

EXECUTIVE

Date: Wednesday, 10 April 2024
Time: 12.30 p.m.
Venue: Mandela Room, Town Hall

AGENDA

1. Apologies for Absence

2. Declarations of Interest

To receive any declarations of interest.

3. Minutes - Executive - 13 March 2024 3 - 10

THE MAYOR AND EXECUTIVE MEMBER FOR ADULT SOCIAL CARE AND PUBLIC HEALTH

4. Selective Landlord Licensing: Responses to the Consultation and Approval to Designate the Newport 1 Area 11 - 166

5. Social Value Charter 167 - 182

6. The Council Plan, 2024-2027: Approach to Delivery 183 - 208

DEPUTY MAYOR AND EXECUTIVE MEMBER FOR EDUCATION AND CULTURE

7. Schools Capital Programme 2024/2025 209 - 222

EXECUTIVE MEMBER FOR ENVIRONMENT

8. 2024/2025 Transport and Infrastructure Capital Programme 223 - 236

9. Price Increase for Traded Cleaning and Caretaking Services with Schools 237 - 242

EXECUTIVE MEMBER FOR FINANCE AND GOVERNANCE

10. Corporate Procurement Strategy 2023-2025 243 - 262

11. Tender Pipeline 2024/2025 263 - 292

EXECUTIVE MEMBER FOR REGENERATION

12. Middlesbrough Development Company Update 293 - 298
13. Any other urgent items which in the opinion of the Chair, may be considered.

Charlotte Benjamin
Director of Legal and Governance Services

Town Hall
Middlesbrough
Tuesday, 2 April 2024

MEMBERSHIP

Mayor C Cooke (Chair), Councillors P Gavigan, T Furness, P Storey, J Thompson, Z Uddin and N Walker

Assistance in accessing information

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

EXECUTIVE

A meeting of the Executive was held on Wednesday 13 March 2024.

PRESENT: Mayor C Cooke (Chair), Councillors P Gavigan, T Furness, P Storey, J Thompson, Z Uddin and N Walker

PRESENT BY INVITATION: Councillor J Banks

ALSO IN ATTENDANCE: N. Corrigan (Local Democracy Report Service)

OFFICERS: M Adams, C Benjamin, S Bonner, G Cooper, G Field, C Heaphy, R Horniman and D Middleton

APOLOGIES FOR ABSENCE: None.

23/81 **DECLARATIONS OF INTEREST**

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

23/82 **MINUTES - EXECUTIVE - 28 FEBRUARY 2024**

The minutes of the Executive meeting held on 28 February 2024 were submitted and approved as a correct record.

23/83 **FINAL REPORT OF THE HEALTH SCRUTINY PANEL - DENTAL HEALTH AND THE IMPACT OF COVID- 19 - SERVICE RESPONSE**

The Health Scrutiny Panel had undertaken a review entitled Dental Health and the Impact of Covid- 19. A copy of the full report was attached. The Scrutiny Panel had made 10 recommendations upon which a response was sought from the relevant service area.

The Mayor and Executive Member for Adult Social Care and Public Health, and the Director of Public Health submitted a service response to the recommendations of the Scrutiny Panel. A copy of the action plan was attached.

The Chair of the Health Scrutiny Panel presented the Scrutiny report.

In relation to recommendation E in the scrutiny report, it was clarified that funding would come from the Public Health Plans which were funded from the Public Health Grant.

ORDERED

That the content of the Health Scrutiny Panel's final report on entitled Dental Health and the Impact of Covid- 19 (Appendix 1) be noted; and

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.

23/84 **TRANSFORMATION GOVERNANCE ARRANGEMENTS**

The Mayor and Executive Member for Adult Social Care and Public Health submitted a report for Executive's consideration.

The intent of the report was to provide assurance to the Executive that the existing Programme and Project Management governance arrangements and those which were proposed specifically for oversight of the Transformation Portfolio and delivery of intended benefits were sufficient and robust.

The Council was currently mid-way through a corporate governance improvement journey, following the report and findings of the Council's external auditor, Ernst and Young LLP in July 2022 which reported significant areas of concerns in governance, including relations between members and officers.

Following communication of the findings of the external auditor, the Council brought in external support (CIPFA and the LGA) to support with the development of the corporate governance improvement plan, alongside undertaking a review of the organisation's financial resilience.

Despite progress made, in January 2023, the Department of Levelling Up, Housing and Communities (DLUHC), issued a Best Value Notice. To respond effectively to the wider governance challenges facing the Council, the corporate governance improvement plan was refreshed in September 2023 around two specific themes: cultural transformation and financial resilience. Simultaneously, the external auditor escalated concerns via statutory recommendations, under Section 24 of the Local Audit and Accountability Act, which the Council responded to with an action plan of improvements, aligning with the Corporate Governance Improvement Plan intentions.

ORDERED that Executive

- 1. Endorses the proposed governance arrangements for delivery and oversight of the Transformation Portfolio;**
- 2. Notes that to ensure transparency of project resourcing costs within the transformation portfolio and its agreed project financial profiling, any decision to appoint project expense on an interim basis to ensure specialist input with a focus on return on investment, will be taken by the Chief Executive as Transformation Portfolio Senior Responsible Officer, in consultation with the Mayor; and**
- 3. Approves the delegated decision-making powers relating to approval of proposed change controls to enable projects to be brought back within tolerances relating to time, scope, cost and benefit and as set out in the Programme and Project Management Framework (PPMF), except where this would be a key decision and Executive approval would be sought through the governance arrangements outlines in this report or via an additional Executive report where a more urgent decision is required.**

OPTIONS

It was imperative that the Council effectively articulated the governing arrangements to ensure achievement of the intended financial and non-financial benefits of the Transformation Portfolio.

REASONS

To enable the Executive to endorse the Transformation Portfolio governance arrangements to ensure effective oversight its programmes and projects, delivery of its intended benefits and that the appropriate delegated decision-making authorities are in place to support good governance and progress at pace of the Transformation Portfolio.

23/85

ADULT SOCIAL CARE NON RESIDENTIAL CHARGING POLICY (FAIRER CHARGING POLICY)

The Executive Member for Finance and Governance submitted a report for Executive consideration.

Following a review of the policy, some amendments had been necessary to reflect and update in policy and legislation and to respond to some inconsistencies and presentational issues.

The minor amendments required in the updated policy would result in no changes to the threshold to services and support.

Central Government provided Local Authorities with Statutory Guidance issued under the Care Act 2014 in respect of a single legal framework for charging for care and support under sections 14 and 17. The Act was supported by the Care and Support (Charging and Assessment of Resources) Regulations 2014 which Local Authorities needed to follow when charging individuals for their care and support needs.

The minor amendments to the policy would ensure that the current process for charging was transparent and consistent. The policy would continue with the principle that residents should only be required to pay what they could afford and in turn, be entitled to financial support through a means tested financial assessment. The policy now provided for timescales to which assessment should be considered.

ORDERED that Executive:

1. That Executive approve delegated authority to the Director of Finance to make future minor revisions/modifications to the policy to provide clarity and reflect alterations in legislation during the period to the next 3 year review.
2. Consider the proposals as set out below and approve the updated Non-Residential Charging Policy:
3. Approves an update to the appeals processes which provided further clarity.
4. Approves an insertion around the lower hourly contracted rate of care and signposted service users to the council's web site.
5. Approved the introduction of average response rate for processing assessments.
6. Approved the removal of a home visit offering where online solutions could be provided effectively.
7. Approved an update of the language to ensure that the policy met the current statutory and legal requirements as set out in the Care and Support (charging and assessment of resources) Regulations 2014.

OPTIONS

Leave the existing policy in place: although the current policy did not provide sufficient defined criteria or use appropriate language and in some instances fell outside of legislation requirements, albeit where that occurred the service would apply legislation rather than policy. The current policy referred to home visits as being the default option. However, with the introduction of an e-form solution provided a more cost-effective option. A face-to-face solution would be made available where the service user is unable to access online solutions.

REASONS

The Policy was a key decision that impacted on two or more wards and as such required Executive approval.

The updated policy upheld good practice within democratic processes and enabled the refreshed policy to maintain visibility with the Executive.

The minor amendments required would result in no changes to the threshold to services and support provided.

Delegated authority to the Director of Finance to approve future minor modifications to the policy maintained service operation levels. As a working policy failure to keep pace with new legislation left the Council at risk and could result in inconsistent practices.

The proposals provided clarification and an update to language to provide residents with simplified and clearer details of how their income, savings and property would be financially assessed should an individual require care in a non-residential setting.

DISCRETIONARY RATES RELIEF

The Executive Member for Finance and Governance submitted a report for Executive consideration.

The Council's current policy had been refreshed and now incorporated a number of proposed amendments as outlined under the heading 'proposed changes to the current policy/scheme.'

The Local Government Finance Act 1988 provided the Council with mandatory and discretionary powers to award relief from liability for National Non-Domestic Rates (NNDR) against Non-Domestic Properties (Hereditaments).

Mandatory relief was awarded at 80% where the ratepayer in occupation was a charity or trustee for a charity or registered Community Amateur Sports Club.

Discretionary relief could be awarded to non-profit making bodies and organisations whose main objectives were philanthropic, religious, concerned with education, social welfare, science, literature, the fine arts, and to non-profit making clubs, societies or similar bodies that are used mainly for the purposes of recreation.

ORDERED that Executive:

1. Approve the proposals as set out in the report approve the updated Discretionary Rates Relief policy.
2. Approve that delegated authority to approve any future minor revisions/modifications required for clarification or legislative requirements to the policy be provided to the Director of Finance.
3. That Executive note that the policy brings together three existing schemes, against which discretionary rate relief could be awarded, to be replaced by one policy which provided clarity and consistency for those organisations wishing to apply for the relevant relief.
4. The proposed key changes to the policy included:
 - i. Clearly defined criteria, decision making panel and e-form to improve the user experience of the application and governance process.
 - ii. A cap of 50% for Hardship relief applications in year one, with an option for an enhanced rate of 100% relief in year one if applicants can evidence greater impact to the local economy, as outlined in the policy. In addition, an introduction of tapered reductions in consecutive hardship relief awards up to a maximum of three years subject to appropriate supporting evidence.
 - iii. For organisations that were not registered as charities or Community Amateur Sports Clubs (CASC), a 20% discretionary relief award will be applied (subject to scheme eligibility). This is a reduction from the existing scheme where non-registered organisations have been eligible for up to 100%.
 - iv. For Partly Occupied Hereditaments, applicants would need to demonstrate inward investment in order to qualify e.g., businesses relocating into Middlesbrough (as opposed to businesses relocating away from the town)

OPTIONS

Leaving the existing policies in place: although the current schemes did not provide sufficient defined criteria, lack any focus for awarding discretionary relief and presented the possibility of a significant increase in applications once Government funding for other reliefs end and as such was not financially viable, hence not recommended.

Recent applications had been evaluated against the proposed recommendations. The findings of which would indicate an appropriate level of support, whilst also limiting the financial impact to the Council.

REASONS

The Policy was a key decision that impacted on two or more wards and as such required Executive approval.

Delegated authority to the Director of Finance to approve future minor modifications to the policy maintained service operation levels. As a working policy failure to keep pace with new legislation left the Council at risk and could have resulted in inconsistent practices.

The proposals which were contained within the policy distinguished between registered and non-registered organisations. Charitable and sporting organisations that were registered with the Charities Commission and HMRC respectively, often presented with a robust operational structure which improved their status and long-term viability. In addition, registered organisations could apply for mandatory rates relief that reduced liability by 80%.

Focusing support on registered organisations ensured that applications were awarded fairly and appropriately to those organisations that were sustainable and could continue to provide a long-term Service which was of value to the town.

Organisations that were not registered charities/non-profit making organisations/sporting organisations etc would be signposted by Resident and Business Support to register with the respective governing bodies to improve their status and maximise funding opportunities for their organisation.

For organisations that choose not to register, whist relief could be provided subject to qualification, this was to be capped.

To support organisations through the application process, the proposed policy brought together the three sections under which discretionary rate relief could be awarded. Previously, these sat independently and so had the potential to lack clarity for the applicant about the relief available.

The policy now provided better value in the form of appropriate targeted support to those organisations that could demonstrate a positive contribution to the town's economy. The policy also limited any potential loss of income to the Council, given Central Government was currently providing temporary support for enhanced discretionary rates relief which they had provided on a single year basis.

The proposed policy clarified the qualifying criteria, which also included proposed amendments to some of the criteria and improved the timeliness of the decision-making process. All of which had due regard to the interests of the town's council taxpayers and economy, the sustainability of the applicant organisation, and the impact on the Council's income and its overall financial position.

The policy met the aims of the Mayor's priorities - 'A Successful and Ambitious Town' and 'Delivering Best Value' as set out in the Council Plan 2024 – 2027.

The proposed amends to the policy had been informed where relevant by input from the Council's Regeneration Team.

23/87

PHASE ONE ASSET SALES

The Executive Member for Regeneration submitted a report for Executive's consideration.

