackney carriages can be hired at separate fares by up to eight people from ranks or other places that have been designated by the authority. The authority is required to set up such a scheme if 10% or more of the hackney carriage proprietors in the Borough ask for one.

Shared Taxis and Private Hire Vehicles – Advance Bookings (Section 11, Transport Act 1985):

187. Hackney carriage and private hire vehicles can provide a service at separate fares for up to eight passengers sharing the vehicle. The operator takes the initiative to match up passengers who book in advance and agree to share the vehicle at separate fares lower than that for a single hiring.

Taxibuses (Section 12, Transport Act 1985):

188. Hackney carriage and private hire vehicle proprietors can apply to the Traffic Commissioner for a 'restricted public service vehicle (PSV) operator's licence'. The hackney carriage proprietor can use the vehicle to run a bus service for up to eight passengers.

189. The route must be registered with the Traffic Commissioner and must have at least one stopping place in the area of the local authority that licensed the hackney carriage/private hire vehicle, though it can go beyond it.

Section 3 – Drivers

- General
- The fit and proper test
- Licences
- Driving Experience
- Immigration status
- Driver Knowledge/Locality Test
- English Language proficiency
- Criminal Records Check
- Applicants Who Have Spent Time Abroad
- Relevance of Convictions, Cautions and Character
- Medical Assessment
- DVLA Licence Check
- Safeguarding Vulnerable Passengers Awareness Training
- Disability Awareness Training
- Drug Testing
- Tax Conditionality
- Application Procedure
- Term of Licence
- Conditions of Licence
- General Code of Conduct
- Code of Conduct When Working with Vulnerable Passengers
- Driver's Dress Code
- Changes to Licence Details
- Voluntary Return of Licence

General

190. The position of a licensed driver is one of trust. The public must feel that they and their property are safe when using private hire vehicles and hackney carriages. Given that private hire vehicles are pre-booked and often collect passengers from their homes, drivers will often be aware when houses are left unattended (e.g. taking someone to the airport for a holiday). Furthermore, in response to Police drink drive initiatives, more people are using private hire vehicles and hackney carriages socially and passengers are often transported home at the end of a social evening in a less than sober condition. They may therefore be vulnerable and reliant on the driver to take them home safely at reasonable cost.
191. Also, lone women, children and people with disabilities are frequently transported in private hire vehicles and hackney carriages. It is therefore imperative, that prospective drivers are thoroughly vetted prior to the grant of a licence and are required, by conditions imposed upon them, to maintain the high standard set by the Council for the duration of their licence.
192. Hackney carriage drivers have a slightly different role to private hire drivers in that the hackney carriage driver can also 'ply for hire' on the streets of Middlesbrough. We do however, for the above same reasons, expect the same qualities of safe driving, courteous behaviour, honesty and integrity

from all our hackney carriage drivers as well as a thorough knowledge of the roads and places of special interest and of importance, e.g. museums, hospitals, recreation facilities.

193. Hackney carriage driver applicants are subject to the same rigorous vetting procedure as private hire drivers. The Council, however, cannot attach conditions to the hackney carriage driver licence and so ensures the continuing high standards by making byelaws to, amongst other things, regulate the hackney carriage driver's behaviour throughout the duration of his/her licence. In addition the Council through this policy places certain requirements upon new applicants for hackney carriage driver licences and indicates to licensed drivers, the standards which the Council expects them to maintain.

The 'fit and proper' test

194. Before licensing any driver, the Council has to be satisfied that the applicant is a 'fit and proper' person to hold such a licence. In simple terms, we expect our licensed drivers to drive safely, behave courteously and be persons of honesty and integrity.

195. In assessing whether someone is fit and proper the Council will determine each application on its merits and shall take into account the following (this list is not exhaustive):

- Criminality (including driving related offences)
- Driving entitlement and experience
- Medical fitness
- Driver knowledge
- Complaints and/or previous history
- Licence refusal/revocation history
- Safeguarding awareness
- Disability awareness
- Conduct during the application process
- Human Rights
- Registration for tax
- Immigration status

196. Applicants should also note the Council's Policy on the Relevance, of Convictions, Cautions, Reprimands, Warnings, Complaints and Character which is at Appendix G and which will be referred to in the determination of fitness.

197. The licensing authority provides information to the National Register of Taxi Licence Refusals and Revocations (NR3), a mechanism for licensing authorities to share details of individuals who have had a Hackney Carriage (HC) or Private Hire Vehicle Driver (PHV) licence revoked, or an application for one refused. This is necessary for the performance of a task carried out in the public interest or in the exercise of official authority vested in the licensing authority – that is, assessing whether an individual is a fit and proper

person to hold a hackney carriage or PHV Driver licence.

Therefore:

- Where a hackney carriage/ PHV Driver licence is revoked, or an application for one refused, the authority will automatically record this decision on NR3.
- All applications for a new driver licence or licence renewal will automatically be checked on NR3. If a search of NR3 indicates a match with an applicant, the authority will seek further information about the entry on the register from the authority which recorded it. Any information received as a result of an NR3 search will only be used in respect of the specific license application and will not be retained beyond the determination of that application.

198. All decisions regarding the fit and proper test are made on the lower test of the 'balance of probability' and not the higher test of 'beyond all reasonable doubt'. This means that an applicant or licensee will not be 'given the benefit of doubt' and the legislation is worded in such a way to put the onus on the applicant to provide evidence that they are a fit and proper person, rather than for the Council to prove that they are not.

199. Where the Council considers that an applicant is not fit and proper then a licence shall not be granted. Where an applicant is unable to satisfy the Council he is a fit and proper person a licence will not be granted. Each case shall be treated on its own merit.

200. Where the Council considers that an existing licence holder is no longer fit and proper, then the Council will consider, in the interests of public safety to immediately suspend or revoke a licence prior to the outcome of any investigation

Licences

201. The Council issues the following driver's licences:

- Private hire driver
- Hackney carriage driver
- Dual (Combined) private hire and hackney carriage driver

202. Licences are issued subject to proof of eligibility – including driving licence check, immigration status, knowledge/locality test, criminal records check, medical assessment and safeguarding vulnerable passengers awareness training, disability awareness training and registration for tax.

203. The statutory and practical criteria and qualifications for each licence are broadly identical and therefore this chapter will apply to all driver licences, unless otherwise stated.

Driving Experience

204. A driver's licence cannot be granted to anyone who has not held a full driving licence for a period of at least twelve months. Only full driving licences issued in the UK, the European Community (EC) or one of the other countries in the European Economic Area (EEA) or from some designated countries that have exchange agreements with the UK, will count towards this qualification requirement. Equal recognition can now also be given to Northern Ireland driving licences. Further details can be found at www.dvla.gov.uk

Immigration status

205. All applicants for the grant or renewal of a driver licence are required to demonstrate that they are not disqualified by their immigration status from holding a licence either by submitting in person one of a number of prescribed acceptable documents which show that the applicant has permission to be in the UK and undertake work as a driver, or if available to the applicant, by providing a share code to prove right to work from the online View and Prove service on GOV.UK. The application will be refused if the applicant fails to provide such evidence.

206. The Home Office, via the UK Border Agency, have compiled a list of documents, which prove that someone has the right to remain and work (RTW) in the UK. Documents will fall into List A or List B and guidance notes on these documents are available at www.middlesbrough.gov.uk/taxis.

207. An applicant will need to provide one document from List A, which shows an on-going RTW in the UK. If a document from List A cannot be produced, then relevant documents from List B must be produced. These documents show restrictions on RTW in the UK.

208. If an applicant produces acceptable documents from list A and is subsequently granted a licence then there will be no requirement to carry out further checks should any further applications be received to renew that licence.

209. If an applicant produces a document from List B to prove their RTW in the UK then a licence can only be granted up until the expiry date on the document. Upon expiry of the document, they will be required to produce further documentation showing their ability to continue working should they wish to renew their licence.

210. Where verification from the Home Office is required on a person's RTW because:

- a) a Certificate of Application which is less than six months old and indicates work is permitted is produced; or
- b) acceptable documents are not produced because the applicant has an outstanding application for permission to be in the UK or has an appeal or administrative review pending; then,

subject to confirmation of the applicants immigration status a licence will only be issued for six months from the date of the licence decision.

211. All RTW documents must be original copies; photocopies, scans and faxes will not be acceptable, and be produced by the applicant in person. The Council will copy the document(s) and retain the copy on the applicants file.

If the applicant has created a UK Visa and Immigration (UKVI) account with the Home Office then the account credentials can be used to sign in to the online View and Prove service on GOV.UK. to prove their right to work by obtaining a share code which can then be provided to the council. Applicants should access "Sharing Your Status" in the View and Prove Service and select the option "to prove my right to work" when asked what they need the share code for. This will generate a unique share code which will be valid for 30 days. This will enable the council to access the online immigration checking service to verify the types of work the applicant is able to do and how long they can work in the UK for, if there's a time limit.

212. It is illegal to discriminate on grounds of race, colour, ethnic or nationality. No presumptions about a person's RTW in the UK will be made based on a person's background, appearance or accent. Each applicant will be required to comply with the RTW policy and provide the necessary documentation.
213. A licence will lapse when the holder's permission to be in the UK comes to an end.

Driver Knowledge/Locality Test

214. In order to determine the fitness of a person to hold a licence, all new applicants are required to sit and pass a test on their knowledge of driver conduct requirements, safeguarding vulnerable passengers, licence conditions and licensing legislation. The test will also include a section on basic numeracy and literacy. Tests for hackney carriage and combined driver's licences will also include an assessment of local geography, location of hackney carriage ranks, routes and journeys, and knowledge of tariffs and charges. Tests for private hire driver's licences will not include a topographical element as it is a requirement that licensed private hire drivers have use of a fully operational sat-nav system (or similar device) in any licensed vehicle they drive at all times.
215. Every applicant will be provided with a pass/fail notice following the test.
216. The fee for one knowledge test is currently included in the application fee for a licence. If an applicant fails to pass the test, a further fee will be charged for every subsequent test. Applicants are not permitted to sit a re-test without payment of the fee.

217. Should an applicant fail to pass the knowledge test within five attempts, they should normally expect to have their application refused and they will be required to wait for a period of at least six months before a further application will be considered. This should provide the applicant with sufficient time to develop the necessary knowledge required in order to successfully undertake the knowledge test.
218. If an applicant fails to attend a test or attends late, a further test shall be required for which a charge will be made.
219. No driver's licence will be issued without the applicant first gaining a knowledge test pass certificate. This certificate will stand for future renewals. If a driver does not renew their licence and 2 years lapses before re-applying, a new test certificate will be required.

Language proficiency

220. Applicants who cannot demonstrate a reasonable level of spoken and written English to be able to provide the service that they wish to be licensed for may be required to undertake an assessment of their English language skills and their application may be referred to the Licensing Committee.

Criminal Records Check

221. A criminal record check on a driver is an important safety measure and is a requirement for all drivers. Enhanced disclosure through the Disclosure and Barring Service (DBS) is required (applied for through the Council or any agreed partner) as these disclosures include details of unprotected spent convictions, Police cautions and intelligence by virtue of the Rehabilitation of Offenders Act 1974 (Exception) Order 1975 as amended. Further details and guidance can be found at:

<https://www.gov.uk/government/organisations/disclosure-and-barring-service/about>

222. The Rehabilitation of Offenders Act 1974 (Exceptions)(Amendments) Order 2002 allows the Council to take into account all relevant convictions recorded against an applicant for a hackney carriage or private hire driver's licences (see Section 7 for more information.) Applicants are therefore required to disclose all unprotected convictions, including those that would normally be regarded as spent. A list of unprotected convictions can be found at www.gov.uk/government/publications/dbs-filtering
223. Before an application for a driver's licence will be considered, the applicant must, via the Council or any agreed partner, apply to the DBS for an enhanced disclosure of criminal convictions including barring list information for people working with children and vulnerable adults, unless the applicant has subscribed to the DBS update service previously for the same level of check and provides the Council with a copy of their original disclosure certificate and the appropriate consent to access their record.

224. The Council is a registered body with the DBS and can apply for the disclosure at the applicant's request, subject to payment of the appropriate fee. Application forms and guidance notes on proof of identity requirements are available at www.middlesbrough.gov.uk/taxis
225. The DBS will send the disclosure to the home address of the applicant. The applicant must then produce the original disclosure to the Council so that a copy can be taken which will form part of the application. The Council is bound by rules of confidentiality.
226. For both new applications and the renewal of an existing driver's licence, the applicant will be required to complete a pre-licensing declaration. All of the applicant's unprotected convictions must be entered onto this form including spent convictions, cautions and motoring convictions. It is an offence to knowingly or recklessly make a false statement or to omit information required by the Council (Section 57 of the Local Government (Miscellaneous Provisions) Act 1976 refers).
227. All licence holders must also subscribe to the Disclosure and Barring Service Online Update Service throughout the duration of their licence. Any costs associated with maintaining this subscription must be met by the licence holder. The licence holder must give consent for the Council to undertake checks of their DBS status should the Council consider it necessary to do so. The Council will use the update service to monitor the criminal record of licence holders. The update service can be used when a licence is renewed – if there are no changes recorded on the DBS certificate then a full DBS check will not be required. In all other cases a full Enhanced DBS check will be required before a licence is renewed. Failure to maintain subscription to the update service will result in the suspension of the driver's licence until a new disclosure is provided. Existing licence holders who have not already subscribed to the updating service will be required to do so when their next DBS disclosure application is submitted. Further details and guidance can be found at: www.gov.uk/dbs-update-service.
228. If a driver does not renew their licence a new disclosure will be required at the time of any subsequent application unless the driver has continued to subscribe to the update service.

Applicants Who Have Previously Resided Abroad

229. If an applicant is newly resident in the UK they must still apply for an enhanced DBS check regardless of the period of time they have spent in the UK.
230. Where an applicant has not been resident in the UK for the past 5 years an enhanced DBS disclosure in itself will usually be insufficient to satisfy the Council that the applicant is a fit and proper person. This is because the DBS does not routinely provide criminal record information from non UK countries. These applicants will be required to provide a Certificate of Good Conduct or

an equivalent document, translated into English, from each country where they have been resident/domiciled for six months or more

Further information is available from:

<https://www.gov.uk/government/publications/criminal-records-checks-for-overseas-applicants>.

231. A Certificate of Good Conduct or equivalent document is an extract from the judicial record or administrative authority in the relevant country testifying to good conduct and/or to any criminal convictions recorded against the individual. The Council will take advice from the DBS in identifying the appropriate authority where available.
232. The Council may also approach the relevant Embassy or appropriate body directly to verify documents provided. Any costs involved must be met by the applicant.
233. If an applicant is unable to provide a Certificate of Good Conduct then an application may be refused and in such cases applicants are advised to contact the Council before submitting their application.
234. The Council's legitimate aim at all times is to protect members of the public and if any of the documentation produced does not satisfy the Council, the application may be refused or an existing licence suspended or revoked.
235. The Licensing Manager may determine such applications or refer them to the Licensing Committee and each case will be judged on its merits.

Relevance of Convictions, Cautions, Reprimands, Warnings, Complaints and Character

236. In assessing whether an applicant is a fit and proper person to hold a licence, the Council will consider each case on its own merits and will have regard to the adopted Policy on the Relevance of Convictions, Cautions, Reprimands, Warnings, Complaints and Character, a copy of which is attached at Appendix G.
237. If a disclosure certificate is more than one month old at the time of assessing whether an applicant is a fit and proper person to hold a licence the Council may require additional DBS checks at a cost to the licensee unless the driver has subscribed to the update service.

Medical Assessment

238. Under Section 57 of the Local Government (Miscellaneous Provisions) Act 1976 the Council may require an applicant for a driver's licence to produce a certificate signed by a registered medical practitioner to the effect that they are physically and mentally fit to be the driver of a hackney carriage or private hire vehicle.

239. The Council requires a medical certificate upon an initial application for a driver's licence. In addition or in place of such a certificate the Council may require an applicant to submit to examination by a registered medical practitioner selected by the Council as to their fitness to be a driver of a hackney carriage or private hire vehicle.
240. In line with Department of Transport guidelines, the Council applies the DVLA Group 2 driver standards for the medical fitness of hackney carriage and private hire drivers. This is a higher medical standard than that required of drivers of other motor vehicles and is required due to the length of time the driver may spend at the wheel and the responsibility they have for the safety of their passengers and the public.
241. Upon an initial application for a driver's licence the applicant shall produce a completed medical examination report provided by the Council. This report includes a vision assessment form and a certificate of fitness that must be completed **by the applicant's own G.P. or a registered medical practitioner with access to the applicant's full medical history**. The applicant is responsible for paying the fee for the examination. If necessary the G.P. practice may return the completed form direct to the Licensing Office. If the Council requires any further information in respect of any matter identified in the medical report the Council may either contact the G.P. practice direct, when appropriate, or alternatively request the applicant to obtain the information.
242. During the application process the medical examination report will be deemed valid for a period of 6 months after which, if the application process is still ongoing, either a new medical form or a letter from the G.P. who made the original medical declaration, confirming that there has been no change in the medical fitness of the applicant, will be required.
243. The registered medical practitioner must confirm that:
- They have examined the applicant.
 - The applicant is registered with the practice and/or they have full access to the applicant's full medical records.
 - The medical examination was carried out to the DVLA's Group 2 standard.
 - They consider the applicant meets Group 2 standard and to be fit to act as the driver of a hackney carriage or private hire vehicle.
244. Existing licensees aged over 45 years must provide a medical examination report as evidence of their medical fitness to hold a licence every five years and after the age of 65 years, annually.
245. If a driver has any change in their medical condition or a medical condition that requires notification to the DVLA e.g. sleep apnoea, they shall also be required to notify the Council within 7 days.
246. In addition to the above requirements, where a driver suffers from a condition that requires monitoring but which would not prevent them from driving, they

are required to provide written confirmation from their G.P. or consultant at intervals, as recommended by the DVLA standards, that they continue to meet Group 2 standards and remain fit to carry out the duties of a licensed driver.

247. Applicants with insulin treated diabetes should refer to the specific guidance notes at www.middlesbrough.gov.uk Such applicants may be licensed but will be required to meet the criteria contained in the guidelines and if a licence is granted will then be subject to the submission of an annual medical report from a hospital consultant specialising in treating diabetes.
248. If the Council is not satisfied as to the medical fitness of a new applicant, a hackney carriage or private hire driver's licence will not be granted.
249. If the Council is not satisfied as to the medical fitness of an existing licensed hackney carriage or private hire driver, there may be reasonable cause to suspend, revoke or refuse to renew the licence under Section 61 of the Local Government (Miscellaneous Provisions) Act 1976.

DVLA Licence Check

250. The Council will conduct checks on a driver's DVLA licence to ensure that it is valid and that there are no endorsements on the licence which would make that person a risk to the public. These checks will be carried out for each new driver's licence application and at least annually thereafter.
251. This process will involve the provision, by the driver of a licence 'check code'. This code can be obtained from www.gov.uk/view-driving-licence and allows the Council to check the status of a DVLA driving licence.

Safeguarding Vulnerable Passengers Awareness Training

252. All new applicants for hackney carriage and private hire drivers licences are required to undertake Council approved Safeguarding Vulnerable Passengers awareness training and produce a certificate as evidence of such training before a licence can be granted so as to equip them with the knowledge and skills to identify signs of potential abuse and how they should respond.

Disability Awareness Training

253. All new applicants for hackney carriage and private hire drivers licences are required to undertake Council approved Disability Awareness training and produce a certificate as evidence of such training before a licence can be granted so as to give them confidence and self-assurance to be able to give disabled people the same high-level of service that is given to everyone else.
254. There will be an exemption from this requirement for applicants who have previously obtained the Transporting of Passengers by Taxi and Private Hire Level 2 BTEC Award.

Drug Testing

255. In view of the increase in the number of applicants/drivers with cautions and or convictions for drug related offences and to provide equity with drivers of other forms of public transport, the Council will conduct drug tests on existing drivers and new applicants on an intelligence led and random basis. Selected drivers will be expected to either submit to any tests deemed appropriate by an authorised officer of the Council or to attend a medical practitioner chosen by the Council and submit to any tests deemed appropriate.
256. Failure to comply with any request for a test without reasonable excuse or positive test results will result in the revocation of the drivers licence with immediate effect, as on the balance of probability it is considered that the driver presents a risk to public safety.

Tax Conditionality

257. Tax Conditionality under the Finance Act 2021 places new requirements on licensing bodies (the Council) and these will differ depending on whether the applicant is new or already licensed.
258. In respect of first time applications the Council will direct the applicant to HMRC's published guidance about their tax obligations and obtain a simple confirmation that they are aware of it via a declaration on the application form. No tax check will be required from such applicants.
259. An applicant will need to carry out a tax check if they are:
- Renewing a licence
 - Applying for the same type of licence that they previously held, that ceased being valid less than a year ago
 - Applying for the same type of licence already held with another licensing authority
260. The tax check will confirm whether the individual is appropriately registered for tax and whether income from the licensed activity has been reported on a tax return.
261. The applicant must carry out the tax check with HMRC themselves and cannot ask a tax agent or advisor to do this for them.
262. The tax check with HMRC will ask questions about how the applicant pays any tax that may be due on income earned from the licensed trade.
263. After completing the tax check HMRC will provide the applicant with a 9-character tax check code which must be provided to the Council on the application form. This will enable the Council to confirm that a tax check has taken place.

264. Failure to complete the declaration or to provide a tax check code will result in the application being rejected.
265. HMRC are developing a new simple digital service to enable tax checks to be carried out and this part of this policy will therefore be updated when further information becomes available.
266. Applicants are advised that Schedule 23 to Finance Act 2011 (Data Gathering Powers) and Schedule 36 to Finance Act 2008 (Information and Inspection Powers), grant HMRC powers to obtain relevant information from third parties. This includes licensing bodies being required to provide information about licence applicants.

Application Procedure

267. The following documents are to be submitted for **a new application**:

- Completed application form.
- Immigration status documentation or:
 - View and Prove Your Immigration Status Service share code.
- Medical examination report.
- Knowledge test pass certificate if previously undertaken.
- Disclosure and Barring Service (DBS) application form with appropriate identity documents (or alternative).
- Certificate of good conduct or equivalent where appropriate.
- Driving licence
- DVLA mandate form.
- DVLA licence check code
- Pass/completion certificate for Safeguarding Awareness training
- Licence fee including DVLA mandate form and DBS Disclosure application fee.
- Disability Awareness training certificate.
- Declaration that the applicant is aware of HMRC's guidance on their tax obligations or:
 - HMRC tax-check code if the applicant currently holds a licence with another council or they are applying for the same type of licence they previously held, that ceased to be valid less than a year ago

268. Applications submitted without all of the supporting documents, codes and the appropriate fee will not be processed.

269. Any incorrectly completed forms will not be processed.

270. All documents **must correspond in respect of the full name and address of the applicant** or the application will not be processed.

271. Applicants who are found to be disqualified from holding a licence by virtue of their immigration status will have their application refused.

272. The medical examination report and DVLA mandate form should not be completed and signed earlier than 28 days before submission to the Licensing Office.
273. Applicants will be given appointments to undertake the disability awareness training and the knowledge test and the application will not be determined until the, disability awareness training and knowledge test have been taken and passed and a satisfactory medical examination report, and DBS disclosure and the results of a DVLA licence check/mandate and tax check are received.
274. If the application is withdrawn or refused the fee will be refundable minus the proportion of the charge for the DBS application, the DVLA mandate form, the knowledge test fee (if undertaken), the disability awareness training (if undertaken) and an administration charge.
275. The following documents are required for **a renewal application**:
- Application renewal form.
 - Immigration status documentation or immigration status share code, if required
 - DVLA driving licence.
 - DVLA mandate form.
 - DVLA licence check code
 - Medical examination report, if required.
 - DBS application form with appropriate identity documents, if required.
 - Licence fee including any disclosure application fee, if required.
 - HMRC tax-check code
276. If the renewal application is refused the fee will be refundable minus the proportion of the charge for any DBS application, the DVLA mandate form and an administration charge.
277. The legislation does not allow for continuity of licence and it is the driver's responsibility to ensure that a renewal application is made in good time. It is recommended that drivers submit their renewal application one month before their licence is due to expire.
- Drivers who expect to be out of the country at the time their licence expires must contact the Council before they leave so that renewal arrangements can be made.
278. Renewal applications received after twenty eight days from the expiry date of a licence will not be accepted for processing and a new driver's licence application will need to be made and the driver will not be permitted to work until the new application has been approved. In such cases any grandfather rights given to existing drivers i.e. in respect of the exemption from the requirement to complete the, medical and DBS check will lapse if the new application is not made within 28 days from the expiry date of the licence.

279. Renewal applications will be processed and issued, unless the Council has reasonable grounds for concern. In such circumstances the renewal application will not be determined until or unless these concerns have been satisfactorily resolved and each case will be determined on its merits. In these circumstances a short-term licence will be issued which will run from the expiry of the existing licence until the determination of the renewal application, provided that the renewal application was made before the existing licence expired. The short-term licence will be issued “without prejudice” to any subsequent decision that the council may make.
280. If details of new convictions or charges are received during the renewal process the application to renew will be dealt with on its merits according to this Policy.
281. If details of any convictions or cautions are received through the DBS and the DVLA checking process and a declaration has been signed stating that there are no new convictions or cautions, this will be treated very seriously and the appropriate action taken.
282. The Licensing Manager may at any time refer a decision to grant or renew a driver’s licence to the Licensing Committee.
283. If a licence is refused the decision and reasons for the decision will be sent to the applicant within 5 working days of the decision.
284. All drivers will be issued with a badge detailing their licence number, expiry date and a photograph of the licence holder. This badge must be worn at all times when the driver is working and shown when requested by an authorised officer of the Council, a Police Officer, or a passenger in a licensed vehicle. A paper licence is also issued which should be deposited with the licensed private hire/hackney carriage vehicle proprietor that the driver works for.
285. All Private Hire drivers will be issued with a private hire driver licence record card that shall be given to and retained by the licensed Private Hire Operator he/she is currently employed by or working through.
286. Lost or stolen badges and/or licences/record cards must be reported on the next working day to the Licensing Office. Damaged badges, licences or record cards should be reported to the Licensing Office.

Term of Licence

287. Driver licences are normally issued for a period of one or three years, but a licence can be issued for a shorter period if the Council consider it appropriate.
288. Where an applicant’s leave to remain in the UK is restricted by their immigration status any licence issued will be for a limited period and will have a corresponding expiry date. Where an applicant has been granted a

continuation of leave pending variation decision under Section 3C of the Immigration Act 1971 a licence will only be issued for a period of six months maximum. The appropriate pro-rata fee will be charged.

Conditions of Licence

289. The Council is not permitted to attach conditions to a hackney carriage driver's licence. It is, however, empowered to attach such conditions to a private hire driver's licence and this includes combined private hire/hackney carriage drivers as are considered reasonably necessary.
290. The conditions set out at Appendix H are considered reasonably necessary and appropriate, and as such may be legally imposed in respect of private hire drivers.
291. Hackney carriage drivers will be provided with Notes for Drivers, which are a summary of the legislative/byelaw requirements together with the requirements and expectations of this policy, a copy of which is attached at Appendix I. All licence holders will be provided with a copy of the conditions/notes at the time their licence is issued and the driver's file will be updated to confirm receipt.
292. This Policy also includes a driver's General Code of Conduct, a Code of Conduct when working with Vulnerable Passengers and Dress Code which are detailed in the following paragraphs and which the Council will require all drivers to adhere to.

General Code of Conduct

293. This Policy includes a General Code of Conduct for all drivers that the Council wishes drivers to operate in accordance with. This serves to promote the Council's licensing objective in respect of hackney carriage and private hire licensing. This Code of Conduct may be taken into consideration in disciplinary matters.
294. All licence holders will be provided with a copy of the Code and the driver's file will be updated to confirm receipt.
295. The Code of Conduct is attached at Appendix J to this Policy.

Code of Conduct When working With Vulnerable Passengers

296. This Policy includes a Code of Conduct when working with Vulnerable Passengers for all drivers and operators that the Council wishes drivers to operate in accordance with. This serves to promote the Council's licensing objective in respect of hackney carriage and private hire licensing. This Code of Conduct may be taken into consideration in disciplinary matters.

297. All licence holders will be provided with a copy of the Code and the driver's file will be updated to confirm receipt. Failure to comply with this code may be taken into consideration in disciplinary matters.

298. The Code of Conduct is attached at Appendix K to this Policy.

Driver's Dress Code

299. A Dress Code serves to enhance the image of the hackney carriage and private hire trade and promotes the concept that drivers of licensed vehicles are professional drivers.

300. In order to raise the profile of the licensed trade, drivers should operate at all times in an appropriate manner and conform to a minimum standard of dress. A Dress Code for licensed drivers is therefore included at Appendix H.

301. Failure to comply with the Dress Code may be taken into consideration in disciplinary matters.

Changes to Licence Details

302. Drivers shall notify the Council in writing within 7 days of any change to their home address or any change to their name that appears on their licence

Voluntary Return of Licence

303. Although there are no statutory provisions within the Town Police Clauses Act 1847 or the Local Government (Miscellaneous Provisions) Act 1976 which allow for the voluntary return of a driver's licence, the Council recognises that there are many legitimate reasons why a driver may wish to return their licence. This could include, for example, changes in their medical condition, personal circumstances or the driver may simply wish to pursue another career path. In such circumstances it is likely that the Council will accept the return of the driver's licence and arrange for a pro-rata refund of the licence fee, minus any administration charges. Voluntary surrender of a licence will not be accepted when the driver is subject to any ongoing legal proceedings, disciplinary hearing or investigation of a complaint.

304. Any request to return a driver's licence shall be made in writing and the Council will consider each case on its merits.

Section 4 – Private Hire Operators

- Requirements and Obligations
- Register of staff
- Policy on employing ex-offenders
- Immigration Status
- Criminal Record Checks
- Safeguarding
- Conditions
- Insurance
- Planning Consent
- Tax Conditionality
- Application Procedure
- Licence Duration
- Address from with an Operator may operate
- Location of Private Hire Vehicles when not booked
- Record Keeping
- Change of Address
- Complaints
- Material Change

Requirements and Obligations

305. Any person who operates private hire vehicles must apply to the Council for a private hire operator's licence. The Local Government (Miscellaneous Provisions) Act 1976 defines the terms 'operate' as meaning 'in the course of business to make provision for the invitation or acceptance of bookings for a private hire vehicle'.
306. The Council takes the view that as the person responsible for recruiting private hire vehicles and drivers, for accepting bookings and for fulfilling customer expectations the role of the private hire operator is crucial. It is he/she who can set the standards expected by the Company and the Council and ensure that vehicle proprietors and drivers meet those standards and customers' expectations. It is also important that the private hire operator recognises the role of the Council as the Licensing Authority and works in partnership with the Council to achieve high standards.
307. The objective in licensing private hire operators is therefore to ensure that only persons who are honest, professional and committed to meeting the Councils high standards are licensed as private hire operators and ensuring the protection of the public who will be using the operator's premises and the vehicles and drivers arranged through them.
308. A private hire vehicle may only be despatched to a customer by a private hire operator who holds an operator's licence. Such a licence permits the operator to make provision for the invitation or acceptance of bookings for a private hire vehicle. An operator may subcontract a booking to another private hire operator anywhere in England, Wales and Scotland

309. A private hire operator must ensure that every private hire vehicle despatched by him is licensed and driven by a person who holds a valid private hire driver's licence and that the driver has the use of a fully operational sat-nav system (or similar device) at all times. The operator, vehicle and driver must be licensed by Middlesbrough Council unless the booking is sub-contracted to another private hire operator who is licensed with a different council
310. It is a criminal offence to operate a private hire vehicle without an operator's licence.
311. Operators need to familiarise themselves with the appropriate legal requirements and licence conditions and ensure they employ suitable work methods in order to comply with the legal requirements and avoid committing licensing offences. Part of the application process will include an interview in this respect.
312. It shall be a condition that the applicant operates from a premises within the controlled district of the Council.
313. The Licensing Office may request additional information as may reasonably be considered necessary with regard to new and renewal applications to enable them to determine whether the licence should be granted and whether conditions should be attached to any such licence.
314. The operator is responsible for all persons that are employed, contracted or otherwise used in the course of their private hire business. To that end, the operator must undertake sufficient assessments* to satisfy themselves that only 'fit and proper' persons who have contact with the public and/or oversee the dispatching of vehicles are used (and continue to be used) in the course of their private hire business and that they do not present an undue risk to the public or the safeguarding of children and vulnerable adults. The failure of an operator to ensure that sufficient assessments are carried out may call into question the operator's fitness and propriety.

*Note: Sufficient assessments should include references from previous employers and must include the production of a basic DBS disclosure which has been issued no earlier than one calendar month before their offer of employment, contract or use from persons who are not currently a licensed private hire and/or hackney carriage driver

Register of staff and policy on employing ex-offenders

315. The operator shall keep and maintain a register of all staff that will take bookings or dispatch vehicles (details of what is required in the register can be found in Appendix L) and shall also produce a policy to the satisfaction of the Council on employing ex-offenders in roles that would be on the register. In developing this policy the operator shall have regard to the Council's policy on the Relevance of Convictions etc., which is contained at Appendix G, to

determine who may not be suitable to decide who is sent to carry a child or vulnerable adult unaccompanied in a car.

316. Operators shall record that they have had sight of a Basic DBS check on all individuals listed on their register of booking and dispatch staff and shall ensure that Basic DBS checks are conducted on any individuals added to the register and this is compatible with their policy on employing ex-offenders. All individuals who start taking bookings and dispatching vehicles for an operator shall be required, as part of their employment contract, to advise the operator of any convictions while they are employed in this role.
317. The register shall be a “living document” that maintains records of all those in these roles and must be preserved for a period of at least 1 year. A record that the operator has had sight of a basic DBS check certificate (although the certificate itself should not be retained) shall be retained for the duration that the individual remains on the register. Should an employee cease to be on the register and later re-entered, a new basic DBS certificate shall be requested and sight of this recorded.
318. The register shall be available for inspection and/or be produced at the request of a Police Officer or authorised officer of the Council
319. The operator shall also provide all drivers employed or used to fulfil private hire bookings with suitable training on their roles and responsibilities and in particular the law regarding plying for hire and accepting un-booked fares.
320. The following are examples of circumstances that may affect the fitness and propriety of an operator:
- Operating vehicles that are unlicensed or are in an unsuitable condition;
 - Failure to satisfactorily address concerns in relation to licensed drivers and other employees (including matters related to child/adult safeguarding);
 - Licensed drivers or vehicle proprietors persistently breaching the conditions of their licence whilst working for/under the instruction of a particular operator.

Immigration Status

321. All applicants for the grant or renewal of a private hire operator’s licence are required to demonstrate that they are not disqualified by their immigration status from holding a licence by submitting in person one of a number of prescribed acceptable documents which show that the applicant has permission to be in the UK and undertake work as an operator. . A list of acceptable documents can be found at www.middlesbrough.gov.uk/taxis. If an applicant has an indefinite right to remain and work in the UK they will only be required to prove that entitlement once.
322. No licence will be granted until the applicant is able to provide such evidence.

323. Further details on the right to work process can be found at paragraphs 205 – 213 above.

Criminal Record Checks

324. This is a position of trust as operators gain detailed knowledge as to a person's movements, travel arrangements etc.

325. The Council will only grant a private hire operator's licences when it is satisfied that the applicant is a fit and proper person, poses no risk to the public and has no links to serious criminal activity.

326. If the applicant is not a licensed hackney carriage or private hire driver then before an application for the grant of a private hire operator's licence will be considered the applicant must provide a basic disclosure from the DBS which has been issued no earlier than one calendar month before making the application.

327. If an applicant has spent six continuous months or more living outside the United Kingdom, evidence of a criminal record check by way of production of a "Certificate of Good Character" from the country/countries covering the relevant period will also be required unless previously submitted as part of a licensed driver application.

328. When determining the suitability of an applicant or licence holder with a conviction the Council will refer to its Policy on the Relevance, of Convictions, Cautions, Reprimands, Warnings, Complaints and Character which is at Appendix G and when consideration will be given to all offences other than those relating to driving

329. If the applicant is a limited company, then a basic disclosure from the DBS and Certificate of Good Character (where appropriate) must be provided by each director. If the applicant is a partnership then this disclosure and certificate (where appropriate) must be submitted by each partner.

330. If the applicant is currently licensed as a driver with the Council they will be exempt from this requirement, as they are already subject to DBS checks.

331. A basic disclosure from the DBS will be required to be undertaken annually.

332. Refusal to licence an individual as a driver or to suspend or revoke a driver licence does not automatically mean that an individual cannot be issued or continue to hold a private hire operator licence. Such applications will be determined on their merits and when only information that would be disclosed on a basic DBS check will be considered.

