

**OVERVIEW AND SCRUTINY BOARD**

A meeting of the Overview and Scrutiny Board was held on Wednesday 22 February 2023.

**PRESENT:** Councillors M Saunders (Chair), T Mawston (Vice-Chair), D Davison, C Hobson, B Hubbard, D McCabe, C McIntyre, M Storey, J Thompson and G Wilson (Substitute for J Platt)

**PRESENT BY INVITATION:** Councillors A Preston (The Mayor) and S Walker

**ALSO IN ATTENDANCE:**

**OFFICERS:** C Benjamin, S Bonner, G Cooper, L Grabham, A Hoy, A Humble, T Parkinson and H Seechurn

**APOLOGIES FOR ABSENCE:** Councillors R Arundale, C Cooke, D Jones and J Platt

20/159 **DECLARATIONS OF INTEREST**

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

20/160 **EXECUTIVE FORWARD WORK PROGRAMME**

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

**ORDERED: the report be noted.**

20/161 **CORPORATE PERFORMANCE UPDATE: QUARTER THREE 2022-2023**

The Strategic Delivery Manager provided OSB with a verbal overview of the Council's Strategic Plan position at quarter two. The presentation included the following points:

- There was a slight drop in performance at quarter three;
- In terms of live actions, it was reported that 62% were on track;
- The Strategic Plan workplan had a corporate standard of 90% achievement, quarter three results had seen 84% of actions being on track;
- In terms of Strategic Risk, quarter three had seen both a continued rationalisation of the risk register and the introduction of five new strategic risks, which were detailed in the report; and
- Several corporate priorities were flagged as unachievable which were detailed, along with their reasons, in the report.

**ORDERED That the information presented be noted.**

20/162 **REVENUE AND CAPITAL BUDGET - PROJECTED OUTTURN POSITION AS AT QUARTER THREE 2022/23**

The Head of Financial Planning and Support provided a verbal overview of the Council's financial position at Quarter Three.

As part of his overview the following points were made:

- Projected outturn stood at approximately £3.3 million lower than that predicted at

quarter two;

- Paragraph 10 of the report detailed the Council's financial recovery plan and there was a need to monitor some capital programmes as they were slipping;
- Appendix two of the report showed a revised capital outturn of £62 million due to slippage in some capital projects;
- Paragraphs 136-141 of the report detailed the Council's reserves and issues. Overall, the general reserves fund stood at approximately £12 million which was not high.
- Paragraph 50 of the report summarised the financial position of Children's Services.

A Member queried if the sale of the Civic Centre would be identified as a capital receipt. It was confirmed the Civic Centre was identified as a capital receipt and would be included in the next quarterly update.

**ORDERED That the information presented be noted.**

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## **CHILDREN'S FINANCE IMPROVEMENT PLAN**

The Head of Procurement and Commissioning presented the Children's Finance Improvement Plan and advised Members that an assessment had been carried out to understand how budgets in Children's Services could be better spent.

The assessment had also looked at significant issues facing Children's Services, such as external placements. It was noted that in these cases the private market had increased its prices significantly which had increased costs to the Council.

Another significant issue facing Children's Services was the high number of agency staff employed by the Council, coupled with difficulties in recruiting permanent social workers. Difficulties in recruitment were partly attributed to Children's Services current OfSTED rating and a general lack of qualified Social Workers. While the government was looking to make changes, including a tie-in of five years before Council staff could work for agencies, there was no timescale for this. It was noted that improving Children's Services financial position would be helped by OfSTED's rating improving.

In relation to paragraph seven of the report, a Member commented they were pleased to see efforts being made to reduce agency staff costs and moves to bring fostering services back in-house. However, the Member also thought this was long overdue.

A Member queried if the introduction of Multi-Purpose teams would consist of existing staff. Officers clarified that a new structure would be created for permanent workers and from this a more blended approach to working would be created.

In relation to paragraph seven of the report, a Member queried when an additional £9.8 million for Children's Services was first identified. It was clarified the additional money was identified during the budget setting exercise in November and December 2022. It was commented that a significant amount of the Local Government Settlement Grant would be required for this, which had not been included in the budget consultation exercise. It was clarified the additional £9.8 million was not new money and had been identified as part of the budget recovery plan.

The Mayor commented the budget consultation exercise was undertaken before the full details of the Local Government Settlement Grant were known.

A Member commented the government settlement equated to an additional 9.4% and queried what this was in real terms. The additional 9.4% in government grant assumed a 3.99% increase in Council Tax. It was also confirmed that the Council, , received an additional £9 million, approximately. However, much of this was ring-fenced, which in real terms meant the Council received approximately £4million in additional funding from government.

The Mayor confirmed it was his decision to allocate more money to Children's Services even if that meant a reduction for other services. The Mayor also commented that in previous years Children's Services had been given less money than what was required which had led to previous budget overspends. It was also confirmed that while there had been increased funds allocated to Children's Services the Council still faced significant challenges in meeting its savings targets.