The report sought Executive approval to dispose of the Council's freehold interest in the following properties in accordance with the Council's Asset Disposal Process:

- a. House of Fraser; and,
- b. Zetland Car Park.

The Medium-Term Financial Plan (MTFP) Refresh 2024/25 to 2026/27 report agreed by Executive on 23rd August 2023 regarding the Council's overall financial position set out the

challenges faced in setting a balanced budget for 2024/25 and beyond.

The Review of Capital Receipts Strategy 2023/24 report agreed by Executive on 21st November 2023 regarding the Flexible Use of Capital Receipts set out the importance of securing capital receipts from asset sales that may be used to support the Council's financial position in one of three ways:

- a. to fund investment in projects that will either deliver ongoing revenue savings or deliver transformation in public service delivery through cost and/or demand reduction in accordance with Government regulations governing the Flexible Use of Capital Receipts;
- b. to repay the Council's debt and reduce the annual costs of repaying principal and/or interest on such debt; and,
- c. to invest in infrastructure through the capital programme.

The Asset Review report agreed by Executive on 21st November 2023 therefore recommended a significant programme of asset sales be brought forward, in addition to the existing pipeline of land and properties being brought forward for disposal.

Since these reports were agreed by Executive in November there had been a significant effort to generate market interest in the new and existing pipeline of land and properties. Some of this interest had developed into firm offers that had been considered agreeable within the context of the Council's current financial position.

The two properties contained within this report had both been the subject of firm, credible offers that reflected their current valuations and were therefore brought forward for decision in line with the agreed Asset Disposal Process.

As the deal was yet to be fully concluded, and negotiations may have continued until the date of final completion, the name of the buyer and the valuations of the respective properties had been identified in a confidential appendix rather than in the main body of the report. These details would be released upon formal completion.

The Mayor recommended the report be amended to include an Overage Agreement and a time scale of 2-5 years to complete the process.

ORDERED that Executive approve:

1. That the proposed amendment to include an Overage Agreement and timescale of 2-5 years for completion be accepted.
2. The sale of the House of Fraser Building (37 Linthorpe Road) to (Ref A Buyer Name - Confidential Appendix I) for (Ref B HoF Valuation - Confidential Appendix I);
3. The sale of Zetland Car Park to (Ref A Buyer Name - Confidential Appendix I) for (Ref C Zetland Valuation - Confidential Appendix I); and,
4. Delegates responsibility to the Director of Finance and the Director of Regeneration for the negotiation of the final sales value of each property.

OPTIONS

Retain Both Properties Within Council Ownership

The assessment made through the Council's recent Asset Review identified that the commercial potential of the two properties represented a liability rather than an asset to the Council. Retaining both properties would cost the Council £92,000 per year once holding and operational costs are taken into account.

Retain Both Properties Within Council Ownership Utilising Alternative Management Arrangements

The potential exists to seek alternative management arrangements for Zetland Car Park, that could potentially see an increase in income. This could not be achieved however without significant capital investment in improving the facilities and customer experience that would negate any potential benefit. As House of Fraser has already

been marketed by respected national agents, it is not expected that alternative management arrangements would trigger any additional market interest.

REASONS

Disposal of the two properties as proposed would generate significant capital receipts that would contribute to supporting the Council's financial position in one of three ways:

1. To fund investment in projects that will either deliver ongoing revenue savings or deliver transformation in public service delivery through cost and/or demand reduction in accordance with Government regulations governing the Flexible Use of Capital Receipts.
2. To repay the Council's debt and reduce the annual costs of repaying principal and/or interest on such debt.
3. To invest in infrastructure through the capital programme.

23/88 **ANY OTHER URGENT ITEMS WHICH IN THE OPINION OF THE CHAIR, MAY BE CONSIDERED.**

23/89 **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.

23/90 **EXEMPT - PHASE ONE ASSET SALES - APPENDIX 1**

The Executive Member for Regeneration submitted an appendix containing exempt information associated with agenda item 8 (Phase One Asset Sales) for Executive's consideration.

AGREED


That the contents of the appendices be noted.

REASONS

For reasons outlined in the report at agenda item 8.

All decisions 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	
Report of:	Director for Environment and Commercial Services
Relevant Executive Member:	The Mayor and Executive Member for Adult Social Care and Public Health
Submitted to:	Executive
Date:	10 April 2024
Title:	Selective Landlord Licensing: Responses to the Consultation and Approval to Designate the Newport 1 area.
Report for:	Decision
Status:	Public
Strategic priority:	Physical environment
Key decision:	Yes
Why:	Decision(s) will incur expenditure or savings above £250,000
Subject to call in?	Yes
Why:	Not urgent
Proposed decision(s)	
That Executive approves the designation of Selective Landlord Licensing in the Newport 1 area.	
Executive summary	
<p>Local authorities have powers to introduce Selective Landlord Licensing (SLL) schemes for 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.</p>	

The purpose of such a scheme is to improve standards of property management in the private rented sector, and when combined with other measures, leading to improved physical, social and economic conditions and reduce crime and anti-social behaviour. There are currently three SLL schemes operating in Middlesbrough; one in North Ormesby and two in the Newport ward (commonly known as Newport 1 and Newport 2). Newport 1 scheme comes to an end on 12th June 2024. An evaluation of the scheme has been carried out which shows improvement in a number of areas. The area continues to experience major challenges and therefore it is proposed that it would benefit from a further five-year period of designation as a Selective Landlord Licensing Scheme.

The SLL schemes in Middlesbrough do not meet the threshold for Secretary of State approval which is required for those schemes that cover 20% or more of its geographical area or privately rented properties, provided that the authority has consulted for at least 10 weeks on the proposed designation. The schemes in Middlesbrough do not meet the threshold for Secretary of State approval and a ten-week period of consultation has been undertaken.

This report provides a summary of the responses to the consultation for consideration by Executive and to seek their approval for the Selective Landlord Licensing Scheme to go ahead in the Newport 1 area.

1. Purpose

- 1.1 An Executive decision was made on 20th December 2023 to commence consultation on the designation of a Selective Landlord Licensing Scheme in Newport ward (known as Newport 1 area). The report set out the rationale for commencing consultation and provided full details on how this consultation would be undertaken. The purpose of this report is to present and consider the outcome of the ten-week consultation and to recommend that the area of Newport shown in Appendix B is designated for Selective Landlord Licensing.

2. Recommendations

- 2.1 That Executive approves the designation of Selective Landlord Licensing in the Newport 1 area.

3. Rationale for the recommended decision(s)

- 3.1 The SLL schemes in both North Ormesby and Newport have resulted in improvements in the living and environmental conditions for those living in those areas and contributed to reductions in antisocial behaviour. A further designation of the Newport 1 scheme would continue to ensure that property standards are maintained, anti-social behaviour issues related to tenants are reduced and managed and that landlords are held accountable for the costs of both licensing and property management improvements. The existing SLL designation is self-financing and, in line with the

recommended changes to the scheme, the new designation would operate in the same way.

- 3.2 The designation will require all privately rented properties within the identified boundary, subject to statutory exemptions, to apply to be licensed for up to five years and comply with the licence conditions.
- 3.3. The proposed fee of £998 enables the Council to ensure the scheme is self-financing, it is calculated on the resource requirements for the administration and regulation of the selective landlord licensing scheme.
- 3.4. The current boundary for the SLL scheme is to be maintained to ensure coverage of the area in relation to improved housing standards, environmental conditions and reduction in crime and anti-social behaviour. Developing the designation for Selective Licensing in the area identified will enable the Council to sustain the improvements already achieved in the Newport 1 area and prevent the improvements from declining again.
- 3.5. In 2018 Middlesbrough Council Scrutiny Panel reviewed the North Ormesby 1 scheme. The Panel were fully supportive of the scheme and in summary:
- They recognised the achievements made through SLL in the North Ormesby ward, including improving community confidence which has led to increased reporting of anti-social behaviour and crime to the SLL team.
 - They were complimentary of the work achieved and applauded the Selective Licensing Team for their efforts.
- 3.6 The Panel also learned that in November 2017, the team had been awarded Outstanding Contribution to Prevention at the Cleveland Community Safety Awards.
- 3.7 Throughout the investigation, the Panel made reference to the issues within Gresham and University wards and the increasing number of private rented housing properties. The Panel recognised the excellent work achieved since the introduction of Selective Licensing in North Ormesby and hoped that any future schemes would mirror this model.
- 3.8 Consideration is currently being given to the next steps in terms of rolling out SLL to other areas of the town which meet the criteria. A further report will be brought to Executive seeking approval for the next steps.
- 3.9 An internal audit was conducted during July-Sept 2023 which focused on the Selective Landlord Licensing Schemes currently operating in the areas of North Ormesby and Newport 1. Auditors concluded that:

- the SLL schemes are well administered, the financial model is fit for purpose, and that performance of each of the schemes is monitored to ensure that the Council's objectives are met.
- a sound system of governance, risk management and control exist, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
- controls within the system at the time of the audit provided Substantial Assurance.

3.10 The Statement of Policy and Procedure for Selective Landlord Licensing (SPPSLL) is published on the Council's website and sets out the requirements of the schemes, and is appropriately reviewed, updated and approved. The aims and objectives of each of the schemes provide links to the Council's Strategic Plan and to the improvement of housing. The Selective Landlord Licensing (SLL) team works in close partnership with other Council services and external agencies to maximise the benefits of the schemes.

4. Background and relevant information

4.1 Executive approval is required as the schemes are delivered via a legislative framework that requires organisational approval to designate the area for Selective Licensing.

4.2 The Housing Act 2004 gives local authorities powers to introduce Selective Landlord Licensing (over a five year period) for privately rented properties. The purpose of such a scheme is to improve standards of property management in the private rented sector, and when combined with other measures, should lead to improved physical, social and economic conditions..

4.3 In order to designate an area to be subject to selective licensing the area must satisfy one or more of the conditions set out in Section 80 the Housing Act 2004 and the Selective Licensing of Houses (Additional Conditions) (England) Order 2015. The conditions are:

- That the area is, or is likely to become, an area of low housing demand; and that making the designation will, when combined with other measures taken in the area will contribute to the improvement of the social or economic conditions in the area.
- That the area is experiencing a significant and persistent problem caused by anti-social behaviour; that some or all of the private sector landlords who have let premises in the area are failing to take action or combat the problem that it would be appropriate for them to take; that making the designation, when combined with other measures taken in the area will lead to a reduction or elimination of the problem.
- That the area contains a high proportion of private rented properties which have been let or licensed in relation to the total number of properties in the area, and *one or more* of the following conditions apply:

- Housing conditions: After a review, officers consider it is appropriate that a significant number of private rented properties are inspected with a view to determining the existence of category 1 and 2 hazards with a view to taking enforcement action where appropriate. That a designation, when combined with other measures, will contribute to an improvement in general housing conditions in the area.
- Deprivation: That the area suffers from high levels of deprivation affecting a significant number of occupiers of private rented properties and a designation, when combined with other measures, will contribute to a reduction in the level of deprivation in the area.
- Crime: That the area suffers from high levels of crime affecting occupiers of private rented properties, households and businesses in the area and a designation, when combined with other measures, will contribute to reductions in the levels of crime for the benefit of those living in the area.

4.4 Under the Housing Act 2004, Part 3 (Selective Licensing of other Residential Accommodation), all private landlords operating within the designated area are required to pay a fee and obtain a licence from the Council for each property that is rented out. The conditions of the licence ensure that the property is managed effectively, and licence holders must demonstrate their compliance. The fees are ring-fenced to fund the staffing resources for the delivery of the scheme.

Existing designated SLL areas in Middlesbrough

4.5 On 9th December 2014, Executive approved a report setting out proposals for introducing Selective Landlord Licensing in Middlesbrough and a further report to Executive on 14th July 2015 saw the implementation of the scheme in North Ormesby commence on 1st January 2016. Further reports were approved that saw the implementation of Newport 1 scheme, which commenced on 13th June 2019, North Ormesby 2 designation which commenced on 14th June 2021 and Newport 2 scheme which commenced on 3rd July 2023.

4.6 The areas of North Ormesby, Newport 1 and Newport 2 were designated as a Selective Landlord Licensing areas as they were identified as areas with a high proportion of private rented properties which was suffering problems attributable to:

- a. Low housing demand.
- b. A significant and persistent problem caused by anti-social behaviour related to tenants of or visitors to rented properties which were not being controlled by landlords;

4.7 In 2015 the government widened the criteria for designating Selective Licensing schemes to include poor housing conditions and high levels of deprivation, crime and

migration. The improvement of management standards in the private rented sector would help to combat housing problems associated with deprivation.

4.8 The schemes aim to address:

- The problems associated with low demand for housing by imposing conditions relating to the management of properties.
- The problems associated with anti-social behaviour by including conditions in licences which required landlords to take action to deal with such behaviour, such as tenancy referencing to ensure that properties are not let to persons with a known record of anti-social behaviour and relating to the use of the property.
- The poor housing standards in the private rented sector by incorporating housing inspections and enforcement action as a requirement of the scheme, as well as ensuring that the properties are properly managed to prevent further deterioration.