333. Any concerns highlighted during this process will be carefully considered and may be referred to the Licensing Committee for determination.

Safeguarding Vulnerable Passengers

334. The Council expects licensed Private Hire Operators to support the Council in its aims to raise awareness of and tackle issues around child and adult safeguarding
335. All new applicants for Private Hire Operator licences (who do not hold a drivers licence) are required to undertake Council approved Safeguarding Vulnerable Passengers awareness training and produce a certificate as evidence of such training before a licence can be granted so as to equip them with the knowledge and skills to identify signs of potential abuse and how they should respond.
336. Applicants for Private Hire Operator licences are required to submit a Safeguarding Vulnerable Passengers policy in respect of their business to the satisfaction of the Council as part of the application process.

Operators may outsource booking and dispatch functions but they cannot pass on the obligation to protect children and vulnerable adults and are required to evidence that comparable protections are applied by the company to which they outsource these functions. This evidence shall be documented and shall be available for inspection and/or be produced at the request of a Police Officer or authorised officer of the Council

Conditions

337. The Council has power to impose such conditions on an operator's licence as it considers reasonably necessary.
338. Appendix L sets out the general conditions to be attached to an operator's licence which covers the standards of service expected.
339. Additional conditions may be imposed depending upon individual circumstances.

Insurance

340. Applicants are required to ensure that appropriate public liability insurance has been taken out and may be required to produce evidence of the same on request. Where necessary operators must also hold employers liability insurance.

Planning Consent

341. Applicants are required to obtain planning consent, where necessary, for any premise they intend to operate from.

342. If the planning consent is time restricted, it is the operator's responsibility to ensure that a new permission is applied for prior to the current planning permission expiring.

Tax Conditionality

343. Tax Conditionality under the Finance Act 2021 places new requirements on licensing bodies (the Council) and these will differ depending on whether the applicant is new or already licensed.

344. In respect of first time applications the council will direct the applicant to HMRC's published guidance about their tax obligations and obtain a simple confirmation that they are aware of it via a declaration on the application form. No tax check will be required from such applicants.

345. An applicant will need to carry out a tax check if they are:

- Renewing a licence
- Applying for the same type of licence that they previously held, that ceased being valid less than a year ago
- Applying for the same type of licence already held with another licensing authority

346. The tax check will confirm whether the individual or company is appropriately registered for tax and whether income from the licensed activity has been reported on a tax return.

347. The applicant must carry out the tax check with HMRC themselves and cannot ask a tax agent or advisor to do this for them.

348. The tax check with HMRC will ask questions about how the applicant pays any tax that may be due on income earned from the licensed trade.

349. After completing the tax check HMRC will provide the applicant with a 9-character tax check code which must be provided to the Council on the application form. This will enable the Council to confirm that a tax check has taken place.

350. Failure to complete the declaration or to provide a tax check code will result in the application being rejected.

351. HMRC are developing a new simple digital service to enable tax checks to be carried out and this part of this policy will therefore be updated when further information becomes available.

352. Applicants are advised that Schedule 23 to Finance Act 2011 (Data Gathering Powers) and Schedule 36 to Finance Act 2008 (Information and Inspection Powers), grant HMRC powers to obtain relevant information from third parties. This includes licensing bodies being required to provide information about licence applicants.

Application Procedure

353. The following documents are to be submitted for a new application and for a renewal application when appropriate:

- Application form, including signed statutory declaration.
- Immigration status documentation
- Basic DBS disclosure which has been issued no earlier than one calendar month before making the application (if not currently licensed as a hackney carriage or private hire driver)
- Certificate of good character (where appropriate)
(Note in the case of an application made by a partnership or company the requirement to produce a DBS disclosure and Certificate of good character will apply to each partner or director.)
- Safeguarding Vulnerable Passengers policy
- Pass/completion certificate for Safeguarding Awareness training (unless the applicant is a licensed driver)
- Licence fee.
- Declaration confirming that the applicant is aware of HMRC's guidance on their tax obligations or HMRC tax-check reference if the applicant currently holds a licence with another council or the application is a renewal application
- Policy on employing ex-offenders

354. The legislation does not allow for continuity of licence and it is the operator's responsibility to ensure that a renewal application is made in good time. It is recommended that operators submit their renewal application one month before their licence is due to expire.

355. Operators who expect to be out of the country at the time their licence expires must contact the Council before they leave so that renewal arrangements can be made.

356. Renewal applications received after twenty eight days after the expiry date of a licence will not be accepted for processing and a new operator's licence application will need to be made and the operator will not be permitted to work until the new application has been approved

357. Renewal applications will be processed and issued, unless the Council has reasonable grounds for concern. In such circumstances the renewal application will not be determined until or unless these concerns have been satisfactorily resolved and each case will be determined on its merits. In these circumstances a short-term licence will be issued which will run from the expiry of the existing licence until the determination of the renewal application, provided that the renewal application was made before the existing licence expired. The short-term licence will be issued "without prejudice" to any subsequent decision that the council may make.

358. If details of new convictions or charges are received during the renewal process the application to renew will be dealt with on its merits according to this Policy.

The Licensing Manager may at any time refer a decision to grant or renew an operator's licence to the Licensing Committee

If a licence is refused the decision and reasons for the decision will be sent to the applicant within 5 working days of the decision.

359. Officers may require a site visit prior to the determination of the licence application.

360. Applicants will be interviewed regarding their knowledge of the legislation, customer care and conditions appertaining to private hire work.

Licence Duration

361. Licences will be issued for a period of five years unless a lesser period is deemed appropriate.

362. Where an applicant's leave to remain in the UK is restricted by their immigration status any licence issued will be for a limited period and will have a corresponding expiry date. Where an applicant has been granted a continuation of leave pending variation decision under Section 3C of the Immigration Act 1971 a licence will only be issued for a period of six months maximum.

Address from Which an Operator May Operate

363. Upon the grant of an operator's licence the Council will specify the address from which the operator may operate. These premises must be in the controlled district of the Council, and will be expected to have planning consent for use as a private hire office when deemed applicable.

364. If an operator wishes to change the base from which they operate they shall seek written approval from the Council prior to any change taking place.

Location of Private Hire Vehicles when Not Booked

365. The operator shall direct its Private Hire Vehicle drivers that when a Private Hire Vehicle (operating as such) is not on route to, engaged in, or returning from a pre-booked journey it is kept at the operating base or other appropriate, lawful location, and use all reasonable endeavours to ensure compliance with that direction.

366. In determining what is an appropriate location the operator shall take all reasonable steps to ensure that the Private Hire Vehicle is not parked in such

a position as to cause annoyance or disturbance to any other person or damage to property and which could give rise to complaints e.g. parking in residential areas.

Record Keeping

367. Records are required to be kept by the operator of every booking invited or accepted by them. These shall be kept either in a suitable book duly approved by the Council, the pages of which shall be numbered consecutively or by use of a computer data base. (Appendix L refers to the details to be recorded).
368. Records must be preserved for a period of at least 1 year and be available for inspection and/or be produced at the request of a Police Officer or authorised officer of the Council.
369. The operator must ensure that any staff responsible for taking bookings are competent to do so and are capable of using the system used for the keeping of records.

Change of Contact Address

370. The operator must advise the Council in writing of a change of any contact address that appears on the licence, within 7 days of such a change taking place.

Complaints

371. The operator must identify a point of contact for consumer related complaints and provide details of the point of contact to the Council on the grant of licence. Any change to this point of contact must be notified to the Council within 7 days of the change of contact.
372. The operator shall keep a record of the particulars set out in lines a) to f) below of any complaints received concerning a private hire booking accepted by him, and the particulars set out at d) to f) below of any other complaint made in respect of his undertaking as a licensed operator. The records shall be retained for a period of not less than 12 months and shall be made available for inspection and/or be produced to an authorised officer of the Council or a Police Officer on request.
- a) The date of the related booking;
 - b) The name of the driver who carried out the booking;
 - c) The registration mark of the vehicle used;
 - d) The name of the complainant and any address, telephone number or other contact details provided by him;
 - e) The nature of the complaint; and
 - f) Details of any investigation carried out and subsequent action taken as a result.

373. Whilst it is expected that the Operator shall attempt to resolve all complaints initially, Operators must also notify the Council by the next working day of receipt of any allegation, concern or complaint received and of any action taken or proposed, which relates to any person licensed by the Council and which involves the following:

- Allegations of sexual misconduct, sexual harassment or inappropriate sexual attention
- Racist behaviour
- Safeguarding concern
- Violence
- Dishonesty
- Use of drugs or alcohol

Operators must also provide complainants who are dissatisfied with the outcome of their investigation/response into their complaint with contact details for the Council's Licensing Section.

Material Change

374. A private hire operator's licence is not transferable and operators must notify any proposed changes, substitution or removal of the person(s) authorised to operate under the terms of the licence to the Council immediately in writing prior to the changes taking place. This includes any change in directors or partners.

Section 5 – Fares

- General
- Table of Fares
- Receipts
- Overcharging

General

375. Councils have the powers to set hackney carriage fares for journeys within their area.
376. When a journey ends outside the Council's area a fare greater than that shown on the meter may be charged but only if an agreement has been made with the hirer in advance. In the absence of such an agreement, only the metered fare can be charged. Failure to comply is an offence.
377. Hackney carriage fares, set by the Council, are the maximum and can be negotiated downwards by the hirer.
378. The Council will review the table of fares when requested by the trade. When determining the level of fares consideration will be given to what is reasonable to expect the travelling public to pay as well as the need to give the drivers an incentive to provide a service at all times it is needed. The current table of fares is not part of this Policy as it is subject to its own review.
379. A notice of any proposed variation to the maximum fares will be advertised in a local newspaper with a date set not less than 14 days from publication for making objections to the proposed variation.
380. If no objections are received the fare variation will have immediate effect at the end of the statutory period set for objections to be made. If any objections are received the matter will be referred to the Licensing Committee for consideration and/or modification and a further implementation date will be set.
381. The Council is not empowered to set fares for private hire operators. It is a matter for negotiation between the hirer and operator at the time of booking and the operator should make this clear. When a hackney carriage vehicle is used for private hire services the fare charged cannot exceed that which would be charged under the table of fares applicable to hackney carriages.

Table of Fares

382. A table of fares will be provided to each hackney carriage licence holder, which must be displayed in each vehicle so that it is easily visible to all hirers.

Receipts

383. A driver must, if requested by the hirer, provide a written receipt for the fare paid.

384. It is a condition of a private hire driver's licence that the driver shall provide the hirer with a written receipt of the fare paid if requested. Conditions cannot be attached to a hackney carriage driver's licence but in the notes given to drivers a similarly worded recommendation is made to reflect this policy requirement.

385. It shall be a requirement that any receipt when requested, should show:

- Date of issue
- Time of issue
- Vehicle licence plate number
- Driver name and licence number
- Metered fare (when applicable)
- Metered extras (when applicable)
- Total fare

Overcharging

386. All meters must be calibrated to the correct fare scale. It is an offence for the driver to demand more than the fare shown on the meter or agreed at the time of hiring with certain exceptions.

Section 6 – Fees

- Fee Structure
- Variation to Fee Structure
- Payments
- Payment Refunds

Fee Structure

387. The legislation provides that the fees charged may be sufficient to cover the reasonable costs of the issue and administration of driver licences; and for the grant of vehicle and operator licences as may be sufficient to cover the reasonable cost of:

- a) inspections of vehicles for the purpose of determining whether any such licence should be granted or renewed;
- b) providing hackney carriage stands; and
- c) administrative or other costs in connection with vehicle and operator licences and with the control and supervision of hackney carriages and private hire vehicles.

Licensing income from these fees is 'ring-fenced' which means that none of the income can be spent on other areas of council activity. The fees will be kept in separate accounts and there can be no cross-subsidy between the various accounts.

388. The current fees payable for the grant and renewal of hackney carriage and private hire licences and the basis on which the fees are calculated are available from the Licensing Office and the Council's website at <https://www.middlesbrough.gov.uk/taxis>

Variation to Fee Structure

389. The fee structure is reviewed as part of the budgetary process. Notice of the current scale of fees will be supplied to new applicants at the time of application.

390. A notice of any variation to the maximum fees in respect of vehicles, drivers and operators will be advertised in a local newspaper with a date set not less than 28 days from publication for making objections to the proposed variation of fees.

391. If no objections are received the fee variation will have immediate effect at the end of the 28 day consultation period. If any objections are received they will be considered by the Council and the variations confirmed or varied accordingly.

Payment Refunds

392. Fees paid in relation to hackney carriage and private hire driver and vehicle licences and private hire operator licences are subject to a partial refund on

the unexpired portion of the licence should the licence holder choose to surrender their licence during the period of the licence. Refunds shall be determined by the Council and an administration fee will also be levied.

393. Fees paid in respect of an unsuccessful application will be subject to a refund minus an administrative fee determined by the Council.

Section 7 – Convictions, Cautions, Conduct and Character

- Rehabilitation of Offenders Act 1974
- Hackney Carriage and Private Hire Drivers
- Private Hire Operators
- Vehicle proprietors
- Policy on the Relevance of Convictions, Cautions, Reprimands, Warnings and Complaints and Character
- Simple Cautions and Endorsable Fixed Penalties
- Conduct and Character

Rehabilitation of Offenders Act 1974

394. Hackney carriage and private hire drivers as an occupation are excluded from the provisions of the Rehabilitation of Offenders Act 1974. All relevant convictions, including spent convictions, may therefore be considered.

395. However, in 2013, amendments were made to the Rehabilitation of Offenders Act (Exceptions) Order 1975 (the Order) so that certain old and minor cautions and spent convictions are 'protected' and are not subject to disclosure under the Exceptions Order, nor will they appear on a standard or enhanced disclosure certificate issued by the DBS. Applicants for driver licences are required to disclose all convictions cautions, final warnings and reprimands whether they are spent or not, **unless** they are protected under the Order. Further information can be obtained from:
<https://www.gov.uk/government/publications/filtering-rules-for-criminal-record-check-certificates/filtering-rules-for-dbs-certificates-criminal-record-checks>

396. In December 2016 The Immigration Act 2016 included convictions for immigration offences or requirements to pay an immigration penalty as grounds for the suspension, revocation or refusal to renew a drivers or an operator's licence but the Rehabilitation of Offenders Act provisions in relation to spent convictions applies when considering such convictions.

Hackney Carriage and Private Hire Drivers

397. When an application is made for a hackney carriage or private hire driver licence the Council must be satisfied that the applicant is a fit and proper person and not disqualified by reason of their immigration status before issuing the licence. By law the council shall not grant a drivers licence unless they are satisfied of this (S.51 & S.59 Local Government (Miscellaneous Provisions) Act 1976 refer).

398. The legislation is worded in such a way as to put the onus on the applicant to provide evidence that they are a fit and proper person, rather than for the Council to prove that they are not.

399. The Council may fail to be satisfied that an applicant is a fit and proper person to hold a driver's licence for any good reason. If adequate information that a

person is a fit and proper person is not adduced or if there are grounds to question or doubt the information provided, then that could amount to good reason to refuse a licence.

400. In addition, the Council may:

- Suspend;
- Revoke; or
- Refuse to renew

a hackney carriage or private hire driver licence if the licensee has since the grant of the licence:

- Been convicted of an offence involving dishonesty, indecency or violence; or
- Been convicted of an immigration offence or required to pay an immigration penalty; or
- Been convicted of a private hire/hackney carriage licensing offence; or
- For any other reasonable cause (S.61 LG (MP) Act 1976 refers).

401. Reasonable cause encompasses a wide variety of issues, including other convictions, cautions, medical fitness and conduct, but the onus is now on the Council to prove that a driver is no longer considered to be a fit and proper person.

402. If it appears to be in the interests of public safety to do so then a suspension or revocation will have immediate effect and the driver will be given notice of that decision. The effect of this decision will mean that a driver cannot continue to drive licensed vehicles should an appeal be made against the decision.

Private Hire Operators

403. The Council must also be satisfied that applicants for private hire operator licences are fit and proper persons and not disqualified by reason of their immigration status before issuing a licence. This policy will therefore be referred to when considering an operator's licence application.

404. It is accepted that an operator does not have the same level of direct contact with the public as they will not drive the customer (unless they also hold a driver's licence). However, it is acknowledged that the operator will be in possession of information about people's whereabouts and movements and will deal with the public either face to face or over the telephone and as such there is a need for them to be fit and proper persons that pose no risk to the public and have no links to serious criminal activity.

405. In addition, the Council may:

- Suspend;

- Revoke; or
- Refuse to renew

an operator's licence for:

- Any offence, or non-compliance with the provisions of the LG (MP) Act 1976; or
- That he has since the grant of the licence been convicted of an immigration offence or required to pay an immigration penalty;
- Any conduct on the part of the operator which appears to the Council to render him unfit to hold an operator's licence;
- Any material change since the licence was granted in any of the circumstances of the operator on the basis of which the licence was granted; or
- Any other reasonable cause.

Vehicle Proprietors

406. As with driver licensing, the objective of vehicle licensing is to protect the public by ensuring private hire and hackney carriage vehicles are safe. It is important therefore that the Council is satisfied that applicants for vehicle licences also pose no threat to the public and have no links to serious criminal activity.

407. It is accepted that vehicle proprietors may not have direct contact with passengers but they are entrusted to ensure that the vehicles and drivers used to carry passengers have the appropriate licence and so maintain the benefits of the licensing regime.

408. In addition, the Council may:

- Suspend
- Revoke
- Refuse to renew

A hackney carriage or private hire vehicle licence when;

- The vehicle is unfit for use; or
 - For any offence, or non-compliance with the provisions of the LG (MP) Act 1976 or the Act of 1847; or
 - Any other reasonable cause
- (Section 60 LG (MP) Act 1976 refers)

409. In addition an authorised officer of the Council or a police constable has the power to inspect and test a hackney carriage or private hire vehicle to determine its fitness or as to the accuracy of its taximeter and if not satisfied can require the proprietor to make the vehicle available for further testing and can suspend the vehicle licence until so satisfied.

410. If the officer or constable is not so satisfied before the expiration of a period of two months the vehicle licence shall be deemed revoked. (Section 68 LG (MP) Act 1976 refers)

Policy on the Relevance of Convictions, Cautions, Reprimands, Warnings, Complaints and Character

411. The overriding consideration of the licensing regime is the safety of the public and safeguarding and promoting the welfare of children and the vulnerable. The Council has a duty to ensure that, as far as possible, those licensed to drive the public in hackney carriage or private hire vehicles are suitable persons to do so, that they are safe drivers with a good driving record and adequate experience, sober, courteous, mentally and physically fit, honest and not persons who might take advantage of their position to abuse or assault customers.

412. The Council has a Policy on the Relevance of Convictions, Cautions, Reprimands, Warnings, Complaints and Character (see Appendix G). This policy is intended to assist Licensing Officers and the Committee in making decisions and to ensure a consistent approach is maintained. However, each case is to be decided upon its own merits and Officers and the Committee may decide not to adhere rigidly to the policy if there are exceptional circumstances. Simply remaining free of conviction will not generally be regarded as sufficient evidence that a person is a fit and proper person to hold a licence. Applicants should also demonstrate evidence of good character.

413. It may be appropriate to depart from the general policy in some cases, for example, situations where the offence is isolated and there are mitigating circumstances. Similarly, multiple offences or a series of offences over a period of time are likely to give greater cause for concern and may demonstrate a pattern of inappropriate behaviour, which will be taken into account. Where an applicant has a conviction for a sexual offence, exploitation, or a crime resulting in death or intended to cause the death or serious injury of another person, or if they appear on the children and adults Barred Lists, they will not be licensed.. Where an applicant has served a custodial sentence the Council will consider the number of years since their release and the period for which they have been free from conviction when determining their fitness to be licensed. When calculating the period an Applicant is free from conviction or incident the Council will calculate the period from completion of any sentence imposed.

414. The policy should also assist applicants and licensees and those that represent them by clearly setting out the expectations the Council have in relation to the behaviour of applicants/licensees. This should also minimise the time (and associated costs) incurred by both the Council and applicants/licensees. Prior to submitting an application an applicant can therefore discuss further what effect a conviction/caution may have on any application by contacting the Licensing Office for advice.

415. The policy will be taken into account and in general will be followed, when dealing with a new application, a renewal application and when considering whether to issue a warning, suspend or revoke an existing licence.
416. The aim of the policy is not to punish the applicant/licensee twice for a conviction or caution but to ensure that public safety is not compromised and to protect the public from those who have demonstrated a propensity towards wrongdoing.
417. In considering evidence of an applicant's good character and fitness to hold a driver's licence, where previous convictions or other information relating to criminal matters are disclosed, the Council will consider the nature of the offence, when it was committed, the date of conviction, the applicant's age when the offence was committed and any other factors which might be relevant. However, where an applicant has been convicted of a criminal offence, the Council cannot review the merits of the conviction (Nottingham City Council v Mohammed Farooq (1998) refers).
418. The policy is not an attempt to define what a 'fit and proper person' is.
419. The policy does not deal with every type of offence. However, offences described in the policy and similar offences, though differently entitled in any statutory provision, modification or re-enactment, will be taken into account in accordance with the policy. Convictions for attempt or conspiracy will be regarded as convictions for the substantive crime.

Simple Cautions, Fixed Penalties and Community Resolutions

420. For the purpose of the guidelines simple cautions, fixed penalties and community resolutions shall be treated as though they were convictions and they shall be disclosed to the Council accordingly.

Conduct and Character

421. Criminal convictions are not the only criteria used when considering whether an individual is a fit and proper person to be licensed. Other factors, including the applicant or licensee's demeanour and appearance (dress) and behaviour during the application process may be taken into account in determining fitness and propriety.
422. The Council may require an applicant to submit additional information it reasonably considers necessary to enable it to determine whether a licence should be granted or whether conditions should be attached (S.57 LG(MP)Act 1976 refers).
423. The Courts have found that one purpose of licensing powers is to prevent licences being given to, or used by, those who are not suitable, taking into account their driving records, driving experience, sobriety, mental and physical fitness, honesty and ensuring that they would not take advantage of

their employment to abuse or assault passengers (Leeds City Council v Hussain (2002) refers).

424. When determining the fitness and propriety of drivers, Council Officers and Members may consider without any prejudice and based on the information before them, whether they would allow their son or daughter, spouse or partner, mother or father, grandson or granddaughter, or any other person for whom they care, to get into a vehicle with the applicant/licensee alone?
425. When determining the fitness and propriety of an operator the consideration could be whether they would be comfortable providing sensitive information such as holiday plans, movements of my family or other information to this person, and feel safe in the knowledge that such information will not be used or passed on for criminal or unacceptable purposes?
426. When determining the suitability of a vehicle proprietor the test could be whether I would be comfortable allowing this person to have control of a licensed vehicle that can travel anywhere, at any time of the day and night without arousing suspicion, and be satisfied that he/she would not allow it to be used for criminal or other unacceptable purposes, and be confident that he/she would maintain it to an acceptable standard throughout the period of the licence?
427. If the answer to the question is an unqualified yes, then the test is probably satisfied. If the Officers or Members have doubts then further consideration will need be given as to whether the individual is a fit and proper or suitable person to hold a licence
428. The Council can consider circumstances of concern even though a conviction has not been obtained or the conduct does not amount to a criminal offence. The Council's focus is the impact of the applicant or licence holder upon members of the public.
429. All decisions on the suitability of an applicant or licensee are made on the balance of probability. This means that an applicant or licensee will not be 'given the benefit of doubt'. If the Council is only "50/50" as to whether an applicant or licensee is 'fit and proper' then they will not be granted a licence.

, Section 8 – Enforcement, Discipline and Offences

430. This section provides an overview of enforcement and disciplinary action and the main offences concerned with the private hire and hackney carriage trade. It is not intended to be an exhaustive list and does not constitute legal advice. All enforcement action will be carried out having due regard to the requirements of the Council's Regulatory Services Enforcement Policy and the Regulators' Code.

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- Requests for Insurance and MOTs
- Simple Caution
- Prosecution
- Town Police Clauses Act 1847
- Local Government (Miscellaneous Provisions) Act 1976
- Hackney Carriage Provisions
- Private Hire Provisions
- Transport Act 1980 – Private Hire Provisions
- Road Traffic Act 1988, S.143 – Using a Vehicle without Insurance
- Criminal Justice and Public Order Act 1994, S.167 – Touting for Hire
- Health Act 2006 – Smoking in Vehicles
- Hackney Carriage Byelaws
- Equality Act 2010

Council Officers

431. Whilst the operation of a successful hackney carriage and private hire vehicle service is important to the economic well-being of the Borough, it is equally important that the service provided by the trade is properly regulated in order to instil confidence in the travelling public who wish to use the service.

432. Enforcement of hackney carriage and private hire matters is undertaken by the Council. The Police may also take action in certain circumstances.
433. Council officers can be authorised to undertake enforcement work and may take appropriate disciplinary action against unlicensed vehicles, drivers and operators and existing licence holders. In undertaking such work, officers will abide by this Policy and the appropriate Regulatory Services Enforcement Policy. Enforcement work includes routine checks and inspections, plying for hire test purchasing, investigating complaints made about drivers, vehicles and operators, in addition to matters observed by officers e.g. vehicle defects, overcrowding of hackney carriage ranks etc. The Council can consider all circumstances of concern even though a conviction has not been obtained or the conduct does not amount to a criminal offence.
434. Authorised officers may refuse to grant or renew licences and may suspend or revoke licences. Officers also have delegated powers, in consultation with the Licensing Committee Chair and Vice Chair, to grant licence applications where such applications do not comply with this Policy and it is considered that sufficient reasons have been submitted as to why the Council should depart from the Policy. Authorised Officers may suspend or revoke driver licences with immediate effect if it is considered that it is in the interests of public safety
435. If considered appropriate the Council will develop a joint authorisation of officers' protocol with neighbouring licensing authorities in the Tees Valley area. This will allow the councils involved to authorise officers from other councils to use enforcement powers on their behalf. This will enable those councils to take action against vehicles/drivers which are licensed by the other authority when they cross over council boundaries.

The Licensing Committee

Introduction

436. The Council's Licensing Committee exercises the Council's functions in relation to the licensing of hackney carriage vehicle, hackney carriage drivers, private hire vehicle, private hire operators and private hire drivers under the Town Police Clauses Act 1847, the Local Government (Miscellaneous Provisions) Act 1976 and other relevant legislation.
437. When considering any of the above matters the Licensing Committee will have regard to this Policy.

All members of the Licensing Committee shall be required undertake sufficient training before they are able to participate in the decision making process on any matter before the Committee.

Determination of Appeals, Disciplinary or Referred Matters Concerning Individual Licensees/Applicants by the Licensing Committee

438. Decision making in relation to licensing is an onerous duty, dealing with both the livelihood of the licensee/applicant and the possible risks to the safety and comfort of the public.
439. When the Committee considers such matters concerning a licensee/applicant it is operating in a quasi-judicial capacity and the rules of natural justice must be observed. The licensee/applicant must be treated fairly and be seen to be treated fairly. The Committee must be impartial, unbiased and act in good faith.
440. The Committee is required to make judgements based on the evidence submitted to it. It is not the Members' role to sit as advocates of either Council Officers, the Police or the licensee/applicant but to weigh the merits of the case as presented – ensuring that the proper considerations are taken into account and irrelevant factors are ignored, thereby reaching a balanced decision. The Committee must also state the reasons for its decisions.
441. If the matter before the Committee is a new application then the onus is on the applicant to satisfy the Committee that they are a fit and proper person. In the case of an existing licence holder the onus is on the Committee to determine whether they are still considered to be fit and proper.
442. Only Committee Members who have heard the entire application, appeal, or disciplinary matter are able to take part in the decision making process.
443. Committee Members should not participate in the hearing of a matter if there is apparent bias. This can arise where a Member's outside connections make it appear that there is a real danger of bias or a Member has a prejudicial interest. Personal interest in a matter under consideration must be declared. Where a prejudicial interest exists the Member must withdraw from the meeting room.
444. A prejudicial interest exists where a Member has a personal interest which a member of the public with knowledge of the relevant facts would reasonably regard as so significant that it is likely to prejudice their judgement of the public interest and it either:
- Affects the financial position of the relevant person or body; or
 - Relates to the determination for any approval, consent, licence, permission or registration in relation to that person or body.

Disciplinary or Referred Matters

445. In accordance with Council's constitution, the Committee is authorised to:
- Determine the appropriate disciplinary action (if any) to take against licensees referred to it by officers.

- Determine any licensing application or other matter concerning individual licensees referred to it by officers.
446. When considering a referred matter e.g. an application for a licence, the Committee will have regard to the appropriate sections of this Policy.
447. Appropriate disciplinary action can take a number of forms, for example:
- Grant or renew a licence
 - Grant or renew a licence with additional conditions (except in relation to a hackney carriage driver's licence)
 - Refuse to grant or renew a licence.
 - Suspend or revoke a licence) which may be with immediate effect in relation to a driver's licence)
 - Issue a warning expressing the Council's dissatisfaction with the licensee's behaviour, whilst also advising that future conduct incompatible with that expected of a licensee could lead to a revocation or refusal to renew.
 - Require a driver to undertake a further course, test etc.
448. The action to be taken in any particular case will depend on the seriousness of the conduct/conviction/medical condition etc. concerned.

Licensing Committee – Procedure

449. The Licensing Committee hearing aims to ensure that the licensee/applicant and complainant (where applicable) have the fullest opportunity to present all of the information they wish. The Committee is required to give full and fair consideration to the cases presented by the officers and the licensee/applicant and must reach a decision based on all of the relevant information presented to it at the hearing. To achieve this, the following procedure is adopted:

Before The Hearing

450. Where the matter is referred to the Licensing Committee for determination, officers shall inform the licensee/applicant of this and submit a report to the Committee.
451. A full copy of the report to Committee and the procedure to be followed at the hearing is supplied to the licensee/applicant prior to the hearing. Copies of this Policy are available on the Council's website. Licensees/applicants are strongly advised to read this document when preparing for the hearing.
452. The licensee/applicant will be given notice in writing at least 5 working days in advance of the date, time and place of the hearing and of his right to be accompanied/represented by a friend or other person, including a solicitor, and shall be allowed to call witnesses.
453. The licensee/applicant shall also be given the opportunity to submit a written statement of their case or other supporting documents prior to the hearing.

Documentation should be provided to the Council in advance of the hearing, The Committee may consider information provided at the hearing if it considers it is in the public interest to consider that information and if it considers the applicant or other party is not prejudiced as a result.

Absence of the Licensee/Applicant

454. The meeting may proceed in the absence of the licensee/applicant if they have informed the Council that they do not wish to attend or be represented at the hearing. If the licensee/applicant would like the meeting to be adjourned to enable them to attend then they must make this clear and provide reasons for the request.
455. If the licensee/applicant fails to attend or be represented at a meeting without notifying the Council, the Committee may adjourn the hearing to a specific date if it considers it to be appropriate to do so, alternatively it may proceed with the meeting in their absence.
456. Where it is decided to proceed in the absence of the licensee/applicant the Committee will consider the information they have supplied (if any) along with the report from Council officers.
457. If a decision is made to adjourn a hearing the licensee/applicant will be advised in writing of the new date, time and venue.

At The Hearing

458. Members of the Committee may ask questions at all stages.
459. Council officers or their representative shall present the report in the presence of the licensee/applicant and his/her representative and may call witnesses.
460. The Licensing Committee, the licensee/applicant and/or representative shall have the opportunity to ask questions of the information provided by the officers and any witnesses called.
461. The licensee/applicant and/or representative shall then put forward their case and may call witnesses.
462. The Licensing Committee as well as the officers and witnesses shall have the opportunity to ask questions of the licensee/applicant and/or representative and any witnesses called by or on behalf of the licensee/applicant.
463. The officer presenting the report and the licensee/applicant and/or representative shall have the opportunity to sum up their case if they so wish. If all parties opt to sum up, the licensee/applicant or representative may speak last.

464. The licensee/applicant, officers, representatives and any witnesses shall then withdraw from the meeting. Officers from Legal and Democratic Services will remain in the meeting to provide procedural and legal advice.
465. The Licensing Committee shall deliberate in private, only recalling the licensee/applicant or representative and officers to clear points of uncertainty. If this occurs all parties will be invited back into the hearing together. If the Committee has no additional queries then all parties will be called back into the meeting when the Chairman of the Committee will announce the decision of the Committee.
466. The licensee/applicant will also be notified of the Committee's decision and the reasons for it, in writing, within five working days.

Statutory Appeals

467. There is a statutory right of appeal to the Magistrates Court in relation to:
- A refusal to grant a private hire or hackney carriage driver's licence.
 - Any conditions attached to a private hire driver's licence.
 - A decision to suspend, revoke or refuse to renew a private hire or hackney carriage driver's licence.
 - A refusal to grant a private hire vehicle licence
 - Any conditions attached to a private hire or hackney carriage vehicle licence.
 - A decision to suspend, revoke or refuse to renew a private hire or hackney carriage vehicle licence under S. 60 LG(MP)Act 1976
 - A refusal to grant an operator's licence
 - Any conditions attached to the grant of an operator's licence.
 - A decision to suspend, revoke or refuse to renew an operator's licence.
 - A decision to include a vehicle on the Council's designated list of vehicles
 - A decision to refuse to grant a medical exemption certificate under the Equality Act 2010
 - A decision to specify a wheelchair accessible vehicle as a designated wheelchair accessible vehicle under the Equality Act 2010
468. An appeal against a refusal to grant a hackney carriage vehicle licence lies direct to the Crown Court.
469. Any appeal must be lodged with the appropriate Court 28 days from the date on which the notice was served.
470. Costs may be awarded by the Court against an unsuccessful appellant and therefore a licensee/applicant may wish to take independent legal advice with regard to the merits of an appeal.
471. Usually, when an appeal has been lodged, any action against an existing licence is stayed pending the outcome of the court appeal (S.77(2) LG(MP) Act 1976 refers) and the driver, operator or vehicle can still work. However, in cases where, in the interests of public safety, a decision has been made

that a suspension or revocation of a driver's licence should take immediate effect S.77(2) shall not apply and a driver is not allowed to continue driving pending the outcome of the appeal. In such cases the driver must be notified in writing, with an explanation as to why such action has been taken.

Non Statutory Appeals

472. Appeals against written warnings given by an authorised officer shall be to the Licensing Committee and should be made in writing within 14 days of receiving the warning. Appellants must explain in their application to appeal why they consider the decision to issue a warning was wrong.
473. If the above requirements have been complied with, the application to appeal will be referred to the Licensing Committee whereupon the Licensing Committee will review all the relevant information and may determine whether to uphold the appeal and remove the warning, uphold the officer's decision to issue the warning or substitute the officer's decision for any other decision that the Licensing Committee could make.
474. If the Committee determine that the warning stands then this decision is final and there is no internal or statutory route of appeal, however, licensees have the option of judicially reviewing the lawfulness of the decision to the High Court if grounds have been made out. If it is decided to challenge the decision by way of judicial review independent legal advice should be sought as to the grounds and time limits that may apply.

Who Is Who?

The Licensee or Applicant	The licensee or applicant (accompanied by a friend or representative if required) is invited to attend and make representations to the Licensing Committee.
Licensing Officers	Licensing Officers will submit information to the Committee to enable it to consider what action should be taken. On occasions a representative from the Police Authority, another body or a witness may attend to provide relevant information.
The Licensing Committee	The Licensing Committee is the body which has the delegated authority from the Council to determine licence applications and to decide upon disciplinary and other matters referred to it. The Committee is composed of elected Members from across all political parties and comprises a Chairman, Vice-Chairman and twelve members.
Legal & Democratic Services Officers	Officers representing Legal and Democratic Services advise the Committee on the relevant law and procedures. They do not take part in the decision making process.

Enforcement/Disciplinary Options

475. There are various options to take depending upon the circumstances including:

- Take no action
- Take informal action
- Use statutory and other notices/requests
- Suspend a licence
- Revoke a licence
- Refuse to renew a licence
- issue a simple caution
- Prosecute

476. An Authorised Officer may refuse to grant or renew licences and may suspend or revoke licences. Officers also have delegated powers in consultation with the Licensing Committee Chair and Vice Chair, to grant licence applications where such applications do not comply with this Policy and it is considered that sufficient reasons have been submitted as to why the Council should depart from the Policy.

Informal Action

477. Informal action to secure compliance with legislation and policy includes giving verbal and written advice and warnings or requiring attendance at a Driver Improvement or other training Scheme.

478. Informal action may be appropriate where:

- The act or omission is not serious enough to warrant more formal action.
- From the individual licensee's history it can be reasonably expected that informal action will achieve compliance.
- The consequences of non-compliance will not pose a significant risk to the safety of the public.

479. Even where the above criteria are not met, there may be circumstances in which informal action will be more effective than more formal action.

480. Repeated incidents of licence infringements, complaints etc. are however likely to lead to a referral to the Licensing Committee.