Members discussed the financial difficulties facing Children's Services and expressed concern than an increased amount of the Council's budget was, seemingly, being spent on one service. Members also discussed the wider factors affecting the Council's financial challenges, including those affecting the entire country.

It was queried if Members had been provided with all relevant information during the budget consultation exercise. It was reaffirmed that at the beginning of the budget consultation exercise some information was not available, but became so as the exercise progressed. A Member also commented that it was important to look forward and assigning blame was not productive.

It was queried if the government had not provided extra money in the settlement would the Council had been able to plug its budget gap. It was clarified that it was uncertain where the financial shortfall would have been made up had extra funds not been made available.

A Member queried, if there was a long-standing concern about overspend in Children's Services, was this raised through the relevant scrutiny panel. It was agreed the relevant Scrutiny Chair would be asked about this.

**ORDERED:**

1. **That the Chair of the Children and Young People's Social Care and Services Scrutiny Panel be contacted to understand if the budget overspend had been brought to their Scrutiny Panel previously.**
2. **That the information presented be noted.**

20/164

**THE STATUTORY FINANCE REPORT (SECTION 25 REPORT)**

The Director of Finance presented the Section 25 report and commented it would be presented to full Council on 27<sup>th</sup> February 2023.

It was commented that the Section 151 officer was required to undertake several tests to assess the health of the Council's budget. Those tests included the lawfulness of its creation and if it met all known commitments.

One of the most significant risks to the budget was the savings plan which meant the Council had to work hard to achieve its £9 million savings targets. It was also commented the Council would face significant financial challenges after the next financial year.

It was also commented that while the report mentioned Section 114 notices, it was very rare for them to be mentioned in the Section 25 report. It was stressed the Council was in a precarious financial position and needed to make every effort to replenish its savings and ensure it meets its savings targets.

A Member queried the status of the CIPFA resilience report, and what it would cover. It was clarified this was ongoing and would cover the entire budget setting process. Overall, the report would demonstrate the budget setting process was robust.

Members discussed the virtues of inviting CIPFA to assess the Council's governance financial processes. They also discussed how potential financial issues and any challenges should have been identified earlier in the budget setting process. It was commented that given the timing of the budget setting process it was sometimes only possible to react to information after it was received. The Mayor commented that, in his view, inviting CIPFA to assess the Council's governance and budget processes was worthwhile and value for money.

A Member queried when the CIPFA resilience report would be made available. It was clarified the report was still in draft, but Members would be kept updated.

**ORDERED: That the information presented be noted.**

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**MAYORAL BUDGET PROPOSALS 2023/24, MTFP AND INVESTMENT STRATEGY, INCLUDING OUTCOME OF CONSULTATION**

The Mayor presented the budget proposals for 2023/ 24 and advised OSB that many of the

financial challenges facing the Council were due to the overspend in Children's Services.

Members were also advised most Councils were setting their Council Tax increase at 4.99% whereas Middlesbrough was recommending a 3.99% increase.

It was also commented that Council staff had worked hard and done a good job in coordinating the budget process.

A Member expressed concern about the reduction in streetlighting within the budget proposals. The Mayor commented that other Councils in the UK had already done this, and that the town would not be plunged into darkness. The proposal, detailed in the report, recommended that a relatively small number of streetlights would be turned off in the early hours which would minimise disruption to the public.

The Mayor also commented the proposals detailed in the report were his responsibility but was receptive to any further suggestions.

The Chair thanked the Mayor for his presentation.

**ORDERED That the information presented be noted.**

20/166

## **FINAL REPORT OF THE CHILDREN AND YOUNG PEOPLE'S LEARNING SCRUTINY PANEL**

The Chair of the Children and Young People's Scrutiny Panel presented the Panel's Final Report and draft recommendations in relation to its review of Youth Offending and Partnership Working with Schools.

The Board was asked to consider the following recommendations:

- a) That the STYJS supports Children's Services to undertake a review of Middlesbrough Council's contextual safeguarding/risk outside of the home approaches to ensure delivery of a robust and co-ordinated whole-system/multi-agency response to violence and exploitation; which:
  - allows schools and education providers to react swiftly and firmly to early signs of criminal behaviour;
  - improves ETE outcomes for young people involved in the criminal justice system; and
  - supports the work of the Cleveland Unit for the Reduction of Violence (CURV).
- b) That each young person who goes into custody is assessed to determine whether an educational psychologist should be allocated to them, to ensure their educational needs are being met (especially during the transition periods into and out of custody).
- c) That data is collected, analysed and evaluated to demonstrate the impact of the STYJS Inclusion Pathway on school attendance, exclusions and attainment.
- d) That a system, data management arrangements and information exchange agreements are put in place to ensure the STYJS can access a wealth of data and information, from partner agencies, to:
  - drill down to an individual level;
  - determine trends;
  - develop summary dashboards for key areas;
  - report on the progress of young people and their successes;
  - identify barriers and challenges; and
  - improve service delivery.
- e) That, in 6 months' time, the Children and Young People's Learning Scrutiny Panel receives:
  - a detailed account of the work that has been undertaken to implement recommendations a) to d); and
  - an effective analysis of data from partner agencies (including schools), reporting on:

- the profile of children/young people who come into contact with the STYJS, their needs, challenges and experiences of education; and
- the STYJS's performance, specifically the impact of the STYJS Inclusion Pathway on school attendance, exclusions and attainment.