4.9 The intended outcomes for the schemes are:

- A reduction in the number of empty properties and low demand for housing which will lead improvements in the social and economic conditions of the sector, which are identifiable.
- A reduction in anti-social behaviour (caused by tenants in the private sector) in the designated area.
- A general improvement of property conditions in the designated area within the lifetime of the designation.

The Newport 1 SLL Scheme

4.10 The Newport 1 Selective Landlord Licensing Scheme is due to end on 12th June 2024 and consideration is now being given to whether the scheme has met its objectives, whether there should be a new designation or whether there are any other courses of action available that would achieve the same objective or objectives as the scheme without the need for the designation to be made.

4.11 There were 800 licensable properties originally identified in the proposal for the Newport 1 Selective Licensing area and income generation of £600,000 was forecasted. The number of licensable properties has exceeded the original estimation over the five years of the scheme. To March 2024 1,238 licenses have been granted. This value represents the total number of licences which includes properties that have been re-licensed due to change in ownership. To date income of £1,000,823 has been generated. The income is ring-fenced and will only be used for the delivery of the SLL scheme including staffing and on costs. Throughout the life of the scheme the fees include the staffing costs of the following SLL posts which are necessary for the delivery of the scheme: Manager, Co-ordinator, SLL Neighbourhood

Safety Officer, Environmental Health Officer, SLL Assistant and Tenancy Relations Officer and a Regulatory Compliance Officer.

4.12 An evaluation of the Newport 1 Selective Landlord Licensing Scheme has been undertaken using guidance from Local Government Regulation. (Appendix G). The evaluation seeks to identify the effectiveness of Selective Licensing in the set outcome areas:

- Reducing anti-social behaviour attributable to the private rented sector
- Improving management standards in the private rented sector; and
- Increasing housing demand

In addition, it also evaluates the wider impact on:

- Improving the environment; and
- Contributing to the effectiveness of partnership working to improve the quality of life.

4.13 The evaluation has also taken account of findings from an Independent Review of the Use and Effectiveness of Selective Licensing which was carried out by Ministry of Housing, Communities and Local Government (MHCLG June 2019, Updated September 2019).

Summary of the Evaluation Findings

4.14 In summary, the main findings of the evaluation report are:

- House prices in the Newport ward have started to increase. In 2019 the average house price was £48,585 and as of 2022 has since increased to £66,000.
- The overall number of empty properties have reduced. In 2019 Newport ward had 418 empty properties, 246 long-term empty (more than 6 months). In 2022 the number of empty properties was 298, with 178 of these as long-term empties (more than 6 months).
- The number of private rented properties that received a housing health and safety system inspection (referred to as HHSRS) increased, significant hazards have been identified and housing conditions have improved. During the scheme to date (11th March) 756 properties have been inspected. High-risk hazards (Category 1 only) were found in 89 properties (scheme start to end December 2023). Medium to low-risk hazards (Category 2 only) hazards were identified in 338 properties and both Category 1 and 2 hazards were found in a further 164 properties.
- Anti-social behaviour has been tackled through a wide range of interventions by the SLL team. This includes:
 - 5621 low level interventions - telephone calls/e-mails, letter drops, diary sheets received, initial warning letters, motorbike warning letters, site meetings, and referrals into other services for support and joint patrols.

- 45 medium level interventions - second and final warning letters, including for anti-social behaviour issues (Acceptable Behaviour Contracts (ABCs) issued, ABCs breached,) joint interviews with landlords, police and partner agencies and tenancy breach interviews.
 - 79 high level interventions - Criminal Behaviour Orders, Civil Injunctions, enforced property closures (action taken to address high levels of persistent antisocial behaviour and as a last resort after all low and medium level interventions have been exhausted).
- There has been a reduction in personal and nuisance antisocial behaviour incidents from 1023 in 2019 to 455 in 2022 (a reduction of 44%)
 - 111 post tenancy visits have been carried out to provide support to the tenant on a wide range of issues including substance misuse, parenting skills, unemployment.
 - 501 tenants have been provided with information, advice, and guidance on a range of issues.
 - The number of environmental antisocial behaviour incidents has reduced; however, they still remain high.
 - There has been a relatively low number of legal cases taken against landlords for not licensing their properties:
 - 5 landlords applied before their cases were scheduled for court,
 - 1 landlord accepted a simple caution as an alternative to prosecution,
 - 2 landlords applied for a licence following the issue of a court summons, and,
 - 1 case received a Civil Financial Penalty of £4,628.38.
 - SLL Newport 1 has supported landlords in the following ways:
 - Free empty property advertising.
 - Dedicated Neighbourhood Safety Officer.
 - Dedicated Tenancy Relations Officer.
 - Housing and tenancy support/advice.
 - Supported tenant/landlord disputes over rent arrears preventing eviction.
 - Tenancy referencing.
 - Post-tenancy visits for 'red' referenced tenancies.

The impact of the Covid-19 pandemic on the delivery of the Newport 1 Scheme.

4.15 The Covid-19 pandemic significantly impacted the delivery of the Newport 1 scheme, primarily by preventing staff from carrying out visits, housing standards inspections and other face to face contact for a considerable period. This was a period of unprecedented demand on the local authority and during the Covid pandemic those SLL staff, who were unable to deliver their SLL functions, were redeployed to the Covid response and their salaries were funded from sources other than SLL income. The pandemic mainly impacted on the delivery of face-to-face interventions including housing standards inspections and delayed the programme by 18 months. Officers resumed inspections and face to face work in June 2021. Housing inspections

identified an increase in the number of properties with 'Category 1' (high risk) and 'Category 2' (low risk) hazards, which placed increased demand on officer time. Currently (March 2024) there are 432 housing inspections outstanding. The number of staff carrying out HHSRS inspections has been increased (within the financial envelope of the scheme). Gaining access to properties continues to be difficult and it is estimated that 90% of properties will receive a HHSRS inspection.

- 4.16 The Evaluation Report recognises that the Selective Landlord Licensing scheme has made a significant contribution to improvements in Newport in the last 4 years, working together with key partners. It is also recognised that the strong community infrastructure in the area has played a significant role in delivering the outcomes. It should also be noted that the intensive approach to delivering services in Newport from a number of agencies and partners is considered one of the key factors in its success.
- 4.17 The locality based working approach implemented in North Ormesby and Newport wards (and the proposed neighbourhood approach) aims to build on the intensive targeted delivery of services working in partnership and the SLL team are an integral part of this. However, the Newport ward remains a concern for the Council due to the low levels of income, poor health outcomes and the lack of choice on where tenants can live, as supported by the Indices of Multiple Deprivation. Moreover, even with the improvements referred to above, the statutory criteria for making a selective licensing designation continue to be met.
- 4.18 In summary, there is evidence that the Newport 1 Selective Landlord Licensing scheme has been successful in increasing property safety and management standards by supporting landlords and holding them and their tenants accountable for their behaviour. However, the statutory conditions for making a selective licensing designation are met and there is concern that without the Selective Landlord Licensing scheme this progress will be lost, and some landlords will revert back to lower compliance with legal standards for housing standards if inspections are not required through the scheme. Although property conditions have been improved there is still a significant risk that standards in Newport 1 could deteriorate and return to previous poor levels if not kept under review for a further 5-year period. Low levels of tenants reporting defects in their property is still seen in other areas across the town. Tenants may also revert to poor behaviour if they are no longer referenced before taking up properties or offered support to deal with their vulnerabilities. The people living in private rented accommodation in these areas are the most at risk due to the limited choices they have about where to live.

The Proposal for a further Designation of Newport 1 SLL Scheme

4.19 The proposal document (Appendix A to the evaluation report) sets out how the Newport 1 area meets the criteria to be designated a Selective Landlord Licensing area in relation to:

Low housing demand:

4.20 The largest number of households in Newport are 'private landlord or letting agency accommodation' at 46.4%. That compares with 18.7% for Middlesbrough as a whole, 15.1% for North East Region and 18.2% for the whole of England. (Census, 2021)

4.21 The second largest number of households in Newport are 'owned outright accommodation' at 16.2%. That compares with 28.6% for Middlesbrough as a whole, 32.5% for North East Region and 32.5% for the whole of England. (Census, 2021)
At the end of September 2023 there were 188 properties which had been empty for greater than 6 months in Newport, which is 3.46% of the Newport housing stock. There were 374 empty properties in total which is 6.87% of the wards stock.

4.22 Newport is the third highest ward in Middlesbrough, behind North Ormesby and Central, in terms of percentage of empty properties, and in raw numbers Newport is second highest in Middlesbrough.

4.23 Long term empty properties in Newport account for 16.4% of the total long term empty properties in Middlesbrough, and the total empty properties in Newport account for 18 % of the total number of empty properties in all of Middlesbrough.

4.24 The turnover of properties in Newport has varied throughout the life of the scheme with a reduction from 31.9% in 2019 to 25.5% in 2021 and an increase to 31.3 % in 2022.

Antisocial Behaviour:

4.25 A significant and persistent problem caused by anti-social behaviour related to tenants of or visitors to rented properties which were not being controlled by landlords.

In terms of rate per 1000 Head of Population Newport is currently ranked 8th in Middlesbrough in relation to anti social behaviour. The anti social behaviour levels in 2022-23 significantly reduced with 2023/24 appearing higher, the levels of ASB counts per month so far in 23-24 overall are still lower than in 2020-21.

Poor housing conditions:

4.26 Middlesbrough's Private Sector Stock Condition Survey (PSSCS) 2008 identified Newport as having the second highest proportion of non-decent dwellings in Middlesbrough at 49.3%.

4.27 The same survey identified Newport as having the second largest proportion of vulnerable households (50.1%) living in non-decent homes.

Newport was also found to have the second highest proportion of homes with a Category 1 hazard (23.1%).

4.28 Between April 2018 and September 2023, 582 premises were issued with a 'notice of intention' which details hazards in properties requiring remedy. Of these 321 (55%) were in the Newport ward.

Deprivation:

4.29 In 2015, out of 7,219 wards, Newport was the 26th most deprived ward in the country and remains at the 26th most deprived ward at IMD 2019. Newport is ranked as the fourth most deprived ward in Middlesbrough.

Crime:

4.30 During the period 1st October 2021 to 30th September 2023, Newport ward had the third highest rate of crime out of all wards across Middlesbrough. Newport ward has also consistently had the third highest rate of crimes marked as racially aggravated accounting for at least 12% of all racially motivated crime within Middlesbrough across the period. However, there has been some improvements in the incidence of crime in Newport, the levels of police reported crime have been continuously decreasing with levels in 2023-24 recording some of the lowest seen over the last 3 financial year periods. The total of 163 crimes in October 2023 is lower than in 2022 by 41.3%, lower than in 2021 by 36.3%, and lower than in 2020 by 29.4%.

4.31 The evaluation of the Newport 1 scheme identifies areas of learning and improvement to the delivery of the scheme and these are detailed in the Evaluation report. Some of these have been incorporated into the proposed new Newport 1 designation and were included in the consultation process. There have been some amendments to the proposed changes which are explained below:

- A review of the procedure for carrying out a Fit & Proper person check had considered the use of Disclosure Barring Service (DBS) checks. A further review has identified difficulties with the use of DBS checks and it is therefore proposed that the Fit and Proper Person check will comprise of a self-declaration and internal records checks. Further checks will be carried out if information obtained indicates any false declaration of convictions or concerns regarding a person's fitness to hold a SLL licence.
- An additional charge of £100.00 will only be made for the submission of late applications. Incomplete applications will not be accepted and will be returned to the applicant for resubmission.
- To provide those landlords making applications for licences in the last twelve months of the designation to be eligible for a reduced fee of 50% of the second

payment, where properties have not been licensable prior to the 12 month deadline. Offering discounts has to be carefully considered in the context of ensuring that the scheme is adequately resourced throughout its life and that they do not encourage landlords to delay making their application. This remains unchanged.

Proposed licence fee

4.32 A review of the staffing resource required for the delivery of the Newport 1 scheme has been carried out.

4.33 The following staffing resources are required to ensure the scheme can be effectively and efficiently administered and delivered:

- Selective Landlord Licensing Manager
- SLL Coordinator
- Environmental Health Officer
- Neighbourhood Safety Officer
- Regulatory Compliance Officers x 2
- Licensing Assistants x 1.5
- Legal Investigations Officer

4.34 The calculation of the overall cost of the scheme is consistent with the current schemes, with an additional Licensing Assistant, an inflationary rise to cover increased staffing costs and service charges.

4.35 It is estimated that 1297 licences will be issued in the course of the scheme, which will generate £1,294,406 income. It is proposed that the licence fee for the designated area be set at £998 for each licence. This is an increase from the current fee of £803 + £20 for a fit and proper person (licence holder) check.