481. Existing licensed drivers who incur six penalty points on their DVLA drivers licence for minor offences relating to their standard of driving (See Appendix G) will be offered the opportunity to attend the Council's Driver Improvement Scheme at their own expense, as an alternative to being referred to the Licensing Committee.

Vehicle Defect Rectification Notices (VDR)

482. In situations where there is non-compliance with vehicle licence conditions, contravention of the legislation or byelaws, or when a vehicle has failed its Council test, officers may issue a vehicle defect rectification notice to the proprietor. Such notices are appropriate where the immediate suspension of the vehicle licence is not required. The notice will require the proprietor to remedy the defect and present the vehicle for further inspection within a specified time period, usually 14 days. If the defect has been remedied then usually no further action will be taken. If the defect is not remedied or the vehicle is not presented for inspection, the vehicle licence may be suspended and/or the proprietor may be prosecuted.

Suspension, Revocation or Refusal to Renew a Licence

Suspension of Vehicle Licence – Section 68 Notice

483. An authorised officer (or Police officer) has the power at all reasonable times to inspect and test any hackney carriage or private hire vehicle (or taximeter affixed to such a vehicle) licensed by the Council to ascertain its fitness. If the officer is not satisfied as to the fitness of the vehicle or the accuracy of the taximeter, he may by a written notice require the proprietor to make the vehicle or taximeter available for further inspection and testing at a reasonable time and place specified in the notice. The officer may suspend the vehicle licence until such time as they are satisfied as to fitness/accuracy (S.68 Local Government (Miscellaneous Provisions) Act 1976 refers). Suspension under Section 68 takes immediate effect. There is no right of appeal against such a suspension.

484. If the officer is not satisfied of the fitness/accuracy of the vehicle within 2 months from the issue of the suspension notice, the vehicle licence is deemed to be revoked. Such matters therefore do not need to be referred to the Licensing Committee. The proprietor will be given written notice of the revocation. There is a right of appeal against the revocation of the licence to a Magistrates Court and any appeal must be lodged within 21 days of notification of the decision.

Suspension/revocation of Vehicle Licence – Section 60 Notice

485. In accordance with S.60 Local Government (Miscellaneous Provisions) Act 1976, the Council, through its authorised officers and/or Licensing Committee, may suspend, revoke, or refuse to renew a private hire or hackney carriage vehicle licence on any of the following grounds:

- That the vehicle is unfit for use.
- The operator or driver has committed any offence under, or has not complied with, the Town Police Clauses Act 1847 or Part II of the Local Government (Miscellaneous Provisions) Act 1976.
- Any other reasonable cause.*

***Note:** this can include any inappropriate conduct or behaviour on the part of the driver or vehicle proprietor without the need for any conviction.

486. Where the Council suspends, revokes or refuses to renew a vehicle licence under this section it shall give the proprietor written notice of the grounds for the decision within fourteen days. The proprietor may appeal to a Magistrates Court within 21 days of notification of the decision and the notice will not take effect until this period has expired

Suspension/revocation of a Driver's Licence – Section 61

487. The Council may suspend, revoke or refuse to renew a driver's licence (private hire or hackney carriage) on any of the following grounds:

- That since the grant of the licence, the driver has been convicted of an offence involving dishonesty, indecency or violence.
- That since the grant of the licence the licensee has been convicted of an immigration offence or required to pay an immigration penalty.
- That since the grant of the licence the licensee has been convicted of an offence under, or has failed to comply with, the Town Police Clauses Act 1847 or Part II of the Local Government (Miscellaneous Provisions) Act 1976.
- Any other reasonable cause.

488. In addition the following revisions to Section 61 were introduced under the Road Safety Act 2006:

(2A) Subject to subsection (2B) of this section, a suspension or revocation of the licence of a driver under this section takes effect at the end of the period of 21 days beginning with the day on which the notice is given to the driver under subsection (2)(a) of this section.

(2B) If it appears that the interests of public safety require the suspension or revocation of the licence to have immediate effect, and the notice given to the driver under subsection (2)(a) of this section includes a statement that is so and an explanation why, the suspension or revocation takes effect when the notice is given to the driver.

489. Action to suspend or revoke a driver's licence with immediate effect will only be taken by an Authorised Officer when public safety is deemed to be a relevant consideration. Before such action is taken the holder of the driver's licence will be informed that suspension or revocation with immediate effect is being considered and will be invited to provide their response and state their case.

490. Where the Council suspends, revokes or refuses to renew a driver licence under this section, it shall give the driver written notice of the grounds for the decision within fourteen days. The driver must, on demand, return to the Council the driver's badge. The driver may appeal to a Magistrates Court. Any appeal must be lodged within 21 days of notification of the decision.

491. If the suspension or revocation is with immediate effect then the effect of this decision will mean that a driver cannot continue to drive licensed vehicles should an appeal be made against the decision.
492. A decision to revoke a licence does not however prevent the reissuing of a licence should further information be received that alters the balance of probability of a decision previously made. The decision to suspend or revoke was based on the evidence available at the time the determination was made. New evidence may, of course, become available later.
493. New evidence may be produced at an appeal hearing that may result in the Court reaching a different decision to that reached by the Council or an appeal may be settled by both parties submitting a joint submission inviting a particular decision by the court if in the light of new evidence, it becomes the appropriate course. If, for example, the allegations against a driver were now, on the balance of probability, considered to be unfounded, a suspension could be lifted or, if the licence was revoked, an expedited re-licensing process used.
494. A suspension may still be appropriate if the Council believed that a minor issue can be addressed through additional training. In this instance the suspension would be lifted and the licence would be returned to the driver once the training has been completed without further consideration. However this approach would clearly not be appropriate where the Council believes that, based on the information available at that time, on the balance of probability it is considered that the driver presents a risk to public safety.

Suspension/revocation of an Operator's Licence – Section 62

495. The Council may suspend or revoke or refuse to renew an operator's licence on any of the following grounds:
- Any offence under or non-compliance with Part II of the Local Government (Miscellaneous Provisions) Act 1976.
 - Any conduct on the part of the operator which appears to render him unfit to hold an operator's licence.
 - Any material change since the licence was granted in any of the circumstances of the operator on the basis of which the licence was granted.
 - That since the grant of the licence the operator has been convicted of an immigration offence or required to pay an immigration penalty.
 - Any other reasonable cause.
496. Where the Council suspends, revokes or refuses to renew an operator's licence under this section, it shall give the operator written notice of the grounds for the decision within fourteen days. The operator may appeal to a Magistrates Court within 21 days of notification of the decision and the notice will not take effect until this period has expired.

Stay of Action Pending Outcome of Court Appeal

497. S.77(2) LG(MP) Act 1976 – stays any action against a licence pending the outcome of the Court appeal. This means that if a driver, operator or proprietor appeals against a decision to refuse to renew, suspend, or revoke his licence, the licence is deemed to remain in force until the appeal has been determined.
498. The licensee has 21 days from receipt of written notification of the decision to lodge an appeal with the Court. The licensee can continue to use the licence during that period and if an appeal is lodged, can continue to use it until the appeal has been dealt with, otherwise the terms of the notice come into effect. If the Magistrates dismiss the appeal the licensee has 21 days within which to lodge an appeal in the Crown Court and again, can continue to use the licence until the appeal is determined.
499. The Council may decide that a suspension or revocation of a driver's licence should take immediate effect where they consider it is in the interests of public safety to do so. In such cases the notice given to the driver must include a statement that it is an immediate suspension/revocation and an explanation why. In this case the suspension or revocation takes effect when the notice is given to the driver and the driver will not be able to continue working pending an appeal.
500. When a licensee's Court appeal is unsuccessful the Court may order them to pay the Council's costs.

Requests for Production of Insurance

501. The Council has a programme whereby reminder requests to produce renewed insurance may be sent to proprietors before they are due to expire. If a valid insurance is then not produced the vehicle licence may be suspended and the proprietor may also be prosecuted for failing to produce a valid insurance certificate (S.50 LG(MP) Act 1976).
502. In addition, anyone driving an uninsured vehicle may be prosecuted (S.143 Road Traffic Act 1988).

Simple Caution

503. A simple caution may be issued as an alternative to a prosecution in appropriate circumstances, where the criteria for prosecution are satisfied but an offence is of a less serious nature. The Council will have regard to Home Office Guidance and other relevant guidance. It is necessary for the offence to be admitted prior to administering a simple caution.
504. A simple caution may be used to:
- To deal quickly and simply with less serious offences.
 - To divert less serious offences away from the Courts.

- To reduce the chances of repeat offences.

Prosecution

505. In certain cases the Council will prosecute offenders. Due regard to the Council's Regulatory Services Enforcement Policy and the Regulators' Code will be taken when determining if legal proceedings should be instituted.
506. In addition to prosecution, the licensee may be referred to the Licensing Committee for consideration of further disciplinary action (e.g. warning, suspension, revocation, refusal to renew).

Offences

Town Police Clauses Act 1847 (TPCA)

507. The following offences under the TPCA 1847 relate to hackney carriages:

Section	Offence	Maximum Penalty
40	Giving false information on an application for a HC proprietor's licence	Level 1
44	Failure of HC proprietor to notify of change of address	Level 1
45	Plying for hire without HC proprietor's licence	Level 4
47	Driving a HC without HC driver's licence	Level 3
47	Lending or parting with HC driver's licence	Level 3
47	HC proprietor employing unlicensed driver	Level 3
48	Failure of HC proprietor to hold HC driver's licence of person employed/permitted to drive his/her HC	Level 1
48	Failure of HC proprietor to produce HC driver's licence of person employed/permitted to drive his/her HC	Level 1
52	Failure to display HC plate	Level 1
53	Refusal to take a fare	Level 2
54	Charging more than agreed fare	Level 1
55	Obtaining more than the legal fare	Level 3 and 1 months imprisonment until the excess is refunded
56	Travelling less than the lawful distance for an agreed fare	Level 1
57	Failing to wait after a deposit to wait has been paid	Level 1
58	Charging more than the legal fare	Level 3
59	Carrying person other than the hirer without consent	Level 1
60	Allowing another to drive HC without proprietor's consent	Level 1

61	Drunken driving of HC	Level 1
61	Wanton or furious driving or wilful misconduct leading to injury or danger	Level 1
62	Driver leaving HC unattended	Level 1
64	HC driver obstructing other HCs	Level 1

Local Government (Miscellaneous Provisions) Act 1976 (LG(MP)A 1976)

508. Offences under the LG(MP)A 1976 relate to hackney carriage and private hire vehicle proprietors, drivers and operators, as follows:

LG(MP)A 1976 – Hackney Carriage Provisions

Section	Offence	Maximum Penalty
49	Failure of proprietor to notify Council of transfer of HC proprietor's licence	Level 3
50(1)	Failure of proprietor to present HC for inspection as requested	Level 3
50(2)	Failure of proprietor to inform Council where HC is kept if requested	Level 3
50(3)	Failure of proprietor to report an accident to the Council	Level 3
50(4)	Failure of proprietor to produce HC proprietors licence and insurance certificate	Level 3
53(3)	Failure of driver to produce HC driver's licence	Level 3
57	Making false statement or omitting information to obtain a HC proprietor's licence	Level 3
58(2)	Failure of proprietor to return plate after notice given after expiry, revocation or suspension of HC proprietor's licence	Level 3
61(2)	Failure to surrender drivers licence after suspension, revocation or refusal to renew	Level 1
64	Cause or permit any vehicle other than HC to wait on a HC stand	Level 3

66	Charging more than metered fare for a journey ending outside the district, without prior agreement	Level 3
67	Charging more than metered fare when HC used as PH vehicle	Level 3
69	Unnecessarily prolonging a journey	Level 3
71	Interfering with a taximeter	Level 3
73(1)(a)	Wilful obstruction of authorised officer or constable	Level 3
73(1)(b)	Failure to comply with requirement of authorised officer or constable without reasonable excuse	Level 3
73(1)(c)	Failure to give information or assistance to authorised officer or constable without reasonable cause	Level 3

LG(MP)A 1976 – Private Hire Provisions

Section	Offence	Maximum Penalty
46(1)(a)	Proprietor using or permitting use of an unlicensed PH vehicle	Level 3
46(1)(b)	Driving a PH vehicle without a PH driver's licence	Level 3
46(1)(c)	Proprietor of PH vehicle using an unlicensed driver	Level 3
46(1)(d)	Operating a PH vehicle without a PH operator's licence	Level 3
46(1)(e)	Operating a vehicle as a PH vehicle when the vehicle is not licensed as a PH vehicle	Level 3
46(1)(e)	Operating a vehicle as a PH vehicle when the driver is not licensed as a PH driver	Level 3
48(6)	Failure to display PH vehicle plate when using or permitting use of PH vehicle	Level 3
49	Failure to notify the Council of transfer of PH vehicle licence	Level 3
50(1)	Failure of proprietor to present PH vehicle for inspection and testing as required	Level 3
50(2)	Failure of proprietor to inform Council where PH vehicle is kept when not in use if requested	Level 3
50(3)	Failure of proprietor to report an accident to the Council	Level 3
50(4)	Failure of proprietor to produce PH vehicle licence and insurance certificate	Level 3
53(3)	Failure to produce PH driver's licence	Level 3
54(2)	Failure to wear PH drivers' badge	Level 3

56(2)	Failure by PH operator to keep records of bookings	Level 3
56(3)	Failure by PH operator to keep records of PH vehicles operated by him	Level 3
56(4)	Failure to produce PH operator's licence on request	Level 3
57	Making false statement or omitting information to obtain PH driver's or operator's licence	Level 3
58(2)	Failure to return plate after notice given after expiry, revocation or suspension of PH vehicle licence	Level 3 (plus daily fine of £10)
61(2)	Failure to surrender driver's badge after suspension, revocation or refusal to renew	Level 3
67	Charging more than the metered fare when HC used as PH vehicle	Level 3
69	Unnecessarily prolonging a journey	Level 3
71	Interfering with a taximeter	Level 3
73(1)(a)	Obstruction of authorised officer or constable	Level 3
73(1)(b)	Failure to comply with requirement of authorised officer or constable	Level 3
73(1)(c)	Failure to give information or assistance to authorised office or constable	Level 3

Transport Act 1980 – Private Hire Provisions

Section	Offence	Maximum Penalty
64(2)(a)	Driving a PH vehicle with a roof sign which contravenes s.64(1)	Level 3
64(2)(b)	Causing or permitting a PH vehicle to be driven with a roof sign which contravenes s.64(1)	Level 3

Road Traffic Act 1988, S.143 – Using a Vehicle without Insurance

509. Drivers may be prosecuted by the Police or the Council in relation to driving without insurance.

510. The maximum penalty is a level 5 fine. The driver's licence must be endorsed with between 6-8 penalty points and the Court has discretion to disqualify the driver. The Court may impose a curfew or community rehabilitation order.

511. When sentencing the Court will consider aggravating and mitigating factors. If the vehicle concerned is a hackney carriage or private hire vehicle this will be an aggravating factor.

Criminal Justice and Public Order Act 1994, S.167 – Touting For Hire

512. It is an offence in a public place, to solicit persons to hire vehicles to carry them as passengers. The penalty is a level 4 fine.

Health Act 2006, S.6-8 – Smoke-Free Places

513. It is an offence for anyone to smoke in a 'smoke-free place' which would include a licensed vehicle and an operator's premise which is open to the public. The maximum penalty is a level 1 fine. In addition, it is an offence for anyone in control of a smoke-free place e.g. the driver or operator, to fail to prevent someone from smoking in such a place. The penalty is a level 4 fine.

514. It is also an offence to fail to display appropriate no-smoking signs in the smoke-free place.

Hackney Carriage Byelaws

515. Prosecutions may be brought against hackney carriage proprietors and drivers for breach of the Council's Byelaws.

Equality Act 2010

Section	Offence	Maximum Penalty
165(7)	Driver of a designated taxi who fails to comply with the duty: <ul style="list-style-type: none"> a) to carry the passenger in the wheelchair b) not to make any additional charge for doing so c) if the passenger chooses to sit in a passenger seat, to carry the wheelchair d) to take such steps as are necessary to ensure that the passenger is carried in safety and reasonably comfort e) to give the passenger such mobility assistance as is reasonably required 	Level 3
168(3)	Hackney carriage driver who fails to comply with the duty to: <ul style="list-style-type: none"> a) carry disabled passengers assistance dog and allow it to remain with the passenger; and b) not make any additional charge for doing so. 	Level 3
170(1)	Private hire operator failing or refusing to accept a booking made by or on behalf of a disable person on the basis that they will be accompanied by an assistance dog.	Level 3
170(2)	Private hire operator making an additional charge for carrying an assistance dog which is accompanying a disabled person.	Level 3
170(3)	Driver of private hire vehicle failing or refusing to carry out a booking made by or on behalf of a disabled person on the basis that they will be accompanied by an assistance dog.	Level 3

Section 9 – Hackney Carriage Stands

- Appointed Stands
- Creation of a Stand
- Waiting on Stands
- Hackney Carriage Hailing Points

Appointed Stands

516. The purpose of hackney carriage stands (also known as hackney carriage ranks) is to provide the public with a set location where they can hire a licensed hackney carriage. The stand is the only situation where a hackney carriage may ply for hire in a stationary position and should be situated in locations where the public most need hackney carriages, for example adjacent to transport facilities, retail areas and places of employment, entertainment and leisure facilities. Stands should be sited so that passengers can board or alight from the vehicle safely. Stands can be for continual or part-time use.

517. The Council will review the provision of hackney carriage stands in the Borough annually. In this respect officers will work closely with representatives of the trade.

518. As stands can be regularly reviewed and repealed please contact the Council or see the Council's website for a list of current stands.

Creation of a Stand

519. A new hackney carriage stand can be appointed under s.63 Local Government (Miscellaneous Provisions) Act 1976. This allows new stands to be created on public highways or private land with the appropriate consent of the land owner and they can be for continual or part-time use.

520. Prior to a new stand being created, or the maximum number of vehicles that can use a stand being varied, a notice will be given to the Chief Officer of Police and a public notice published in a local newspaper.

521. New stands are subject to formal approval by the Council and will not normally be approved where they may lead to obstruction or road safety issues.

Waiting on Stands

522. It is an offence for any person to cause or permit any vehicle other than a hackney carriage to wait on any hackney carriage stand.

523. Drivers of hackney carriages may only wait on a stand whilst plying for hire or waiting for a fare.

524. Drivers who park on a stand and leave their hackney carriage vehicle unattended commit an offence.

Section 10 – Complaints Procedure

525. The Council is proud of its private hire and hackney carriage trade and expects them to uphold high standards at all times. However, it is recognised that there may be occasions for transport users and other members of the trade to make complaints. Any complaints will be considered and appropriate action will be taken in accordance with this policy and the Council's Regulatory Services Enforcement Policy.

Complaints will be recorded and monitored as complaints about drivers and operators provide a source of intelligence when considering the renewal of a licence or to identify trends or problems or patterns of behaviour during the period of the licence which may be indicative of characteristics that raise doubts over their suitability to hold a licence.

526. All complaints received will be considered on their merits.

527. Complainants will be asked to put their complaint in writing or provide a witness statement if the complaint is such that formal action may result.

528. The Council recognises that some complaints can be frivolous or vexatious. These complaints will not be taken further.

529. Licensees are expected to assist officers in their investigations and make themselves available for interview when reasonable requests have been made.

530. At the conclusion of the investigation all parties concerned will receive confirmation of the result and action to be taken (if any).

531. If any party is not satisfied as to the outcome of the complaint investigation the Council has a corporate complaints procedure in place to deal with these issues.

Appendix A

Private Hire and Hackney Carriage Vehicle Specifications

All licensed vehicles shall comply in all respects with the requirements set out below as appropriate for the type of vehicle. This is in addition to all requirements of the Road Traffic legislation, which relates to all motor vehicles.

All vehicles must comply with the requirements of Section A. In addition, Private Hire vehicles must comply with the requirements of Section B and F as appropriate, Novelty Vehicles and Stretched Limousines must comply with Sections B and C, and Hackney Carriage vehicles must comply with the requirements of Section D and E as appropriate.

All vehicles must be mechanically safe, exceptionally well maintained and roadworthy at all times.

All vehicles must be 'type approved'.

The vehicle specification shall be complied with during the licence period unless any changes have been given prior approval by the Council.

It must be understood that, although the requirements set out in this document have been complied with, each application will be dealt on its merits and approval will be withheld if the Council is of the opinion that a vehicle is unsuitable for public use.

Section A - General specification for all vehicles

General Construction

1. The vehicle shall comply fully with all relevant statutory provisions relating to the construction of motor vehicles and including in particular those contained in the Road Vehicles (Construction and Use) Regulations 1986 (as amended).
2. No modification may be carried out on a vehicle (e.g. alteration of the original seat configuration or any other 'adaptation') without prior approval from the Council and/or the appropriate certificate produced.
3. No fittings, other than those approved by the Council, may be attached to, or carried on the inside or outside of, the vehicle.
4. The steering must be on the offside of the vehicle (unless exempted by the Council).
5. The chassis/VIN plate and engine numbers must match the numbers recorded with the DVLA.

6. All tyres must comply with the relevant legislation and tyres must be of the designated size, speed and weight rating for that make and model of vehicle as prescribed by the vehicle manufacturer. Re-treaded tyres must be marked accordingly. Tyres on the same axle must be of the same nominal size and aspect ratio.
7. Vehicles shall have a spare wheel to fit the vehicle and equipment to change a wheel on the vehicle with that wheel e.g. a jack and wheel brace. Where vehicles are fitted with a space saver spare tyre the Council will permit their use in licensed vehicles subject to the following:
 - i) The tyre used must be supplied or recommended by the manufacturer of the vehicle concerned;
 - ii) The tyre must be used in accordance with the manufacturer's guidelines;
 - iii) The tyre is used only for an emergency or temporary purpose.

Where the vehicle is supplied by the manufacturer with 'run-flat' tyres the Council will licence such vehicles without the need for a spare wheel subject to the following:

- i) The tyres must be supplied or recommended by the manufacturer of the vehicle concerned as original equipment;
- ii) The vehicle must be provided with a Tyre Pressure Monitoring System (TPMS) which must be fully operational at all times and which alerts the driver to a drop in tyre pressure;
- iii) In the event of a puncture the tyres must be used and replaced in accordance with the manufacturer's guidelines;
- iv) If run-flat tyres are to be replaced by conventional tyres then advice from the vehicle manufacturer must be sought regarding any modifications to the vehicle's suspension that may be required and the vehicle must then be provided with a spare wheel, jack and wheel brace.

The use of pressurised tyre sealants will not be permitted as an alternative to the above requirements.

8. The vehicle shall be capable of carrying in reasonable comfort a minimum of four passengers unless the Council approves a smaller number.
9. The body shall be of the fixed head type.
10. The vehicle must not be fitted with a roof rack.

Passenger Comfort

11. The rear seat dimensions must be adequate to carry the appropriate number of passengers and must provide a minimum seat width of 406mm (16") for each person. Seats must be properly cushioned and covered. Whilst the Council do not provide a detailed specification in relation to the minimum legroom between seats the Council will reserve the right to restrict the number of seats the vehicle will be permitted to be licensed for to allow for the safety

and comfort of passengers. This may be the case for some types of vehicle, for example MPV with flip down seats which may not be regarded suitable for adult passengers. If you are considering purchasing such a vehicle please contact the Licensing Office for advice.

12. The vehicle shall have an adequate heating and ventilation system for the comfort of all passengers.
13. The vehicle must be wind and watertight.
14. The floor must be completely carpeted/covered with appropriate flooring.
15. The vehicle shall have interior lighting fitted in the passenger compartment sufficient to illuminate the whole of that compartment. The light(s) shall be switched such that they may be turned on and off both from the driving and passenger compartments and shall operate automatically when a door is opened.
16. Sufficient means must be available for any passenger to communicate with the driver.

Passenger Safety

17. The windows should maximise passenger visibility into and out of the vehicle.
 - a) The windscreen shall have a minimum light transmission of 75%
 - b) All other front side windows of the vehicle shall have a minimum of 70% light transmission,
 - c) Glass to the rear of the "B pillar" is permitted to have a light transmittance of less than 70% but only when vehicle manufactured body tinted glass is used in this area. The tinted glass must be part of the whole vehicle design when produced and pre-registered for that particular model and specification.
 - d) No tinted glass whether manufactured or otherwise will be permitted to be added to a vehicle retrospectively following vehicle manufacture completion.
 - e) No retrospective tint application or film will be permitted to be applied to vehicle glass under any circumstances
18. A proportion of the window area in the passenger compartment must be available for opening by the seated passenger.
19. The vehicle shall have at least 4 doors (NB: a tailgate is not considered to be a door) which open sufficiently wide so as to allow safe and easy access and egress.
20. Each passenger, other than a front-seated passenger, must have access to at least two doors. If access to exit doors is impeded by a flip down/tip up seat, then the method of operating the seat and the location of any lever for the seat should be displayed on a notice which can be clearly seen by all passengers.

21. Lap and diagonal seatbelts must be fitted to all seats.
22. Head restraints must be fitted for all (forward and rear facing) seats.
23. The exterior and interior of the vehicle and its fittings must be clean and exceptionally well maintained, being fit and safe for use by the driver and passengers.
24. Where a swivel seat is fitted as a passenger seat, certificates of fitting from an authorised fitter must be obtained and produced to the Council before a vehicle can be tested and/or licensed.

Luggage Capacity

25. Suitable dedicated provision for the secure carriage of luggage must be made separated from the passenger compartment. Estate and hatch back models of vehicles must provide a fixed grill between the luggage and passenger compartment, sufficient to prevent luggage from entering the passenger compartment in the event of an accident. Each vehicle model will be determined on its merits.

Age of Vehicles

26. Vehicles in respect of new and replacement applications must be no more than five years of age from the date of first registration on the date of the initial application. The vehicle must be licensed within 28 days of the initial application.
27. The licence of any vehicle will terminate not more than ten years from the date of first registration. This will be extended to 12 years for London Style Cabs and side loading wheelchair accessible vehicles approved by the Council.

Section B – Specification for new and replacement Private Hire Vehicles

28. The vehicle must have M1 Type Approval and be of an approved type and which is not black and yellow in colour.
29. All body panels must be painted the same colour.
30. If the private hire vehicle is fitted with a meter, it must comply with the requirements of this policy in relation to meters.
31. Private hire vehicles must not have a roof sign.

Section C – Additional specifications for novelty vehicles and stretched limousine private hire vehicles

32. The vehicle shall not be capable of seating more than eight passengers

33. The vehicle must have passed the Individual Vehicle Approval (IVA) scheme test requirements.
34. The vehicle shall have Qualified Vehicle Modifier or Cadillac Coach Builder approval where appropriate.

Section D – Specification for saloon hackney carriage vehicles

35. Hackney carriage vehicles must have M1 Type Approval and be of an approved type and be black in colour with a yellow bonnet and boot.
36. Hackney carriage vehicles must have fitted on the roof, an internally illuminated “TAXI” top sign which is capable of being switched off.
37. Hackney carriage vehicles must be fitted with an approved calendar controlled taximeter in accordance with the requirements of this Policy and the Byelaws with Respect to Hackney Carriages.
38. Hackney carriages must be fitted with a “FOR HIRE” sign which is capable of being switched off.

Section E – Specification for New (Wheelchair Accessible) Hackney Carriages

39. The vehicle shall accommodate a minimum of one passenger in a wheelchair (reference) and must be either, purpose built or converted prior to first registration. Applications in respect of wheelchair accessible vehicles converted prior to registration must be accompanied by an EC Certificate of Conformity for Completed Vehicles issued by the conversion company and endorsed by the Vehicle Certification Agency (VCA). Any wheelchair accessible vehicle having been converted since its date of registration will not be accepted for licensing as a hackney carriage.
40. The vehicle must be fitted with ramps, lifts, wheelchair restraints and/or any other device supplied by the vehicle manufacturer for the safe loading/unloading and carriage of a person in a wheelchair.
41. The vehicle must comply fully with Section A and the applicable parts of section D of the preceding specification.

Passenger Safety and Comfort

42. The vehicle must be capable of accommodating one or more wheelchairs in either a forward or rear facing position allowing adequate space to ensure the safety and comfort of the wheelchair user, without interfering with the safety and comfort of any other passengers.
43. Approved anchorages must be provided for wheelchair tie-downs and the wheelchair passenger restraint. These anchorages must either be chassis or floor linked and shall comply with the strength requirements for M1 standards

and any current European directives. Restraints for wheelchair and occupant must be independent of each other. All anchorages and restraints must be so designed that they do not cause any danger to other passengers.

44. The design of the vehicle must allow safe access and egress of passengers including elderly and disabled passengers.
45. The door and doorway must be constructed as to permit an unrestricted opening across the doorway of at least 75cm.
46. The clear height of the doorway must not be less than 1.2 metres.
47. Wheelchair access may be from the rear or the side of the vehicle.
48. Grab handles must be placed at one or more passenger door entrances as appropriate, to assist the elderly and disabled. Grab handles must be in a contrasting colour.
49. At the main access door into the passenger area of the vehicle, steps shall be provided to aid ingress/egress as follows:
 - where the internal floor height of the vehicle exceeds 300mm an intermediate step shall be fitted every 250mm from road level up to the internal floor height. All steps must be capable of supporting a minimum weight of 150kg.
 - The tread area of all steps must have a minimum depth of 150mm and shall have a slip resistant surface. All steps, both internally and externally shall have all open edges highlighted in a contrasting high-visibility colour.
 - Not be capable of operation when the vehicle is in motion
 - If automatic powered, be fitted with a safety device which stops the motion of the step if that motion could cause injury to the passenger
 - Can fold or retract so that it does not project beyond the side face of the vehicle and the vehicle is not capable of being driven away unless the step is so folded or retracted.
50. A means of illuminating the entrance step at all access doors shall be fitted and switched such that they operate automatically when a door is opened.
51. The vertical distance between the highest part of the floor and the roof in the wheelchair passenger area must be no less than 1.3 metres.
52. A ramp for the loading of a wheelchair and occupant must be available at all times for use at either the nearside or offside or rear passenger door. The ramp must have a safety lip, be at least 70cm wide as a minimum, and comprise a single non-slip surface. The ramp shall have a visible reference to safe working

load of at least 250 kgs and certified to BS 6109. Provision must be made for the ramp to be stowed safely when not in use.

53. Where seats are placed facing each other, there must be a minimum space of 42.5cm between any part of the front seat and any part of any other seat which faces it.
54. Where all seats are placed facing to the front of the vehicle, there must be a clear space of at least 66cm in front of every part of each seat squab, measured along a horizontal plane at the centre of the cushion.
55. When fitted, occasional seats must be at least 40cm in width and the distance from the back of the upholstery to the front edge of the seat must not be less than 35.5cm
56. Occasional seats must be so arranged as to rise automatically when not in use. When not in use, they must not obstruct doorways.
57. Suitable means must be provided to assist persons to rise from the rear seat with particular attention to the needs of the elderly and disabled.
58. Colour contrasting sight patches are required on all passenger seats.
59. An induction loop system or (equivalent) must be fitted and clearly signed.
60. A swivel facility may be fitted to the nearside rear tip seat to assist disabled passengers.
61. Where a motorised tail lift device is fitted it must comply with The Lifting Operations and Lifting Equipment Regulations 1998 (LOLER).
(More information on LOLER can be obtained from the Health and Safety Executive website at <http://www.hse.gov.uk>)

Driver's Compartment

62. Every vehicle must be provided with an approved means of communication between the passenger and the driver.
63. Where a single-piece glazed partition is fitted, a facility must be provided for making payment to the driver

Section F – Specification for New and/or Replacement Wheelchair Accessible Private Hire Vehicles

64. The vehicle must comply fully with Section A and E and the applicable parts of Section B of the preceding specifications.

Appendix B

Conditions of Private Hire Vehicle Licence

1. Maintenance of Vehicles

The vehicle and all its fitting and equipment shall at all times when the vehicle is in use or available for hire be kept in an exceptionally well maintained condition and all relevant statutory requirements shall be fully complied with.

2. Alteration of Vehicle

No material alteration or change in the specification, design, condition or appearance of the vehicle or fitting of aftermarket equipment shall be made without the written approval of the Council at any time while the licence is in force.

3. Interior Identification Marking

The proprietor shall cause to be clearly displayed inside the vehicle either on the dashboard or in such other prominent position so as to be clearly visible at all times to persons conveyed therein, the internal sticker as supplied by the Council "This vehicle is a PRIVATE HIRE VEHICLE. If you did not book this journey in advance you may not be insured in the event of an accident and the driver may be committing an offence", and at the top of each rear passenger door window a window sticker as supplied by the Council indicating the vehicle identification number and contact details for the Council.

4. Interior Lighting

There shall be maintained in the vehicle adequate internal lighting to enable passengers to enter and leave the vehicle with safety.

5. Lights

No decorative lighting shall be permitted other than lighting which comes fitted as standard by the vehicle manufacturer.

6. Convictions

The proprietor shall within 48 hours disclose to the Council in writing details of any arrest and release, charge or conviction of any offence or, if the proprietor is a company or partnership, of any of the directors or partners during the period of the licence.

7. Change of Address

The proprietor shall notify the Council in writing of any change of his home address, business address or registered address (if different from home address) during the period of the licence within seven days of such change taking place.

8. Change of partners/directors

When the proprietor is a company or partnership the proprietor must advise the Council in writing within 7 days of any change in directors or partners during the period of the licence.

9. Identification Plate

The plate, issued by the Council, identifying the vehicle as a private hire vehicle and required to be exhibited on the vehicle pursuant of Section 48(6) of the Local Government (Miscellaneous Provisions) Act 1976 shall unless exempted in writing be securely fixed to the rear of the vehicle in a conspicuous position duly approved by the Council and in such manner so as to be easily removable by an authorised officer of the Council or a Police Officer. The plate shall be kept clean at all times so that no details contained upon it are obscured.

10. Signs, Notices Etc.

- 1) No signs, notices, advertisements, video or audio display, plates, marks, numbers, letters, figures, symbols, emblems or devices whatsoever shall be displayed on, in or from the vehicle except as may be required by any statutory provision or required or permitted by these conditions, provided however, that this condition shall not apply to any indication on a taxi meter fitted to the vehicle or to a sign, approved and located in accordance with the directions of the Council which is displayed in, on, or from the vehicle.
- 2) No signs may be displayed on a private hire vehicle containing the words 'taxi', 'cab' or 'hackney carriage'
- 3) The proprietor shall unless exempted in writing cause to be affixed and maintained in or on the vehicle in a conspicuous position and so positioned that the details are not concealed in any way the following:
 - (a) A door sign of such design and appearance as may be approved and supplied by the Council to be located beneath the window on the nearside and offside front doors of the vehicle.
 - (b) On both rear passenger doors, beneath the window, the operator's trading name. The operator's logo and telephone number may also be displayed.
 - (c) A front identification sign as may be approved and supplied by the Council and fixed in such manner so as to be easily removable by an authorised officer of the Council or a Police Officer.
 - (d) In the case of wheelchair accessible vehicles, a wheelchair accessibility sticker must be displayed.

Note: The use of magnetised signs are not permitted

- 4) Without prejudice to the generality of the foregoing condition any advertisement shall not be allowed or affixed without the prior approval of the Council and:
 - a) shall not be affixed to any window of the vehicle, unless specifically authorised in writing; and
 - b) must adhere to the current Advertising Standards Authority Code
- 5) The proprietor or such person in charge of the vehicle when requested to do so by an authorised officer of the Council or a Police Officer shall return to them, any sign, door sign, emblem or device. If any proprietor or such person in charge of the vehicle fails without reasonable excuse to comply, an authorised officer of the Council or a Police Officer shall be entitled to remove and retain any identification plate, sign, door sign, badge, emblem or device.
- 6) There may be displayed within the vehicle for the information of passengers a table of fares in a form and printing previously submitted to and approved by the Council.
- 7) The proprietor shall notify the Council of the loss or theft of any identification plate, door sign, sign, or notice relating to the private hire vehicle as soon as the loss becomes known and in any case within two working days. The loss or theft must also be notified to the Police.
- 8) All signs and stickers must be clearly legible and must be replaced when worn.

11. Insurance and MOT Certificates

The vehicle shall have a current valid policy of insurance and MOT Certificate at all times appropriate to the use authorised by this licence. A copy of these certificates shall be given to the vehicles licensed Private Hire Operator

If the vehicle is off the road and uninsured at any time, the proprietor must inform the Council in writing as soon as practicable and in any event within 72 hours.

12. Change of Engine

The proprietor must notify the Council, in writing, within 7 days if the vehicle engine is changed. Such notification shall include details of the new engine number.

13. Change of Private Hire Operator

This vehicle may only be operated under the provisions of one private hire operator's licence at any moment in time and the proprietor shall notify the Council in writing of any change to the licensed operator during the period of this licence within 48 hours.