**ORDERED: That the findings and recommendations of the Children and Young People's Learning Scrutiny Panel be endorsed and referred to the Executive**

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#### **FINAL REPORT OF THE CULTURE AND COMMUNITIES SCRUTINY PANEL**

The Chair of the Culture and Communities Scrutiny Panel presented the Panel's Final Report and draft recommendations in relation to its review of Off-Road Bikes.

The Board was asked to consider the following recommendations:

- a) That greater awareness is made to councillors and the general public on the dangers of off-road bikes. The panel recommend that all ward councillors are provided with Cleveland police's crimestoppers/ off road bike posters to promote within their community and social media sites.
- b) That Cleveland police provide the posters to the Council's stronger community team so that these can be placed on social media sites and within the lovemiddlesbrough magazine.
- c) That the excellent partnership work with Cleveland Police and the Council continue and that the panel receive an update on Operation Endurance/ Edmondson 6 months after recommendations have been endorsed.

At a previous meeting of OSB Members had agreed to invite Cleveland Police to a future meeting of OSB to discuss the issue of off-road bikes. Based on the recommendations within the report Members agreed that OSB should still invite Cleveland Police to a future meeting of OSB to discuss this matter.

**ORDERED:**

1. **That the findings and recommendations of the Culture and Communities Scrutiny Panel be endorsed and referred to the Executive.**
2. **That Cleveland Police be invited to a future meeting of OSB to discuss the issue of dirt bikes.**

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#### **SCRUTINY CHAIRS UPDATE**

The Chair invited updates from individual Scrutiny Chairs. The following updates were provided:

##### Children and Young People's Learning Scrutiny Panel

The last meeting of the Children and Young People's Learning Scrutiny Panel was held on Monday 13 February 2023.

Following a Notice of Motion submitted to Council on 30 November 2022, the Panel considered an assessment of the costs associated with an extension of Middlesbrough's Free School Meal offer to include three- and four-year-olds in nursery and primary schools.

Although the Panel recognised the benefits of providing a healthy school meal, Members highlighted concerns about extending free school meals to only three- and four-year-olds would have been considered discriminatory against those children attending Private, Voluntary and Independent (PVI) nurseries, childminders or academy sector provision.

The Panel considered extending free school meal provision to all three- and four-year-olds resulting in costs of £1,748,000 in the first year. Given the Council's current financial position, the extension of free school meal provision, to include three- and four-year-olds, would have been too expensive.

##### Children and Young People Social Care and Services Scrutiny Panel

At the Panel's last meeting on the 14 February 2023 Members received updates from the Children in Care team with regards to its review into supporting young people in preparing for adulthood and independence. The date of the Panel's next meeting was scheduled for Tuesday 14<sup>th</sup> March 2023.

Adult Social Care and Services Scrutiny Panel

The Panel last met on 8 February 2023 at which Members received two updates from Erik Scollay, Director of Adult Social Care and Health Integration.

The first update advised Members of work dealing with winter pressures at hospitals. Details were provided in relation to two government funding allocations provided to help support this and how it had been utilised.

The second update focused on a previous review into the Recruitment and Retention of Staff Within Adult Social Care undertaken and progress in relation to its recommendations. The Panel was pleased with the work that had been carried out, and that continued to take place.

The Panel's next meeting was scheduled for 29 March 2023.

Culture and Communities Scrutiny Panel

The Panel met on 26 January and received an update about the Council's Surveillance policy and RIPA. The Panel agreed to defer its review into the Museum Service given resourcing issues and for the review to be added to its 2023/24 work programme.

The Panel's next meeting was scheduled for 23 March 2023.

Economic Development, Environment, and Infrastructure Scrutiny Panel

The last meeting of the EDEI Scrutiny Panel was held on 15 February 2023 at which the Panel received information in relation to Planning Enforcement from the Head of Planning. The Panel were informed of the different actions that could be taken by the Council and how enforcement action was prioritised.

The Panel also received an update from Councillor Branson in relation to the mass morbidity of crustaceans that had taken place along the North East coast. Investigations into the possible cause were still ongoing and the latest Government evidence suggested that the deaths may have been caused by a pathogen.

At the next meeting, which is scheduled for 22 March 2023.

**ORDERED: That the information presented be noted.**

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

None.