4.36 The table summarises the estimated income and cost of the scheme:

Estimated Number of licences	Cost of the scheme over the 5-year period	Proposed licence fee	Estimated income
1297 licences	£1,294,406	£998	£1,294,406

4.37 A penalty fee of £100 would continue to apply for late applications. It is also proposed that applications for licences in the last twelve months of the designation will be eligible for a reduced fee of 50% of the second payment, where properties have not been licensable prior to the 12-month deadline. This reduction would not apply to those properties which were liable for licensing prior to the 12 month deadline and had avoided doing so.

- 4.38 The licence fee is split into a 50% stage 1 (£499) fee payable by every applicant the cost of which reflects only the costs of processing the application. The second stage 50% fee (£499) is payable only by successful applicants the cost of which reflects the overall costs of administering and enforcing the scheme.
- 4.39 The second payment can be paid up to 12 months after the applicant is accepted onto the scheme. An administration fee of £100 will apply.

Boundary to the Newport 1 Selective Landlord Licensing scheme

- 4.40 The geographical area for the proposed scheme is in line with the existing Newport 1 boundary as shown in Appendix 1 to the Evaluation Report.

Performance Monitoring.

- 4.41 It is proposed that the Newport 1 scheme will be performance monitored in accordance with the following criteria:
- Undertaking the licensing process and ensuring that all eligible properties are licensed.
 - At least one Housing Health and Safety Rating System (HHSRS) inspection will be carried out for all private rented properties within the five year life of the scheme.
 - Identify Category 1 and 2 hazards in private rented properties and take appropriate enforcement action.
 - Identify the energy efficiency standard of private rented properties and take appropriate enforcement action.
 - Response to complaints from tenants about serious hazards in their rented property within one working day.
 - Response to complaints from tenants about non-serious hazards in their rented property within 7 working days.
 - Response to complaints about empty insecure properties within 48 hours, or within 24 hours if there is a serious risk to health.
 - Ensuring landlords are fit and proper.
 - Taking the appropriate enforcement action against those who commit offences in line with the Enforcement Policy.
 - Post tenancy visits for those tenants who have been assessed as high risk as part of the tenancy referencing scheme.
 - Support offered to tenants of private rented properties and make referrals to other services.
 - Support offered to landlords to assist with sustaining tenancies.
 - Referencing of new tenants on behalf of the landlord.
 - Monitoring annually the change in house prices.
 - Response to complaints about antisocial behaviour and to issue low, medium and high level interventions to individuals in relation to antisocial behaviour issues.
 - Response to complaints about environmental issues.

Consultation Process and outcomes.

4.42 Consultation on the proposed scheme was carried out over a 10-week period between 2nd January 2024 and 12th March 2024. Letters were sent to all Selective licensing landlords, residents and businesses within the area of Newport ward and leaflets were delivered to a wider consultation area. The consultation process provided full details of the proposed scheme and responses were requested to be submitted through a proforma questionnaire online (appendix C) and via e-mail. In addition, all consultation material was available on the internet and the consultation was publicised in the press, on social media and through partners. Contact could also be made by telephone.

4.43 During the 10-week consultation period 37 responses were received:

- 1 telephone call
- 22 e-mails
- 21 online submissions

4.44 The report attached at Appendix D provides a summary of the e-mail and telephone call responses.

4.45 In summary, of the 23 email/telephone responses received, 11 were from landlords/managing agents, 3 were tenants/residents, 5 were Councillors and 4 'other' unknown. All 5 Councillors supported the scheme; 4 landlords/agents agreed, 8 disagreed; 2 residents agreed, 1 disagreed with the scheme and of the 'other' persons 3 disagreed with the scheme. A summary of comments is provided in Appendix D.

4.46 A summary of the online consultation responses is provided in Appendix E. Online responses were received from the following:

Managing/Letting Agent in the proposed area	1
Other interested party	5
Private Landlord in the proposed area	13
Private Tenant in the proposed area	2

4.47 Summary of responses from landlords in the proposed SLL area:

- 43% of landlords thought properties owned by other private landlords were maintained to a good standard (21% thought they weren't and 36% had no opinion)

- 57% of landlords thought other landlords acted responsibly in letting, managing and maintaining their properties
- 43% of landlords thought other landlords took appropriate action against tenants who cause nuisance or anti-social behaviour; (36% said they did not know)
- 85% of landlords thought that the number of private rental properties was not an issue.
- 54% of landlords thought long term empty properties was an issue
- 62% of landlords thought there was no issues with low house prices in the area
- 23% of landlords thought there was no issue with households not staying long
- 46% of landlords thought properties were in substandard condition (39% said they were not)
- 58% of landlords thought antisocial behaviour was an issue in the area.

4.48 Summary of responses from the landlords/managing agents in the consultation area surrounding the proposed SLL area:

- 44% thought that landlords of properties in the proposed SLL did not maintain their properties well. (44% said they did not know)
- 56% thought landlords did not act responsibly in letting, managing and maintaining their properties; (33% said they did not know);
- 67% thought that private landlords did not take appropriate action against tenants who cause nuisance or anti-social behaviour (22% said they did not know);
- 44% thought that the number of private rental properties was an issue in the area (equally 44% said the number of private rental properties wasn't an issue)
- 78% thought that long term empty properties was an issue
- 56% thought that low house prices were not an issue;
- 56% thought that households not staying long was an issue;
- 67% thought that properties were in substandard condition;
- 78% thought that antisocial behaviour was an issue;

4.49 There was no responses received from businesses in the proposed SLL area.

4.50 Summary of responses from all respondents:

- 72% agreed that SLL would help tackle some of the issues in the proposed SLL area.
- 60% agreed with the licensing conditions
- 38% believed that properties should be inspected to check compliance with housing standards and license conditions. (33% did not feel inspections should be carried out)
- 34% believe that tenancy relations support should be provided (19% disagreed and 47% stated they did not know)
- 45% agreed that applicants should be charged an additional fee for late applications and 40% said that a charge should not be applied.

4.51 All written submissions have been fully considered. Combined online, email and telephone submissions have also been considered together so that an overall picture of the responses has been obtained and they have been considered as a whole. A number of responses raised concerns over ongoing anti-social behaviour, empty properties and lack of environmental improvements. One submission, which represented a tenants union stated that improvements had been made and tenants had been given more power to deal with concerns in rental properties.

4.52 A common statement was that landlords act responsibly and do keep their properties in good condition and it is only a minority of landlords that do not deal with necessary repairs to their properties. However, one respondent felt that most landlords did not live locally and therefore issues went unnoticed.

There was a strong divide in some responses – one respondent felt that the costs of the scheme would be put onto tenants, which was a significant concern, and therefore would strongly oppose the scheme, while other respondents stated that SLL schemes improve the lives of people living in the area. Various other issues were raised in the consultation responses all of which have been considered and that they are set out in more detail in the Appendix D.

4.53 There were some particular issues of principle raised in three detailed consultation responses and these are summarised below:

a. **Whether the decision to recommend a renewal of the designation was predetermined?** The recommendation to renew the designation was based on the evidence as set out in the Report.

b. **The misuse of data including Newport-wide data rather than that limited only to the Newport 1 licensing area.** The majority of data relating to the Newport 1 area is only available on a full ward basis. However, where narrower defined data could be obtained it has been included in the proposal document. There is nothing provided in the full Newport ward data that officers consider would provide distorted figures.

c. **Failure to consider alternative measures to Selective Landlord Licensing.** It is the considered view of Middlesbrough Council's officers, based on their own and other nearby local authorities' past experience, that accreditation schemes, or similar, can help landlords / lettings agents to meet agreed standards of competence, skills and knowledge about the business of owning, managing or letting a private rented home. However, such schemes are not widely supported by landlords and they have tended to focus only on a small aspect such as the physical condition of properties or the management of tenancies. It is our view that such alternative approaches are unlikely to address the broader issues that SLL seeks to address and are not expected to sustain the improvements which have been achieved over the life of the existing scheme, including reducing ASB and crime. Officers do not consider that the

fact that the Newport 1 area has been the subject of selective licensing is likely to make any significant difference, and do not think that an accreditation scheme would be sufficient or, therefore, an acceptable alternative to selective licensing. The introduction of an accreditation scheme or other alternative to SLL is not considered a sufficiently beneficial approach to addressing the broad issues faced in the Newport 1 area relating to the private rented sector. Further consideration will be given to the introduction of schemes like an accredited or good landlords schemes as a means to supplement the achievements of Selective Licensing as part of SLL formal reviews.

d. The consultation did not run for 10 weeks and the evaluation should not have commenced before the previous scheme had come to an end. The consultation did run for 10 weeks. Officers consider that the evaluation of the first 4 - 4.5 years was entirely adequate to demonstrate the impact of the scheme.

- 4.54 One respondent to the consultation, who has stated that they represent a number of landlords, has said that they intend to challenge formally any decision to designate the Selective Licensing Scheme in Newport 1 through judicial review.

Review of licensing conditions

- 4.55 A review of the licensing conditions has been carried out and the following changes have been made;

- 4.56 Mandatory Condition Number 1: has amended from *“If gas is supplied to the house, the Licence holder shall provide to Middlesbrough Council a Gas Safety Certificate issued within the previous 12 months at the time of the application and thereafter annually”* to *“If gas is supplied to the house, the Licence holder is to produce to Middlesbrough Council annually for their inspection a gas safety certificate obtained in respect of the house within the last 12months”*. The wording *“at the time of the application”* has been removed as it is not stipulated in the Housing Act 2004, Schedule 4 (Mandatory conditions).

- 4.57 Applicants will still be asked to provide a copy of their gas safety certificate with their application so that it can be checked and details of its renewal date recorded. Once a property is licensed the licence holder will be required to submit their annual gas safety certificates to the Council.

- 4.58 Mandatory Condition Number 7: Tenancy referencing – this condition is not a mandatory condition under the Housing Act 2004: Schedule 4 and has therefore been removed and placed under the list of additional conditions.

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

- 5.1 Do not renew the SLL designation/new designations and carry out alternative interventions to replace of a formal scheme

- 5.2 Alternatives to Selective Licensing were considered in 2014, 2019 and 2023 prior to the designation of the current 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.
- 5.3 There is a need to ensure that that proactive assessment of properties and an increased focus on renting and management practices is sustained. While Selective Landlord Licensing is not intended to be indefinite, a shift to an alternative non-regulatory approach or only relying on traditional reactive enforcement tools are not considered appropriate to sustain or progress the improvements achieved.
- 5.4 Traditional interventions do not provide the level of engagement with landlords necessary for the desired improvements. Landlord take up of previous accreditation schemes have 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 is run by landlords. Stockton Council figures show that they had 80 members for this scheme with 539 properties and not all landlords who opposed their SLL scheme joined the accredited scheme.
- 5.5 Short term proactive enforcement projects can have an impact but are not sustainable without significant investment from existing revenue budgets or grant funding.
- 5.6 A pilot project undertaken in early 2023 to carry out proactive housing inspections in a selected area of Central ward found it very difficult to engage and landlords and tenants. This is detailed in the Evaluation report.
- 5.7 Considering the responses received to the consultation (see para.4.51 above) it is maintained that the recommended action to designate the Selective Landlord Licensing Scheme in Newport 1 is the most appropriate course. The area meets the legal criteria for the designation of a Selective Landlord Licensing Scheme which is the most effective solution to improving management standards in the private rented sector and will sustain the improvements already achieved in Newport 1 and prevent further decline.

6. Impact(s) of the recommended decision(s)

The recommended decision to designate the Selective Landlord Licensing Scheme in Newport 1 area will result in the implementation of the scheme using the same model as the current schemes. The scheme will become effective after a three month period and will be in place for a period of 5 years, subject to periodic reviews.

Following approval by the Executive there will be a three month lead in time period before the designation comes into force. A notice of the designation will be published within seven days of the designation being confirmed. A delivery plan for the duration of the scheme will be developed to ensure that the recommended decisions are implemented, including key milestones and will be monitored by a Governance Board.

6.1 Financial (*including procurement and Social Value*)

Case law (R on the Application of Hemming T/A Simply Pleasure Ltd v Westminster City Council) states that the local authority can require payment of a fee which includes enforcement as well as processing costs. The Housing Act 2004 s84(7) states that when fixing fees under this section, the local housing authority may take into account all costs incurred by the authority in carrying out their functions under this Part.

The SLL schemes will be self-financing through the payment of a fee by landlords to obtain their licence. As referred to in paragraph 4.4 above, these fees are ringfenced to meet the costs of administering the scheme and therefore any annual surpluses generated are not available to fund other Council services and will be held in an earmarked reserve to fund the cost in future years. The scheme should break even over the 5 year period of operation. The calculation of the overall cost of the scheme is consistent with the current schemes, with the addition of an inflationary rise to cover increased staffing costs and service charges. The table below summarises the budget over the five- year period of the scheme.