14. Complaints

The vehicle proprietor shall report any complaint received by them in relation to the licensed vehicle or its driver to their licensed Private Hire Operator immediately upon receipt or the next working day if not practicable.

15. Fitting of after-market equipment

Approved after-market equipment e.g. data systems, satellite navigation, cameras etc. shall be so positioned so as not to obscure the drivers vision of the road.

16. Luggage space

The luggage space of the vehicle shall be kept clean and free from the proprietor's/driver's personal property so that it is available to store passenger's luggage.

17. Pushchairs and buggies

Pushchairs or buggies carried in the vehicle shall be collapsed and the child carried in accordance with the law in relation to seat belts. Pushchairs or buggies if not collapsed shall not be carried at any time.

18. Facilities for wheelchairs

All equipment and fittings provided in a wheelchair accessible vehicle for the safe loading/unloading and carriage of a person in a wheelchair shall be present in the vehicle at all times and maintained in good working order.

All portable equipment such as ramps and wheelchair restraining straps must be identified in a permanent manner with the vehicle licence number e.g. PV 999.

The vehicle proprietor shall ensure that the driver of the vehicle has had adequate training in the use of all equipment within the vehicle associated with the loading/unloading and safe securing of wheelchairs. i.e. the correct and safe use of any ramps, wheelchair restraints or lifting equipment supplied with the vehicle to ensure the safe access, transportation and egress of any wheelchair bound passenger.

Drivers must also sign an undertaking for the proprietor stating that they are competent in the correct use of the securing systems used in the particular wheelchair accessible PHV they are intending to drive.

19. Sliding doors

Where sliding doors are an integral part of a vehicle and a locking device has not been fitted the child locking systems shall be engaged by the driver at all times when the vehicle is in motion and carrying passengers.

Additional Conditions to Be Applied To Novelty Vehicles and Stretched Limousines

20. Vehicles must not carry front seat passengers

21. All passengers must remain seated at all times and must wear seat belts and any other safety restraint when the vehicle is in motion.

22. Where passengers in the vehicle consist of any persons under the age of 14 years they must be accompanied by a responsible adult, other than the driver, who must be over the age of 18 years.
23. If all the occupants of the vehicle, save for the driver and responsible adult, are under the age of 18, then there shall be no alcohol allowed at all in the vehicle for consumption or otherwise.
24. Advertisements will not be allowed on the vehicle's windows.
25. Novelty vehicles fitted with side facing seats shall not be used to carry passengers under 12 years of age regardless of whether the vehicle is fitted with or without seatbelts.
26. Notices forbidding children to be carried in side facing seats must be clearly displayed in prominent positions and be visible at all times on entrance doors to the passenger compartment and on the inside of the vehicle on either side of the passenger compartment.

Appendix C

Conditions of Hackney Vehicle Licence

1. Maintenance of Vehicles

The vehicle and all its fitting and equipment shall at all times when the vehicle is in use or available for hire be kept in an exceptionally well maintained condition and all relevant statutory requirements shall be fully complied with.

2. Alteration of Vehicle

No material alteration or change in the specification, design, condition or appearance or fitting of aftermarket equipment of the vehicle shall be made without the written approval of the Council at any time while the licence is in force.

3. Facilities for wheelchairs

All equipment and fittings provided in a wheelchair accessible vehicle for the safe loading/unloading and carriage of a person in a wheelchair shall be present in the vehicle at all times and maintained in good working order.

All portable equipment such as ramps and wheelchair restraining straps must be identified in a permanent manner with the vehicle hackney carriage licence number e.g. HC 999.

The vehicle proprietor shall ensure that the driver of the vehicle has had adequate training in the use of all equipment within the vehicle associated with the loading/unloading and safe securing of wheelchairs. i.e. the correct and safe use of any ramps, wheelchair restraints or lifting equipment supplied with the vehicle to ensure the safe access, transportation and egress of any wheelchair bound passenger.

Drivers must also sign an undertaking for the proprietor stating that they are competent in the correct use of the securing systems used in the particular wheelchair accessible HCV they are intending to drive.

4. Interior Identification Marking

The proprietor shall cause to be clearly displayed inside the vehicle at the top of each rear passenger door window a window sticker as supplied by the Council indicating the vehicle identification number and contact details for the Council.

5. Interior Lighting

There shall be maintained in the vehicle adequate internal lighting to enable passengers to enter and leave the vehicle with safety.

6. Lights

No decorative lighting shall be permitted other than lighting which comes fitted as standard by the vehicle manufacturer.

7. Convictions

The proprietor shall within 48 hours disclose to the Council in writing details of any arrest and release, charge or conviction of any offence or, if the proprietor is a company or partnership, of any of the directors or partners during the period of the licence.

8. Change of Address

The proprietor shall notify the Council in writing of any change of his home address, business address or registered address (if different from home address) during the period of the licence within seven days of such change taking place.

9. Change of partners/directors

When the proprietor is a company or partnership the proprietor must advise the Council in writing within 7 days of any change in directors or partners during the period of the licence.

10. Identification Plate

The plate, loaned by the Council, identifying the vehicle as a hackney carriage and required to be exhibited on the vehicle pursuant to the Byelaws With Respect To Hackney Carriages shall be securely fixed to the rear of the vehicle in a conspicuous position duly approved by the Council and in such manner, unless the vehicle has a purpose built plate display/fixing location, so as to be easily removable by an authorised officer of the Council or a Police Officer.

The plate shall be kept clean at all times so that no details contained upon it are obscured.

11. Signs, Notices Etc.

- 1) No signs, notices, advertisements, video or audio display, plates, marks, numbers, letters, figures, symbols, emblems or devices whatsoever shall be displayed on, in or from the vehicle except as may be required by any statutory provision (including byelaws) or required or permitted by these conditions, provided however, that this condition shall not apply to any indication on a taxi meter fitted to the vehicle or to a sign, approved and located in accordance with the directions of the Council which is displayed in, on, or from the vehicle.
- 2) The proprietor shall unless exempted in writing cause to be affixed and maintained in or on the vehicle in a conspicuous position and so positioned that the details are not concealed in any way the following:
 - (a) A door sign of such design and appearance as may be approved and supplied by the Council to be located beneath the window on the nearside and offside front doors of the vehicle.
 - (b) A front identification sign as may be approved and supplied by the Council and fixed in such manner so as to be easily removable by an authorised officer of the Council or a Police Officer.

- (c) In the case of wheelchair accessible vehicles, a wheelchair accessibility sticker must be displayed.
- (d) A roof sign displaying the word TAXI shall be fixed to the roof of the vehicle and shall be maintained and connected to the taxi meter and “for hire” sign and capable of being illuminated in such a manner as to indicate clearly to persons outside the vehicle whether or not the vehicle is for hire.

Note: The use of magnetised signs is not permitted.

- 3) Without prejudice to the generality of the foregoing condition any advertisement shall not be allowed or affixed without the prior approval of the Council and:
 - a) shall not be affixed to any window of the vehicle unless specifically authorised in writing; and
 - b) must adhere to the current Advertising Standards Authority Code
- 4) The proprietor or such person in charge of the vehicle when requested to do so by an authorised officer of the Council or a Police Officer shall return to them, any identification plate, sign, door sign, badge, emblem or device. If any proprietor or such person in charge of the vehicle fails without reasonable excuse to comply, an authorised officer of the Council or a Police Officer shall be entitled to remove and retain any identification plate, sign, door sign, badge, emblem or device.
- 5) The proprietor shall notify the Council of the loss or theft of any identification plate, door sign, sign, or notice relating to the private hire vehicle as soon as the loss becomes known and in any case within two working days. The loss or theft must also be notified to the Police.
- 6) All signs and stickers must be clearly legible and must be replaced when worn.

12. Insurance and MOT Certificates

The vehicle shall have a current valid policy of insurance and MOT Certificate at all times appropriate to the use authorised by this licence.

If the vehicle is off the road and uninsured at any time, the proprietor must inform the Council in writing as soon as practicable but in any event with 72 hours.

13. Change of Engine

The proprietor must notify the Council, in writing, within 7 days if the vehicle engine is changed. Such notification shall include details of the new engine number.

14. Complaints

The vehicle proprietor shall report any complaint received by them in relation to the licensed vehicle or its driver to the Council the next working day.

15. Receipts

The proprietor of the vehicle shall ensure that the driver of the vehicle has available to them, sufficient means by which they may issue a receipt to passengers if required. Any receipt shall contain the date, time, point of pick up, destination, cost and driver licence number.

16. Luggage space

The luggage space of the vehicle shall be kept clean and free from the proprietor's/driver's personal property so that it is available to store passenger's luggage.

17. Pushchairs and buggies

Pushchairs or buggies carried in the vehicle shall be collapsed and the child carried in accordance with the law in relation to seat belts. Pushchairs or buggies if not collapsed shall not be carried at any time.

18. Table of Fares

There shall be displayed within the vehicle for the information of passengers a current table of fares approved and supplied by the Council and kept in such a position as to be easily visible to passengers.

19. Records

The vehicle proprietor shall keep a record of the name and licence number of all drivers employed by them and shall record the time and date each driver started and finished driving or hiring the vehicle. Such records shall be retained for a minimum period of 12 months and provided to the Council when requested.

20. Sliding doors

Where sliding doors are an integral part of a vehicle and a locking device has not been fitted the child locking systems shall be engaged by the driver at all times when the vehicle is in motion and carrying passengers.

21. Fitting of after-market equipment

Approved after-market equipment e.g. data systems, satellite navigation, cameras etc. shall be so positioned so as not to obscure the drivers vision of the road.

Supplementary Testing Manual for Hackney Carriage and Private Hire Vehicles

**Vehicles will be tested to MOT standards
unless otherwise indicated in this
Supplementary Testing Manual**

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Section

- 1. Vehicle Exterior**
- 2. Vehicle Signs & Stickers**
- 3. Licence Plates**
- 4. Tyres and Spare Wheels**
- 5. Boot/Luggage Compartment**
- 6. Engine Compartment / Transmission & Mountings**
- 7. Interior of Vehicle**
- 8. Ancillary Equipment**
- 9. Road Test**
- 10. Meters**

1. VEHICLE EXTERIOR

General: If during a vehicle fitness test, the Council tester has reason to believe that the vehicle has been involved in an accident or that repairs carried out to a vehicle are sub-standard, then the tester may, at their own discretion, require the vehicle to be further inspected. The tester may require the vehicle proprietor to produce a JIG report and/or an engineer’s report and/or a steering geometry check at the proprietor’s own expense. Such reports will only be accepted if produced by an approved garage.

Vehicles must be right hand drive and must not be convertible.

Ref	Method of Inspection	Reasons for Failure	Notes
1.1	The exterior of the bodywork, the underside of the vehicle and the engine compartment must be free from mud, oil and grease to allow for proper inspection of these areas.	Contamination preventing proper inspection.	If the vehicle comes for inspection in a filthy condition the inspection will not be carried out.
1.2	Check the operation of all external door catches and locks to ensure that all doors can be securely closed and easily opened.	Defective external door catches which prevent a door opening and closing properly. Missing or ineffective door locks.	
1.3	Check all doors to ensure that they are properly aligned and will close easily.	Poorly fitting doors to the vehicle.	The vehicle must have at least four doors (the tailgate is not a door)
1.4	Ensure that the door hinges are in good condition allowing free movement of the door.	Defective door hinges.	
1.5	Check all wind-check positions to ensure that doors are held in place when opened.	Wind-checks which fail to hold the doors in place when opened.	Any wind-check straps must be of a type approved by the manufacturer.

1.6	Examine the external body panels and structure for evidence of corrosion, damage and/or unsatisfactory repairs.	Corrosion or damage to the vehicle body or structure which adversely affects the appearance and/or safety of the vehicle.	Engineers' Certificate/Jig Report may be required to satisfy the vehicle examiner that repairs have been properly carried out.
1.7	Examine the external paint work for damage which adversely affects the appearance of the vehicle.	Exterior of vehicle so dirty that the overall finish of the paint work cannot be assessed. Paint work so deteriorated, damaged, rust blistered or stone chipped, that it detracts from the overall appearance of the vehicle. Renovations to paint work that produce runs, flat or uneven finish or of non-matching colour, i.e. not compatible with adjacent panels. Repairs incomplete in primer or undercoat. Overspray on glass or other fittings. Vinyl roof covering dirty, stained, discoloured, painted (other than with vinyl refurbishment product), torn or becoming detached. Roof covered in unapproved material. Finisher moulding insecure, incorrectly fitted or missing.	A Hackney Carriage must be black with a yellow bonnet and boot / tailgate. Private Hire Vehicles may be any colour other than black and yellow.
1.8	Check that the nearside and offside door/wing mirrors are fitted to the vehicle in a secure manner and that they function correctly.	Missing or defective door / wing mirrors.	
1.9	Ensure that the front and rear bumpers are in good order (without damage) and are securely fixed to the vehicle.	Damaged or inadequately secured front or rear bumpers.	Vehicle will have all factory-fitted bumpers and body mouldings in place in good order and repair.

1.10	Ensure that front and rear number plates comply with the Vehicle Excise and Registration Act 1994 and the Road Vehicles (Registration and Licensing) Regulations.	Damaged front or rear number plates e.g. cracks, splits or discolouration. Number plates which do not comply with the Vehicle Excise and Registration Act 1994 and Road Vehicles Registration and Licensing.	Registration mark obscured or indistinguishable is contrary to Section 43(1) of Vehicle Excise and Registration Act 1994. Registration mark failing to conform is contrary to regulation 17 of Road Vehicles (Registration and Licensing) Regulations and Section 59(1) of the Vehicle Excise and Registration Act 1994.
1.11	Examine the rubber seals to every door for serious damage, looseness or absence.	Damaged, missing or loose door seals which are likely to cause draught, rainwater penetration, unreasonable road noise or a trip hazard.	The vehicle will fail the test where defects in a door seal are considered to be likely to cause rain penetration, excessive draught and excessive road noise inside the vehicle or represent a trip hazard to users of the vehicle.
1.12	Ensure that the vehicle boot lid opens, closes and locks properly and that the hinges and opening mechanism adequately support the lid when it is in the open position.	Worn hinges to boot lid, defective boot lock, weak or defective boot opening device.	
1.13	Check the operation of the number plate light, reversing lights and front and rear fog lights.	Inoperable or insufficient number plate, reversing or fog lights.	Lights may be of insufficient intensity when incorrect bulbs have been fitted. Any lamp fitted must work correctly and be properly aligned.
1.14	Check operation on all wiper blades and mechanisms.	Wiper mechanism incorrectly parking, torn or damaged causing poor clearance of glass.	Front wipers tested only.

1.15	<p>No vehicle shall have tinted windows beyond the following levels:</p> <ul style="list-style-type: none"> a) The windscreen shall have a minimum light transmission of 75% b) All other front side windows of the vehicle shall have a minimum of 70% light transmission, c) Glass to the rear of the “B pillar” is permitted have a light transmittance of less than 70% but only when vehicle manufactured body tinted glass is used in this area. The tinted glass must be part of the whole vehicle design when produced and pre-registered for that particular model and specification. d) No tinted glass whether manufactured or otherwise will be permitted to be added to a vehicle retrospectively following vehicle manufacture completion. e) No retrospective tint application or film will be permitted to be applied to vehicle glass under any circumstances 	<p>Transmittable light below permitted levels (given margin of error). 3% margin of error 0.9% rounded to 1%</p> <p>Tinted glass added retrospectively following vehicle manufacture or a tint application or film applied to vehicle glass</p>	<p>The Council testing centre will allow up to a 3% error margin. This comfortably takes into account an error margin of 1-3% recommended by the testing instrument’s manufacturer.</p>
1.16	Check for presence of roof rack or roof rack fittings.	Presence of a roof rack.	Vehicle must not be fitted with a roof rack.
1.17	Check for presence of tow bar.	Presence of a tow bar / ball.	Vehicle must not tow a trailer, a tow bar may be present if the ball is removed.

2. VEHICLE SIGNS & STICKERS

General: THE ONLY ADVERTISING ALLOWED ON VEHICLES IS THE COMPANY NAME AND TELEPHONE NUMBER CONFINED TO A NOTICE FIXED TO BOTH FRONT DOOR PANELS – Unless vehicles have other advertising with the Council’s permission.

Hackney Carriage Vehicles – You may display advertising that does not detract from, or obscure the signage required by other licence conditions. Any advertising must not affect the yellow boot and bonnet of the vehicle and all other panels must be no less than 25% black. Any advertising must adhere to the current Advertising Standards Authority code and must be formally approved by the Council’s Licensing Section before being placed on any vehicle.

Private Hire Vehicles – You may display advertising that does not detract from, or obscure the signage required by other licence conditions. Any advertising must adhere to the current Advertising Standards Authority code and must be formally approved by the Council’s Licensing Section prior to being placed on any vehicle.

Ref	Method of Inspection	Reasons for Failure	Notes
2.1	Examine the roof-mounted sign affixed to the vehicle. Ensure that the sign is undamaged and the lettering clearly legible.	A sign that does not conform to the above standards affixed to the vehicle.	
2.2	Examine the fixing brackets which affix the roof mounted signs to the vehicle to ensure that the signs are secured in a satisfactory manner and are not likely to work loose.	A sign that is not satisfactorily secured to the vehicle.	
2.3	Check that roof-mounted signs are properly illuminated.	A sign which is damaged or has lettering which is not clearly legible.	The roof sign should be connected to the meter switch so that the cancelling of the meter automatically illuminates the sign and activating or switching off of the meter by other means (e.g. an isolator switch) automatically extinguishes the sign.

2.4	Check that the roof mounted sign may not be switched off by separate switch.	A sign which cannot be switched off by separate means.	
2.5	<p>Examine the signs where affixed to the vehicle to ensure that they comply with the Council's vehicle licence conditions i.e.</p> <p>All Vehicles:</p> <p>Comment stickers – inside vehicle, on rear passenger windows.</p> <p>No smoking signs.</p> <p>Disabled accessibility sticker – for wheelchair accessible vehicles only.</p> <p>Hackney Carriage Vehicles:</p> <p>Illuminated roof sign</p> <p>Tariff card – current table of fares, on dashboard or other prominent position.</p> <p>Door roundels – on both front doors, beneath windows.</p> <p>Private Hire Vehicles:</p> <p>Insurance sticker – on dashboard or other prominent position.</p>	<p>Non-compliance with conditions.</p> <p>Use of magnetised stickers.</p>	<p>Stickers must be affixed using the adhesive backing on the reverse of each sticker and must be placed so that the details upon the sticker are not concealed in any way. Magnetised stickers must not be used.</p> <p>Internal signs and stickers must be in a position clearly visible to passengers and not obscured / concealed in any way.</p> <p>All signs and stickers must be clearly legible and must be replaced when worn.</p>

	<p>Private hire operator signage – on both rear doors, beneath windows, must display operator trading name, may display logo and phone number.</p> <p>Private hire door signage – on both front doors, beneath windows.</p>		
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3. LICENCE PLATES

Ref	Method of Inspection	Reasons for Failure	Notes
3.1	Inspect the vehicle licence plate fixed to the rear of the vehicle for signs of damage or excessive wear and ensure that it is securely fixed. Ensure that the information on the plate is clearly legible.	A damaged plate or a plate with information not clearly legible.	The Council's licence conditions require: The licence plate to be fixed in a conspicuous position, kept clean at all times and not obscured in any way.
3.2	Examine the plate fixing to the vehicle to ensure that it is securely fixed using bolts, screws or other method approved by the Council in accordance with the Local Authority's conditions.	A plate which is not adequately secured to the vehicle.	Plates should be securely fixed to vehicle using bolts or screws and must be able to be removed by a police officer or authorised officer of the Council.

4. TYRES AND WHEELS

General: Where wheel trims are fitted these should be removed by the driver before the test to enable the wheel to be properly checked.

Ref	Method of Inspection	Reasons for Failure	Notes
4.1	<p>Tyres must be of the same type. Ensure that the tyre provided on the spare wheel is of the same size and construction as those fitted to the road wheels.</p> <p>See notes re Space Savers and Run Flat tyres</p>	<p>Variation in type of tyres. A spare wheel not provided with the vehicle. A tyre which is of a different size or construction.</p>	<p>SPARE WHEEL – If a car has tyres in a combination which conforms to current legal requirements (e.g. radial and cross-ply), the carrying of one spare wheel/tyre cannot be accepted since it can only be used in limited circumstances. The vehicle must, therefore, fail the test, even if the spare tyre is in good condition and matches one pair of the tyres fitted to the vehicle.</p> <p>SPACE SAVERS – Space saver wheels may be carried if supplied with the vehicle by the manufacturer and must be used in accordance with the manufacturers’ guidelines.</p> <p>RUN FLAT TYRES – Run Flat tyres permitted without the need for a spare wheel, subject to manufacturers standards</p>
4.2	<p>Examine the tyres for signs of damage or excessive wear. Ensure that the spare tyre complies with all legal requirements for tyres when fixed to the vehicle.</p>	<p>Damaged (e.g. nails or objects embedded in the tyre causing puncture or other problems), worn, substandard or otherwise illegal tyres.</p>	<p>A mix of steel and cord radials on one axle will not be accepted.</p> <p>Re-cut tyres are not acceptable.</p> <p>A remould will only be acceptable if it carries a clearly legible manufacturer’s mark that the tyre conforms to the current British Standard BSAU144E.</p>

4.3	Visually check all tyres (including spare) to ensure that they are inflated.	Failure due to any tyres being flat (including spare).	
4.4	Examine the jack and wheel brace provided with the vehicle to ensure that they are in good working order.	Failure to provide a suitable jack and/or wheel brace with the vehicle.	
4.5	Check the spare wheel fixing bracket (or similar securing device) to ensure that the wheel is properly secured in the correct position.	Failure to satisfactorily secure the spare wheel.	
4.6	Check the rims of all wheels for any signs of distortion or damage.	A damaged or distorted wheel rim.	
4.7	Check brake discs and pads for excess wear.	Pad wear down to 2.5mm or less. Excess disc wear or disc faults.	

5. BOOT / LUGGAGE COMPARTMENT

General: The boot space of the vehicle must be clean and free from the proprietor/driver’s personal property so that it may be used by passengers to store luggage.

Ref	Method of Inspection	Reasons for Failure	Notes
5.1	Examine for evidence of damage, corrosion or water penetration.	Damage or corrosion to the floor inner wing panels or lid.	
5.2	Examine floor covering to ensure that it is in good condition and offers adequate protection to luggage stores.	Excessive wear, damage or staining to floor covering.	
5.3	Examine the interior for accumulations of dirt, dust, grease, litter etc. or staining of any surface with which luggage may come into contact.	Accumulations of dirt, grease, rubbish etc. which could soil or damage luggage stored therein.	
5.4	Check for the presence of containers of any flammable or corrosive material (e.g. oil, petrol etc.).	Containers for the storage of oil, petrol or any flammable or corrosive material shall not be carried in the vehicle.	These materials are a fire hazard. They may also contaminate passengers’ luggage, taint food, etc. A jack, first aid kit, fire extinguisher and wheelchair ramps (where applicable) may be carried in the luggage compartment.
5.5	Ensure that all interior panels are in position, covering electrical wiring and associated fittings.	Panels insecure or missing.	

6. ENGINE COMPARTMENT / TRANSMISSION & MOUNTINGS

General: If a LPG or alternative fuel system is installed and maintained on a HC, then the system must be fitted by a LPGA approved UK vehicle conversion company (unless manufactured as a dual fuel vehicle) and all equipment and its installation shall comply with the Motor Vehicles (Construction and Use) regulations 1978 and the current code of practice of the LPG Association. When in use, a daily check should be made of all LPG valves and connections and a report kept by the owner of such checks and findings.

Ref	Method of Inspection	Reasons for Failure	Notes
6.1	Carry out a visual inspection of the engine compartment for signs of oil or fuel leaks.	Any fuel leakage. Any oil leakage where oil contamination is apparent over parts of the engine or underside of the vehicle or where oil is seen to be dripping from the vehicle.	Inspection to be carried out from both above and below the vehicle.
6.2	Ensure that the battery is properly secured in position.	Insecure battery.	
6.3	Examine all rubber/plastic hoses for signs of wear or deterioration.	Significantly worn or deteriorated hoses.	
6.4	Check the fan belt for signs of incorrect adjustment and/or deterioration.	An incorrectly adjusted or deteriorated fan belt.	
6.5	Examine the engine mountings for signs of deterioration.	Insecure or deteriorated engine mountings.	
6.6	Ensure that the radiator is properly secured to the vehicle and check for signs of any leaks.	A leaking or inadequately secured radiator.	
6.7	Examine the inner wing panels and suspension mounting tops for evidence of corrosion.	Corrosion to the inner wing panels and suspension mounting tops.	This should include any corrosion around headlamp mountings.

6.8	Check the master cylinders for any signs of spillage or leakage of fluid.	A leaking or inadequately secured radiator.	
6.9	Check the clutch mechanisms for correct operation.	Fluid leakage or mechanical components worn in the clutch mechanism.	
6.10	Check the operations of the bonnet release catch.	Defective bonnet release catch/mechanism.	

7. INTERIOR OF VEHICLE

General: All hackney carriages licensed by this Council have to be either wheelchair accessible or may be fitted with a Council approved swivel seat (optional and not a requirement) to provide for the needs of people with disabilities. The interior of the vehicle must be clean and well maintained, being fit and safe for use by the driver and passengers.

Ref	Method of Inspection	Reasons for Failure	Notes
7.1	Examine the floor and upholstery inside the vehicle for accumulations of dust, dirt, litter, general debris and staining or excessive wear.	Vehicle will be failed if cushion / backrests, upholstery, carpeting or matting is collapsed, holed, split, temporarily repaired, stained, dirty, has accumulations of dust, litter, debris etc. or has evidence of smoking.	Seats must be properly cushioned and covered. The floor must be completely carpeted / covered with appropriate flooring.
7.2.	Check that there are no excessive unpleasant odours noticeable inside the vehicle.	Unacceptable smells of vomit, food, smoke or other contaminants.	
7.3	Remove any mats from the floor and examine the carpeting for signs of leakage of water into the vehicle.	Evidence of leakage of water into the vehicle from rainwater penetration or leaking cooling/heating system.	The vehicle must be wind and water tight.
7.4	Sit in each of the passenger seats within the vehicle to ensure that all seat cushions and back rests are in a good condition and offer proper support to passengers and the driver.		Correctly fitted seat covers will be acceptable.
7.5	Examine all seats to ensure that they are properly secured to the vehicle; with a fixed rear seat ensure that the seat cushion is not loose.	Seats which are not adequately secured to the vehicle.	

7.6	Check that all seats have seat belts fitted and that the seat belts work.	No seat belt(s) or seat belt(s) that do not work.	The Council's conditions specify that a seatbelt should be provided for every passenger the vehicle is licenced to carry.
7.7	Check the operation of the interior light within the vehicle, both the manual switch and the door operated switches.	Faulty interior light fitting. Faulty interior light switch. Faulty interior light door switches.	The vehicle must have adequate internal lighting to enable passengers to enter and exit the vehicle safely. No decorative lighting will be permitted other than lighting which comes fitted as standard by the vehicle manufacturer.
7.8	Examine the interior rear view mirror and ensure that it is securely fixed.	A loose, damaged or missing rear view mirror.	
7.9	Check the operation of the heater/windscreen demister to ensure that it is in satisfactory working order.	Defective heater/windscreen demister.	
7.10	Examine the clutch and brake pedal rubbers for signs of excessive wear.	Worn or missing brake and/or clutch pedal rubbers.	
7.11	Check the operation of all window winders ensuring that they allow all windows to be fully lowered and raised easily.	Window winders that do not allow windows to be easily lowered or raised.	
7.12	Check the operation of all door release catches to ensure that doors can be opened easily from within the vehicle.	Defective interior door release catches.	

7.13	Ensure that child proof locks (if fitted) to rear doors are in working order.	Defective child proof locks.	
7.14	Check that any rubbish trays provided for the vehicle are intact and capable of being used (where trays have been removed they should be blanked off).	Unserviceable trays or trays that have not been blanked off.	
7.15	If a metal grille is fitted, check to ensure that there are no sharp or exposed parts, which could cause injury to a passenger or driver.	Loose or incorrectly fitted grille or exposed parts which could cause injury.	The fitting of a metal grille is not compulsory. Sufficient means must be available for any passenger to communicate with the driver.
7.16	Check that estate & hatchback cars are fitted with a suitable luggage guard.	Luggage guard not fitted or ineffective.	A hatchback or estate car must be fitted with a dog guard or other device, sufficient to prevent luggage from entering the passenger compartment in the event of an accident.
7.17	Check steering wheel in sound condition.	Steering wheel fabric / leather twists on wheel causing insecurity.	
7.18	Examine the seating capacity to check for maximum allowance of 8 passengers.	Over 8 passenger seats (excluding driver).	The vehicle must have seating capacity for at least four adults with a minimum seating space of 16 inches per person.
7.19	Check position of seating for clear access to all seats and escape routes.	No clear and unobstructed access for passengers to and from all seats to exits. There should be two entrances / exits available to all seats without moving or tilting seats in any way.	If the seating plan is to be altered the Licensing Section must be informed and the layout approved in line with the testing manual. If access to exits is impeded by a flip down / tip up seat, then the method of operating the

			lever for the seat should be able to be clearly seen by all passengers. If necessary a notice shall be displayed in the vehicle advising of the position of the lever.
7.20	Check airbag system for damage/failure.	Steering wheel or dashboard has damage to airbag area. Airbag warning lamp does not illuminate when ignition turned on or fails to go out after engine starts.	
7.21	Check all dashboard warning lamps for correct use.		

8. ANCILLIARY EQUIPMENT

General: Any equipment such as ramps, restraining straps, must be marked in a permanent manner, with the plate number of the hackney carriage e.g. HV 999.

Ref	Method of Inspection	Reasons for Failure	Notes
8.1	Where vehicles have been adapted for wheelchair access check all the fixings necessary to carry wheelchairs.	Wheelchair fixings not working or missing.	

9. METERS

General: After 1 April 2014 all taximeters must be calendar controlled and locked & sealed by the manufacturer / supplier so that tariff rates change automatically and cannot be changed or tampered with manually by any person. The use of remote controls is not allowed. Where fitted, taximeters or data systems must be maintained in a safe condition in accordance with manufacturer's guidelines.

Ref	Method of Inspection	Reasons for Failure	Notes
9.1	Ensure that the meter is sited in a position where it can be clearly seen from all passengers' seats within the vehicle.	Absence of a meter or a meter which is not suitably sited within the vehicle.	PHVs are not required to have a meter fitted within the vehicle. When fitted to a PHV a meter must comply with the specifications set out here. All taximeters should be fitted in a position, approved by the Council's vehicle tester, where they are not obstructed by other fixtures or fittings within the vehicle
9.2	Examine the meter mounting to ensure that it is satisfactorily secured within the vehicle.	A meter which is not adequately secured within the vehicle.	If HC's are supplied with a taximeter already fitted, then the taximeter must not be moved to another position within the vehicle without prior approval from the Council.
9.3	Check the meter to ensure that the figures indicating the fare are illuminated.	Lack of adequate illumination to the meter display.	
9.4	Ensure that the meter is correctly calibrated and sealed in accordance with the agreed table of fares.	An incorrectly calibrated meter. An unsealed meter.	The calibrated test should be carried out by test driving the vehicle over the agreed measured distance and ensuring the appropriate fare displays corresponds to the distance covered, check all tariff rates. PHV's with a meter should be tested using the tariff

			set by the private hire operator and the private hire operator's tariff card should be displayed in the vehicle.
9.5	Check the table of fares is displayed in the vehicle in a position where it can be clearly seen by passengers in the front and rear of the vehicle.	Failure to display a table of fares in a conspicuous position within the vehicle.	A list of the current HC table of fares supplied by the Council must be displayed on the vehicle's dashboard or other prominent position where it can be easily seen by all passengers and must not be concealed in any way by either the driver or vehicle proprietor.
9.6	Check the "FOR HIRE" window sign function including illumination.	Sign does not illuminate on deactivation of meter or does not go out when on hire.	

Appendix E

Private Hire Vehicle Exemption Notice Conditions

General Conditions

1. The proprietor shall be exempt from the requirement to display the private hire vehicle identification plates and Council issued and operator door signs issued by the Council during the period of exemption.
2. The proprietor shall ensure that the Private Hire sticker issued by the council is displayed within the vehicle in such a position as to be able to be clearly read by passengers.
3. The 'Exemption Notice' issued by the Council in respect of the licensed private hire vehicle shall be carried within the vehicle at all times, and presented for inspection at the request of an Authorised Officer of the Council, a Police Constable or the hirer.
4. Other than the Council's Private hire sticker, internal comment card and driver identification badge; the proprietor shall not display in, on or from the vehicle any advertisement, sign, logo or insignia advertising the operating company or promoting the vehicles' status as a licensed private hire vehicle, without the prior written approval of the Council.
5. No taximeter shall be displayed within the vehicle at any time.
6. No table of fares/tariff cards shall be displayed in the vehicle at any time.
7. The proprietor shall inform the hirer that an exempted vehicle will be used for each individual booking.
8. The proprietor shall notify the Council within 7 days in writing if there is any material change in the nature of the use of the vehicle during the period of exemption.

Appendix F

Table of Existing Vehicles by Age

Year first Registered	No. of HCVS	No. of PHVs	Age	Total
2010	1	0	11	1
2011	0	0	10	0
2012	8	9	9	17
2013	40	25	8	65
2014	30	54	7	84
2015	46	114	6	160
2016	35	129	5	164
2017	40	136	4	176
2018	11	43	3	54
2019	6	26	2	32
2020	3	3	1	6
2021	1	1	1	2
Total	221	540		761

Appendix G

Policy on the Relevance of Convictions, Cautions, Reprimands, Warnings, Complaints and Character

Purpose

The Council use this policy to make fair and, so far as possible, consistent decisions when considering convictions, cautions, reprimands, warnings, information or complaints received regarding an applicant for a private hire or hackney carriage vehicle driver's licence, a private hire or hackney carriage vehicle licence, a private hire operator's licence or an existing licensee.

This policy will be taken into account and in general will be followed when dealing with a new application, a renewal application and when considering whether to take action including a warning, suspension or revocation in relation to an existing licensee.

The policy applies to new applicants and existing licence holders and reference to "an applicant" is construed to include reference to an existing licence holder.

Overriding Duty

The aim of the Council when carrying out its function of licensing the hackney carriage and private hire trade is the protection of the public including those who use or can be affected by hackney carriage and private hire services.

The Council's duty is to ensure, so far as possible, its licensed drivers and private hire operators are fit and proper people to hold such a position of trust. This involves a detailed assessment of an applicant or licensee's character.

The Council's licensed drivers should be safe drivers with good driving records and adequate experience, sober, mentally and physically fit, be honest and not persons who would take advantage of their employment to abuse or assault passengers.

A licensed driver should be courteous, avoid confrontation, not exhibit prejudice, not take the law into their own hands and demonstrate conduct befitting to the trust that is placed in them.

Licensed private hire operators and vehicle proprietors should pose no threat to the public and have no links to serious criminal activity and they are entrusted to ensure that the vehicles and drivers used to carry passengers are appropriately licensed and are above all else safe.

Information

The Council may require an Applicant to submit information it reasonably considers necessary to enable it to determine whether a Licence should be granted or whether conditions should be imposed.

The Council uses the enhanced disclosure service from the Disclosure and Barring Service (DBS) and will use their vetting and barring scheme, when appropriate, to determine the suitability of applicants for hackney carriage and private hire driver's

licences. Any information disclosed as being considered relevant by the Police on the DBS disclosure will be considered on its merits. However, any person on a DBS Barred List will be refused a licence.

The basic disclosure service from the DBS will be used to determine the suitability of applicants for a private hire operator's licence and a private hire and hackney carriage vehicle licence.

The Council will comply fully with the DBS's Code of Practice and the requirements of the Data Protection Act 1998. Disclosure information will be used fairly, stored securely and only be handled by authorised persons. Please see guidance on the DBS website for further information: <https://www.gov.uk/government/publications/dbs-code-of-practice>

The Council is also entitled to use other records and information that may be available to it in determining applications or an entitlement to continue holding a licence. This may include information held by the Council itself or by other licensing authorities and information disclosed by the Police.

Spent Convictions

Convictions become spent after a certain period of time depending upon the sentence imposed. These rehabilitation periods are defined by the Rehabilitation of Offenders Act 1974, however, hackney carriage and private hire vehicle drivers are exempt from this Act. This means the Council can take spent convictions into consideration if it considers the convictions have real relevance to the fitness of the applicant, taking into consideration their age, circumstances and seriousness (gauged by the penalty imposed).

On 29 May 2013, amendments were made to the Rehabilitation of Offenders Act (Exceptions) Order 1975 (the Order) so that certain old and minor cautions and spent convictions are 'protected' and are not subject to disclosure under the Exceptions Order, nor will they appear on a standard or enhanced disclosure certificate issued by the DBS. Applicants for driver licences are required to disclose all convictions cautions, final warnings and reprimands whether they are spent or not, unless they are protected under the Order.

Cautions and fixed penalties

A person can be cautioned as an alternative to prosecution for various different offences. For a caution to be administered, the offender must agree to the caution, the evidence must be sufficient to have warranted a prosecution and **the offender must admit his guilt.**

Any action taken against an applicant who has received a caution will depend on the nature and circumstances of the offence, any previous history of criminality or complaints and the applicant's attitude towards the offence. Reference should also be made to other relevant parts of this guidance.

For the purpose of these guidelines, simple cautions, fixed penalties and community resolutions shall be treated as though they were convictions and they

shall be disclosed to the Council accordingly unless deemed to be protected under the above mentioned Order.

General

Each application or review of a current licensee will be judged and determined on its own merits and each applicant/licensee will be entitled to a fair and impartial consideration of their application

The Council will endeavour to make consistent decisions but is not bound by or obliged to follow previous decisions made by them in relation to applications or existing licence holders. Applicants who hold a licence with one licensing authority should not automatically assume that their application will be granted.

A person with a conviction, caution, reprimand or final warning issued by the Police, may not be permanently barred from obtaining a licence but should be expected to remain free from conviction or incident for an appropriate period, set out in this policy, before an application is entertained. However a person with a conviction for a crime resulting in death or intention to cause death or serious injury; exploitation (including slavery, child sexual abuse, exploitation, grooming, psychological, emotional or financial abuse); or any offence involving or connected with illegal sexual activity will not be licensed.

In addition to the above the Council will not grant a licence to any applicant who is on the Sex Offenders Register or on any Barred List.

For a new application an applicant must produce adequate information that he is a fit and proper person to hold a licence. Simply remaining conviction free may not generally be regarded as adequate evidence that an applicant is a fit and person to hold a licence. Applicants should also demonstrate evidence of good character.

If offences have been committed the Council will consider the nature of the offence, the age of the conviction, the age of the applicant when convicted, the sentence imposed and any other relevant factors.

Any reference in this policy to a conviction or incident free period means a conviction or incident free period from the date of the most recent conviction or the completion of any sentence imposed for that conviction or restoration of a driving licence if disqualified, whichever is the later.

Multiple offences or incidents are likely to give greater cause for concern and may demonstrate an inappropriate pattern of behaviour which shows an applicant is unsuitable to be granted a licence. If taken separately the offences may meet the guidelines in this Policy, however, where there are multiple offences the Council will assess the offending on the whole rather than separately in order to assess the suitability of an applicant.

If a Licence is suspended or revoked and there is a risk to public safety the suspension or revocation may have immediate effect. This means that if a Licensee appeals the decision during the period prior to the appeal being determined the suspension or revocation remains in force.

The Council will generally follow this policy but may depart from it if there are good reasons to do so.

The following examples afford a general guide on the action to be taken where convictions, cautions, reprimands or final warnings are disclosed.

(a) Minor Traffic Offences

Any motoring offence shows a lack of responsibility whilst driving, either in terms of the maintenance and safety of their vehicle or in the manner of their driving.

The Council takes a serious view if a licensed driver commits a motoring offence as driving is his profession, he has a responsibility to ensure he drives his passengers safely and is not a risk to other road users and it demonstrates that the licensee may not be taking their professional responsibilities seriously.

A single conviction, caution, reprimand or final warning issued by the Police, for a minor traffic offences may not normally prevent a person from being considered for a licence, depending on the circumstances.

However, applicants with multiple motoring convictions may indicate that an applicant does not exhibit the behaviours of a safe road user and one that is suitable to drive professionally.

If an applicant has up to six "valid" penalty points on their driving licence for such offences then the application may be granted subject to a requirement that the applicant attends a driver improvement course at their own expense and to a written warning as to future conduct. In this context 'valid' means valid for the purposes of the totting up procedure, which for most minor traffic offences means a period of 3 years from the date of the offence.

If an applicant has between 7 and 9 live points on their licence for such offences they must show a period of three years free from conviction before an application will be considered

Where an applicant has more than 9 valid penalty points for such convictions, they must show a period of five years free from conviction, caution, reprimand or final warning before their application is considered.

If an applicant has a significant history of offences, showing a disregard for safety or has been disqualified, for example through the totting up process, an application will not normally be considered until their DVLA licence has been restored and a conviction free period of at least five years, depending on the severity of the risk, has lapsed since the date of conviction or reinstatement of the DVLA Licence, whichever is the latter.

If a Licensee has driven unsafely as a result of minor traffic offences or has upheld complaints about his driving standards, putting the public at risk, depending on the severity of the risk, the Council may require the Licensee to attend a driver improvement course at his own expense and / or suspend the Licence or revoke

the Licence. In view that unsafe driving is a risk to public safety a suspension or revocation may take immediate effect.

(b) Major Traffic Offences

Major traffic offences include those on the attached list of offences given overleaf that have the associated codes. The Council appreciates there is a difference in the level of seriousness of these offences and will consider each on its merits.

A very serious view is to be taken of any applicant who has been convicted of a driving offence that resulted in the loss of life. Unless there are exceptional circumstances, a licence will be refused where the applicant has a conviction for an offence such as:-

- Causing death by dangerous driving
- Causing death by careless driving whilst under the influence of drink or drugs
- Causing death by driving whilst unlicensed, disqualified or uninsured

A serious view will also be taken regarding convictions for driving whilst using a mobile phone or hand held device. There is evidence to show that drivers who use a mobile phone or hand held device have slower reaction times than those who have consumed up to the legal alcohol limit. In light of this an equally serious view will be taken of a conviction for driving whilst using a mobile phone or hand held device and a drivers licence will not be granted until at least five years have elapsed since the conviction or completion of any sentence or driving ban imposed, whichever is the later.

If an applicant for a drivers licence has an endorsement in respect of a major traffic offence then the application will normally be refused until at least five years after the most recent conviction, caution, reprimand, final warning or if the person was disqualified, after the restoration of their driving licence, whichever is the later.

If an applicant has more than one endorsement for a major traffic offence a licence will not be granted until at least 7 years have elapsed since the completion of any sentence imposed.

Even if the Courts decide not to disqualify a driver under the totting up procedure, the Council may still consider that the driver is not a fit and proper person and may consider refusal or revocation of their private hire and/or hackney carriage driver's licence.

DVLA CODE	DESCRIPTION OF OFFENCE
AC10	Failing to stop after an accident
AC20	Failing to give particulars or to report an accident within 24 hours
BA10	Driving whilst disqualified by order of court

BA30	Attempting to drive while disqualified by order of court
BA40	Causing death by driving whilst disqualified
BA60	Causing serious injury by driving whilst disqualified
CD40	Causing death through careless driving when unfit through drink
CD50	Causing death by careless driving when unfit through drugs
CD60	Causing death by careless driving with alcohol level above the limit
CD70	Causing death by careless driving then failing to supply a specimen for analysis
CD80	Causing death by careless or inconsiderate driving
CD90	Causing death by driving unlicensed, disqualified or uninsured drivers
CU80	Breach of requirements as to control of vehicle, use of mobile telephone etc.
DD10	Causing serious injury by dangerous driving
DD40	Dangerous driving
DD60	Manslaughter or culpable homicide while driving a vehicle
DD80	Causing death by dangerous driving
DD90	Furious driving
DG10	Driving or attempting to drive with drug level above the specified limit
DG40	In charge of a vehicle while drug level above specified limit
DG60	Causing death by careless driving with drug level above the limit
DR10	Driving or attempting to drive with alcohol level above limit
DR20	Driving or attempting to drive while unfit through drink
DR30	Driving or attempting to drive then failing to supply a specimen for analysis
DR31	Driving or attempting to drive then refusing to give permission for analysis of a blood sample that was taken without consent due to incapacity
DR61	Refusing to give permission for analysis of a blood sample that was taken without consent due to incapacity in circumstances other than driving or attempting to drive.

DR40	In charge of a vehicle while alcohol level above limit
DR50	In charge of a vehicle while unfit through drink
DR60	Failure to provide a specimen for analysis in circumstances other than driving or attempting to drive
DR70	Failing to provide specimen for breath test
DR80	Driving or attempting to drive when unfit through drugs
DR90	In charge of a vehicle when unfit through drugs
IN10	Using a vehicle uninsured against third party risks
IN14	Causing or permitting the use of a vehicle uninsured against third party risks
UT50	Aggravated taking of a vehicle
TT99	To signify a disqualification under totting-up procedure. If the total of penalty points reaches 12 or more within 3 years, the driver is liable to be disqualified

Other relevant parts of this guidance should be referred to if a major traffic offence involves the use of drugs or alcohol.

(c) Alcohol Related Offences

A person who has a conviction for drink driving must show at least seven years free from conviction since the completion of any sentence or driving ban imposed before their application will be considered.

A licence will normally be refused if an applicant has more than one conviction for driving under the influence of alcohol.

A person with a conviction, caution, reprimand or final warning issued by the Police, for an alcohol related non-driving offence would be required to show a period of at least two years free from such conviction, caution, reprimand or final warning.

If there is evidence of a propensity for alcohol misuse or dependency a satisfactory specialist medical examination (in accordance with DVLA Group 2 medical standards) will be required before the licence is granted. If the applicant has been alcohol dependent then they would normally be required to show evidence of at least five years free from alcohol use after successfully completing an approved treatment programme.

(d) Drug Related Offences

An applicant with a conviction, caution, reprimand or final warning issued by the Police, for a drug-driving related offence should be required to show a period of seven years free of conviction since the completion of any sentence or driving ban imposed before an application is considered. In these circumstances, any applicant will also have to undergo drug testing at their own expense to demonstrate that they are not using controlled drugs.

An applicant with an isolated conviction, caution, reprimand or final warning issued by the Police, for a drug related non- driving offence should be required to show a period of at least five years free of conviction, caution, reprimand or final warning since the completion of any sentence imposed before an application is considered.

If the conviction, caution, reprimand or final warning relates to the supply of controlled drugs; possession with intention to supply controlled drugs; the production of controlled drugs (for commercial purposes) or importing drugs then the application will be refused until at least 10 years have elapsed since the completion of any sentence

In addition, a licence will normally be refused if an applicant has more than one conviction for drugs related offences.

If there is medical evidence of persistent drugs use, misuse or dependency a specialist medical examination (in accordance with DVLA Group 2 medical standards) may be required before the licence is granted. If the applicant has been an addict then they would normally be required to show evidence of five years free from drug taking after successfully completing detoxification treatment.

(e) Exploitation, Sexual and Indecency Offences

As licensed drivers often carry unaccompanied and vulnerable passengers, the Council will take a strong line in relation to applicants or Licensees involved in exploitation, illegal sexual activity or indecency.

If an Applicant or Licensee has been convicted of a crime involving, relating to, or has any connection with abuse, exploitation, use or treatment of another individual irrespective whether the victims are adults or children, they will not be licensed. This includes but is not limited to slavery, child sexual exploitation, grooming, psychological, emotional or financial abuse, but this is not an exhaustive list.

If an Applicant or Licensee has been convicted of an offence or has any connection with an offence involving or connected with illegal sexual activity or a form of indecency they will not be licensed.

Examples of such offences or illegal activities are as follows, (but this list is not exhaustive):

- Rape
- Assault by penetration

- Offences involving children or vulnerable adults
- Sexual assault
- Indecent assault
- Indecent exposure
- Unlawful sexual intercourse
- Exploitation of prostitution
- Trafficking, sexual abuse against children and / or vulnerable adults and preparatory offences (as defined within the Sexual Offences Act 2003).for sexual exploitation
- Making or distributing obscene material
- Possession of indecent photographs, child pornography etc.
- Or any sex or indecency offence that was committed in the course of employment as a taxi or PHV driver
- Or any similar offences (including attempted or conspiracy to commit) offences which replace the above.
- Prostitution
- Soliciting (kerb crawling)
- Making obscene/indecent telephone calls
- Or any similar offences (including attempted or conspiracy to commit).

The Council will refuse a licence to any applicant who is currently on the Sex Offenders Register, DBS barred lists or any other similar lists or registers.

There may be other situations where an Applicant's or Licensee's behaviour, although may not be illegal, nevertheless may result in a Licence not being granted. For example, an Applicant or Licensee having sexual relations, committing sexual acts or discussing matters of a sexual nature with a passenger should expect to have the licence refused or revoked.

(f) Violence

Licensed drivers have close regular contact with the public and are in an extreme position of trust.

A person who has a tendency to be violent, aggressive or who responds with violence when provoked will not be suitable to be granted a licence.

The Council deems incidents of domestic violence to be extremely serious because if an individual is prepared to assault an individual in a domestic or home environment, then they would have concerns over the person's ability to maintain their temper when working in an environment dealing with members of the public.

A firm line is to be taken with those who have convictions for offences of violence or have been involved in violent acts

A licence will not be granted where the applicant has a conviction for a crime that resulted in the death of another person or was intended to cause the death or serious injury of another person

A licence will normally be refused where the applicant has a conviction for an offence of violence against the person, or connected with any offence of violence until a period of at least ten years free of such conviction has elapsed since the completion of any sentence imposed

If an applicant is convicted of more than one offence of violence a Licence will not be granted.

If an applicant or Licensee shows a propensity to be violent then the application may be refused or licence revoked irrespective of the period that has lapsed since the last violent incident.

(g) Possession of a weapon

Where an applicant has a conviction for possession of a weapon or any other weapon related offence, a licence will not be granted until at least seven years free from conviction have elapsed since the completion of any sentence imposed.

(h) Discrimination

Where an applicant has a conviction involving or connected with discrimination in any form, a licence will not be granted until a period of seven years free from conviction have elapsed since the completion of any sentence imposed.

(i) Dishonesty

A licensed PHV or taxi driver is expected to be a trustworthy person. They deal with cash transactions and valuable property may be left in their vehicles. Moreover, it is comparatively easy for a dishonest driver to defraud the public by demanding more than the legal or agreed fare, etc. Overseas visitors can be confused by our currency and may be vulnerable to an unscrupulous driver. For all these reasons, a serious view is taken of any conviction and complaint involving dishonesty.

A licence will normally be refused if an applicant has been convicted of a serious offence involving dishonesty or has more than one conviction for a dishonesty offence, showing they are likely to be continually dishonest, regardless of the time elapsed since the conviction or completion of the sentence imposed.

In general, for an isolated conviction for any offence where dishonesty is an element of the offence, a licence will not be granted until at least seven years have elapsed since the completion of any sentence imposed. Offences involving dishonesty may include:

- Theft
- Burglary
- Fraud
- Benefit fraud
- Handling or receiving stolen goods
- Forgery

- Conspiracy to defraud
- Obtaining money or property by deception
- Other deception
- Taking a vehicle without consent
- Fare overcharging
- And any similar offences
- Or any similar offences (including attempted or conspiracy to commit) offences which replace the above

If a number of complaints about dishonesty have been received and upheld, the application may be refused or the licence revoked until a minimum period of seven years free from further incident can be demonstrated.

However, where such complaints show the applicant to be generally untrustworthy, an application may be refused or licence revoked regardless of the period lapsed since the last dishonest incident.

It is an offence for any person to knowingly or recklessly make a false declaration or to omit any material particular in giving information required in the application process. Where an applicant has made a false statement or given a false declaration on their application, the licence will normally be refused.

Applicants or existing licence holders that are found to have intentionally misled the Council, or lied as part of the application process, will not be issued with a licence.

(j) Immigration

Where the licence holder has been served an immigration penalty or convicted of an immigration offence the licence will be revoked immediately. Guidance for licensing authorities to prevent illegal working in the taxi and private hire trade has been issued by the Home Office.

(k) Licensing Offences or Any Breach of the Conditions or Byelaws Made Under the Relevant Legislation

Any existing licence holder convicted of an offence relating to a hackney carriage or private hire vehicle of which they are the driver, proprietor or operator will normally be referred to the Licensing Committee as any such conviction will bring into question their continued fitness to hold a licence.

The Council will take into consideration the seriousness of the offence, the nature of the offence, any previous criminal history or complaints and the licence holder's attitude towards the offence. Other sections of this guidance will be taken into consideration when deemed relevant, for example dishonesty offences when dealing with a conviction for overcharging a passenger, otherwise new applicants will be expected to demonstrate a period of at least seven years free from conviction before a licence will be granted.

The following examples afford a general guide as to what action the Council may take in relation to existing licence holders:-

(l) Proprietor Offences

Any person convicted, cautioned, reprimanded or given a warning of an offence relating to a hackney carriage or private hire vehicle of which they are the proprietor may have their licence(s) suspended or revoked.

(m) Driver Offences

Any person convicted, cautioned, reprimanded or given a final warning of an offence whilst acting as the driver of a Hackney Carriage or Private Hire vehicle may have their driver licence suspended/suspended with immediate effect or revoked/revoked with immediate effect.

A serious view will be taken if a driver receives a conviction for breaching their duties under the Equality Act 2010 and there will be a presumption that a driver who wilfully fails to comply with section 165 will be unlikely to remain a "fit and proper person".

(n) Operator Offences

Any person convicted, cautioned, reprimanded or given a final warning for an offence relating to their operation of private hire vehicles or drivers may have their private hire operator's licence suspended or revoked.

Should the Council chose to take action short of revocation then more than one such conviction, caution, reprimand or final warning will normally lead to the driver or operator licence being revoked.

If a driver's, vehicle proprietor's or operator's licence is revoked as the result of a conviction for breaches of licensing legislation, then that person would normally be expected to show a period of at least seven years free from conviction, caution, reprimand or final warning before a new application is considered.

Outstanding Charges or Summons

If the applicant is the subject of an outstanding charge or summons their application can continue to be processed, but the application will not be determined until the conclusion of the proceedings.

If the outstanding charge or summons involves a serious offence and the individual's conviction history indicates a possible pattern of unlawful behaviour or character trait, then in the interests of public safety the application may be put on hold until proceedings are concluded or the licence may be refused.

Non-conviction information

Criminal convictions are not the only criteria used when considering whether an individual is a fit and proper person to be licensed. Other factors, including the applicant's demeanour and appearance and conduct during the application process may be taken into account in determining fitness and propriety.

The Council can consider circumstances of concern even though a conviction has not been obtained or the conduct does not amount to a criminal offence.

The Council's focus is the impact of the applicant or licence holder upon members of the public. This does not require any consideration of the personal circumstances of the applicant or licensee, which are irrelevant, except perhaps in very rare cases to explain or excuse some conduct of the driver.

If a licence holder's conduct is such that, were they to be applying for a new licence their application would normally be refused, they should expect consideration to be given as to the suspension or revocation of their licence.

If a Licensee is arrested or charged with an offence, depending on the severity of the risk to the public, he should expect to have his Licence suspended or revoked. If there is a risk to public safety that suspension or revocation may have immediate effect.

In assessing the action to take, the safety of the travelling public must be the paramount concern.

Summary

Whilst a criminal history in itself may not automatically result in refusal and a current conviction for a serious crime need not bar an applicant permanently from becoming licensed. As the preceding paragraphs indicate, in most cases, an applicant would be expected to have remained free from conviction for 5 to 10 years (the period of time depending on the conviction and circumstances, as detailed above), before an application is likely to be successful.

While it is possible that an applicant may have a number of convictions that, individually, meet the above guidelines, the overall offending history must be considered when assessing an applicant's suitability to be licensed. A series of offences over a period of time is more likely to give cause for concern than an isolated minor conviction. Obviously some discretion can be afforded if an offence disclosed is isolated and there are mitigating circumstances.

However, whilst, the Council may exercise its discretion, the overriding consideration should be the protection of the public and someone who has committed an offence and has to wait before their application is positively considered is more likely to value their licence and act accordingly.

Appendix H

Conditions of Private Hire Driver's Licence

1. Accidents and Damage to Vehicles

Drivers must thoroughly check a vehicle before driving to ensure roadworthiness. Drivers must report immediately to the owner/operator of the vehicle, any defects or damage to the vehicle that make the vehicle unroadworthy, i.e. would cause the vehicle to be suspended, and which occur during the course of their work. They should then return the vehicle to its base until defects/damage have been rectified

2. Animals

Drivers are only permitted to carry animals belonging to their passengers and only when the animal is accompanied by its owner. If drivers do carry an animal then it must be carried in the rear of the vehicle with the exception of assistance dogs. Drivers are not obliged to carry an animal that is not an assistance dog.

3. Assistance Dogs

Unless the driver has been issued a medical exemption in relation to the carriage of assistance dogs, the driver must allow the passenger with the assistance dog to sit in the front seat and for the assistance dog to sit in the foot well.

4. Change of Address or Name

Drivers must notify the Council, in writing, within 7 days if they change their home address or name.

5. Charging

Drivers must ensure that they charge passengers only the fare agreed between the operator and the passenger (unless a deviation of the route is requested by the hirer when an amended fare shall be agreed with the operator). If a taximeter is used then only the fare displayed on the taximeter at the end of the journey can be charged unless a lesser fare has been agreed.

6. Complaints

If a driver receives a complaint from a customer and is unable to resolve the issue himself, then he must give the customer the Council's contact number detailed on the complaint stickers in the private hire vehicle and notify the operator with details of the complaint.

7. Conduct of Driver

Drivers must always be clean, respectable and polite.

The driver shall at all times when acting as a driver of a licensed vehicle:

- 7.1 Assist passengers with their luggage
- 7.2 Take all reasonable steps to ensure the safety of passengers conveyed in, entering or alighting from the vehicle driven by them
- 7.3 Comply with the Councils Dress Code, Code of Conduct for Licensed Drivers and Code of Conduct When working with Vulnerable Passengers
- 7.4 Behave in a civil and orderly manner at all times
- 7.5 At all times treat their passengers or any potential passenger with courtesy and respect. They must not discriminate against any person because of their race, creed, gender, disability or age.
- 7.6 Take particular care with unaccompanied children and vulnerable adults. Drivers must remain alert to safeguarding matters related to children and vulnerable adults. Drivers should ensure that children and vulnerable adults leave the vehicle directly onto the kerb and immediately outside their destination (if it is safe and legal to do so).

Drivers must not:

- 7.7 Drink, or eat in their vehicle whilst carrying fare paying passengers
- 7.8 Play music in their vehicle without the permission of their passengers
- 7.9 Engage in any sexual activity with their passengers, make inappropriate personal contact or make inappropriate comments of a sexual nature
- 7.10 Make inappropriate remarks about sexuality, disability, race or any other subject that may be discriminatory
- 7.11 Cause any nuisance or annoyance to any person whether inside or outside of their vehicle. This includes the sounding of horns and banging of doors, littering etc.

8. Convictions, Charges, Arrests

If a driver is cautioned for, or convicted of, any motoring or criminal offence or made subject to a CRASBO, ASBO or Injunction or arrested or charged with any motoring or criminal offence they must notify the Council, in writing, within 48 hours

9. Deposit of Driver Record Card

The driver of a private hire vehicle, shall before commencing work as a private hire driver, deposit the private hire driver licence record card with the licensed private hire operator for retention by the operator, until such time as the driver ceases to be operated through that operator.

10. Dress Code

Drivers should be clean and tidy at all times and adhere to the Driver's Dress Code:

The purpose of the Driver's Dress Code is to seek a standard of dress that provides a positive image of the hackney carriage and private hire trade in Middlesbrough,

to enhance a professional image of licensed drivers and ensure that public and driver safety is not compromised.

Acceptable Standards of Dress

All clothing worn by the driver must be clean and in good condition, and the driver must have good standards of personal hygiene.

As a **minimum standard**, males should wear trousers and a shirt which has a full body and short sleeves.

As a **minimum standard**, females should wear long legged trousers, knee length skirt or dress and a shirt / blouse which has a full body and short sleeves.

Shirts or blouses may be worn with a tie or open necked.

Knee length shorts may be worn, for example during periods of warm weather.

Footwear

Footwear for all drivers shall fit around the heel of the foot.

Unacceptable Standard of Dress

The following are deemed unacceptable:

- Clothing not kept in a clean condition, free from holes and rips.
- Words or graphics on any clothing that is of an offensive or suggestive nature or which might offend.
- Sportswear (e.g. football/rugby kits, track suits, beach wear etc.).
- Sandals with no heel straps, flip flops or any other form of footwear not secured around the heel.
- Drivers not having either the top or bottom half of their bodies suitably clothed (see above).
- Vest style sleeveless tops
- The wearing of hoods or other clothing that obscures the driver's vision or their identity

The above list is not exhaustive and authorised officers of the LA shall assess whether standards of dress are acceptable or not. In such circumstances, the Officer's decision shall have effect as though it were included in the above lists and the licensed driver shall be required to comply accordingly

11. Fitness of Vehicle

Drivers should check their vehicle for general roadworthiness and cleanliness both inside and out prior to commencing work. These checks should include the lights and tyres of the vehicle. Drivers should also check that the appropriate Council signage and plates are affixed to the vehicle

12. Insurance

Drivers must check with the vehicle proprietor that they are insured to drive a vehicle before they commence work for the first time. The driver must ensure that they have sight of the insurance document which covers them to drive a vehicle BEFORE they drive the vehicle

13. Loss/Theft of Badge/Licence

Drivers must report the loss or theft of their licence/identification badge to the Police as soon as the loss becomes known. They should then report the matter to the Licensing Office the next working day.

14. Loss or Theft of Vehicle Plate

If a driver becomes aware that the PHV licence plate on their vehicle is lost or stolen, then they should report the fact to the Police, the vehicle proprietor and operator as soon as the loss becomes known. They should then report the matter to the Licensing Office the next working day.

15. Lost Property

The driver must check their vehicle after each and every journey to ensure that passengers have not left property within the vehicle. If a driver finds property they should return it to the passenger if possible and if not, then they should hand the property to the Police within 48 hours then report the find to their operator. Property must not be handed to a licensed operator.

16. Medical Condition

Drivers must notify the Council, within 7 days, of any change in their medical condition that may affect their ability to drive.

A driver who receives medical treatment or medical consultation shall confirm with their medical attendant whether they are at that time fit to undertake the duties of a private hire vehicle driver in accordance with the DVLA's Guide to Medical Standards of Fitness for a Group 2 licence holder. Where any medical attendant specifies that a driver or prospective driver should not drive for a determinate or indeterminate period, the driver or prospective driver shall notify the Council immediately in writing of such medical opinion.

The requirement will not apply to any temporary incapacity or treatment for the duration of which the driver does not intend to drive a private hire vehicle.

17. Obstruction of Plates or Signs

Drivers must not conceal any information displayed on any official sign the Council requires to be affixed to a PHV.

18. Passengers

- a) Drivers must not carry more than the permitted number of passengers displayed on the PHV licence plate
- b) The driver shall not allow there to be conveyed in the front seat of a PHV
 - i) Any child below the age of twelve (unless an appropriate child restraint is in place)
 - ii) More than one person above that age (except where separate seats are provided).

19. Parking/Plying For Hire/Flag Downs

When a driver is not on route to, engaged in, or returning from a pre-booked journey the driver shall either return to the operating base or park at an appropriate, lawful location.

In determining what is an appropriate location the driver shall take all reasonable steps to ensure that the Private Hire Vehicle is not parked in such a position as to cause annoyance or disturbance to any other person or damage to property and which could give rise to complaints e.g. parking in residential areas, and drivers must not wait/park outside night clubs, public houses or any other place where they are likely to attract un-booked fares.

20. Prompt Attendance

If an arrangement has been made to pick up a fare at a certain time and place, then the driver must be on time unless unavoidably delayed when he shall inform either the customer or operator of his delay.

21. Receipts

A driver must provide a receipt to a customer upon request. This receipt should include the following: Name of hirer, date and time of journey, starting point and destination, price, driver name, driver badge number.

22. Taximeters and other technology used to calculate a fare

If a PHV is fitted with a taximeter or other technology used to calculate a fare, the driver must not conceal it or reset it until the passenger has seen it and paid the fare.

23. Wheelchair Accessible Vehicles

Prior to commencing work in a wheelchair accessible vehicle a PHV driver must ensure that the correct ramps and passenger restraints are available for use within the vehicle. If such fittings are not available for use and in good working order, then the vehicle must be returned to its owner as the vehicle is not considered fit for use as a private hire vehicle.

When conveying a passenger using a wheelchair in a wheelchair accessible vehicle, the driver must use any lifts, ramps etc. supplied with the vehicle, to afford easy and safe access into and out of the vehicle. The driver must, unless medically exempt by the Council, give any necessary assistance to the passenger and should secure the wheelchair by means of the restraints in the manner proscribed by the vehicle manufacturer.

24. Smoking and the use of e cigarettes

Drivers shall not smoke or use e-cigarettes or vape in licensed vehicles and should not permit anyone else to do so either.

Appendix I

Notes for Drivers of Hackney Carriages

Please refer to the Conditions of Hackney Carriage Vehicle Licences, the Byelaws with Respect to Hackney Carriages (Appendix N) and the Council's Private Hire and Hackney Carriage licensing Policy for further information

The following pages contain abbreviations of various pieces of legislation as follows:

TPCA – Town Police Clauses Act 1847

LG(MP)A – Local Government (Miscellaneous Provisions) Act 1976

Laws

1. Authorised Officers (*Section 73 LG(MP)A*)

HC drivers must not obstruct any authorised officer of the Council or Police Officer. Drivers must provide any assistance or information the officer may reasonably require

2. Charging (*Section 58 TPCA/Section 66 LG(MP)A*)

HC drivers must ensure that only the fare displayed on the taximeter at the end of the journey can be charged unless a lesser fare has been agreed. If the journey ends or begins outside of the district a higher fare may be agreed before the journey begins.

3. Drink Driving (*Section 61 TPCA*)

In addition to any offences under other legislation, it is an offence to drink and drive while acting as a HC driver and also to drive in such a way that may harm or put in danger any person.

4. Drivers Must Be Licensed (*Section 46 TPCA*)

Once a vehicle is licensed as a HC, every driver of that vehicle must hold a current HC driver licence, whether the vehicle is used as a HC or a private vehicle.

5. Equal Opportunities (*Equality Act 2010*)

HC drivers must at all times treat their passengers or any potential passenger with courtesy and respect. They must not discriminate against any person because of their age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation

6. Carrying of Passengers (*Sections 51 & 59 TPCA*)

- a) The driver of a HC must not carry more persons than the number displayed on the vehicle licence plate.
- b) The driver of a HC must not allow any other person to be carried in the vehicle without the consent of the hirer

7. Obstruction (*Section 64 TPCA*)

It is an offence to wilfully obstruct the driver of another HC in setting down or picking up passengers or prevent another driver from being hired.

8. Other Persons Not To Drive Hackney Carriages (*Section 60 TPCA*)

HC drivers must not allow any other person to drive the HC without consent of the vehicle proprietor.

9. Production of Licence (*Section 53 LG(MP)A*)

A HC driver must produce their HC driver licence when asked to do so by an authorised officer or police constable.

10. Refusal to Carry Passenger (*Section 53 TPCA*)

If the driver of a HC refuses to carry the number of passengers shown on the licence plate or less they will be guilty of an offence.

The driver of a HC who refuses without reasonable cause to drive a passenger to a particular place or refuses to carry a passenger may be prosecuted.

Remember that passengers are not bound by any gentleman's agreement in relation to their selection of a vehicle at a HC rank. A passenger may therefore choose not to travel in the first vehicle available on a rank and drivers must allow them to do so without argument or dispute.

11. Charging/Fares (*Sects 54, 56&58 TPCA, Sects 66&69 LG(MP)A, Byelaw 6*)

- a) If the driver of a HC agrees a fare which will be less than shown on the meter they must not then try to charge more than they originally agreed. If a prior agreement was made for a fare that turns out to be higher than that shown on the meter, the passenger need only pay the metered fare.
- b) If an agreement of a fare was made to carry a passenger for a particular distance, then the passenger must be carried for that full distance.
- c) The driver of a HC is entitled to charge the rate of fare listed on the tariff card in the vehicle. The driver of the HC must not ask for a fare greater than that displayed on the taximeter.
- d) Any driver of a HC who is convicted of taking a fare greater than that authorised by the current table of fares, may be required to return the overcharge as well as being fined for the offence. The driver or the owner of

the vehicle must not conceal the table of fares while the carriage is plying or being used for hire.

- e) If the driver of a HC is carrying a passenger on a journey ending outside of the district of Middlesbrough and where no agreement has been made in relation to a fixed fare for that journey, they must not charge more than the fare shown on the taximeter.
- f) Where a HC driver is carrying passengers they must drive them to their destination by the shortest route, unless an alternative route has been agreed with the passengers prior to the commencement of the journey
- g) The driver of a HC shall, as soon as a HC is hired by distance and before commencing the journey, bring the machinery of the taximeter into action and keep the machinery of the taximeter in action until the termination of the hiring. The taximeter must be activated before each and every journey, regardless of whether a fare has been previously agreed for that journey and regardless of the destination.
- h) The total number of people carried in a HC, including children, must not exceed the maximum number of persons allowed to be carried in the vehicle (indicated on the vehicle's HC licence plate)

12. Return of Badge (*Section 61 LG(MP)A*)

HC drivers must return their driver identification badge to the Council upon request of an authorised officer if it has been suspended or revoked.

13. Vehicles Must Be Licensed (*Section 45 & 52 TPCA, Byelaw 2*)

- a) It is an offence to use a vehicle as a HC without the appropriate HC driver's licence, while the vehicle's licence is suspended or without displaying the number of the HC on the vehicle.
- b) The driver of a HC must ensure the Council's identification plates are properly displayed on the vehicle and not concealed from public view or defaced in any way.

The list of laws above should be taken as a guide only and it is the responsibility of a HC driver to ensure that they are familiar with all laws in relation to driving HC vehicles before they commence work

Council Policies in respect of Hackney Carriage Drivers

1. Fitness of Vehicle

HC drivers must thoroughly check a vehicle before driving to ensure roadworthiness. These checks should include the lights and tyres of the vehicle. Drivers should also check that the appropriate Council signage and plates are affixed to the vehicle.

Drivers must report immediately to the owner/operator of the vehicle, any defects or damage to the vehicle that make the vehicle unroadworthy, i.e. would cause the vehicle to be suspended and which occur during the course of their work. They should then return the vehicle to its base until defects/damage have been rectified.

2. Animals

Drivers are only permitted to carry animals belonging to their passengers and only when the animal is accompanied by its owner. If drivers do carry an animal then it must be carried in the rear of the vehicle with the exception of assistance dogs. Drivers are not obliged to carry an animal that is not an assistance dog.

3. Assistance Dogs

Unless the driver has been issued a medical exemption in relation to the carriage of assistance dogs, the driver must allow the passenger with the assistance dog to sit in the front seat and for the assistance dog to sit in the foot well.

4. Change of Address or Name

HC drivers must let the Council know in writing within 7 days if they change their home address or name.

5. Change of Employer

HC Drivers are required to inform the Council, within 7 days in writing, if they change their employer, i.e. start to drive a hackney carriage belonging to another proprietor.

6. Complaints

If a HC driver receives a complaint from a customer and is unable to resolve the issue himself, then he must advise the customer of the Council's contact number detailed on the complaint stickers in each HC and notify the HC proprietor.

7. Conduct of Driver

Drivers must always be clean, respectable and polite.

The driver shall at all times when acting as a driver of a licensed vehicle:

- 7.1 Assist passengers with their luggage
- 7.2 Take all reasonable steps to ensure the safety of passengers conveyed in, entering or alighting from the vehicle driven by them
- 7.3 Comply with the Councils Dress Code, Code of Conduct for Licensed Drivers and Code of Conduct When working with Vulnerable Passengers
- 7.4 Behave in a civil and orderly manner at all times
- 7.5 At all times treat their passengers or any potential passenger with courtesy and respect. They must not discriminate against any person because of their race, creed, gender, disability or age.
- 7.6 Take particular care with unaccompanied children and vulnerable adults. Drivers must remain alert to safeguarding matters related to children and vulnerable adults. Drivers should ensure that children and vulnerable adults leave the vehicle directly onto the kerb and immediately outside their destination (if it is safe and legal to do so).

Drivers must not:

- 7.7 Drink, or eat in their vehicle whilst carrying fare paying passengers
- 7.8 Play music in their vehicle without the permission of their passengers
- 7.9 Engage in any sexual activity with their passengers, make inappropriate personal contact or make inappropriate comments of a sexual nature
- 7.10 Make inappropriate remarks about sexuality, disability, race or any other subject that may be discriminatory
- 7.11 Cause any nuisance or annoyance to any person whether inside or outside of their vehicle. This includes the sounding of horns and banging of doors, littering etc.