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	
	9 mths	12 mths	12 mths	12 mths	12 mths	3 mths	
	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	
	Jun-March					Apr-Jun	
	£ m	£ m	£ m	£ m	£ m	£ m	£ m
Payroll Costs	£ 0.196	£ 0.247	£ 0.227	£ 0.233	£ 0.240	£ 0.050	£ 1.193
Other Supplies & Services	£ 0.001	£ 0.001	£ 0.001	£ 0.001	£ 0.001	£ 0.001	£ 0.006
* Council Overhead @ 8%	£ 0.016	£ 0.020	£ 0.018	£ 0.019	£ 0.019	£ 0.004	£ 0.095
TOTAL COSTS	£ 0.213	£ 0.268	£ 0.246	£ 0.253	£ 0.260	£ 0.055	£ 1.294
Projected Income	No Licence	1297					
Fee		£998					
TOTAL Income		£ 1.294					
* Council Overhead includes cost of Management Support/Finance/HR/IT							

It is estimated that 1297 licences will be issued throughout the course of the scheme. A licence fee of £998 per property will ensure the cost of the scheme can be met by the income generated. which will generate £1,294m of income over the 5 year period. This is an increase from the current fee of £803 + £20 fit and proper check. The table summarises the estimated income and cost of the scheme:

Estimated number of licences	Cost of the scheme over the 5-year period	Proposed licence fee	Estimated income
1297 licences	£1,294,406	£998	£1,294,406

Penalty fees of £100 would apply to late applications. It is also proposed that applications for licences in the last twelve months of the designation will be eligible for a reduced fee of

50% of the second payment, where properties have not been licensable prior to the 12 month deadline.

If a decision is made not to seek a further designation of the Newport 1 area, there may be redundancy costs to be borne by the authority associated with those staff with over 2 years service who are unable to be redeployed.

6.2 Legal

Part 3 of the Housing Act 2004 sets out the scheme for licensing private rented properties in a local housing authority area. Under the Act a local housing authority can designate the whole or any part or parts of its area as subject to selective licensing. Where a selective licensing designation is made it applies to privately rented property in the area.

A selective licensing designation may be made if the area to which it relates satisfies one or more of the conditions set out in Section 80 the Housing Act 2004 and the Selective Licensing of Houses (Additional Conditions) (England) Order 2015 referred to in paragraph 4.3 above.

Before making a designation, a consultation is required, and full consideration should be given to any representations made during the process. Where the criteria are satisfied and a selective licensing scheme is made, a designation may be made for up to 5 years. The designation cannot come into force until 3 months after it is made. A notice of the designation has to be published within seven days of the designation being confirmed. All those consulted on the proposed designation should be notified within two weeks of the designation being confirmed.

There is a possibility of legal challenge in the form of a judicial review against the decision to introduce or renew a Selective Landlord Licensing scheme. However the risk of such a challenge will be less where the Authority ensures that the legislation is complied with. There was a previous judicial review of the current Newport 1 scheme in August 2019 where one landlord made an application to the High Court. This application was refused permission to apply for a full review on the basis that all five grounds submitted were not sufficiently arguable. The Council was awarded the previous costs order of £1500.

One respondent to the consultation has stated that they intend to challenge formally any decision to designate the Selective Licensing Scheme in Newport 1 through judicial review.

There has been one challenge to a tenancy referencing condition in a proposed licence for a specific premises in the first-tier tribunal, but this has yet to be determined.

6.3 Risk

Approval for designations must be sought from the Secretary of State for Communities and Local Government if more than 20% of the private rented housing or 20% of the geographical area of the local authority will be subject to licensing. The area proposed, along with the existing designations for the Newport 2 SLL area and North Ormesby 2 do not cover more than 20% of the geographical area of the borough. This means that the

Council does not require Secretary of State approval to make the designation proposed in this report.

If the Newport 1 SLL scheme is not approved for further designation there is a risk that the improvements seen in the Newport 1 area as a result of Selective Landlord Licensing will start to slow down returning to the initial position prior to the introduction of the scheme e.g., poor housing standards, long term empty properties, elevated levels of anti-social behaviour.

There is a risk of a shortfall in recovering the costs of the schemes if the scheme does not receive applications and fees from the anticipated number of licensable premises. However, the vast majority of the licensable properties have already been identified as part of the previous designation and consultation processes. This risk is also mitigated by the experience that the Selective Licensing Team has developed in mapping and taking enforcement action where there is a failure to licence.

There is a possibility of legal challenge in the form of a judicial review against the decision to introduce or renew a Selective Landlord Licensing scheme.

6.4 Human Rights, Public Sector Equality Duty and Community Cohesion

There will be no negative, differential impact on diverse groups and communities associated with this report. It has been demonstrated that the North Ormesby and Newport Selective Landlord Licensing schemes provide significant benefit to vulnerable groups by improving living standards and providing support in improving health, education and financial management.

6.5 Climate Change / Environmental

Compliance with energy efficient standards of houses in the private rented sector are assessed by officers when they carry out housing inspections.

6.6 Children and Young People Cared for by the Authority and Care Leavers

The Equality Impact Assessment has not identified any negative impact of selective landlord licensing on looked after children and young people and care leavers.

6.7 Data Protection

There will be no data protection impact from the designation of the selective licensing scheme. However, personal information will be obtained in the course of the licensing process and used during the enforcement, as relevant, of the provisions on the Housing Act 2004. All data will be obtained, stored and handled lawfully.

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

Action	Responsible Officer	Deadline
Notification of the outcomes to the consultation responders and publication	Judith Hedgley/ Louise Kelly	April 2023

through newspapers, the Council's website, and press releases.		
Should a decision be taken to designate the Selective Licensing Area, designation would be within 3 months from the date of the Executive meeting which is scheduled to be 10 th April 2024.	Judith Hedgley /Louise Kelly	July 2024 scheme start date

Appendices

1	Appendix A – Newport 1 Proposal Document
2	Appendix B – Newport Licensing Map
3.	Appendix C – Consultation Questionnaire
4.	Appendix D – SLL Newport 1 Consultation Telephone & E-mail Responses
5.	Appendix E – SLL Newport 1 online consultation responses.
6.	Appendix F – SLL Equality Impact Assessment
7.	Appendix G – Selective Licensing Newport Evaluation report with appendix

Background papers

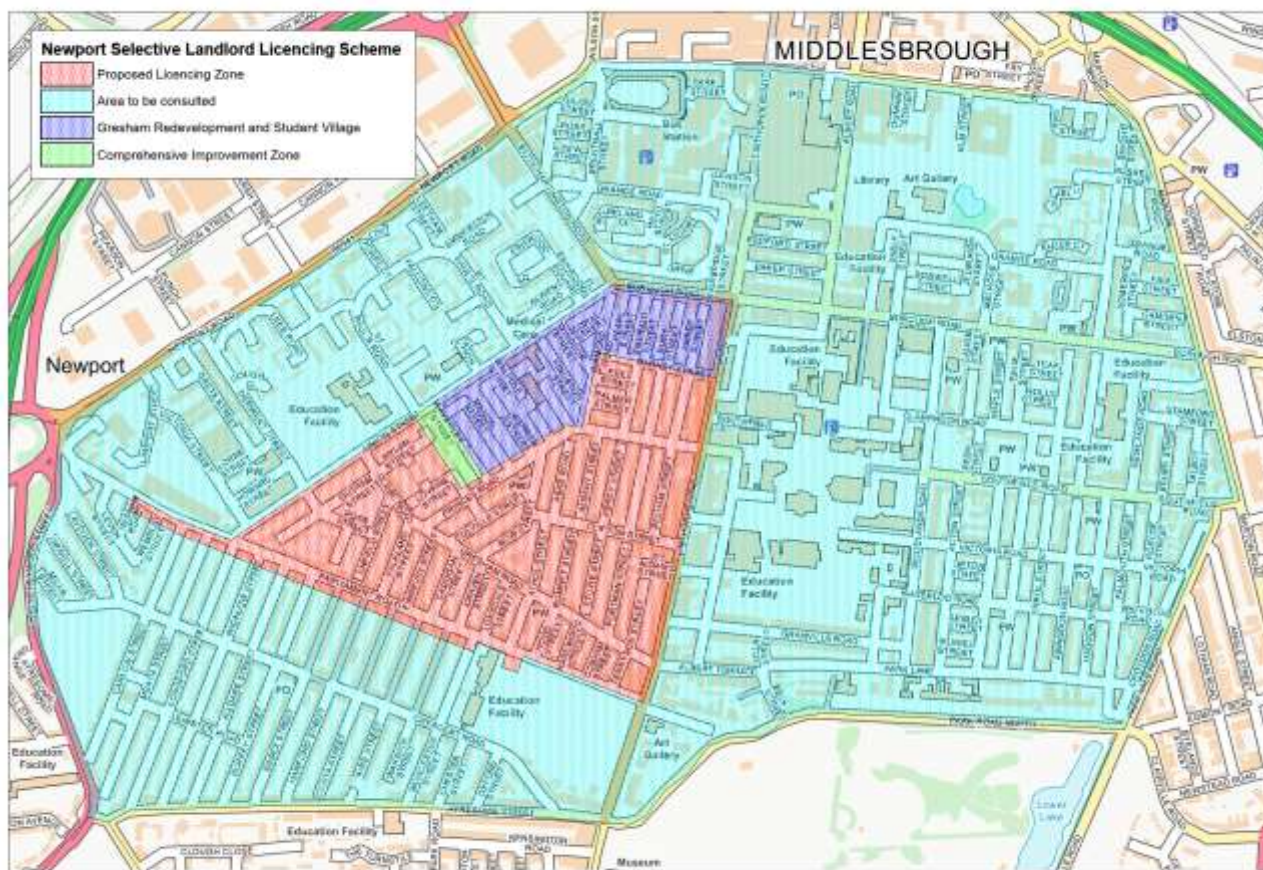
Body	Report title	Date
MHCLG	Selective Licensing in the Private Rented Sector. A Guide for Local Authorities.	March 2015
MBC	Newport 1 Evaluation document for Selective Landlord Licensing Scheme.	October 2023

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Proposal by Middlesbrough Council to designate the area identified as Newport 1 for Selective Landlord Licensing (Nov 2023)



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CONTENTS
About this consultation
Challenges that Newport face
Wider indicators
<ul style="list-style-type: none"> • Index of multiple deprivation
Low housing demand
<ul style="list-style-type: none"> • Tenure mix • Empty properties • Property values • Turnover • Housing stock condition • Housing disrepair
Anti-social behavior and Crime
<ul style="list-style-type: none"> • Antisocial behavior • Crime
How the proposed selective licensing scheme will work
<ul style="list-style-type: none"> • Licence application • Fit and proper person test • Licence conditions • Refusal to grant a licence • Failure to apply • Exemptions • Inspection programme • Licence fees
Potential benefits of the Selective Licensing scheme
<ul style="list-style-type: none"> • Case Studies • Testimonials • Evaluation of current scheme
How Selective Licensing will support strategies for the area
<ul style="list-style-type: none"> • Middlesbrough Council Strategic Plan (2021-24) • Health and wellbeing • Private rented sector • Antisocial behaviour • Prevention of Homelessness Strategy • Empty homes • Neighbourhood Action Plan • Place Based Working
Alternative remedies and why the Council considers they are insufficient
<ul style="list-style-type: none"> • Accreditation • Enforcement of housing standards • Management Orders • Private Sector Leasing Scheme • Alternative approaches – summary
Consultation: opportunities to engage and respond
<ul style="list-style-type: none"> • Methods of consultation • How to respond to the consultation
Appendices

ABOUT THIS CONSULTATION

The Housing Act 2004 gives the Council powers to introduce Selective Licensing for privately rented properties in areas experiencing low housing demand and/or significant and persistent anti-social behaviour. The purpose of such schemes is to improve standards of property management in the private rented sector. The Council can make the 'designation' if it believes this will, when combined with other measures, lead to improved social and economic conditions in the area.

The Council proposes to designate Selective Licensing in the Newport 1 area, as outlined on the map at Appendix 1. The Council's proposal is made on the grounds that the Newport ward is an area of low housing demand with significant levels of antisocial behaviour.

Newport 1 scheme was previously implemented on the 13th June 2019. Since the implementation of the scheme a resident's survey has been completed in November 2021 which showed an increase in the percentage of residents who responded that they felt fairly or very safe in the ward. The figure for residents who felt fairly or very safe during the day rose from 35.48% in March 2021 to 68.65% in November 2021. The figure on an evening rose from 12.9% in March 2021 to 48.98% in November 2021. Although these results are promising and show that the approach we are taking is having a positive impact, we are committed to continuing to improve residents feelings of safety within the ward, we know there is still a lot more work to do but by working together we are confident we can make greater improvements.

This document explains why the Council believes Selective Licensing is still needed in Newport, how it will operate alongside and complement other measures, the improvements it will bring about and why alternative remedies are insufficient. This proposal presents information on a full Newport ward basis, where we have been able to present granular data for the smaller Newport 1 area we have used it.