8. Convictions, Charges, Arrests

If a driver is cautioned for, or convicted of, any motoring or criminal offence or made subject to a CRASBO, ASBO or Injunction or arrested or charged with any motoring or criminal offence they must notify the Council, in writing, within 48 hours

9. Dress Code

Drivers should be clean and tidy at all times and adhere to the Driver's Dress Code:

The purpose of the Driver's Dress Code is to seek a standard of dress that provides a positive image of the hackney carriage and private hire trade in Middlesbrough, to enhance a professional image of licensed drivers and ensure that public and driver safety is not compromised.

Acceptable Standards of Dress

All clothing worn by the driver must be clean and in good condition, and the driver must have good standards of personal hygiene.

As a **minimum standard**, males should wear trousers and a shirt which has a full body and short sleeves.

As a **minimum standard**, females should wear long legged trousers, knee length skirt or dress and a shirt / blouse which has a full body and short sleeves.

Shirts or blouses may be worn with a tie or open necked.

Knee length shorts may be worn, for example during periods of warm weather.

Footwear

Footwear for all drivers shall fit around the heel of the foot.

Unacceptable Standard of Dress

The following are deemed unacceptable:

- Clothing not kept in a clean condition, free from holes and rips.
- Words or graphics on any clothing that is of an offensive or suggestive nature or which might offend.
- Sportswear (e.g. football/rugby kits, track suits, beach wear etc.).
- Sandals with no heel straps, flip flops or any other form of footwear not secured around the heel.
- Drivers not having either the top or bottom half of their bodies suitably clothed (see above).
- Vest style sleeveless tops
- The wearing of hoods or other clothing that obscures the driver's vision or their identity

The above list is not exhaustive and authorised officers of the LA shall assess whether standards of dress are acceptable or not. In such circumstances, the Officer's decision shall have effect as though it were included in the above lists and the licensed driver shall be required to comply accordingly

10. Fitness of Vehicle

Drivers should check their vehicle for general roadworthiness and cleanliness both inside and out prior to commencing work. These checks should include the lights and tyres of the vehicle. Drivers should also check that the appropriate Council signage and plates are affixed to the vehicle

11. Insurance

Drivers must check with the vehicle proprietor that they are insured to drive a vehicle before they commence work for the first time. The driver must ensure that they have sight of the insurance document which covers them to drive a vehicle BEFORE they drive the vehicle

12. Loss/Theft of Badge/Licence

Drivers must report the loss or theft of their licence/identification badge to the Police as soon as the loss becomes known. They should then report the matter to the Licensing Office the next working day.

13. Loss or Theft of Vehicle Plate

If a driver becomes aware that the HC licence plate on their vehicle is lost or stolen, then they should report the fact to the Police and to the vehicle proprietor as soon as the loss becomes known. They should then report the matter to the Licensing Office the next working day.

14. Lost Property

The driver must check their vehicle after each and every journey to ensure that passengers have not left property within the vehicle. If a driver finds property they should return it to the passenger if possible and if not, then they should hand the property to the Police within 48 hours.

15. Medical Condition

Drivers must notify the Council, within 7 days, of any change in their medical condition that may affect their ability to drive.

A driver who receives medical treatment or medical consultation shall confirm with their medical attendant whether they are at that time fit to undertake the duties of a private hire vehicle driver in accordance with the DVLA's Guide to Medical Standards of Fitness for a Group 2 licence holder. Where any medical attendant specifies that a driver or prospective driver should not drive for a determinate or indeterminate period, the driver or prospective driver shall notify the Council immediately in writing of such medical opinion.

The requirement will not apply to any temporary incapacity or treatment for the duration of which the driver does not intend to drive a private hire vehicle.

16. Obstruction of Plates or Signs

Drivers must not conceal any information displayed on any official sign the Council requires to be affixed to a HC.

17. Receipts

A HC driver must provide a receipt to a customer upon request. This receipt should include the following: Name of hirer, date and time of journey, starting point and destination, price, driver name, driver badge number.

18. Wheelchair Accessible Vehicles

Prior to commencing work in a wheelchair accessible vehicle a HC driver must ensure that the correct ramps and passenger restraints are available for use within the vehicle. If such fittings are not available for use and in good working order, then the vehicle must be returned to its owner as the vehicle is not considered fit for use as a hackney carriage.

When conveying a passenger using a wheelchair in a wheelchair accessible vehicle, a HC driver must use any lifts, ramps etc. supplied with the vehicle, to afford easy and safe access into and out of the vehicle. The driver must, unless medically exempt by the Council, give every assistance to the passenger and should secure the wheelchair by means of the restraints in the manner prescribed by the vehicle manufacturer.

19. Smoking and the use of e cigarettes

Drivers shall not smoke or use e-cigarettes or vape in licensed vehicles and should not permit anyone else to do so either.

20. Passengers

The driver shall not allow there to be conveyed in the front seat of a HC

- i) Any child below the age of twelve (unless an appropriate child restraint is in place.
- ii) More than one person above that age (except where separate seats are provided).

Appendix J

Code of Conduct for Licensed Drivers

In order to promote its licensing objectives as regards hackney carriage and private hire licensing, the Council has adopted the following Code of Conduct, which should be read in conjunction with the other statutory and policy requirements set out in this document.

1. Responsibility to the Trade

Licence holders shall endeavour to promote the image of the hackney carriage and private hire trade by:

- a) complying with this Code of Conduct;
- b) complying with all the conditions of their licence and the Council's Hackney Carriage and Private Hire Licensing Policy;
- c) behaving in a professional manner at all times.

2. Responsibility to Customers

Licence holders shall:

- a) maintain their vehicles in a safe and satisfactory condition at all times;
- b) keep their vehicles clean and suitable for hire to the public at all times;
- c) attend punctually when undertaking pre-booked hiring;
- d) assist, where necessary, passengers into and out of vehicles (unless medically exempt);
- e) assist passengers in wheelchairs and those with assistance dogs and;
- f) offer passengers reasonable assistance with luggage.

3. Responsibility to Residents

To avoid nuisance or disturbance to residents when picking up or waiting for a fare, or waiting to be allocated a booking, a driver shall:

- a) not sound the vehicle's horn;
- b) keep the volume of any radio, music etc. low;
- c) switch off the engine if required to wait;
- d) take whatever additional action is necessary to avoid disturbance to residents in the neighbourhood;
- e) not deposit any litter; and
- f) not urinate in any public place.

At hackney carriage ranks, hackney carriage drivers shall, in addition to the requirements above:

- a) rank in an orderly manner and proceed along the rank in order and promptly;
and
- b) remain in the vehicle; and
- c) not overcrowd the rank

At private hire offices a licence holder shall;

- a) not allow their radio, music etc. to cause disturbance to residents of the neighbourhood; and
- b) take whatever additional action is necessary to avoid disturbance to residents of the neighbourhood which might arise from the conduct of their business.

4. General

Drivers shall:

- a) pay attention to personal hygiene and dress in accordance with the Council's Dress Code;
- b) be polite, helpful and respectful to passengers;
- c) drive with care and due consideration for other road users and pedestrians;
- d) obey all Traffic Regulation Orders and directions at all times;
- e) ensure that they do not smell of alcohol or consume alcohol at any time whilst driving or being in charge of a hackney carriage or private hire vehicle;
- f) not drive while having misused legal or illegal drugs;
- g) behave in a civil and orderly manner at all times; and
- h) when requested by the Council attend a medical practitioner and/or submit to any drugs tests deemed appropriate (unless they have a reasonable excuse not to do so)

Please Note:

Any amount of alcohol or drugs can affect a driver's judgment.

The Council will take a very serious view of any driver being found to have had any alcohol or having misused any drugs whilst in charge of a licensed vehicle.

Appendix K

Code of Conduct When working with Vulnerable Passengers

A vulnerable passenger is a passenger whose age or disability means that they are more susceptible to harm than a typical passenger. This may be a child, an elderly person or somebody with learning difficulties for example. In addition, an individual should be considered vulnerable if they do fall within the description above, but their condition is such as to render them more susceptible to harm than may otherwise be the case (for example as a result of being under the influence of alcohol).

This code of conduct aims to promote good safeguarding practice for drivers and operators working with vulnerable passengers in the hackney carriage and private hire trade. The following safeguarding principles should be embedded into driver and operator working practice:

- Drivers must carry their hackney carriage/private hire driver identification badge at all times, and wear it in accordance with the conditions of licence.
- Drivers must not allow a vulnerable passenger to be transported in the front passenger seat of the vehicle other than a passenger with an assistance dog.
- Operators must check at the point of booking if there are any vulnerability issues. This will allow for the driver to prepare for the journey in the right way.
- The driver / operator must confirm that appropriate provision has been made for the vulnerable person prior to accepting the booking or commencing the journey. This does not necessarily mean that the driver / operator is responsible for the provision of appropriate measures, however if appropriate measures are not in place then the driver / operator must not undertake the journey.
- The driver must let their office know (or keep a record) of the time they picked up the vulnerable passenger, the time and place they dropped them off and whether there was any incident or anything significant on the journey.
- If a driver thinks the passenger is afraid, he/she must offer to call their operator to tell them they have a passenger named XXXX with them and give the address and approximate time of arrival; this reassures the person that they are safe and someone is monitoring the trip
- When making a journey with vulnerable passengers, drivers should produce photo-identification to the carer responsible for the vulnerable person. If necessary, the driver should obtain a record of the carer's contact details if there is no chaperone.
- If a vulnerable passenger is refused service the driver/operator should inform a responsible person (e.g. hospital staff; family; security staff if from a club/pub) so that alternative arrangements can be made. For example, this situation may arise if the customer has an assistance dog and the driver has a medical exemption granted by the Council.

- Drivers should always ask if a vulnerable passenger needs help, and should not make assumptions.
- Drivers should ask or explain to passengers if using a centralised locking system - don't just put it on without an explanation.
- Driver should ask before making a journey shorter by going off the main roads/using isolated country roads and explain and give the passenger (or person booking) a choice of route.
- Drivers must remain professional and behave in a civil and orderly manner at all times and should never:
 - i) Make offensive or inappropriate comments (such as the use of swearing or sexualised or discriminatory language)
 - ii) Accept an offer of a sexual favour instead of payment or engage in any sexual activity with their passengers.
 - iii) Behave in a way that may make a passenger feel intimidated or threatened
 - iv) Set off with a passenger without a specific destination address
 - v) Double up on a booking – even if passengers are travelling in a similar direction, they may pose a threat or risk to the other passenger.
 - vi) Attempt to misuse personal details obtained via the business about a person such as passenger's telephone numbers or Facebook address.
 - vii) Follow a passenger into the house unless previously agreed and properly authorised.

These standards are equally applicable when working with vulnerable and non-vulnerable passengers.

- A hackney carriage driver should maintain a log when a service has been provided to a vulnerable passenger including the details of any incidents occurring / actions taken or refusals of service. Private hire drivers should report any incidents/actions taken to their operator.
- Drivers and operators must remain alert to issues around the safeguarding of children and vulnerable adults and be aware of the warning signs of "County Lines" exploitation:
 - Children and young people travelling in taxis and private hire vehicles alone
 - Travelling at unusual hours (during school time, early in the morning or late at night);
 - Travelling long distances;
 - Unfamiliar with the local area or do not have a local accent;

- Paying for journeys in cash or prepaid.

- If a driver/operator is concerned about the safety, welfare or behaviour of a vulnerable person, they should report this to the police by telephoning 101 (or in appropriate cases by calling 999).

- If a driver/operator is concerned about someone else's conduct, they should report their concerns to the Council's licensing department (01642 728010), Police (101) or Crime Stoppers (0800 555 111).

Appendix L

Conditions of Private Hire Operator's Licence

1. Standard of Service

The operator shall provide a prompt, efficient and reliable service to members of the public and for this purpose shall in particular: -

- (a) Ensure that all vehicles and drivers used to fulfil private hire bookings hold appropriate and valid licences.
- (b) Ensure that when a private hire vehicle has been hired for an appointed time and place, the vehicle shall, unless delayed or prevented by a sufficient cause, punctually attend at the appointed time and place.
- (c) The operator must upon receiving a complaint from a customer, passenger or report from anyone else that a vehicle was not roadworthy and/or clean withdraw such vehicle from service until the operator has inspected the vehicle and is satisfied that the vehicle was roadworthy and/or clean.
- (d) Keep clean, adequately heated, ventilated and lit any premises which are provided and to which the public have access whether for the purposes of making a booking or waiting for a vehicle.
- (e) Ensure that any waiting area provided has adequate seating facilities.
- (f) Ensure that any telephone facilities and radio equipment provided are maintained in a sound condition and that any defects are repaired promptly.

2. General Responsibility

The operator is responsible for all persons that are employed, contracted or otherwise used in the course of their private hire business. To that end, the operator shall formulate and apply a policy on assessing the suitability of any person taking bookings or dispatching vehicles on their behalf prior to undertaking such role. The policy must:

- Require all booking and dispatch staff to produce a basic DBS disclosure which has been issued no earlier than one calendar month before their offer of employment, contract or use (this requirement will not apply to any person who holds a current private hire/hackney carriage driver's licence issued by Middlesbrough Council); and
- Outline the standards against which any prospective employee will be considered in relation to criminal convictions to ensure that they do not present an undue risk to the public or the safeguarding of children and vulnerable adults.

In developing this policy the operator shall have regard to the Council's policy on The Relevance of Convictions etc.

3. Register of Booking and Dispatch staff

The operator shall keep and maintain a register of all staff responsible for taking bookings and/or dispatching vehicles. The register shall contain as a minimum:

- The name and address of each member of staff;
- A record of the private hire operator's most recent suitability assessment for each member of staff; and
- The certificate number and issue date of the basic DBS disclosure that was considered

Operators shall ensure that basic DBS checks are conducted on any individuals added to the register and this is compatible with their policy on employing ex-offenders.

All persons in the register shall be required, as part of their employment contract, to advise the operator of any convictions while they are employed in this role.

The register shall be a "living document" that maintains records of all those in these roles and must be preserved for a period of at least 1 year. A record that the operator has had sight of a basic DBS check certificate (although the certificate itself should not be retained) shall be retained for the duration that the individual remains on the register. Should an employee cease to be on the register and later re-entered, a new basic DBS certificate shall be requested and sight of this recorded.

The register shall be available for inspection and/or be produced at the request of a Police Officer or authorised officer of the Council

4. Driver Training

The operator shall provide all drivers employed or used to fulfil private hire bookings with suitable training on their roles and responsibilities and in particular the law regarding plying for hire and accepting un-booked fares.

5. Safeguarding Vulnerable Passengers

The operator shall:

- a) maintain a policy to the satisfaction of the Council in respect of Safeguarding Vulnerable Passengers and shall ensure that all employees and licensed drivers are made aware of the policy; and
- b) comply with the Councils Code of Conduct When working with Vulnerable Passengers
- c) when a booking or dispatch function are outsourced the operator shall evidence that comparable safeguarding protections are applied by the company to which they outsource these functions. This evidence shall be documented and be made available to a Police Officer or an authorised officer of the Council on request.

6. Records

- a) The booking records required to be kept by the operator shall be kept either in a suitable book duly approved by the Council, the pages of which shall be numbered consecutively or records may be kept on a computer which keeps backup records and is immediately capable of producing a printed record from the computer onto paper. Records must not be capable of retrospective alteration or amendment. The operator or their agent or employee shall enter or cause to be entered therein particulars of every booking of a private hire vehicle accepted by them, such entries to be made in strict chronological order with each entry immediately following the preceding entry. Automated systems must be capable of recording this same information. The records should detail the following:
- (i) The time and date of the booking
 - (ii) The name or contact details of the hirer or the name of the passenger if different to the hirer.
 - (iii) The date, time and point of pick up
 - (iv) The destination
 - (v) The licence plate number of the vehicle allocated or alternative means of identifying the vehicle
 - (vi) The full name of the driver allocated or alternative means of identification
 - (vii) The amount charged
 - (viii) Any variation in the original contract
 - (ix) Any special requirements by the hirer, if any
 - (x) The name of any individual that responded to the booking request
 - (xi) The name of any individual that dispatched the vehicle, unless dispatch process is automated
- b) Where any bookings are subcontracted either by the operator to another licensed operator or are accepted by the operator from another operator a full record of the booking in line with a) above and notes must be included, including the name of the sub-contractor and contact information
- c) The operator shall keep records of all Private Hire Vehicles operated by them, including, registration numbers, licence numbers and call signs, if any.
- d) The operator shall keep records of all Private Hire drivers employed or used by them including full names, Licence number and call signs, if any.
- e) The operator should keep all records for a period of not less than one year following the date of the last entry.

7. Location of Private Hire Vehicles When Not Booked

The Operator shall direct its Private Hire Vehicle drivers that when a Private Hire Vehicle (operating as such) is not on route to, engaged in, or returning from a pre-booked journey it is kept at the operating base or other appropriate, lawful location, and use all reasonable endeavours to ensure their compliance with that direction.

In determining what is an appropriate location the operator shall take all reasonable steps to ensure that the Private Hire Vehicle is not parked in such a position as to cause annoyance or disturbance to any other person or damage to property and which could give rise to complaints e.g. parking in residential areas, or at any other place where they are likely to attract un-booked fares.

8. Complaints

The operator must identify a point of contact for consumer related complaints. Any change to this point of contact must be notified to the Council within 7 days of the change of contact.

The operator shall keep a record of the particulars set out in lines a) to f) below of any complaints received concerning a private hire booking accepted by him, and the particulars set out at d) to f) below of any other complaint made in respect of his undertaking as a licensed operator. The records shall be retained for a period of not less than 12 months and shall be made available for inspection and/or be produced to an authorised officer of the Council or a Police Officer on request.

- a) The date of the related booking;
- b) The name of the driver who carried out the booking;
- c) The registration mark of the vehicle used;
- d) The name of the complainant and if available, any address, telephone number or other contact details provided by him;
- e) The nature of the complaint; and
- f) Details of any investigation carried out and subsequent action taken as a result.

The operator must inform the Council by the next working day of receipt of any allegation, concern or complaint received, which relates to any person licensed by the Council and which involves the following:

- Allegations of sexual misconduct, sexual harassment or inappropriate sexual attention
- Racist behaviour
- Safeguarding concern
- Violence
- Dishonesty
- Use of drugs or alcohol

The operator shall inform complainants of their right to complain or make comments to Middlesbrough Council.

Where a complaint is investigated by an Authorised Officer of the Council the operator shall comply with any reasonable directions of the Officer in respect of that complaint.

9. Change of Address

The operator, or if the operator is a limited company or partnership, the directors of a limited company or members of a limited liability partnership shall notify the

Council in writing or by e-mail of any change of their home/contact address within 7 days of such change taking place.

10. Change of Premises

A Licence is granted to the operator for the premises detailed at the time of the application. It is not transferable to other persons or premises. Any change from the original application will be dealt with as a new application. The operator must make a fresh application accordingly.

11. Change of Management

The operator must notify the Council in writing or by e-mail of any change in partnership, directorship, ownership, management or control of the business within 7 days.

12. Change of Vehicles Operated

The operator shall notify the Council, in writing or by e-mail, within 2 working days, should they cease to operate any vehicle.

13. Convictions

The operator shall within 48 hours disclose to the Council in writing details of any caution or conviction, other than a motoring offence, imposed on them or if they are arrested or charged or made subject to a CRASBO, ASBO or Injunction (or, if they are a Company or Partnership, on any of the Directors or Partners) during the period of licence.

14. Display of Licence

If the public have access to operating premises, the operator is required to display the Private Hire Operator Licence in the operating premises together with a copy of these conditions.

15. Equal Opportunities

The operator and their employees must at all times treat customers, or potential customers, with courtesy and respect and must not discriminate against any person because of their age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation

16. Hackney Carriages as Private Hire Vehicles

If the operator uses a hackney carriage to carry out private hire bookings, then a record of any bookings shall be kept in the same format as required for all private hire bookings and the driver of the hackney carriage must be informed that:-

- The fare charged must not exceed that displayed on the taximeter.
- The taximeter must be activated for each and every booking undertaken by the hackney carriage
- The taximeter must not be activated prior to the collection of the passengers.

17. Planning Permission

The operator must have planning permission for Private Hire Use at their operating premises. The operator must comply in every respect with the requirements of the current Planning legislation.

18. Public Liability Insurance

The operator shall provide evidence to the Council of current public liability insurance on request.

19. Taximeters

Where any vehicle operated is fitted with an approved taximeter the operator shall ensure that the taximeter is set to the fare rate notified to the Council and is properly sealed in accordance with Council policy.

20. Use of PSV vehicles

Where an operator also holds a PSV operator's licence, PSVs should not be used for private hire bookings without the informed consent of the hirer and when the hirer shall be informed that a passenger carrying vehicle (PCV) licensed driver will be used who is subject to different checks and not required to have an enhanced DBS check

21. Touting

The operator must not by him/herself, his agents, or any other person tout, solicit or importune any person by calling out or by any other means whatsoever to hire any of the licensed vehicles under his control.

22. Receipts

The operator of the vehicle shall ensure that the driver of the vehicle has available to them, sufficient means by which they may issue a receipt to passengers if required. Any receipt shall contain the date, time, point of pick up, destination, cost and driver licence number.

Appendix M

Exceptionally Well Maintained Interior

1. All seats to be of manufacturer's original design (unless a rotating seat is fitted) should all match and be securely fitted no dirt, stains, holes or tears.
2. Front and rear seat belts should be clean and in good working order and condition. All anchorage point covers should be properly fitted and match original trim.
3. All panels should be clean, properly fitted and match original trim.
4. Carpets should be as manufacturer's original, clean with no stains or holes and securely fitted.
5. All instrument and accessory covers to be securely fitted and match original trim.
6. Headlining to be clean, free from stains, holes and tears and be as originally fitted.
7. All window opening mechanisms to be in good working order.
8. All door handles and arm rests to be secure, clean and as originally fitted.
9. Brake, clutch and accelerator pedal rubbers to be fitted and in good condition.
10. The inside of the vehicle should be free from loose or trailing wires.
11. The boot should be tidy with a clean, unstained carpet/cover to manufacturer's specification. All panelling should be secure, clean and in good condition.
12. In hatchback vehicles the boot cover should be to original specifications, in good condition with both lifting straps fitted. A cargo guard should also be fitted in estate vehicles.
13. Gear lever gaiters (where fitted) should be to manufacturer's specifications, in good condition and properly fitted.
14. A rear view mirror must be properly fitted and in good condition.
15. All manufacturers fittings should be as original (i.e. speaker covers, etc.).
16. All lights should be in proper working order with appropriate covers securely fitted.

Exceptionally Well Maintained Exterior

1. All bodywork to be clean and sound, free from rust, dents, scrapes, significant scratches or loose panels.
2. All paintwork to be in first class condition - no "egg-shell" finish, or different shades or colours on either external or interior areas which are visible to the public.
3. All wheel trims to be fitted according to manufacturer's specifications and to match.

4. Aerials where fitted to be in good condition and free from rust.
5. Door or wing mirrors to be in good condition, no broken glass or surrounds.
6. Front and rear number plates to be clean, clear and unbroken.
7. Front and rear bumpers to be in first class condition, no rust, dents, scrapes (including any over-riders and end surrounds) and should be securely fitted.
8. Mud flaps (if fitted) should be maintained.
9. No broken or missing glass or surrounds on all front and rear lights and indicators (including repeater indicators where fitted).
10. Radiator grills should be secure and of original specification.
11. Front and rear (where fitted) windscreen wiper heads and arms should be in good condition, free from rust and properly fitted.
12. Door and boot locks should be fitted and in good working order.
13. Doors should be easily opened and closed from the outside and inside.
14. All door handles should be properly fitted, easily operated and of original colour specification.
15. All tyres should conform to legal requirements.
16. All road wheels to be clean and free from rust (where trims are not fitted).

Appendix N

County Borough of Teesside Hackney Carriage Byelaws

Made under Section 68 of the Town Police Clauses Act 1847 and Section 171 of the Public Health Act 1975, by the Mayor, Alderman and Burgess of the Borough of Teesside acting by the Council with respect to hackney carriages in the County Borough of Teesside.

INTERPRETATION

1(a) Throughout these byelaws 'the Council' means the Mayor Alderman and Burgess of the Borough of Teesside acting by the Council and 'the District' means the County Borough of Teesside

(b) These byelaws do not relate to trolley vehicles.

PROVISIONS REGULATING THE MANNER IN WHICH THE NUMBER OF EACH HACKNEY CARRIAGE CORRESPONDING WITH THE NUMBER OF ITS LICENCE, SHALL BE DISPLAYED

2(a) The proprietor of a hackney carriage shall (i) cause the number of the hackney carriage licence granted to him in respect of the carriage to be legibly painted or marked on the outside and inside of the carriage, or on plates affixed thereto,

And

(ii) cause the two official licence plates loaned by the Council to the proprietor in respect of the carriage to be fixed and maintained on the outside of the carriage in positions and in a manner approved by a duly authorised Officer of the Council

(iii) on the expiry, suspension or revocation of the licence granted to him in respect of the carriage, return to the Council any plates supplied to him by the Council showing the number of the licence.

(b) A proprietor or driver of a hackney carriage shall –

(i) not wilfully or negligently cause or suffer any such number painting marking or plate to be concealed from public view while the carriage is standing or plying for hire;

(ii) not cause or permit the carriage to stand or ply for hire with any such painting, marking or plate so defaced that any figures or material particular is illegible.

PROVISIONS REGULATING HOW HACKNEY CARRIAGES ARE TO BE FURNISHED OR PROVIDED

3. The proprietor of a hackney carriage shall in respect of the said hackney carriage (a) provide sufficient means by which any person in the carriage may communicate with the driver;

(b) cause the roof or covering to be kept water tight;

(c) provide any necessary windows and a means of opening and closing not less than one window on each side;

(d) cause the seats to be properly cushioned or covered

(e) cause the floor to be provided with a proper carpet, mat or other suitable covering;

- (f) cause the fittings and furniture generally to be kept in an clean condition, well maintained and in every way fit for public service;
- (g) provide means for securing luggage if the carriage is so constructed to carry luggage;
- (h) provide an efficient fire extinguisher which shall be carried in such a position as to be readily available for use
- (i) provide at least two doors for the use of persons conveyed in such carriage and a separate means of ingress and egress for the driver
- (j) cause adequate internal lighting to be maintained in the said carriage at all times that passengers are entering or leaving the carriage
- (k) (If so required by the Council) cause the words 'Licensed Hackney Carriage – Teesside County Borough' (in plain letters at least one inch in height) and a reproduction of the official badge of the Teesside Corporation to be legibly painted or marked on the outside of the nearside panels of the carriage or in such alternative position as is clearly visible from the nearside of the carriage.

(4) From and after a period of two months from the coming into operation of these Byelaws the proprietor of a hackney carriage shall cause the same to be provided with a taximeter so constructed, attached and maintained as to comply with the following requirements, that is to say,

- (i) If the taximeter is fitted with a flag or other device bearing the words 'FOR HIRE';
 - (a) the words 'FOR HIRE' shall be exhibited on each side of the flag or other device in plain letters at least one and a quarter inches in height and the flag or other device shall be capable of being locked in a position in which the words are horizontal and legible;
 - (b) when the flag or other device is so locked the machinery of the taximeter shall not be in action and the means of bringing it into action shall be by moving the flag or other device so that the words are not conveniently legible;
 - (c) when the flag or other device is so locked that the aforesaid words are horizontal and legible no fare shall be recorded on the face of the taximeter;
- (ii) if the taximeter is not fitted with a flag or other device bearing the words 'FOR HIRE';
 - (a) the taxi meter shall be fitted with a key or other device the turning of which will bring the machinery of the taximeter into action and cause the word 'HIRED' to appear on the face of the taximeter;
 - (b) such key or device shall be capable of being locked in such a position that the machinery of the taximeter is not in action and no fare is recorded on the face of the taximeter;
 - (iii) when the machinery of the taximeter is in action there shall be recorded on the face of the taximeter in figures clearly legible and free from ambiguity a fare not exceeding the rate of fare which the proprietor or driver is entitled to demand and take in pursuance of the byelaw in that behalf for the hire of the carriage by distance.
 - (iv) the word 'FARE' shall be printed on the face of the taximeter in plain letters so as clearly to apply to the fare recorded thereon;
 - (v) the taximeter shall be so placed that all letters and figures on the face thereof may be at all times plainly visible to any person being conveyed in the carriage and for that purpose the letters and figures shall be capable of being suitably illuminated during any period of hiring;

(vi) the taximeter and all the fittings thereof shall be so affixed to the carriage with seals or other appliances that it shall not be practicable for any person to tamper with them except by breaking, damaging or permanently displacing the seals or other appliances.

(5) The proprietor of a hackney carriage provided with a taximeter not fitted with a flag or other device bearing the words 'FOR HIRE' shall cause the carriage to be provided with a sign so constructed as to comply with the following requirements, that is to say;

(a) the sign shall bear the words 'FOR HIRE' in plain letters at least one and a quarter inches in height;

(b) the sign shall be capable of being so operated that it indicates clearly and conveniently to persons outside the carriage whether or not the carriage is for hire.

PROVISIONS REGULATING THE CONDUCT OF THE PROPRIETORS AND DRIVERS OF HACKNEY CARRIAGES PLYING WITHIN THE DISTRICT IN THEIR SEVERAL EMPLOYMENTS AND DETERMINING WHETHER SUCH DRIVERS SHALL WEAR OR OTHERWISE DISPLAY BADGES OR IDENTITY DOCUMENTS

6. The driver of a hackney carriage shall

(i) if the taximeter is fitted with a flag or other device bearing the words 'FOR HIRE';

(a) when standing or plying for hire keep such flag or other device locked in the position in which the words are horizontal and legible;

(b) as soon as the carriage is hired by distances, and before commencing the journey, bring the machinery of the taximeter into action by moving the flag or other device so that the words are not conveniently legible and keep the machinery of the taximeter in action until the termination of the hiring;

(ii) if the taximeter is not fitted with a flag or other device bearing the words 'FOR HIRE';

(a) when standing or plying for hire keep the taximeter locked in the position in which no fare is recorded on the face of the taximeter and operate the sign provided in pursuance of Byelaw 5 so that the words 'FOR HIRE' are clearly and conveniently legible by persons outside the carriage;

(b) as soon as the carriage is hired whether by distance or by time, operate the said sign so that the words 'FOR HIRE' are not conveniently legible by persons outside the carriage;

(c) as soon as the carriage is hired by distance, and before commencing the journey, bring the machinery of the taximeter into action by moving the key or other device fitted for the purpose so that the word 'HIRED' is legible on the face of the taximeter and keep the machinery of the taximeter in action until the termination of the hiring;

(iii) cause the dial of the taximeter to be kept properly illuminated throughout any part of a hiring which is during the hours of darkness as defined for the purposes of the Road Transport Lighting Act, 1957, and also at any other time at the request of the hirer.

7. A proprietor or driver of a hackney carriage shall not tamper with or permit any person to tamper with any taximeter with which the carriage is provided, with the fittings thereof or with the seals affixed thereto.

8. The driver of a hackney carriage, shall, when plying for hire in any street and not actually hired;

(a) proceed with reasonable speed to one of the stands fixed by the byelaw in that behalf;

(b) if a stand, at the time of his arrival, is occupied by the full number of carriages authorised to occupy it, proceed to another stand;

(c) on arriving at a stand not already occupied by the full number of hackney carriages authorised to occupy it, station the carriage immediately behind the carriage or carriages on the stand and so as to face in the same direction;

(d) from time to time when any other carriage immediately in front is driven off or moved forward cause his carriage to be moved forward so as to fill the place previously occupied by the carriage driven off or moved forward.

9. A proprietor or driver of a hackney carriage, when standing or plying for hire, shall not, by calling out or otherwise, importune any person to hire such carriage and shall not make use of the services of any other person for the purpose.

10. The driver of a hackney carriage shall behave in a civil and orderly manner and shall take all reasonable precautions to ensure the safety of persons conveyed in or entering or alighting from the vehicle.

11. The proprietor or driver of a hackney carriage who has agreed or has been hired to be in attendance with the carriage at an appointed time and place shall, unless delayed or prevented by some sufficient cause, punctually attend with such carriage at such appointed time and place.

12. The driver of a hackney carriage when hired to drive to any particular destination shall, subject to any directions given by the hirer, proceed to that destination by the shortest available route.

13. A proprietor or driver of a hackney carriage shall not convey or permit to be conveyed in such carriage any greater number of persons than the number of persons specified on the plate affixed to the outside of the carriage.

14. If a badge or identity document has been provided by the Council and delivered to the driver of a hackney carriage he shall, (a) retain personal possession of such badge or document at all times and (b) when standing or plying for hire and when hired, but at no other time wear that badge in such position and manner as to be plainly visible or display the said identity document in the hackney carriage in a position which will be plainly visible to passengers in the said carriage.

15. The driver of a hackney carriage so constructed as to carry luggage shall, when requested by a person hiring or seeking to hire the carriage

(a) convey a reasonable quantity of luggage

(b) afford reasonable assistance in loading and unloading

(c) afford reasonable assistance in removing it to or from the entrance of any building, station or place at which he may take up or set down such person.

PROVISIONS FIXING THE STANDS OF HACKNEY CARRIAGES

16. Each of the several places specified in the following list shall be a stand for such number of hackney carriages as is specified in that list during the hours respectively specified in relation thereto:

TAXI RANKS	SPACES	OPERATION TIMES
Aintree Oval, Teesside Park (Millennium)	7	7pm-6am
Albert Road (Flares)	4	7pm-5am
Albert Road (Holiday Inn)	2	At All Times
Albert Street (Bongo)	4	7pm-5am
Bolckow Street	4	7pm-5am
Borough Road (Europa)	3	11pm-5am
Bridge Street West	6	At All Times
Brunswick Street (Last Orders)	4	7pm-5am
Cargo Fleet Lane (Cargo Fleet Club)	2	12pm-12am
Cargo Fleet Road (M'bro Leisure Park)	6	At All Times
Cargo Fleet Road (M'bro Leisure Park - McDonalds)	3	Midnight – 5am
Corporation Road (The Central)	8	At All Times
Corporation Road (Vancouver House)	12	Midnight-5am
Corporation Road (Walkabout)	3	7pm-5am
Denmark Street Car Park (Sainsburys)	12	At All Times
Exchange Place (Uncle Alberts)	5	7pm-5am
Grange Road	14	At All Times
James Street, Market Place (North Ormesby)	5	8am-6pm
King's Road (North Ormesby Working Mens Club)	2	12pm-1am
King's Road (Sainsburys)	5	8am-6pm
Linthorpe Road (Inn off the Park)	3	7pm-2am
Linthorpe Road (The Crown)	8	10pm-5am
Linthorpe Road (Rigatonis)	5	7pm-5am
Linthorpe Road (Park Hotel)	2	12pm-2am
Linthorpe Road (Village)	3	At All Times

Linthorpe Road (Florist to junction with Southfield Road)	4	7pm – 5am
Linthorpe Road (Linthorpe Hall 248)	7	Midnight – 5am
Memorial Drive (Rudds Arms)	2	At All Times
Newport Road (Arena)	6	7pm-6am
Newport Road (Bus Station)	7	At All Times
Oak Street (Medicine Bar)	3	7pm-5am
Ormesby Road (Pallister Park)	12	At All Times
Queens Square (feeder rank for Bridge St West)	3	At all times
Southfield Road (Al Forno)	7	7pm – 3am
Wilson Street (Chicago Rock)	6	Midnight-5am
Wilson Street (Dundas St)	9	Midnight-5am
Woodlands Road (Southfield Road)	4	At All Times

PROVISIONS FIXING THE RATES OR FARES TO BE PAID FOR HACKNEY CARRIAGES WITHIN THE DISTRICT, AND SECURING THE DUE PUBLICATION OF SUCH FARES

17. The proprietor or driver of a hackney carriage shall be entitled to demand and take for the hire of the carriage the rate or fare prescribed by the following table, the rate or fare being calculated by distance unless the hirer express at the commencement of the hiring his desire to engage by time.

Provided always that where a hackney carriage furnished with a taximeter shall be hired by distance the proprietor, or driver thereof shall not be entitled to demand and take a fare greater than that recorded on the face of the taximeter, save for any extra charges authorised by the following table which it may not be possible to record on the face of the taximeter.

FARES FOR DISTANCE

MIDDLESBROUGH COUNCIL

(To apply to the Borough of Middlesbrough)

HACKNEY CARRIAGES - LIST OF FARES TARIFF 1

For the first mile (1.61km) or the first
8 minutes or part thereof **£2.80**

For every additional 1/15 mile (107.3m)
or 45 seconds
or part thereof **10p**

TARIFF 2

12 noon 24 December to 6am 27 December
12 noon 31 December to 6am 2 January
12 Midnight Maundy Thursday to 6am Easter Saturday
12 Midnight Sundays preceding all Bank Holiday
Mondays to 6am the Tuesday following a Bank Holiday

For the first mile (1.61km) or 8 minutes
or part thereof **£3.80**

For every additional 1/11 mile (146.3m)
or 45 seconds
or part thereof **20p**

1. **WAITING TIME** - Tariff 1 for each period of 45 seconds or part thereof **10p (£8 per hr)**
Tariff 2 for each period of 45 seconds or part thereof **20p (£16 per hr)**
2. **MORE THAN TWO PASSENGERS CONVEYED** - For each additional passenger over 2
(excluding infants under 3 years) 2 children under the age of 10 years count as one person **10p**
3. **LUGGAGE** - For each item of luggage to be stored in the luggage compartment **10p**
4. **SOILING CHARGE** - **£30**

COMPLAINTS - Should be directed to the Head of Community Protection Service
Vancouver House, Middlesbrough, quoting the licence number as
displayed on the yellow plate affixed to the front and rear of the vehicle.

NOTE: The meter should read ZERO / FOR HIRE when you enter the vehicle

06.12.2012

18. (a) The proprietor of a hackney carriage shall cause a statement of the fares fixed by the byelaw in that behalf to be exhibited inside the carriage, in clearly distinguishable letters and figures at all times.

(b) The proprietor or driver of a hackney carriage bearing a statement of fares in accordance with this byelaw shall not wilfully or negligently cause or suffer the letters or figures in the statement to be concealed or rendered illegible at any time while the carriage is plying or being used for hire.

PROVISIONS SECURING THE SAFE CUSTODY AND RE-DELIVERY OF ANY PROPERTY ACCIDENTLY LEFT IN HACKNEY CARRIAGES AND FIXING THE CHARGES TO BE MADE IN RESPECT THEREOF

19. The proprietor or driver of a hackney carriage shall immediately after the termination of any hiring or as soon as practicable thereafter carefully search the carriage for any property which may have been accidentally left therein.

20. The proprietor or driver of a hackney carriage shall, if any property accidentally left therein by any person who may have been conveyed in the carriage be found by or handed to him, carry it as soon as possible and in any event within 48 hours, if not sooner claimed by or on behalf of its owner, to a police station in the district and leave it in the custody of the officer in charge of such police station on his giving a receipt for it.

PENALTIES

21, Any person who shall offend against any of these byelaws shall be liable on summary conviction to a fine not exceeding xxxx (date)

REPEAL OF BYELAWS

22. All byelaws in force in the County Borough of Teesside or in any part thereof with respect to hackney carriages are hereby repealed.

Provided that such repeal shall not affect anything duly done or suffered or any right or liability acquired, accrued or incurred under the byelaws hereby repealed or any penalty, forfeiture or punishment incurred in respect of any offence committed against such byelaws or any of them or any investigation, legal proceedings, or remedy in respect of any such right, liability, penalty, forfeiture or punishment, and any such investigation, legal proceedings and remedy may be carried on as if these byelaws had not been made.

THE COMMON SEAL OF THE MAYOR, ALDERMAN AND BURGESS OF THE COUNTY BOROUGH OF TEESSIDE was hereto affixed on the 14th day of January, one thousand nine hundred and sixty nine, in the presence of: E C PARR, Town Clerk

The Secretary of State this day confirmed the foregoing byelaws and fixed the date on which they are to come into operation as the 1st day of May 1969. N CAIRCROSS, An Assistant Under Secretary of State

HOME OFFICE
Whitehall
12 March 1969

APPENDIX 2

Table of proposed amendments to Private Hire and Hackney Carriage Licencing Policy

SECTION 1 - INTRODUCTION		
Para.	Revision	Source
Introduction	Reference to tax conditionality added	New legal requirement
2.	Paragraph reworded	N/A
6.	“promoting the welfare of children” added	Statutory Standards
6. a)	“promoting the welfare of children” added	Statutory Standards
6. b)	Reference to checking criminal records of all applicants added	Statutory Standards
6. e)	Promoting the vision of Middlesbrough amended to reflect policy statement	Council Policy Statement
9.	Reference to checks on tax registration and criminal records of vehicle proprietors added	New legal requirement and Statutory Standards
10.	“on its own merits” added	Statutory Standards
11.	Reference to consideration been given to the guidance from the Institute of Licensing and the adoption of the Statutory Taxi & Private Hire Vehicle Standards recommendations as minimum core standards	Institute of Licensing Statutory Standards
14.	New implementation date for revised policy	N/A
21.	Local business added to list of consultees	N/A
24.	National Anti-Fraud Network added to list of partnership working to reflect current practice	N/A
42, 43	Reference to “vaping” included to no-smoking policy to reflect current terminology	N/A
44.	“County lines exploitation” wording added	Statutory Standards
	Paragraph deleted as deadlines expired for attending the safeguarding training	N/A
47.	Paragraph amended as deadline for producing a policy to the council has expired	N/A
49.	Requirement for operators to have a policy on employing ex-offenders and to carry out fit and proper checks on employees who dispatch vehicles added	Statutory Standards
52.	Wording in respect of the policy on tinted windows in licensed vehicles changed to reflect new policy	New policy adopted following consultation
58 – 68.	New paragraphs explaining Tax Conditionality checks for hackney carriage and private hire drivers and private hire operators added to ensure they are registered for tax purposes	New legal requirement

SECTION 2 VEHICLES – PRIVATE HIRE AND HACKNEY CARRIAGE		
Para.	Revision	Source
•	Criminality checks for vehicle proprietors added	Statutory Standards
70.	Wording simplified to require vehicles to have appropriate M1 approval	N/A
	Paragraph explaining vehicle type approval deleted	N/A
72.	Wording changed to require vehicles needing Individual Vehicle Approval	Government guidance
75.	Wording amended to reflect new categories of vehicle insurance “write offs”	Association of British Insurers (ABI)
84.	The wording “to satisfy local demand” added	N/A
116.	Wording amended to reflect new categories of vehicle insurance “write offs”	ABI
120.	“and Appendix D” added to direct applicants to the test criteria used by the council	N/A
122 – 130.	New section on criminality checks on vehicle proprietors added	Statutory Standards
131.	New requirement to provide basic DBS and Certificate of Good Character (if applicable) added to application requirements	Statutory Standards
133.	Additional wording added regarding the provision of an engineer’s report/jig report as deemed necessary for vehicles deemed an insurance write off.	N/A
135; 136.	New paragraphs added recommending vehicle renewal applications be made at least one month before the licence expires to ensure vehicle test dates can be secured and any renewal applications received after 28 days from the licence expiry date will not be accepted and an application for a new vehicle licence will need to be made and when specifications for new vehicle licence complied with.	Advice following court judgement (R (on the application of Exeter City Council) v Sandle
137.	New requirement to provide basic DBS disclosure added to renewal application requirements	Statutory Standards
	Paragraph deleted re renewal timescale as recommendation now included in new paragraph above	N/A
143; 144.	New paragraph added requiring proprietors who are companies or partnerships to notify the council of any changes within 7 days and for new directors or partners to submit a basic DBS disclosure and Certificate of Good Character where applicable	Statutory Standard

Para.	Revision	Source
147.	Requirement to produce a basic DBS disclosure and Certificate of good Character added to process	Statutory Standards
150.	New paragraph added regarding seating in stretched limousines	Best Practice Guidance
	Paragraph re tinted window exemption deleted as no longer applicable following introduction of new policy	Council approved policy change
166.	New policy on tinted windows defined	Council approved policy change
169.	Wording amended to ensure compliance with any guidance re CCTV from the Information Commissioners Office and the Home Office and new sentence added requiring information that CCTV is in a vehicle must be provided on booking systems.	Statutory Standards
181.	Age policy for new vehicle applications changed from 3 to 5 years and termination period from 8 to 10 years and 10 to 12 years for London Style cabs and side loading wheelchair accessible vehicles New statistics provided on numbers of vehicles meeting the different European Emission Standards	Council approved policy change N/A
	Paragraph on air quality standards concerns deleted as the results were disproved by the Council	N/A

SECTION 3 DRIVERS		
Para.	Revision	Source
•	Tax conditionality added to the contents list	New legal requirement
195.	Registration for tax and immigration status added to the “fit and proper” test criteria.	Statutory Standards
198.	Added wording to explain that in determining the fit and proper test the onus is on the applicant to provide evidence that they are and not for the council to prove that they are not	N/A
202.	Proof of eligibility for drivers amended to remove the need for a driving assessment and to include the new requirement for registration for tax	N/A New legal requirement
204.	The requirement for new applicants to have passed an approved driving assessment has been removed	N/A
205.	Checking an applicant’s immigration status and right to work has been updated to include the use of a share code from the online View and Prove Service on Gov.UK	Government guidelines

Para.	Revision	Source
211.	Additional paragraph added to explain the use of the new online View and Prove service on GOV.UK to generate a right to work share code to enable the council to access the online immigration checking service to verify the types of work the applicant is able to do	Government Guidelines
214.	Knowledge of highway code removed from the knowledge test and new sentence added that tests for private hire driver's licences will not include a topographical element as it is a requirement that licensed private hire drivers have use of a fully operational sat-nav system (or similar device) in any licensed vehicle they drive at all times	Trade request
220.	Level of spoken English changed to Language Proficiency and written English included, and applicants that cannot demonstrate a reasonable level may be referred to the Licensing Committee	Statutory Standards
230.	Requirement to provide a Certificate of Good Conduct qualified by being resident/domiciled in a country for a period of six months or more	Statutory Standards Institute of Licensing Guidelines
237.	Period of validity of an initial DBS disclosure reduced from 6 months to 1 month before an applicant may be requested to produce a further check	N/A
238.	Medical certification of fitness must be completed by a "registered" medical practitioner i.e. a doctor	DVLA
242.	Medical assessment changed to medical declaration	N/A
256.	Failure to comply with a request for a drug test "without reasonable excuse will result in the revocation of the drivers licence with immediate effect"	Legal advice
257 - 266	New paragraphs added explaining Tax Conditionality and tax check requirements for applicants	New legal requirement
267; 275	Application procedure amended to include: <ul style="list-style-type: none"> • View an Prove Your Immigration Status Service share code • DVLA licence check code • HMRC declaration or tax-check code and to remove driving assessment certificate	Government guidelines Legal requirement
277.	Recommendation added that renewal applications be made at least one month before a licence is due to expire as legislation does not allow for continuity of licence	N/A
279.	New provision on the issuing of a short term licence, "without prejudice", when a renewal application is received and there are grounds	N/A

	for concern that delays determination of that application.	
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Para.	Revision	Source
303.	New sentence added that voluntary surrender of a licence will not be accepted when the driver is subject to ongoing legal proceedings, disciplinary hearing or investigation of a complaint	N/A

SECTION 4 • PRIVATE HIRE OPERATORS		
Para.	Revision	Source
•	<ul style="list-style-type: none"> • Register of staff • Policy on employing ex-offenders • Tax conditionality added to the list of contents	Statutory Standards New legal requirement
309.	New requirement added: “and that the driver has the use of a fully operational sat-nav system (or similar device) at all times.”	Trade request
314.	Wording amended to require assessments of all staff who have contact with the public and/or oversee the dispatching of vehicles and to include production of a basic DBS disclosure	Statutory Standards
315 - 318	New paragraphs added to explain new requirements on operators to keep a register of staff that take bookings or dispatch vehicles and to produce a policy on employing ex-offenders	Statutory Standards
326; 327; 331	Wording amended to require production of a basic DBS disclosure and Certificate of Good Character (when applicable) with new applications and annually thereafter.	Statutory Standards
332.	New paragraph added explaining impact of having a driver licence revoked will not automatically prevent someone from holding an operator’s licence	Statutory Standards
335.	Paragraph deleted as deadline to attend safeguarding training no longer relevant	N/A
336.	New paragraph added informing operators that they cannot pass on their safeguarding obligations if they outsource a booking.	Statutory Standards
343 - 352	New section added explaining the new Tax Conditionality requirements for tax checks	New legal requirement
353.	Application procedure amended to include production of: <ul style="list-style-type: none"> • Basic DBS disclosure 	Statutory Standards New legal requirement

	<ul style="list-style-type: none"> • Certificate of good character • Tax check • Policy on employing ex-offenders 	
354.	Recommendation added that renewal applications be made at least one month before a licence is due to expire as legislation does not allow for continuity of licence	N/A

Para.	Revision	Source
357.	New provision on the issuing of a short term licence, "without prejudice", when a renewal application is received and there are grounds for concern that delays determination of that application.	N/A
374.	Requirement to notify any changes in directors or partners added	Statutory Standards

SECTION 7 • CONVICTIONS, CAUTIONS, AND CHARACTER		
Para.	Revision	Source
•	Vehicle proprietors added to list	Statutory Standards
404.	"that pose no risk to the public and have no links to serious criminal activity" added	Statutory Standards
406 - 410	New paragraphs added explaining reason for checking vehicle proprietors and options available to the council in respect of vehicle licences.	Statutory Standards Legislation
411.	"and safeguarding and promoting the welfare of children and the vulnerable." added	Statutory Standards
413.	Wording amended to include convictions for exploitation, or a crime resulting in the death or intended to cause the death or serious injury of another person, or if they appear on the children and adults barred list, applicants will not be licensed	Statutory Standards
419.	Convictions for attempt or conspiracy will be regarded as convictions for the substantive crime	Institute of Licensing guidance
425; 426.	New paragraphs added on fitness tests for private hire operators and vehicle proprietors	Institute of Licensing guidance
429.	New paragraph added explaining "balance of probability"	Statutory Standards

SECTION 8 - ENFORCEMENT, DISCIPLINE AND OFFENCES		
Para.	Revision	Source

434.	“and to revoke driver licences with immediate effect if it is considered that it is in the interests of public safety.” added	Legal advice
437.	Members of the Licensing Committee required to undertake training added	Statutory Standards
481.	Option to attend Driver Improvement Scheme for existing drivers incurring 9 penalty points for minor traffic offences reduced to 6 points.	Legal advice
489.	Procedure for suspending or revoking a driver with immediate effect updated.	N/A
492; 493	New paragraphs added on procedure for reissuing a licence or lifting of a suspension	Statutory Standards

SECTION 10 - COMPLAINTS PROCEDURE		
Para.	Revision	Source
525.	Complaints will be recorded and monitored to identify trends or patterns of behaviour added	Statutory Standards

Appendix A Private Hire and Hackney Carriage Vehicle Specification		
Para.	Revision	Source
17.	Revised specification for tinted windows	New policy adopted following consultation
26.	Age limit for new vehicle licence changed from no more than 3 year old to 5 year old	New policy adopted following consultation
27.	Termination age for vehicles extended from 8 years from date of first registration to 10 years for saloon vehicles and from 10 to 12 years for London Style Cabs and side loading wheelchair accessible vehicles	New policy adopted following consultation
61.	Where a tail lift device is fitted it must comply with the Lifting Operations and Lifting Equipment Regulations 1998	Legal requirement

Appendix B Conditions of Private Hire Vehicle Licence		
Para.	Revision	Source
6.	Period to notify council of convictions etc. reduced from 7 days to 48 hours	Statutory Standards
8.	New duty to notify any change in directors or partners when applicable within 7 days to enable DBS checks	Statutory Standard

Appendix C Conditions of Hackney Carriage Vehicle Licence		
Para.	Revision	Source
7.	Period to notify council of convictions etc. reduced from 7 days to 48 hours	Statutory Standards

9.	New duty to notify any change in directors or partners when applicable within 7 days to enable DBS checks	Statutory Standards
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Appendix D Vehicle Testing Arrangements		
Para.	Revision	Source
1.15	Tinted window specification revised	New policy adopted following consultation

Appendix E Private Hire Vehicle Exemption Notice		
Para.	Revision	Source
Additional Conditions	Condition removed as no longer applicable following revision of tinted window specification	New policy adopted following consultation

Appendix F Table of Existing Vehicles by Age		
Para.	Revision	Source
	Statistics updated	Records

Appendix G Policy on the Relevance of Convictions etc.		
Para.	Revision	Source
Purpose	Use amended to include consideration of an applicant for a private hire or hackney carriage vehicle licence or a private hire operator licence	Statutory Standards
Overriding duty	Amended to ensure private hire operators and vehicle proprietors pose no threat to the public and have no links to organised crime and they are entrusted to ensure vehicles and drivers used to carry passengers are licensed and safe	Statutory Standards
Information	Basic DBS disclosures will be used to determine the suitability of applicants for private hire operator's licences and private hire and hackney carriage vehicle licences added	Statutory Standards
General	Statement amended to include: "A person with a conviction for a crime resulting in death or intention to cause death or serious injury; exploitation (including slavery, child sexual abuse, exploitation, grooming, psychological, emotional or financial abuse); or any offence involving or connected with illegal sexual activity will not be licensed."	Statutory Standards

General	Amended to include an applicant who is on the Sex Offenders Register or on any Barred list will not be licensed	Statutory Standards
Minor traffic offences	Applicants with up to 6 valid points may have a licence granted subject to a requirement that they attend a driver improvement course instead of a warning. 7 – 9 points, applicant must show 3 years free from conviction before being considered instead of referral to the Licensing Committee who could grant subject to attending a driver improvement course and issue a severe warning.	Institute of Licensing Guidance Legal advice

Para.	Revision	Source
Minor traffic offences (contd.)	More than 9 points, applicant must show 5 years free from conviction before being considered instead of 12 months. Significant history of offences or disqualification through totting up procedure, applicant to demonstrate 5 years free from conviction instead of between 1-3 years	
(b) Major traffic offences	Conviction for use of a mobile phone or hand held device – refused until at least 5 years elapsed since conviction or completion of any sentence or driving ban. Currently 4 years, If applicant has an endorsement for a major traffic offence application refused until at least 5 years have elapsed since conviction or completion of any sentence or driving ban. Currently 4 years. Endorsements for more than one major traffic offence then this period will be 7 years	Statutory Standards Legal advice
(c) Alcohol Related Offences	Applicants with a conviction for drink driving must show a period of at least 7 years free from conviction since the completion of any sentence or driving ban. Currently 4 years	Statutory Standards
(d) Drug related offences	Applicants with a conviction for a drug driving offence must show a period of 7 years free from conviction since the completion of any sentence or driving ban imposed. Currently 4 years. Applicants with an isolated conviction for possession of drugs must show a period of 5	Statutory Standards Statutory Standards

	<p>years free from conviction since the completion of any sentence imposed. Currently 3 years.</p> <p>If the conviction relates to the supply of controlled drugs or possession with intention to supply or production of controlled drugs the application will be refused until at least 10 years have elapsed since the completion of any sentence. Currently an application will be refused.</p>	Statutory Standards
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Para.	Revision	Source
(f) Violence	Where an applicant has a conviction for an offence of violence against a person, or connected with any offence of violence a licence will not be granted until at least 10 years have elapsed since the completion of any sentence imposed. Currently 3 – 10 years depending upon the offence.	Statutory Standards
Possession of a weapon	Where an applicant has a conviction for possession of a weapon or any other weapon related offence a licence will not be granted until at least 7 years free from conviction have elapsed since the completion of any sentence imposed has been added.	Statutory Standards
Discrimination	Where an applicant has a conviction involving or connected with discrimination in any form a licence will not be granted until a period of 7 years free from conviction have elapsed since the completion of any sentence imposed has been added.	Statutory Standards
(g) Dishonesty	Period free from conviction or complaints changed from 5 years to 7 years	Statutory Standards
Immigration	Where a licence holder has been served with an immigration penalty or convicted of an immigration offence the licence will be revoked immediately has been added	Statutory Standards and Home Office Guidance
(h) Licensing offences	Period free from conviction changed from 3 years to 7 years	Institute of Licensing Guidance

Appendix H Conditions of Private Hire Drivers Licence		
Para.	Revision	Source
8.	Convictions, charges arrests etc. to be notified to the Council within 48 hrs instead of 7 days	Statutory Standards

Appendix I Council Policies in respect of Hackney Carriage Drivers		
Para.	Revision	Source
8.	Convictions, charges arrests etc. to be notified to the Council within 48 hrs instead of 7 days	Statutory Standards

Appendix K Code of Conduct When working with Vulnerable Passengers		
Para.	Revision	Source
•	Warning signs of "County Lines" exploitation added	Statutory Standards

Appendix L Conditions of Private Hire Operator's Licence		
Para.	Revision	Source
1(a).	Ensure that all vehicles and drivers used to fulfil private hire bookings hold appropriate and valid licences added.	Statutory Standards
2.	Requirement to formulate and apply a policy on assessing the suitability of any person taking bookings or dispatching vehicles added.	Statutory Standards
3.	Requirements relating to maintaining a register of all staff responsible for taking bookings and/or dispatching vehicles added.	Statutory Standards
5(c).	Requirement to evidence safeguarding protections are applied by any company to which the operator outsource a booking or dispatch function.	Statutory Standards
6.	Requirement to include name of person(s) who responded to a booking request and dispatched vehicle to booking records added.	Statutory Standards
8.	Use of drugs or alcohol added to list of complaints.	
13.	Convictions, charges arrests etc. to be notified to the Council within 48 hrs instead of 7 days	Statutory Standards
20.	Operator to inform hirer when a PSV is being used that the driver is subject to different checks and is not required to have an enhanced DBS check.	Statutory Standards

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Consultees

- Licensees
- Cleveland Police
- British Transport Police
- Local transport providers
- Disability groups
- Local residents
- Local businesses
- Planning Authority
- Service users
- Members of the Public
- Tees Valley Licensing Liaison Authorities
- Safeguarding Children's Board
- Other Local Authority Departments
- Elected Members

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Consultation comments from a Private Hire Operator in relation to the proposed amendments to Private Hire and Hackney Carriage Licencing Policy with the responses from the Licensing Authority

SECTION 1 - INTRODUCTION				
Para.	Revision	Source	Private Hire Operator's Response	Licensing Authority's Response
Introduction	Reference to tax conditionality added	New legal requirement	Agree	
2.	Paragraph reworded	N/A	Agree	
6.	"promoting the welfare of children" added	Statutory Standards	Agree	
6. a)	"promoting the welfare of children" added	Statutory Standards	Agree	
6. b)	Reference to checking criminal records of all applicants added	Statutory Standards	Agree	
6. e)	Promoting the vision of Middlesbrough amended to reflect policy statement	Council Policy Statement	No comment	
9.	Reference to checks on tax registration and criminal records of vehicle proprietors added	New legal requirement and Statutory Standards	Agree	
10.	"on its own merits" added	Statutory Standards	Agree	
11.	Reference to consideration been given to the guidance from the Institute of Licensing and the adoption of the Statutory Taxi & Private Hire Vehicle Standards	Institute of Licensing Statutory Standards	As the IOL suitability guidance was largely, but not completely adopted by the Statutory Standards, suggest referring only to the Statutory Standards as they are made pursuant to a statutory power and post-date the IOL guidance in any event	Agree

	recommendations as minimum core standards			
14.	New implementation date for revised policy	N/A	Agree, but also appears at 16	Noted
21.	Local business added to list of consultees	N/A	Noted	
24.	National Anti-Fraud Network added to list of partnership working to reflect current practice	N/A	Agree	
40; 41; 43	Reference to “vaping” included to no-smoking policy to reflect current terminology	N/A	Agree, but appears to relate to 41-43	
44.	“County lines exploitation” wording added	Statutory Standards	Agree	
	Paragraph deleted as deadlines expired for attending the safeguarding training	N/A	Agree	
47.	Paragraph amended as deadline for producing a policy to the council has expired	N/A	Noted	
49.	Requirement for operators to have a policy on employing ex-offenders and to carry out fit and proper checks on employees who dispatch vehicles added	Statutory Standards	There’s a genuine employment law issue in relation to existing staff when their contracts do not provide for them to be criminal record checked. If they do not agree to being checked, an employer’s only option is to terminate their employment and offer to re-employ them on new terms, ie including a requirement for a criminal record check, but this gives rise to potential unfair / constructive dismissal claims, etc. See ACAS guidance at	This is a statutory standard to protect the public and operators will need to comply with this requirement and make arrangements with their staff

			https://www.acas.org.uk/changing-an-employment-contract/employer-responsibilities . Might you also confer with the Council's HR / Personnel Team and / or Legal Team?	
52.	Wording in respect of the policy on tinted windows in licensed vehicles changed to reflect new policy	New policy adopted following consultation	Agree	
58 – 68.	New paragraphs explaining Tax Conditionality checks for hackney carriage and private hire drivers and private hire operators added to ensure they are registered for tax purposes	New legal requirement	Agree	
SECTION 2 VEHICLES – PRIVATE HIRE AND HACKNEY CARRIAGE				
Para.	Revision	Source	Trade Comments	Response
•	Criminality checks for vehicle proprietors added	Statutory Standards	Agree	
70.	Wording simplified to require vehicles to have appropriate M1 approval	N/A	Agree	
	Paragraph explaining vehicle type approval deleted	N/A	Noted	
72.	Wording changed to require vehicles needing Individual Vehicle Approval	Government guidance	Agree	
75.	Wording amended to reflect new categories of	Association of British	Agree	

	vehicle insurance “write offs”	Insurers (ABI)		
84.	The wording “to satisfy local demand” added	N/A	Noted	
116.	Wording amended to reflect new categories of vehicle insurance “write offs”	ABI	Agree has to be included, but there should be no need for an engineer’s report or JIG report as vehicles classified as Category N (formerly Category D) are so classified because the structure of the vehicle has not been compromised by the damage. To require such reports is to place on the trade an unnecessary expense and regulatory burden in breach of the requirements of the Regulators’ Code.	Agree will not be required for Cat N unless Council garage have concerns
120.	“and Appendix D” added to direct applicants to the test criteria used by the council	N/A	Agree	
122 – 130.	New section on criminality checks on vehicle proprietors added	Statutory Standards	Agree has to be included, but urge the Council to require only one Basic DBS check a year to avoid those with multiple vehicles having to obtain potentially 12 checks a year.	Following discussions with Council’s Legal Officer the first DBS check needs to be within 1 month, Renewed annually
131.	New requirement to provide basic DBS and Certificate of Good Character (if applicable) added to application requirements	Statutory Standards	Agree has to be included and repeat comments above in relation to paras 122 – 130.	Following discussions with Council’s Legal Officer the first DBS check needs to be within 1 month, Renewed annually

133.	Additional wording added regarding the provision of an engineer's report/jig report as deemed necessary for vehicles deemed an insurance write off.	N/A	Agree has to be included, but repeat comments made in relation to para 116 above.	Agree will not be required for Cat N unless Council garage have concerns
135; 136.	New paragraphs added recommending vehicle renewal applications be made at least one month before the licence expires to ensure vehicle test dates can be secured and any renewal applications received after 28 days from the licence expiry date will not be accepted and an application for a new vehicle licence will need to be made and when specifications for new vehicle licence complied with.	Advice following court judgement (R (on the application of Exeter City Council) v Sandle	Agree	
137.	New requirement to provide basic DBS disclosure added to renewal application requirements	Statutory Standards	Agree has to be included, but repeat comments above in relation to paras 122 – 130.	Following discussions with Council's Legal Officer the first DBS check needs to be within 1 month, Renewed annually
	Paragraph deleted re renewal timescale as recommendation now included in new paragraph above	N/A	Noted	
143; 144.	New paragraph added requiring proprietors who	Statutory Standard	Agree	

	are companies or partnerships to notify the council of any changes within 7 days and for new directors or partners to submit a basic DBS disclosure and Certificate of Good Character where applicable			
147.	Requirement to produce a basic DBS disclosure and Certificate of good Character added to process	Statutory Standards	Agree has to be included, but repeat comments above in relation to paras 122 – 130.	Following discussions with Council's Legal Officer the first DBS check needs to be within 1 month, Renewed annually
150.	New paragraph added regarding seating in stretched limousines	Best Practice Guidance	Noted	
	Paragraph re tinted window exemption deleted as no longer applicable following introduction of new policy	Council approved policy change	Agree	
166.	New policy on tinted windows defined	Council approved policy change	Agree	
169.	Wording amended to ensure compliance with any guidance re CCTV from the Information Commissioners Office and the Home Office and new sentence added requiring information that CCTV is in a vehicle must be provided on booking systems.	Statutory Standards	Agree, but note requirement to register with the ICO also applies in respect of the use of dashcams in work vehicles, such as HC & PHV	Agree, will amend to include dashcams

181.	Age policy for new vehicle applications changed from 3 to 5 years and termination period from 8 to 10 years and 10 to 12 years for London Style cabs and side loading wheelchair accessible vehicles New statistics provided on numbers of vehicles meeting the different European Emission Standards	Council approved policy change N/A	Agree	
	Paragraph on air quality standards concerns deleted as the results were disproved by the Council	N/A	Noted	
SECTION 3 DRIVERS				
Para.	Revision	Source	Trade Comments	
•	Tax conditionality added to the contents list	New legal requirement	Agree	
195.	Registration for tax and immigration status added to the "fit and proper" test criteria.	Statutory Standards	Agree	
198.	Added wording to explain that in determining the fit and proper test the onus is on the applicant to provide evidence that they are and not for the council to prove that they are not	N/A	Agree	

202.	Proof of eligibility for drivers amended to remove the need for a driving assessment and to include the new requirement for registration for tax	N/A New legal requirement	Agree	
204.	The requirement for new applicants to have passed an approved driving assessment has been removed	N/A	Agree	
205.	Checking an applicant's immigration status and right to work has been updated to include the use of a share code from the online View and Prove Service on Gov.UK	Government guidelines	Agree	
211.	Additional paragraph added to explain the use of the new online View and Prove service on GOV.UK to generate a right to work share code to enable the council to access the online immigration checking service to verify the types of work the applicant is able to do	Government Guidelines	Noted	
214.	Knowledge of highway code removed from the knowledge test and new sentence added that tests for private hire driver's licences will not include a topographical element as it is a requirement that	Trade request	Agree	

	licensed private hire drivers have use of a fully operational sat-nav system (or similar device) in any licensed vehicle they drive at all times			
220.	Level of spoken English changed to Language Proficiency and written English included, and applicants that cannot demonstrate a reasonable level may be referred to the Licensing Committee	Statutory Standards	Agree has to be included, but the Council will have to be careful about how it implements this requirement in an appropriate, proportionate and non-discriminatory way.	Noted
230.	Requirement to provide a Certificate of Good Conduct qualified by being resident/domiciled in a country for a period of six months or more	Statutory Standards Institute of Licensing Guidelines	Noted	
237.	Period of validity of an initial DBS disclosure reduced from 6 months to 1 month before an applicant may be requested to produce a further check	N/A	Agree has to be included, but must make clear that this does not apply if an applicant has signed up to the DBS update service, which they should have done in any event.	Already clear
238.	Medical certification of fitness must be completed by a "registered" medical practitioner i.e. a doctor	DVLA	Agree	
242.	Medical assessment changed to medical declaration	N/A	Noted, but don't believe this is a "new legal requirement"	Noted
256.	Failure to comply with a request for a drug test "without reasonable excuse"	Statutory Standards	Agree	

	will result in the revocation of the drivers licence with immediate effect”			
257 - 266	New paragraphs added explaining Tax Conditionality and tax check requirements for applicants	N/A	Agree	
267 - 275	Application procedure amended to include: <ul style="list-style-type: none"> • View an Prove Your Immigration Status Service share code • DVLA licence check code • HMRC declaration or tax-check code and to remove driving assessment certificate	N/A New legal requirement	Noted, but think this refers to 267 & 275, not 267 – 275	
277.	Recommendation added that renewal applications be made at least one month before a licence is due to expire as legislation does not allow for continuity of licence	N/A	Noted	
279.	New provision on the issuing of a short term licence, “without prejudice”, when a renewal application is received and there are grounds for concern that delays determination of that application.	Government guidelines	Agree, but might also want to consider unreported decision of Nottingham Crown Court in Cartledge v Gedling Borough Council	Noted but do not believe it is necessary to include reference to case
303.	New sentence added that voluntary surrender of a	N/A	As the Council clearly accepts that licences can be surrendered	Agree, will remove

	licence will not be accepted when the driver is subject to ongoing legal proceedings, disciplinary hearing or investigation of a complaint		(and I agree with it in that regard), there is no legal basis (and deciding to have a policy is not a legal basis, because a policy does not entitle a public body to do something that its not permitted to do by law in the first place). If a situation is so serious that the Council needs to act decisively, it should use its power to revoke with immediate effect, which will eradicate the risk of surrender. If the situation does not give rise to a public safety issue of that magnitude, is there really an issue?	
SECTION 4 PRIVATE HIRE OPERATORS				
Para.	Revision	Source	Trade Comments	Response
•	<ul style="list-style-type: none"> Register of staff Policy on employing ex-offenders Tax conditionality added to the list of contents 	<p>Statutory Standards</p> <p>New legal requirement</p>	Agree	
309.	New requirement added: "and that the driver has the use of a fully operational sat-nav system (or similar device) at all times."	Trade request	Agree	
314.	Wording amended to require assessments of all staff who have contact	Statutory Standards	Agree, but contracts of existing staff probably do not provide for this, so it may not be possible to	This is a statutory standard to protect the public and operators will need to comply with

	with the public and/or oversee the dispatching of vehicles and to include production of a basic DBS disclosure		unilaterally change staff contracts without risking staff making claims to an employment tribunal. See ACAS guidance at https://www.acas.org.uk/changing-an-employment-contract/employer-responsibilities and, if necessary, seek guidance from the Council's HR and Legal Teams.	this requirement and make arrangements with their staff
315 - 318	New paragraphs added to explain new requirements on operators to keep a register of staff that take bookings or dispatch vehicles and to produce a policy on employing ex-offenders	Statutory Standards	Agree	
326; 327; 331	Wording amended to require production of a basic DBS disclosure and Certificate of Good Character (when applicable) with new applications and annually thereafter.	Statutory Standards	Agree, but exemption should be extended to operators that have an Enhanced DBS certificate and are signed up to the update service for another purpose, such as in connection with the provision of a regulated activity in connection with the contractual transport of children and / or vulnerable adults.	Agree and amend policy
332.	New paragraph added explaining impact of having a driver licence revoked will not automatically prevent someone from holding an operator's licence	Statutory Standards	Agree	
335.	Paragraph deleted as deadline to attend	N/A	Agree	

	safeguarding training no longer relevant			
336.	New paragraph added informing operators that they cannot pass on their safeguarding obligations if they outsource a booking.	Statutory Standards	Agree	
343 - 352	New section added explaining the new Tax Conditionality requirements for tax checks	New legal requirement	Agree	
353.	Application procedure amended to include production of: <ul style="list-style-type: none"> • Basic DBS disclosure • Certificate of good character • Tax check • Policy on employing ex-offenders 	Statutory Standards New legal requirement	Agree	
354.	Recommendation added that renewal applications be made at least one month before a licence is due to expire as legislation does not allow for continuity of licence	N/A	Noted	
357.	New provision on the issuing of a short term licence, "without prejudice", when a renewal application is received and there are grounds for concern that	N/A	Agree, but might also want to consider unreported decision of Nottingham Crown Court in Cartledge v Gedling Borough Council,	Noted but do not believe it is necessary to include reference to case

	delays determination of that application.			
374.	Requirement to notify any changes in directors or partners added	Statutory Standards	Agree	
SECTION 7 • CONVICTIONS, CAUTIONS, AND CHARACTER				
Para.	Revision	Source	Trade Comments	Response
•	Vehicle proprietors added to list	Statutory Standards	Agree	
404.	“that pose no risk to the public and have no links to serious criminal activity” added	Statutory Standards	Agree	
406 - 410	New paragraphs added explaining reason for checking vehicle proprietors and options available to the council in respect of vehicle licences.	Statutory Standards Legislation	Agree	
411.	“and safeguarding and promoting the welfare of children and the vulnerable.” added	Statutory Standards	Agree	
413.	Wording amended to include convictions for exploitation, or a crime resulting in the death or intended to cause the death or serious	Statutory Standards	Agree	

	injury of another person, or if they appear on the children and adults barred list, applicants will not be licensed			
419.	Convictions for attempt or conspiracy will be regarded as convictions for the substantive crime	Institute of Licensing guidance	Agree	
425; 426.	New paragraphs added on fitness tests for private hire operators and vehicle proprietors	Institute of Licensing guidance	Agree	
429.	New paragraph added explaining "balance of probability"	Statutory Standards	Agree	
SECTION 8 - ENFORCEMENT, DISCIPLINE AND OFFENCES				
Para.	Revision	Source	Trade Comments	
434.	"and to revoke driver licences with immediate effect if it is considered that it is in the interests of public safety." added	Legal advice	Agree	
437.	Members of the Licensing Committee required to undertake training added	Statutory Standards	Agree	
481.	Option to attend Driver Improvement Scheme for	Legal advice	Agree	

	existing drivers incurring 9 penalty points for minor traffic offences reduced to 6 points.			
489.	Procedure for suspending or revoking a driver with immediate effect updated.	N/A	Noted	
492; 493	New paragraphs added on procedure for reissuing a licence or lifting of a suspension	Statutory Standards	Agree	
SECTION 10 - COMPLAINTS PROCEDURE				
Para.	Revision	Source	Trade Comments	Response
525.	Complaints will be recorded and monitored to identify trends or patterns of behaviour added	Statutory Standards	Agree	
Appendix B Conditions of Private Hire Vehicle Licence				
Para.	Revision	Source	Trade Comments	Response
6.	Period to notify council of convictions etc. reduced from 7 days to 48 hours	Statutory Standards	Agree	
8.	New duty to notify any change in directors or partners when applicable within 7 days to enable DBS checks	Statutory Standards	Agree	
Appendix C Conditions of Hackney Carriage Vehicle Licence				