The Council wants to hear from those who are likely to be affected by the proposed scheme, including local tenants, landlords, managing agents and other members of the community who live or operate businesses or provide services within the proposed designation. This includes local residents and those who operate businesses or provide services in the surrounding area outside of the proposed designation who are likely to be affected. This wider consultation area is also outlined on the map at Appendix 1.

Details of how to respond to the consultation are set out from page 21.

The consultation will last for a period of 10 weeks, starting on 2nd January 2024 and closing on 12th March 2024. After this time the results will be published, including a summary of the responses received and how these have either been acted on or not, giving reasons in each case.

The Council will make a final decision on Selective Licensing after it has fully considered the responses to the consultation.

Should the Council decide to introduce a scheme then all affected parties will be formally notified 3 months in advance of it coming into operation.

CHALLENGES THAT NEWPORT CONTINUES TO FACE

Newport ward experiences major challenges associated with social and economic decline. This includes:

- high levels of crime and antisocial behaviour;
- high levels of private rented properties and poor living conditions;
- high levels of empty properties; and,
- a transient population.

In addition to this there has been significant investment in the physical regeneration of Middlesbrough and social regeneration is a key priority for the Council.

A significant and concerning pattern of housing and subsequent social decline in parts of Newport can be identified:

- the older terraced properties are no longer the first time buyers 'house of choice' as they have been for previous generations;
- the low demand for two bedroom terraced properties has led to private sector landlords purchasing properties at relatively cheap prices;
- some, but by no means all, of these landlords have housed tenants who have gone on to present a wide range of problem behaviours, further fueling low demand levels;
- this concentration of issues has seen a broad range of social problems manifest themselves from drug and alcohol abuse to domestic violence and high crime levels.

Whilst Newport may not always be recognised as the most disadvantaged area against every statistical measure, the rate of its decline, it's vulnerability in terms of crime, social isolation, and the impact of welfare reform provides a particularly compelling picture of chronic need – especially in conjunction with the apparent housing market failure. If not addressed, this decline could threaten the long-term stability of the area.

WIDER INDICATORS

Index of Multiple Deprivation (IMD)

2019		2015	
Category	Rank (National)	Category	Rank (National)
IMD Deprivation	26	IMD Deprivation	30
Income	18	Income	29
Employment	116	Employment	58
Education, Skills and Training	57	Education, Skills and Training	32
Health Deprivation and Disability	84	Health Deprivation and Disability	8

The Index of Multiple Deprivation (IMD) is used to provide a set of relative measures of deprivation (ranks) for small geographical areas (Lower-layer Super Output Areas (LSOA)). Movement in ranks between the IMD in 2015 and 2019 does not necessarily imply that an LSOA has improved or declined between the reporting periods, rather it may imply that other LSOAs have improved/declined at a greater rate. The ranks are only in relation to each other. The IMD is derived from seven different domains, based on data from a multitude of sources, from the most recent time point available (e.g. population data from August 2012 for the 2015 IMD and from August 2015 for the 2019 IMD). It is not possible to access all the data sources for raw data, therefore this report is based on data from the IMD websites and, where possible, supplemented with data from other sources.











The LSOAs used to calculate the ward based estimates rank between 51st most deprived and 3,285th most deprived in the Indices of Multiple Deprivation 2019, with almost 33,000 LSOAs in England, all seven in Newport ward are within the most deprived 10% in England. Three LSOAs in Newport have seen an improvement in their ranking since IMD 2015, whilst the remaining four have worsened. The LSOA comprising of the Cannon Park to Union Street area (E01012041) has consistently been one of only five nationally which have been in the 100 most deprived LSOAs in all IMD's since 2004.

In 2015, out of 7,219 wards, Newport was the 26th most deprived ward in the country, and remains at the 26th most deprived ward at IMD 2019. Newport is ranked as the fourth most deprived ward in

Middlesbrough.

The rank changes below show that the increase in deprivation has been largely driven by low income and high crime rates, both of which have a causal effect on the Income Deprivation Affecting Children Index (IDACI) and Income Deprivation Affecting Older People Index (IDAOPI). In contrast, there has been a significant improvement in Barriers to Housing and Services of 5,674 positions between 2015 and 2019.

Newport Ward Rankings

	Domain	2019	2015	Movement	
	Overall	1116	1172	-56	↓
	Income	1047	1198	-151	↓
	Employment	2283	2184	+99	↑
	Education, Skills and Training	1647	1400	+248	↑
	Health Deprivation and Disability	1534	1528	+5	↑
	Crime	1449	3101	-1,652	↓
	Barriers to Housing and Services	24684	19009	+5,674	↑
	Living Environment	8795	8043	+752	↑
	Income Deprivation Affecting Children Index (IDACI)	764	866	-102	↓
	Income Deprivation Affecting Older People (IDAOPI)	2423	2817	-394	↓

LOW HOUSING DEMAND

The Council is looking to re-designate Selective Licensing in the Newport 1 area on the basis that there is compelling evidence of low housing demand. In line with legislation and guidance the Council has considered the indicators of low housing demand described in the following section. The evidence points to an area with a high incidence of private renting, low property prices, a transient tenant population and high proportion of empty properties.

Tenure mix

The Newport ward has an area of 229 hectares which represents 4.25% of the total area of Middlesbrough with a resident population of 10,776 which represents 7.49% of the total Middlesbrough resident population of 143,924.

The ward of Newport has 4,563 households, which represents 7.57% of Middlesbrough's 60,265 households (Census, 2021). The proposed area of Newport 1 will represent 2033 properties.

The largest number of households in Newport was 'private landlord or letting agency accommodation' at 46.4%. That compares with 18.7% for Middlesbrough as a whole, 15.1% for North East Region and 18.2% for the whole of England.

The second largest number of households in Newport was 'owned outright accommodation' at 16.2%. That compares with 28.6% for Middlesbrough as a whole, 32.5% for North East Region and 32.5% for the whole of England.

Empty properties

The problems empty properties cause for local communities are well known, but in summary they:

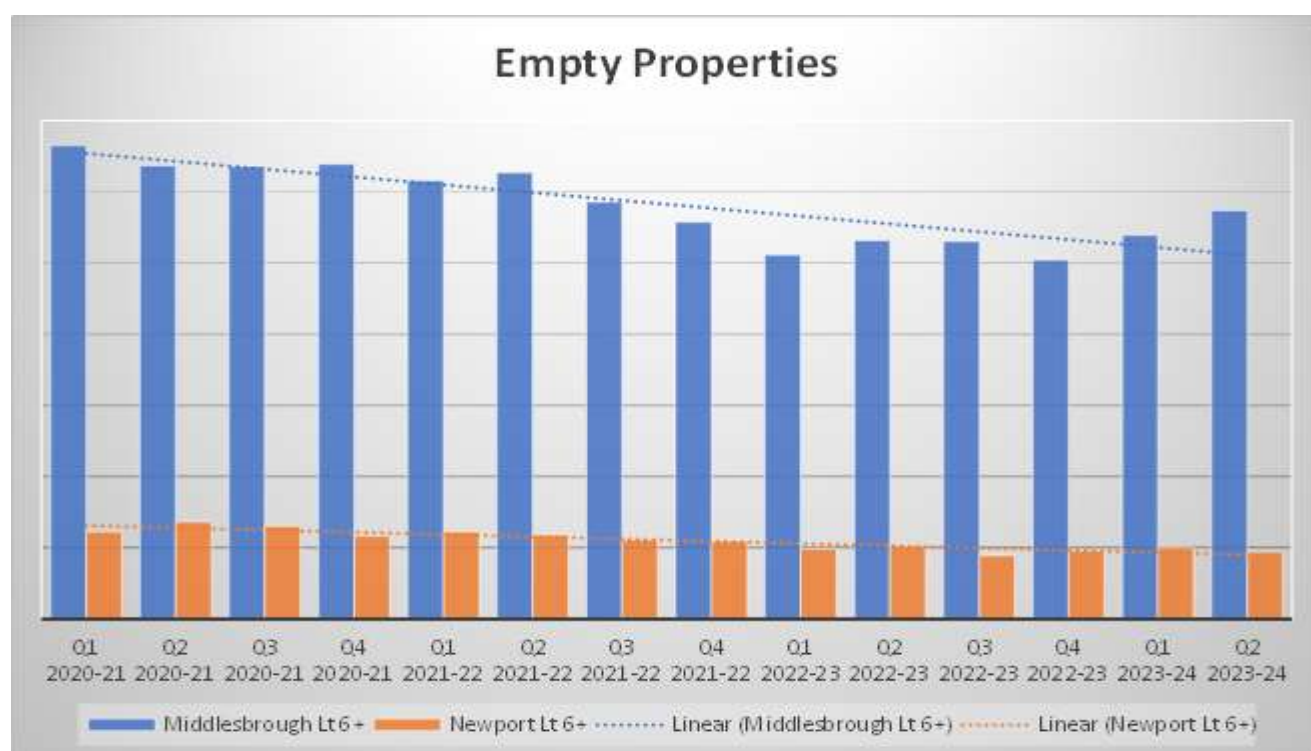
- deny homes to those in need;
- attract vermin, crime, arson, vandalism, fly-tipping and anti-social behaviour;
- are a source of anxiety for owners and neighbours;

- reduce the value of neighbouring properties; and,
- as a consequence, are a drain on public services and budgets.

At the end of September 2023 there were 188 properties which had been empty for greater than 6 months in Newport, which is 3.46% of the Newport housing stock. There were 374 empty properties in total which is 6.87% of the wards stock.

Newport is the third highest ward in Middlesbrough behind North Ormesby and Central when talking in terms of percentage of properties empty, in raw numbers Newport is second highest just behind Central Ward and just ahead of Brambles & Thorntree and Park wards.

Long term empty properties in Newport account for 16.39% of the total long term empty properties in Middlesbrough, and the total empty properties in Newport account for 18.04% of the total number of empty properties in all of Middlesbrough.



Property values

Properties in Newport at the end of December 2022 had an overall average price of £66,000. In 2019 the average house price was £48,585.

The majority of sales in Newport during the last year were terraced properties, selling for an average price of £65,971. Semi-detached properties sold for an average of £70,750, with no data for detached properties sold.

Overall, sold prices in Newport in the 2019 peak were £104,110.

There are a number of potential factors are at play which may affect the value of properties which include the disproportionate levels of private rented properties when compared with other parts of the town, high levels of crime, anti-social behavior, deprivation, COVID-19 and the number and impact of empty properties.

Turnover

The presence of a more transient population typically housed in privately rented accommodation can have a negative impact on the stability and desirability of an area. It can also affect community integration and investment.

Transience can also attract disadvantaged people to the area, which in turn can lead to increased social deprivation.

The Newport Ward has a culturally diverse community with over 45 languages being used within the ward. This brings significant benefits to the local area i.e. many migrants have settled in the ward and established new businesses, contribute to the local economy and support the population levels. The local community hub supports both the settled and migrant community however some tensions currently exist.

Council Tax records provide a guide to the proportion of properties experiencing turnover in the Newport area.

	New Occupations (accounts)						
	Properties at 1 Jan	Accounts in year	Accounts Count	Rate for all Properties	Rate for Properties Count	Properties Count	Rate for all Properties
2017	1673	2908	660	39.5%	122.2%	540	32.3%
2018	1674	2787	636	38.0%	127.5%	499	29.8%
2019	1670	2729	640	38.3%	121.2%	528	31.6%
2020	1670	2597	593	35.5%	120.8%	491	29.4%
2021	1665	2426	513	30.8%	121.0%	424	25.5%
2022	1663	2633	654	39.3%	125.8%	520	31.3%

Housing stock condition

Middlesbrough's Private Sector Stock Condition Survey (PSSCS) 2008 identified Newport as having the second highest proportion of non-decent dwellings in Middlesbrough at 49.3%. Non-decent homes do not meet current statutory minimum standards, are not in a reasonable state of repair, do not have reasonably modern facilities and fail to provide a reasonable degree of thermal comfort.

The survey also recorded a non-decency remedial cost score as (£40.3m and an average of £3,685, per non decent dwelling).

The same survey identified Newport as having the second largest proportion of vulnerable households (50.1%) living in non-decent homes.

Newport was also found to have the second highest proportion of homes with a Category 1 hazard (23.1%). Examples of Category 1 hazards include:

- Damp and mould
- Excess cold
- Falls on stairs
- Hot surfaces
- Falls on the level
- Fire

Newport also had the second lowest SAP rating (42) – this compares the energy performance of different homes and is measured on a scale of 1 to 100. The higher the rating the lower the fuel costs.

Housing disrepair

The Council received complaints of housing disrepair in private rented property in Middlesbrough.

In 01/04/ 2020- 31/03/2021 = 101 in Newport (383 across all wards)

In 01/04/2021 – 31/03/22 = 93 in Newport (362 across all wards)

In 01/04/2022 – 31/03/2023 = 113 in Newport (462 across all wards)

Notice of Intention

Between April 2018 and September 2023, 582 premises were issued with a 'notice of intention' which details hazards in properties requiring remedy. Of these 321 (55%) were in the Newport ward.