Para.	Revision	Source	Trade Comments	Response
7.	Period to notify council of convictions etc. reduced from 7 days to 48 hours	Statutory Standards	Agree	
9.	New duty to notify any change in directors or partners when applicable within 7 days to enable DBS checks	Statutory Standards	Agree	
Appendix D Vehicle Testing Arrangements				
Para.	Revision	Source	Trade Comments	Response
1.15	Tinted window specification revised	New policy adopted following consultation	Agree	
Appendix E Private Hire Vehicle Exemption Notice Conditions				
Para.	Revision	Source	Trade Comments	Response
Additional Conditions	Condition removed as no longer applicable following revision of tinted window specification	New policy adopted following consultation	Agree	
Appendix F Table of Existing Vehicles by Age				
Para.	Revision	Source	Trade Comments	Response
	Statistics updated	Records	Noted	
Appendix G Policy on the Relevance of				

Convictions etc.				
Para.	Revision	Source	Trade Comments	Response
Purpose	Use amended to include consideration of an applicant for a private hire or hackney carriage vehicle licence or a private hire operator licence	Statutory Standards	Agree	
Overriding duty	Amended to ensure private hire operators and vehicle proprietors pose no threat to the public and have no links to organised crime and they are entrusted to ensure vehicles and drivers used to carry passengers are licensed and safe	Statutory Standards	Agree	
Information	Basic DBS disclosures	Statutory Standards	Agree	

	will be used to determine the suitability of applicants for private hire operator's licences and private hire and hackney carriage vehicle licences added			
General	Statement amended to include: "A person with a conviction for a crime resulting in death or intention to cause death or serious injury; exploitation (including slavery, child sexual abuse, exploitation, grooming, psychological, emotional or financial abuse); or any offence involving or	Statutory Standards	Agree	

	connected with illegal sexual activity will not be licensed.”			
General	Amended to include an applicant who is on the Sex Offenders Register or on any Barred list will not be licensed	Statutory Standards	Agree	
Minor traffic offences	Applicants with up to 6 valid points may have a licence granted subject to a requirement that they attend a driver improvement course instead of a warning. 7 – 9 points, applicant must show 3 years free from conviction before being considered instead of	Institute of Licensing Guidance Legal advice	Agree has to be included, but this must be balanced with the need to decide each case on its own merits – after all, a person with a number of convictions for modestly exceeding a speed limit probably poses a much lesser danger to someone who habitually significantly exceeds speed limits.	Matters will be judged on their own merits in line with the policy in accordance with the statutory standards unless a Committee considers there are good reasons/exceptional circumstances to depart from it

	<p>referral to the Licensing Committee who could grant subject to attending a driver improvement course and issue a severe warning.</p> <p>More than 9 points, applicant must show 5 years free from conviction before being considered instead of 12 months.</p> <p>Significant history of offences or disqualification through totting up procedure, applicant to demonstrate 5 years free from conviction instead of between 1-3 years</p>			
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<p>(b) Major traffic offences</p>	<p>Conviction for use of a mobile phone or hand held device – refused until at least 5 years elapsed since conviction or completion of any sentence or driving ban. Currently 4 years,</p> <p>If applicant has an endorsement for a major traffic offence application refused until at least 5 years have elapsed since conviction or completion of any sentence or driving ban. Currently 4 years.</p> <p>Endorsements for more than one major traffic offence then this</p>	<p>Statutory Standards</p> <p>Legal advice</p>	<p>Agree has to be included, but this must be balanced with the need to decide each case on its own merits – after all, a person who commits a single major traffic offences in exceptional circumstances may present less of a risk than a person who repeatedly commits minor traffic offences, such as exceeding speed limits.</p>	<p>Matters will be judged on their own merits in line with the policy in accordance with the statutory standards unless a Committee considers there are good reasons/exceptional circumstances to depart from it</p>
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	period will be 7 years			
(c) Alcohol Related Offences	Applicants with a conviction for drink driving must show a period of at least 7 years free from conviction since the completion of any sentence or driving ban. Currently 4 years	Statutory Standards	Agree has to be included, but this must be balanced with the need to decide each case on its own merits – after all, a conviction could result from drink spiking, for example.	Matters will be judged on their own merits in line with the policy in accordance with the statutory standards unless a Committee considers there are good reasons/exceptional circumstances to depart from it
(d) Drug related offences	Applicants with a conviction for a drug driving offence must show a period of 7 years free from conviction since the completion of any sentence or driving ban imposed. Currently 4 years. Applicants with an	Statutory Standards	Agree has to be included, but this must be balanced with the need to decide each case on its own merits.	Noted

	<p>isolated conviction for possession of drugs must show a period of 5 years free from conviction since the completion of any sentence imposed. Currently 3 years.</p> <p>If the conviction relates to the supply of controlled drugs or possession with intention to supply or production of controlled drugs the application will be refused until at least 10 years have elapsed since the completion of any sentence. Currently an application will be refused.</p>	<p>Statutory Standards</p> <p>Statutory Standards</p>		
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(f) Violence	Where an applicant has a conviction for an offence of violence against a person, or connected with any offence of violence a licence will not be granted until at least 10 years have elapsed since the completion of ant sentence imposed. Currently 3 – 10 years depending upon the offence.	Statutory Standards	Agree has to be included, but this must be balanced with the need to decide each case on its own merits – after all, a person with a caution for a common assault when they have used more than reasonable force when acting in self-defence does not pose the same risk as someone convicted of causing grievous bodily harm with a weapon they were carrying.	Matters will be judged on their own merits in line with the policy in accordance with the statutory standards unless a Committee considers there are good reasons/exceptional circumstances to depart from it
Possession of a weapon	Where an applicant has a conviction for possession of a weapon or any other weapon related offence a licence will not be granted until at least 7 years free	Statutory Standards	Agree has to be included, but this must be balanced with the need to decide each case on its own merits – after all, a person with a caution for carrying a Swiss Army knife with	Matters will be judged on their own merits in line with the policy in accordance with the statutory standards unless a Committee considers there are good reasons/exceptional circumstances to depart from it

	from conviction have elapsed since the completion of any sentence imposed has been added.		their keys is unlikely to pose the same risk as a person carrying a machete, flick knife, lock knife or the like.	
Discrimination	Where an applicant has a conviction involving or connected with discrimination in any form a licence will not be granted until a period of 7 years free from conviction have elapsed since the completion of any sentence imposed has been added.	Statutory Standards	Agree has to be included, but this must be balanced with the need to decide each case on its own merits – after all, a person with a caution for racism, when their comments were self-deprecating, is not the same as when racism is used threateningly and abusively towards someone of a particular racial heritage.	
(g) Dishonesty	Period free from conviction or complaints changed from	Statutory Standards	Agree has to be included, but this must be balanced with the need to	Matters will be judged on their own merits in line with the policy in accordance with the statutory standards unless a Committee considers there are good reasons/exceptional circumstances to depart from it

	5 years to 7 years		decide each case on its own merits – after all, a person with a caution for stealing food out of necessity is very different to those that planned and executed the Hatton Garden safety deposit burglary.	
Immigration	Where a licence holder has been served with an immigration penalty or convicted of an immigration offence the licence will be revoked immediately has been added	Statutory Standards and Home Office Guidance	Agree has to be included, but this must be balanced with the need to decide each case on its own merits.	Council will not depart from statutory standards unless exceptional circumstances warrant such a decision.
(h) Licensing offences	Period free from conviction changed from 3 years to 7 years	Institute of Licensing Guidance	Agree has to be included, but this must be balanced with the need to decide each case on its own merits.	Noted

Appendix H Conditions of Private Hire Drivers Licence				
Para.	Revision	Source	Trade Comments	Response
8.	Convictions, charges arrests etc. to be notified to the Council within 48 hrs instead of 7 days	Statutory Standards	Agree	
Appendix I Council Policies in respect of Hackney Carriage Drivers				
Para.	Revision	Source	Trade Comments	Response
8.	Convictions, charges arrests etc. to be notified to the Council within 48 hrs instead of 7 days	Statutory Standards	Agree	
Appendix K Code of Conduct When working with Vulnerable Passengers				
Para.	Revision	Source	Trade Comments	Response
•	Warning signs of "County Lines" exploitation added	Statutory Standards	Agree	
Appendix L Conditions of Private Hire Operator's Licence				
Para.	Revision	Source	Trade Comments	Response
1(a).	Ensure that all vehicles and drivers used to fulfil private hire bookings	Statutory Standards	Agree has to be included, but suggest requirement should be to use best endeavours,	Case pre dates statutory standards

	hold appropriate and valid licences added.		applying comments made by the High Court in R (Blueline Taxis) v Northumberland County Council [2012] EWHC 1539 (Admin) at para 67.	
2.	Requirement to formulate and apply a policy on assessing the suitability of any person taking bookings or dispatching vehicles added.	Statutory Standards	Agree	
3.	Requirements relating to maintaining a register of all staff responsible for taking bookings and/or dispatching vehicles added.	Statutory Standards	Agree	
5(c).	Requirement to evidence safeguarding protections are applied by any company to which the operator outsource a booking or dispatch function.	Statutory Standards	Agree	
6.	Requirement to include name of person(s) who responded to a booking request and dispatched vehicle to booking records added.	Statutory Standards	Agree, but should acknowledge that bookings are usually dispatched automatically by the computer system, without dispatcher intervention	Agree to amend
8.	Use of drugs or alcohol added to list of complaints.		Agree	

13.	Convictions, charges arrests etc. to be notified to the Council within 48 hrs instead of 7 days	Statutory Standards	Agree	
20.	Operator to inform hirer when a PSV is being used that the driver is subject to different checks and is not required to have an enhanced DBS check.	Statutory Standards	Agree	

Equality Impact Assessment Level 1: Initial screening assessment

Subject of assessment:	Approval for amendments to Middlesbrough's Taxi Licensing Policies & Conditions following the introduction of Statutory Hackney Carriage and Private Hire Standards recommended by the Department of Transport			
Coverage:	All Hackney Carriage and Private Hire vehicles licensed by Middlesbrough Council			
This is a decision relating to:	<input type="checkbox"/> Strategy	<input checked="" type="checkbox"/> Policy	<input type="checkbox"/> Service	<input type="checkbox"/> Function
	<input type="checkbox"/> Process/procedure	<input type="checkbox"/> Programme	<input type="checkbox"/> Project	<input type="checkbox"/> Review
	<input type="checkbox"/> Organisational change	<input type="checkbox"/> Other (please state)		
It is a:	New approach:	<input type="checkbox"/>	Revision of an existing approach:	<input checked="" type="checkbox"/>
It is driven by:	Legislation:		Local or corporate requirements:	
Description:	Review of Hackney Carriage and Private Hire Vehicle Policy			
Live date:	Date of approval			
Lifespan:	Ongoing			
Date of next review:	September 2023			

Screening questions	Response			Evidence
	No	Yes	Uncertain	
<p>Human Rights Could the decision impact negatively on individual Human Rights as enshrined in UK legislation?¹</p>	√	<input type="checkbox"/>	<input type="checkbox"/>	It is considered that the implementation of the policy will not have an unjustified or disproportionate adverse impact upon any of the groups affected by these amendments.
<p>Equality Could the decision result in adverse differential impacts on groups or individuals with characteristics protected in UK equality law? Could the decision impact differently on other commonly disadvantaged groups?*</p>	√	<input type="checkbox"/>	<input type="checkbox"/>	It is considered that the implementation of the policy will not have an adverse differential impact on groups or individuals with characteristics protected in UK equality law, or other commonly disadvantaged groups
<p>Community cohesion Could the decision impact negatively on relationships between different groups, communities of interest or neighbourhoods within the town?*</p>	√	<input type="checkbox"/>	<input type="checkbox"/>	It is considered that implementation of the policy will not have a negative impact upon the community.
<p>Next steps:</p> <ul style="list-style-type: none"> ➡ If the answer to all of the above screening questions is No then the process is completed. ➡ If the answer of any of the questions is Yes or Uncertain, then a Level 2 Full Impact Assessment must be completed. 				

Assessment completed by:	Tim Hodgkinson	Head of Service:	Judith Hedgley
Date:		Date:	

¹ Consult the Impact Assessment further guidance appendix for details on the issues covered by each of these broad questions prior to completion.

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MIDDLESBROUGH COUNCIL	
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Report of:	Executive Member for Regeneration Director of Regeneration
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Submitted to:	Executive
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Date:	8 November 2022
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Title:	Planning Fees
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Report for:	Decision
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Status:	Public
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Strategic priority:	Quality of service
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Key decision:	No
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Why:	Decision does not reach the threshold to be a key decision
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Urgent:	No
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Why:	Not Applicable
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Executive summary

This report sets out the proposals to review existing fees in the Planning Service and seeks to introduce new fees. The services covered by this report represent a significant use of officer time and represent a significant drain upon the Service’s resources. This in turn impacts upon the Service being able to meet and deliver its statutory obligations and maintain required levels of service delivery. It is recognised however that many of those services offered whilst discretionary are encouraged to be provided, and in doing so improve the customer experience and the quality of service that the Planning Service provides. Under the Local Government Act 2003 and Planning and Compulsory Purchase Act 2004 the Council has the ability to charge for providing these services. The fees proposed are set to recover the costs of delivering the service being provided, and can be grouped under the following categories:

- i. Pre application advice and guidance;
- ii. Building Control fees;
- iii. Other planning fees.

For those fees and charges not covered by this report and set by the Council it is proposed that in line with the Financial Recovery Plan 2022/23 these will be increased by 10%

Purpose

2. To seek approval for the introduction of a schedule of new fees, a review of existing fees, and an overview of the processes for increasing fee income for the functions falling within the remit of the Planning Service.

Background and relevant information

3. The Planning Service undertakes a number of functions which are both statutory and non-statutory in nature. The ability to charge for these services is largely discretionary, in that as an authority the Council can determine if they charge for the service, and non-discretionary for which a charge must be set. For non-discretionary fees these are either set nationally (e.g. planning application fees) or locally (e.g. building regulation fees), these fees are outside of the scope of this report. For the other services provided by the Planning Service the Council can charge a fee for doing so. Many of these services whilst not statutory in their nature e.g pre application advice can significantly help with the efficient and effective delivery of the statutory functions and help provide a better customer facing service and experience for the customer.
4. Discretionary fees should be set to recover costs of delivering the service offered. The fees covered in this report fall into the following categories:
 - i. Pre application advice and guidance;
 - ii. Building Control fees;
 - iii. Other planning fees.

Pre Application Advice/Guidance

5. Local Planning Authorities are strongly encouraged through the National Planning Policy Framework (NPPF) to provide a planning pre-application advice service and to actively and positively engage with prospective applicants. Middlesbrough Council currently provides a pre-application service to all. In doing so the Planning Service provides informal advice to those considering submitting a planning application, to help guide the form and content of that application with a view to streamlining the process by helping applicants shape their proposals prior to submission, ensuring that the application submission is complete and helping applicants to understand the relevant planning policies and issues related to their application.
6. There are a number of advantages to providing such a pre-application service.
 - Influences an application at its formative stage
 - 'Raise the bar' on both quality and impact of the scheme, beyond 'statutory minimum'
 - Building external professional relationships
 - Enhancing the reputation of the town as a place to invest
 - Ensures application comes in clean, reducing officer time commitment later
 - Filters inappropriate schemes out early Pre-application advice saves time and effort for applicants in getting a proposal right rather than waiting until a scheme is fixed

and formally submitted as a planning application which may then require expensive amendments or delays and costs associated with a refusal.

7. Whilst Local Planning Authorities are strongly encouraged to offer such a service it is not a statutory requirement and is discretionary. Over recent years there has been a steady increase in the number of pre-application enquiries that the Service has received.

Year	Minors/Others	Major ¹
2017	555	18
2018	608	9
2019	621	17
2020	745	26
2021	904	16

¹ This is probably an underestimate as not all major pre-application enquiries are processed through the system.

This clearly shows that there has been a 60% increase in the number of enquiries in the last 5 years. Even allowing for a minimum period of time to deal with each enquiry responding to this volume of pre-application queries would take up the time of one officer for a full year. This has an impact upon the ability of the statutory function of the Service to process planning applications.

8. Local Planning Authorities can make charges for pre application advice by virtue of powers in the Local Government Act 2003 and Planning and Compulsory Purchase Act 2004. Whilst its neighbours charge for such a service Middlesbrough Council does not. It is proposed to introduce a schedule of charges for this service with the expectation that this will generate sufficient fee income to employ an additional member of staff to be able to manage the workload associated with dealing with pre application advice.
9. It is proposed to offer a hierarchy of fees based upon the type and nature of proposal. The following categories are proposed:

Strategic Developments

- Residential scheme 100+ dwellings (or 5Ha+)
- Commercial/industrial/office/retail 10,000 sqm+ floorspace
- Outline/Hybrid applications (5Ha+)

Major Developments

- Residential 10-99 dwellings (or >0.5Ha and <5Ha)
- Commercial/industrial/office/retail 1,000 – 9,999 sqm floorspace (or >1Ha and <5Ha)
- Outline applications <5Ha

Minor Developments

- Residential 1-9 dwellings (or <0.5Ha)
- Commercial/retail/employment/offices <1,000 sqm (or <1Ha)

Other

- Householder developments
- Advertisements

10. It is recognised that no two schemes are alike and that differing schemes will require varying levels of input and advice from officers. To reflect this for each category two sets of fees are identified. These are for the initial advice provided, plus fees for any further

and advice and guidance required beyond this. It is also recognised that some complex schemes will sit outside of the scope of this fee structure and for these the Local Planning Authority will agree a bespoke fee and service reflective of the nature of advice required.

11. For homeowners it is recognised that interacting with the planning process for some can be seen as an expensive and complex process. As a consequence the Planning Service will continue to provide free advice for those householder enquiries where the applicant is simply seeking to establish whether planning permission is required or not. In such circumstances it is considered that a fee would discourage prospective applicants from engaging with the service and could result in an increase in unauthorised developments and a consequent increase in enforcement activity.
12. Applying the fees proposed, and assuming that only half would either have come forward as pre-application enquiries as being in scope, this could have generated in excess of £80,000 of income for 2021. It is also anticipated that the introduction of fees would discourage those from engaging who have no intention of submitting a planning application. Such enquiries can take up an inordinate amount of officer time that would be otherwise best utilised in assessing planning applications.
13. The workload associated with dealing with pre application enquiries is quite significant, even the most basic enquiry can take up an hour of officer time, and the most complex can take up many hours of several officers. As outlined above this could equate to one full time officer's time for a full year. As a consequence it is proposed to use the additional income to employ a planning officer (grade J) to help better manage workloads and free up officer time to address pre-application enquiries.

Building Control Fees

14. There are a number of areas within the Building Control function where fees are not currently charged for the service provided, or where fees are not secured through a lack of capacity to undertake the work. The income associated with these fees is higher than the cost of employing a member of staff to secure them. These fees can be broken down into the following areas:
 - i. Reversion fees
 - ii. Plan checking fees
 - iii. Sports ground safety certificates
 - iv. Re-opening of historic applications

Reversion fees

15. Under the Building Act any work undertaken requiring Building regulations approval that starts prior to the necessary approvals being in place, or before an Initial Notice is issued by an Approved Inspector, must be dealt with by the Local Authority Building Control team. Additionally where an Approved Inspector is no longer able or willing to undertake work this reverts to the Local Authority Building Control service. There is a fee associated with doing this. In recent years a number of Approved Inspectors have gone into receivership, folded, and are no longer able to complete those building projects they were working on. At present the Service only charges for officer time spent, however it is common practice in such circumstances it is common practice to make a charge. It is recommended that the fee structure is amended to reflect this approach and for the regularisation fee to be used.

16. Following the demise of Aedis, a private Approved Inspector, it is estimated that there are approximately 500 schemes in Middlesbrough where an Initial Notice has been made and where there is no completion certificate in place. These schemes would need to be dealt with by the Local Authority. Unfortunately owing to a lack of staff resources it has not been possible to actively address these schemes. Applying the current regularisation charges it is estimated that this could generate between approximately £100,000 and £500,000 of additional income in total. On annual basis with a programme in place of chasing these cases down could generate in excess of an additional £30,000 in income which would be sufficient to enable the Council to employ additional resource to ensure these developments are dealt with in an appropriate manner.

Plan checking fees

17. To better reflect the work and time involved in undertaking plan checking for housing developments it is proposed to change the fee to a fixed fee of £180 + VAT (£216) for each house type.

Sports ground safety certificates

18. A sports ground safety certificate is required to operate certain events from sports grounds. There are two types of certificate:

- i. a general safety certificate which covers the use of the stand for viewing an activity, or a number of activities, specified in the certificate for an indefinite period which starts on a specified date
- ii. a special safety certificate which covers the use of the stand for viewing a certain specified activity or activities on a certain specified occasion or occasions

19. A Local Authority may set a fee for such certificates. Going forward the intention would be to charge for those activities requiring a certificate as specified above in paragraph 16(ii). The fee associated with this process will be set according to the individual circumstances of each application. It is estimated that based upon past certificates issued that this could generate an additional £2-3,000 per annum.

Re-opening historic applications

20. Occasionally for various reasons work on a development project is paused and work stops for a period of time. Where there has been inactivity on a site for more than 3 years and it is necessary to re-open the application a fee will be charged, and additional charge will be payable where it is necessary to retrieve the application file from storage.

- | | | |
|-----|---------------------------------|------|
| i. | Re-opening historic application | £150 |
| ii. | File retrieval | £25 |

Other planning fees

21. A schedule of charges already exists for a number of services provided by the Planning Service. As part of this exercise these have been reviewed and further additions/amendments are proposed. The schedule needs to be updated to reflect changes in the services offered and the costs associated with delivering them.

Historic Environment Record

22. The Local Planning Authority maintains a Historic Environment Record providing a record of all known designated and non-designated archaeological sites and historic landscapes in the town. This information is often required to inform planning applications and other proposals. The proposed fees are:

- i. Expedited request £300
- ii. Standard request £175

Self build and custom build register

23. The Council approved at a meeting of the Executive xx 2019 the introduction of a self-build and custom housebuilding register. As part of this decision it also approved a charging schedule. The following fee structure is proposed:

- i. Initial application: £75
- ii. Annual fee: £50

S106 Monitoring fees

24. Once planning obligations associated with planning permissions have been agreed, they need to be implemented and enforced in an efficient and transparent way, in order to ensure that contributions are spent on their intended purpose and that the associated development contributes to the sustainability of the area. This will require monitoring by Local Planning Authorities, which in turn may involve joint working by different parts of the Authority.

25. It is proposed to introduce the following charges for the monitoring of S106 Agreements:

- i. For minor development (per obligation) £350
- ii. For major development (per obligation) £500

26. Complex Agreements with a range of obligations and trigger points will require the above payments to be made for each obligation/trigger point.

File retrieval and copying

27. Costs are already in place for providing copies of planning and building control applications. Since these charges were introduced the Council has placed all its paper records into off site storage. The costs of retrieving these files is reflected in existing charges, and as a consequence it is not proposed to amend the fees charge. These charges will however be extended to also apply where an electronic/digital copy is requested of a file to reflect the costs associated with file retrieval and officer time involved.

Other fees and charges

28. There are a number of other fees and charges within the Service not covered by this report. In accordance with the Financial Recovery Plan 2022/23 report presented to Executive on the 18th October 2022 an increase of 10% will be applied to those for which the Council has discretion to set.

What decision(s) are being recommended?

That the Executive Member for Regeneration:

- Approves the schedule of fees in Appendix 1 and that the fees come into effect on 1st December 2022
- Approves the addition of a new planning officer post (Grade J) within the Development Control Team to assist with dealing with the workload associated with pre application enquiries.
- Approves the addition of a new Building Control Apprentice post within the Building Control Team to assist with dealing with the workloads associated with dealing with reversion applications
- Approves that the fees are monitored and reviewed on an annual basis, and subject to the review all fees are increased annually by CPI + 1% unless otherwise amended.
- Approves that all other fees and charges within the Service for which the Council has discretion to set are increased by 10% in accordance with the approved Financial Recovery Plan 2022/23

Rationale for the recommended decision(s)

29. The cost of providing the services listed in the schedule in Appendix 1 and detailed in this report represent a significant use of officer time and represents a significant drain upon the Service's resources. This in turn impacts upon the Service being able to meet and deliver its statutory obligations and maintain required levels of service delivery. It is recognised however that many of those services offered whilst discretionary are encouraged to be provided, and in doing so improve the customer experience and the quality of service that the Service provides. Under the Local Government Act 2003 and Planning and Compulsory Purchase Act 2004 the Council has the ability to charge for providing these services.

Other potential decision(s) and why these have not been recommended

30. Two other options have been considered. These are:

- i. to continue to provide a free service for those services for which is there no current fee, and maintain existing fees for those services charged at current levels; or
- ii. to cease providing those services for which no fee is currently set, and for which there is no statutory requirement to deliver.

31. Continuing to provide all services for free has an unacceptable impact upon service delivery to the detriment of the Service in processing planning and building control applications. This increases the potential for poor quality decisions and the likelihood that more decisions will result in planning appeals that the Council cannot defend and end up with costs being awarded against the Council. As the Service does not have the resources available to deal with the level of enquiries it receives this leads to significant delays in responding and the quality of information provided which in turn can have a negative impact upon outcomes.

32. Withdrawing the pre application advice service is not considered a viable option. Doing so could lead to poorer quality applications being submitted and more officer time being spent addressing these issues at application stage and as such is counterproductive. Doing so could also see an increase in enforcement activity as more unauthorised works occur.

Impact(s) of the recommended decision(s)

Legal

33. Local Planning Authorities can make charges for services offered by virtue of powers in the Local Government Act 2003 and Planning and Compulsory Purchase Act 2004.

Strategic priorities and risks

34. The proposals will through ensuring that the Service is properly resourced positively impact upon the following strategic risks

- Failure to achieve a balanced budget
- Failure to deliver the Council's strategic and directorate priorities

Human Rights, Equality and Data Protection

35. This report has been subject to an initial Impact Assessment (IA), which accompanies this report (see Appendix 2). This identifies that a full IA is not necessary.

Financial

36. As outlined in the body of the report the introduction of a schedule of fees as set out in Appendix 1 will generate additional income. On the basis of enquiries/activities over previous years this level of income could be in excess of £50,000 pa within development control and in excess of £30,000 pa within Building Control. Against this there would be costs of employing an additional officer at grade J, and a Building Control Apprentice.

37. The proposals will not have an impact on existing revenue budgets or result in additional revenue pressures. However if the additional income is not in line with predictions then it will be necessary to review any additional posts and structures introduced as a consequence of the projected fee increases. Income levels associated with the proposed fee regime will therefore need to be closely monitored to ensure that the income levels predicted are achieved and any necessary action taken if not.

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

Action	Responsible Officer	Deadline

Appendices

1	Proposed fee levels
2	
3	

Background papers

Body	Report title	Date

Contact: Paul Clarke
Email: paul_clarke@middlesbrough.gov.uk

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APPENDIX 1 - SCHEDULE OF CHARGES FOR OTHER BUILDING CONTROL SERVICES

DESCRIPTION OF CHARGES	2022/2023 CHARGES
BUILDING REGULATIONS FUNCTION - MISCELLANEOUS CHARGES	
Re-drafting and re-issue of decision notice/completion certificate.	<p>£36 (incl VAT) <i>(completing request within 10 working days)</i></p> <p>£72 (incl VAT) <i>(completing request within 1 working day – subject to availability of service)</i></p>
Formal response in respect of unauthorised works and / or time limited enforcement action.	£60.00 per hour
Letter confirming exemption from building regulations (based on information / evidence provided)	<p>£47 (incl VAT) <i>(completing request within 10 working days)</i></p> <p>£72 (incl VAT) <i>(completing request within 1 working day – subject to availability of service)</i></p>
If site visit required an additional charge will be made on an hourly bases at £60/hour including VAT.	
BUILDING ACT 1984, SECTION 78 - DANGEROUS STRUCTURES	
Administrative duties associated with emergency measures.	<p>£60.00 per hour £90.00 out of hours <i>(Currently no out of hours service available)</i></p>
RE-OPENING HISTORIC APPLICATIONS (OLDER THAN 3 YEARS)	
Re-opening historic application	£150.00
Retrieval of application from records (if required)	£25.00

SPORTS GROUND SAFETY CERTIFICATES	
General safety certificate	By Agreement
Special safety certificate	By Agreement
OTHER MISCELLANEOUS SERVICES	
At the discretion of Building Control and subject to relevant authority/permissions, other fee paying services may from time to time be undertaken. The basis for the calculation of charges for such work will be as follows.	£60.00 per hour +VAT

AMENDMENTS TO BUILDING REGULATION CHARGES

TABLE A : NEW DWELLINGS - Erection or conversion, each dwelling up to 300m² floor area							
VAT at 20%							
Number of dwellings / Types of dwellings	Full Plans Application				Building Notice		Regularisation Application
	Plan Charge	Inc VAT	Inspection Charge	Inc VAT	Building Notice	Inc VAT	Charge (No VAT)
1	£180	£216	£532	£638.40	£760	£912	£1065
2	£360	£432	£817	£980.40	£1167	£1400.40	£1634
3	£540	£648	£1058	£1269.60	£1512	£1814.40	£2117
4	£720	£864	£1294	£1552.80	£1848	£2217.60	£2587
5	£900	£1080	£1461	£1753.20	£2087	£2504.40	£2922
6	£1080	£1296	£1690	£2028	£2414	£2896.80	£3380
7	£1260	£1512	£1900	£2280	£2715	£3258	£3801
8	£1440	£1728	£2092	£2510.40	£2989	£3586.80	£4184
9	£1620	£1944	£2259	£2710.80	£3228	£3873.60	£4521
10	£1800	£2160	£2408	£2889.60	£3440	£4128	£482

SCHEDULE OF CHARGES FOR OTHER PLANNING SERVICES

DESCRIPTION OF CHARGES	2022/23 CHARGES		
DEVELOPMENT CONTROL FUNCTION -MISCELLANEOUS CHARGES			
Re-drafting and re-issue of decision notice	<p>£36 (incl VAT) <i>(completing request within 10 working days)</i></p> <p>£72 (incl VAT) <i>(completing request within 1 working day – subject to availability of service)</i></p>		
Copy of a Tree Preservation Order	See copying charges below		
Letter confirming discharge of condition	£50		
Letter confirming discharge of condition (requiring retrieval of archived planning application)	£75		
OTHER MISCELLANEOUS SERVICES			
History Check – Charge based on scale of work	Between £25 and £50 (including VAT)		
PLANNING APPLICATION FILE RETRIEVAL AND COPYING CHARGES			
Type	Paper copy from Electronic Files	File retrieval including paper/electronic copy	
		File Retrieval and 1 st copy	Additional copies from file request
A4 Size (per copy)	£5.20	£36.00	£5.20
A3 Size (per copy)	£10.25	£41.00	£10.25
A2,A1 and A0 Size (per copy)	£15.50	£52.00	£15.00
HISTORIC ENVIRONMENT RECORD			
Expedited request (completed within 5 working days)	£300		
Standard request	£175		
SELF/CUSTOM BUILD REGISTER			

Initial Application	£50
Annual fee	£25
S106 AGREEMENT MONITORING FEES	
Minor development (per obligation/trigger)	£350
Major development (per obligation/trigger)	£500

SCHEDULE OF CHARGES FOR PRE-APPLICATION ADVICE

	Standard/initial fee		Additional/subsequent fees	
Strategic developments				
Residential scheme 100+ dwellings (or 5Ha+)	£2,500	<ul style="list-style-type: none"> One meeting involving all necessary officers Site Visit Written advice 	£500	Per additional meeting and/or written advice
Commercial/industrial/office/retail 10,000 sqm+ floorspace				
Outline/Hybrid applications (5Ha+)				
Major Developments				
Residential 10-99 dwellings (or >0.5Ha and <5Ha)	£1,800	<ul style="list-style-type: none"> One meeting involving all necessary officers Site Visit Written advice 	£500	Per additional meeting with written advice
Commercial/industrial/office/retail 1,000 – 9,999 sqm floorspace (or >1Ha and <5Ha)				
Outline applications <5Ha				
Minor Developments				
Residential 1-9 dwellings (or <0.5Ha)	£500	Written advice	£300	Per additional meeting and/or written advice
Commercial/retail/employment/offices <1,000 sqm (or <1Ha)	£150	Site visit if requested		
	£150	Meeting if requested		
Other				
Householder developments	£100	Written advice	£200	Per additional meeting and/or written advice
Advertisements		Site visit if requested		
		Meeting if requested		

NOTES:

- For complex applications/schemes a bespoke fee, schedule of charges and approach can be agreed outside of the scope of the above charges.
- If your proposal is outside of the scope of the above please contact the Planning Service for a fee request

Impact Assessment Level 1: Initial screening assessment

Subject of assessment:	Introduction of a new fee structure for the Planning Services			
Coverage:	Planning Services			
This is a decision relating to:	<input type="checkbox"/> Strategy	<input type="checkbox"/> Policy	<input checked="" type="checkbox"/> Service	<input type="checkbox"/> Function
	<input checked="" type="checkbox"/> Process/procedure	<input type="checkbox"/> Programme	<input type="checkbox"/> Project	<input type="checkbox"/> Review
	<input type="checkbox"/> Organisational change	<input type="checkbox"/> Other (please state)		
It is a:	New approach:	<input type="checkbox"/>	Revision of an existing approach:	<input checked="" type="checkbox"/>
It is driven by:	Legislation:	<input type="checkbox"/>	Local or corporate requirements:	<input checked="" type="checkbox"/>
Description:	<p>Key aims, objectives and activities</p> <p>To assess the impact of proceeding with the introduction of new and increasing existing fees within the Planning Service. The introduction of the proposed fee structure will enable the service to better meet its statutory obligations and offer a better level of service to the public in the functions that it delivers.</p> <p>Statutory drivers</p> <p>The delivery of the planning function is a statutory requirement, and it is essential to ensure that the Service is adequately resourced to ensure it meets its statutory obligations.</p> <p>Differences from any previous approach</p> <p>The main difference is to introduce fees for services that have previously been provided for free.</p> <p>Key stakeholders and intended beneficiaries (internal and external as appropriate)</p> <p>The key stakeholders are: the Council; Local Community; Developers and, Private Landowners.</p>			

	Intended outcomes.			
	To seek the approvals for the introduction of new fees and increases to existing fees to cover the costs of providing these services.			
Live date:	If approved it is proposed to bring the new fee structure in place for 1 st December 2022.			
Lifespan:	Fees will be reviewed annually.			
Date of next review:	March 2023			
Screening questions	Response			Evidence
	No	Yes	Uncertain	
Human Rights Could the decision impact negatively on individual Human Rights as enshrined in UK legislation?	☒	☐	☐	The introduction of the proposed fees will enable the service to better meet its statutory obligations under the Town and Country Planning, and Building Acts. It is not considered that implementation of the proposed fee structure will have an adverse impact on individual human rights.
Equality Could the decision result in adverse differential impacts on groups or individuals with characteristics protected in UK equality law? Could the decision impact differently on other commonly disadvantaged groups?	☒	☐	☐	The proposals do not discriminate against a particular sector of society or impact on one sector more than another and as such it is not considered that implementation of the proposed fee structure will have an adverse impact on individual human rights.
Community cohesion Could the decision impact negatively on relationships between different groups, communities of interest or neighbourhoods within the town?	☒	☐	☐	Not directly relevant to decision. There are no concerns the proposals could impact on community cohesion. The proposal will ensure the Council's approach to provision of the planning service continues to be sustainable. It is not considered that the implementation of the proposed fee structure will impact negatively on relationships between different groups, communities of interest or neighbourhoods within the town.

Next steps:

- If the answer to all of the above screening questions is No then the process is completed.
- If the answer of any of the questions is Yes or Uncertain, then a Level 2 Full Impact Assessment must be completed.

Assessment completed by:	Paul Clarke	Head of Service:	NA
Date:	18/10/2022	Date:	NA

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**ANY OTHER URGENT ITEMS WHICH, IN THE
OPINION OF THE CHAIR, MAYBE CONSIDERED**

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