Improvement notices

Between April 2018 and September 2023, 55 dwellings were subject to enforcement using Improvement Notices under the Housing Act 2004. 24 of these were in the Newport Ward.

Prohibition Orders

Between April 2018 and September 2023, 21 dwellings were subject to enforcement using Prohibition Orders under the Housing Act 2004. 12 of these were in the Newport Ward.

Impact of Covid 19 pandemic

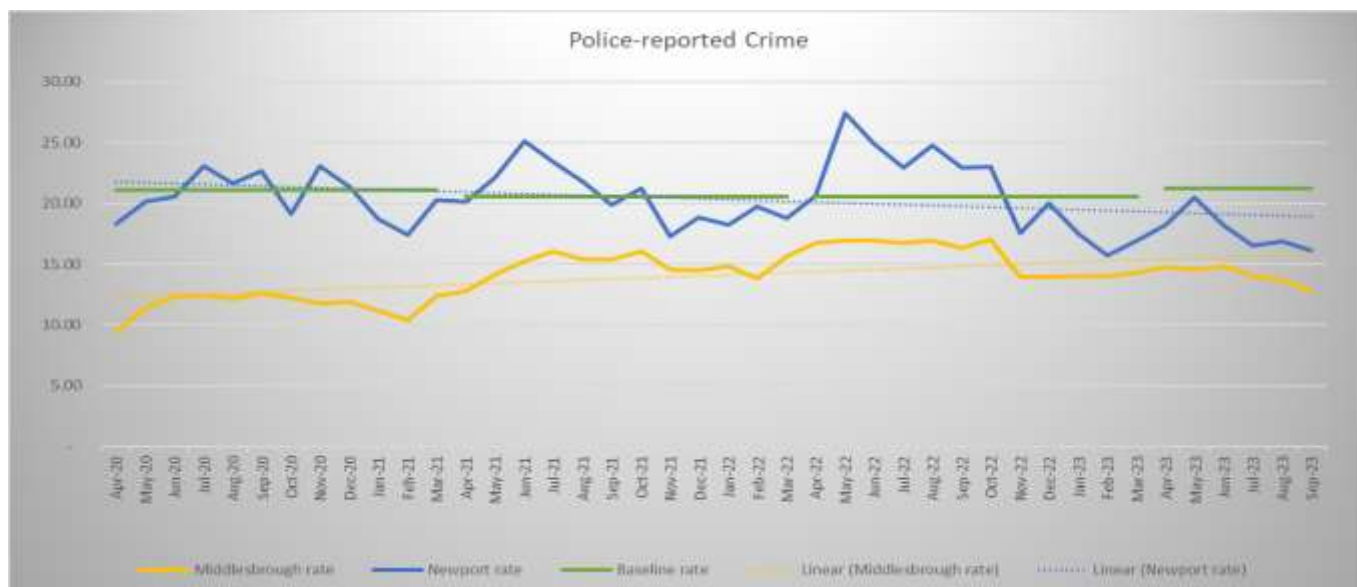
The Covid-19 pandemic significantly impacted on the delivery of the Newport 1 scheme, primarily preventing staff from carrying visits, housing standards inspections and other face to face contact for a considerable period of time. This was a period of unprecedented demand on local authority and during the Covid pandemic SLL staff, who were unable to deliver their SLL functions, were redeployed in the Covid response and their salaries were funded from sources other than SLL income. The Covid pandemic mainly impacted on the delivery of the housing standards inspections and delayed the programme by 18 months. Officers resumed carrying out the inspections and face to face work in June 2021. The housing inspections have identified an increase in number of properties with category 1 and 2 defects which has put increased demand on their time. Currently (October 2023) there are 600 housing inspections outstanding.

CRIME AND ANTISOCIAL BEHAVIOUR

Crime

During the period 1st October 2021 to 30th September 2023, Newport ward had the third highest rate of crime out of all wards across Middlesbrough. Newport ward has also consistently had the third highest rate of crimes marked as racially aggravated accounting for at least 12% of all racially motivated crime within Middlesbrough across the period. During this period there were a total of 5768 crimes, 47 of which marked as racially motivated, additionally there were 139 deliberate fires within the ward.

Whilst Newport ward remains the third highest ward in relation to the rate of crime per 1000 head of population, the general trend is decreasing. In Financial Year (FY) 2021/22 the crime rate was 116.3 crimes per 1000 Head of Population, this increased to 254.9 in FY2022/23, and currently in FY2023/24 the rate is at 106.2 per 1000. Whilst the rate of crime looks to be increasing considering this data only captures half of the financial year, it is currently still lower than in previous years. Currently in FY2023/24 there have been 1311 reported crimes, this was 3079 in 2022/23, 1378 in 2021/22, and 2975 in financial year 2020/21.



In summary: In Newport the levels of police reported crime have been continuously decreasing with levels in 2023-24 recording some of the lowest seen over the last 3 financial year periods. The total of 163 crimes in October 2023 is lower than in 2022 by 41.3%, lower than in 2021 by 36.3%, and lower than in 2020 by 29.4%.

Antisocial Behaviour

Antisocial behaviour and crime can have a devastating effect on individuals and communities. It describes a wide range of everyday nuisance, disorder and crime from graffiti and noisy neighbours to harassment and street drug dealing. It is sometimes dismissed as trivial, but anti-social behaviour has a huge impact on victims' quality of life and it is often the public's number one priority when it comes to local concerns.

The types of anti-social behaviour which the Council's Neighbourhood Safety Officers regularly respond to with includes:

- Vandalism, graffiti, and other deliberate damage to property or vehicles
- Teenagers hanging around on the streets,
- Rubbish or litter lying around,
- Drug use and dealing,
- Drunk or rowdy behaviour,
- Chaotic families.

Currently in FY 2023/24 there have been a total of 3149 reported incidents of ASB to Cleveland Police, this is 42% lower than the full financial year of 2022/23 following a reduction in the previous year of 22%. This decrease can also be seen in Newport with the total of 287 ASB reports currently for financial year 2023/24 being lower than FY2022/23 by 46%, with last year also being lower than the one before by 64%.



In summary: ASB levels in FY2022-23 significantly reduced resulting in the yearly average also reducing, resulting in month-on-month levels so far in FY2023-24 appearing higher, but the levels of ASB counts per month overall are still lower than in 2020-21 and look to be somewhat static.

How SLL contributes to the reduction in Anti-social Behaviour.

Under the Selective Landlord Licence there are mandatory conditions in place which aim to address anti-social behavior. These mandatory conditions require:

- the licence holder to take reasonable and practical steps to reduce or prevent anti-social behaviour by persons occupying or visiting the house and the use of premises for illegal purposes.
- a written action plan to be provided to Middlesbrough Council outlining procedures for dealing with anti-social behaviour at the time of application. This must be reviewed annually, tenants made aware of it and submitted on request;
- to provide to the local authority, upon request, the full names and dates of birth of each occupant of the property;
- co-operation with Middlesbrough Council, Cleveland Police and other agencies in resolving complaints of anti-social behaviour or criminal activity. The Licence holder and/or their nominated Managing Agent must not ignore or fail to take action against any complaints regarding their tenants. Written records of action taken, shall be maintained and made available for inspection by an authorised officer of Middlesbrough Council on request;
- the appropriate authorities (namely Middlesbrough Council and Cleveland Police) are informed, where they have reason to believe that their tenant's behaviour involves criminal activity;
- regular (at least quarterly) inspections of the property to ensure that the property is in a good state of repair and that the occupiers are not in breach of tenancy terms and conditions. Written records of inspections made, conditions noted and actions taken as a result shall be maintained and made available for inspection by an authorised officer of Middlesbrough Council;
- that each tenant is made aware that they are responsible for their own behaviour and the behaviour of other occupiers and visitors.

HOW THE PROPOSED SELECTIVE LICENSING SCHEME WILL WORK

Licence application

Within the designated area all privately rented properties will need a licence to operate. The owner of the rented property will need to make an application to the Council. The Council must be satisfied that of all the people with an interest in the property, the most appropriate person is the licence holder, this would usually be the property owner.

The licence will be valid for a maximum 5 years, although the Council has discretion to grant the licence

for a shorter period of time where there are problems with the application such as evidence of insufficient management. Failing to apply for a licence could lead to prosecution and an unlimited fine. If prosecuted, this would lead to the licence holder no longer being classed as 'fit and proper' (see below) and would mean they would need to find someone else to hold their licence and undertake the management of the property.

Fit and Proper Person test (Appendix 2)

As part of the application process, proposed licence holders and managers will be required to prove that they are "fit and proper persons" and that they have satisfactory management arrangements in place, including those for dealing with anti-social behaviour. A plan for how they will handle complaints of anti-social behaviour will need to be submitted with the application.

When deciding whether a landlord and/or managing agent is "fit and proper" the Council will look at whether they have:

- (a) They have committed any offence involving fraud or other dishonesty, or violence or drugs, or any offence listed in Schedule 3 to the Sexual Offences Act 2003 (c. 42) (offences attracting notification requirements);
- (b) Practised unlawful discrimination as defined in the Equality Act 2010 on the grounds of sex, sexual orientation, gender reassignment, age, race, religion or belief, marital status, pregnancy, maternity, or disability in, or in connection with, the carrying on of any business; or
- (c) Contravened any provision of the law relating to housing or landlord and tenant law.

To check this, all applications will require detailed information from the landlord and any relevant managers.

A criminal conviction or evidence of unlawful discrimination or breaches of housing or landlord and tenant law doesn't necessarily mean that a landlord won't pass the test. The Council will have to look at every case individually and weigh up all the circumstances when making a decision. For example, the Council will have to think about:

- What the conviction was for;
- The circumstances of the case;
- How long ago it was and whether it is spent or not;
- Whether or not it will affect the person's ability to be a good landlord;
- The risk of the same thing happening again and whether that would affect the person's duties as a Licence Holder.

Landlords will be required to complete a Disclosure and Barring Service (DBS) Basic Disclosure online via Disclosure Scotland or similar company. Landlords with multiple properties will only be required to pay this fee once, if it is the same owner and manager.

Licence conditions

The licence holder will have to satisfy a number of conditions. Breaches of these licence conditions could lead to enforcement action and a fine of £5,000.

Mandatory conditions relate to the following requirements:

- a landlord must obtain references using Middlesbrough Council's FREE referencing service from all persons wishing to occupy the property,
- landlords must produce gas certificates,
- electrical appliances must be kept safe,
- the property must have working carbon monoxide alarms in any room in the house which is used wholly or partly as living accommodation and contains a solid fuel burning combustion appliance,
- the property must have working smoke alarms and,
- each tenant must be provided with a written tenancy agreement.

The Council is proposing to include a number of discretionary conditions which relate to the management of the property, including general property management, security, management of antisocial behaviour and external refuse and waste. The proposed licence conditions are attached to this document at **Appendix 3**.

Refusal to grant a licence

If the licence application is refused, and there is no reasonable prospect of the property being licensed in the near future, the Council can apply for an Interim Management Order to take over the management of the property for up to one year or until such time as the owner is able to rectify the reasons for the licence being refused. If the owner is unable to rectify the problems then the Council can apply for a Final Management Order to take on the management for up to 5 years.

In some circumstances rather than refuse the licence, it may be possible for the owner to apply for a temporary exemption notice. This allows 3 months for the owner to take such steps as are necessary so the property no longer requires a licence e.g. the property has been sold to an owner-occupier.

Failure to apply

Failing to apply for a licence could lead to prosecution and an unlimited fine.

In addition to the fine the Council can apply for a Rent Repayment Order which allows amounts paid in connection with a tenancy or licence to be recovered for the period that the property should have been licensed.

Exemptions

There are certain properties that are exempt from applying for a licence, they are detailed at **Appendix 4**.

Property Inspection programme

The Council will inspect all private rented properties within the area of the scheme. High risk properties that are known to be problematic will be prioritised. The inspection programme will combine a housing standards inspection (Housing Health and Safety Rating Scheme) and also check for compliance with the selective licensing conditions including:

- the working order and positioning of smoke alarms,
- carbon monoxide detector,
- tenancy agreements supplied to the tenant,
- property management arrangements.

Compliance action will be taken against landlords who breach licence conditions. Action will be taken where issues of non-compliance with the HHSRS standard are identified. Landlords will not be deemed to be 'fit and proper' if housing offences are proven against them in the courts.

The inspections will be completed by a multi-agency/disciplinary team, this could include a Licensing Officer, Neighbourhood Safety Officer, an Environmental Health Officer or Regulatory Compliance Officer (when non-compliance with HHSRS standards are identified). This approach is to ensure that as well as checking compliance with the licence conditions, the tenants are helped and supported with any issues they may be facing. Issues may include substance misuse, parenting skills, unemployment; the team will make referrals to relevant agencies and follow-up any actions.

The other services offered through the tenancy relations support will be of benefit to landlords, tenants and the wider community to help to reduce the turnover of tenants. The licence holder must demand and obtain references for all prospective occupiers of the house to enable the licence holder to make an informed decision regarding occupancy of the property. All references shall be obtained by the licence holder via the **FREE** Middlesbrough Council, tenant referencing service.

The licence holder must retain all references obtained for occupiers for the duration of this licence and must provide Middlesbrough Council, upon demand and within 14 days of that demand, a copy of pre-let reference checks along with full names and dates of birth of each occupant.

Licence fees

The Housing Act 2004 gives the Council the power to charge landlords a fee for all costs it incurs carrying out its Selective Licensing functions. The Act also allows the Council to take into account costs incurred in carrying functions in relation to Interim and Final Management Orders (so far as they are not recoverable under that part of the Act).

The Council proposes to charge a basic fee of £998.00 for a licence.

The Council will split the licence fee payment into two instalments, one payment to be made upon application for a licence, with the other payment to be made upon the licence being granted.

The proposed fee structure is set out in detail at **Appendix 5**.

Income from the licence fees is ring fenced meaning that it can only be used for this project and not for any other reason. It is anticipated the scheme will require 4 x FTEs and 5 x 0.5 FTE to operate.

POTENTIAL AND PROVEN BENEFITS OF THE SELECTIVE LANDLORD LICENSING SCHEME

Introducing Selective Licensing in both Newport and North Ormesby ward has shown a number of benefits to the community, landlords, tenants and owners, both directly and indirectly, including:

- Improved management and condition of privately rented accommodation;
- Support for landlords in dealing with anti-social tenants;
- Reductions in levels of anti-social behaviour;
- Educating tenants about their responsibilities and their impact of their behaviour on the community and neighbours;
- Encouraging tenants to recognise when properties are of a sub-standard condition and what options are available to them;
- Promotion of landlord aspiration to let property to a higher standard and to act in a professional manner.
- Encouragement of landlords not to take tenants with a poor reference.
- Improvement of the image and desirability of the area.
- Improved values of property in the area.
- Encouraging a change to the tenure mix of the area. Protect investment in the area.
- Working with those landlords who are not providing good quality accommodation or managing their tenancies effectively and removing "rogue landlords" altogether.
- Reduced tenant turnover leading to sustainable communities, creating communities where tenants want to remain.
- Encourage the use of reputable managing agents when landlords are inexperienced or "absentee".
- Raising community confidence through the appropriate use of enforcement powers against landlords who are failing to comply with the provisions of the Housing Act 2004.
- Introduction of a landlords' forum.
- Free property advertising of empty properties.

The Council aims to build better working relations with landlords in the area and concentrate resources on eradicating bad practice by some landlords.

Licence conditions help to ensure that vulnerable tenants are living in accommodation where the management is capable of dealing with their needs.

It also helps the Council to better target resources in dealing with anti-social tenants and enforce against unprofessional landlords. Selective Licensing seeks to develop a more consistent level of property management services among all private landlords in the area, thus assisting prospective private tenants in making a positive, confident choice about their next home.

Reputable landlords can be assured that where Selective Licensing schemes are in place, those landlords whose business practices have not meet the required minimum standards have been encouraged and supported to improve their management standards. Landlords who are not willing to work with the Council could face being refused a licence and ultimately having a Management Order imposed against the property.

Case Studies from current and previous Schemes

Tenant Support: During a tenancy inspection visit with a landlord, it was identified that the tenant was struggling with mental health issues due to spiraling debts. Whilst at the property a debt enforcement agency arrived to reclaim goods to the value of the debt. Both the Officer and landlord negotiated on the tenant's behalf, providing evidence that the property was a furnished tenancy and that their only belongings were clothing and toiletries. The Tenancy Relations Officer arranged an appointment for the tenant to attend Citizens Advice and also made a referral to Firmer Foundations (mental health support). During the Citizens Advice appointment, the tenant disclosed significant debts; therefore a Debt Relief Order was applied for (due to severe mental health issues) and a food bank voucher was issued. The tenant has now applied for different benefits and is receiving the much-needed support they required.

Property Conditions: The SLL Team had arranged numerous inspection visits to a property but the tenant repeatedly wouldn't allow access. An evening visit was made and the tenant finally opened the door. The tenant was initially angry as they were confused as to who their managing agent was as they kept changing. The tenant agreed for officers to carry out the inspection which highlighted at least four Category 1 (most serious) Hazards in the property. These included: no boiler, no heating, no hot water, the bathroom roof had fallen in (which was propped up with pole), the kitchen was inaccessible and had no cooking facilities. Due to the condition of the property and the hazards identified, a Prohibition Order was served. The Landlord has since installed a new boiler, new kitchen (including cooking facilities), new bathroom roof, bathroom suite, new rear windows downstairs and a new back door. The landlord has also informed the tenant that he is going to supply new carpets in the property downstairs.

Landlord Support:

The Selective Licensing team have assisted landlords with difficult housing benefit claims and successfully helped landlords receive payments for housing benefits, even after they have been determined as closed. A recent claim dating back more than 8 months was paid after intervention from the team. This claim amounted to more than £3000 and prevented tensions arising between the tenant and the landlord and ultimately a possible eviction.

Testimonials from Newport 1 Scheme

Stacey Carlisle Deputy Head Teacher Newport Primary School - *"As a school we have found it very helpful to know that we can refer families to SLL. Many of our families are new to the area, or indeed new to the country, and find themselves in properties which are not fit for purpose. On occasion they are not aware that the home conditions are unacceptable and worry that raising concerns may result in them losing their homes. This can be stressful and impacts greatly upon the children and parents. Now we know that when a family comes to us for help, we can refer them to SLL who have always been hugely supportive. They make sure that the families know their rights and help them to resolve their housing issues quickly and efficiently, ensuring that safety and home conditions meet expected standards. The service families receive has always been timely and professional and we have had lots of families very grateful for their support".*

Police Testimonial (Inspector 0895 Darren Birkett Middlesbrough North NPT) – *"As Neighbourhood Inspector I am delighted with the partnership we have with the Selective Licensing Scheme colleagues. On a daily basis we share intelligence and work closely together to support individuals and communities and to tackle and disrupt those who cause harm to our communities. We regularly combine assets to*

safeguard individuals but also to enforce legislation such as house closure orders”.

Evaluation of the first Newport 1 scheme

An evaluation of the Newport 1 Selective Landlord Licensing Scheme has been undertaken using guidance from Local Government Regulation. (Appendix 1) The evaluation seeks to identify the effectiveness of Selective Licensing in:

- reducing anti-social behaviour attributable to the private rented sector;
- improving management standards in the private rented sector;
- increasing housing demand;
and, in addition, the wider benefits relating to:
- improving the environment; and
- contributing to the effectiveness of partnership working to improve the quality of life.

The evaluation has also taken account of findings from an Independent Review of the Use and Effectiveness of Selective Licensing which was carried out by Ministry of Housing, Communities and Local Government (MHCLG June 2019, Updated September 2019).

In summary, the main findings of the evaluation report are:

- House prices in the Newport ward have started to increase. In 2019 the average house price was £48,585 and as of 2022 has since increased to £66,000.
- The overall number of empty properties have reduced. In 2019 Newport ward had 418 empty properties, 246 long term empty (More than 6 months). In 2022 empty properties 298, 178 long term empties (more than 6 months).
- The number of private rented properties which have been inspected has increased and housing conditions have improved. During the scheme to date 556 properties have been inspected. Serious housing hazards were identified on 383 (category 1 & 2) properties and have been addressed to protect tenants. Smoke alarms checks have been carried out on all housing inspections to ensure they are provided in properties.
- Anti-social behaviour has been tackled through a wide range of interventions by the SLL team;
 - 5254 low Interventions. These include telephone call/e-mail, letter drop, diary sheets received, initial warning letters, motorbike warning letter, site meetings, referrals into other services for support and joint patrols.
 - 43 medium interventions. These include second warning letters, final warnings, ABC issued, ABC breached, joint interviews and tenancy breach interviews.
 - 79 high level interventions. These include Criminal Behaviour Orders, Civil Injunction, House Closures (all for high levels of persistent antisocial behaviour and a last resort after all low and medium level interventions have been exhausted).
- There has been a reduction in personal and nuisance antisocial behaviour incidents from 1023 in 2019 to 455 in 2022 (-44%)
- 111 post tenancy visits have been carried out to provide support to the tenant on a wide range of issues including substance misuse, parenting skills, unemployment;
- 501 tenants have been provided with Information Advice and Guidance on a range of issues.
- Whilst the number of environmental antisocial behaviour incidents remain high, the Council have introduced the Flying squad to deal with and take enforcement action.
- There has been a relatively low number of legal cases taken against landlords for not licensing their properties, 5 landlords applied before their cases were scheduled for court, 1 landlord accepted a caution as an alternative to prosecution, 2 landlords applied following the issue of a summons and 1 case is pending a Civil Penalty
- Support for landlords – the scheme in Newport has supported landlords in the following ways:
 - Free empty property advertising;
 - Dedicated Neighbourhood Safety Officer;
 - Dedicated tenancy relations officer;
 - Housing and tenancy support/advice;
 - Supported tenant/landlord disputes over rent arrears preventing eviction;

- Referencing;
- Post tenancy visits for red referenced tenancies.

The Evaluation Report recognises that the Selective Landlord Licensing scheme has made a major contribution to the achievements in Newport working together with key partners. It is also recognised that the strong community infrastructure in the area has played a significant role in delivering the outcomes. It should also be noted that the intensive approach to delivering services in Newport from a number of agencies and partners is considered one of the key factor in its success.

The full Evaluation Report is available upon request.

HOW SELECTIVE LICENSING WILL SUPPORT STRATEGIES FOR THE AREA

Housing plays a fundamental role in delivering sustainable communities, facilitating social and environmental improvements and promoting economic growth. The Council believes that Licensing has an important role to play and offers valuable support to existing initiatives to tackle empty homes, prevent homelessness, create sustainable, high quality neighbourhoods and reduce anti-social behaviour.

Middlesbrough Council Strategic Plan (2021-24)

The proposal for Newport clearly links to the Council strategic plan in terms of its contribution to people and place priorities, which are:

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

Place Securing improvements in Middlesbrough's housing, infrastructure and attractiveness, improving the town's reputation, creating opportunities for local people and improving our finances.

Health and well-being

Housing has an important impact on health and well-being: good quality appropriate housing in places where people want to live have a positive influence on reducing deprivation and health inequalities by facilitating stable/secure family lives. This in turn helps to improve social, environmental, personal and economic well-being. Conversely, living in housing which is in poor condition, overcrowded or unsuitable will adversely affect the health and well-being of individuals and families.

As mentioned, the Selective Licensing Team promote multi-agency case intervention strategies where problems are identified.

Private rented sector

Many properties in the sector provide decent accommodation and are well managed by landlords. Selective licensing is a vital tool in driving up standards. It reduces the negative impact on neighbourhoods of poor landlords and encourages greater awareness and a sense of responsibility in landlords and tenants alike.

The Council's Private Rented Sector Housing Team will continue to employ a wide range of tools to tackle poor property condition, inadequate tenancy management and improve conditions in the private rented sector. These tools include:

- Mandatory HMO Licensing
- Empty Property Enforcement
- Housing Health and Safety Rating System (HHSRS)

By designating the area for selective licensing the Council is fully utilising the suite of tools introduced by the Housing Act 2004 to address management standards and property conditions within the private rented

sector. As part of a coordinated approach, Selective Licensing compels landlords to maintain good standards and raise the profile of problem properties. Through the increased awareness through tenancy referencing, amongst the community and across agencies, Selective Licensing has become a valuable mechanism for identifying and dealing with bad practice amongst private landlords.

Anti-social behaviour

Selective Licensing helps to ensure that landlords meet their statutory duties regarding tenancy management and encourages and assists them to deal with issues of anti-social behaviour by taking appropriate and effective action where they receive a complaint about their tenants.

There is a range of other initiatives that are targeted at reducing crime and anti-social behaviour operating across the Newport ward and the Selective Licensing team work in close partnership with other services and agencies to maximise the impact and contribute to improved community safety.

The Selective Landlord Licensing Team promote multi-agency case intervention strategies where problems are identified, which can include actions for the Police, the Youth Offending Team, ASB, and Housing Enforcement teams. Landlords are offered support and advice to help tackle anti-social behaviour from their tenants.

Prevention of Homelessness Strategy

The private rented sector has a central role to play in offering a decent alternative to owner-occupation or social rented housing. The sector makes a significant contribution to meeting the housing needs of vulnerable people and in many cases has prevented homelessness and minimised the use of temporary accommodation.

The Council continues to work in partnership with the private rented sector and Selective Licensing strengthens this partnership by increasing the number of landlords working with the Council with well-managed, good quality accommodation.

By strengthening the partnership between landlords and the Council, Selective Licensing can continue to contribute to the prevention of homelessness through effective tenancy management that minimises ASB, tackles rent payment issues in a timely and constructive manner and offer a housing option for some of the most vulnerable households in need of a home.

The Localism Act 2011 enabled the use of suitable offers of accommodation in the private rented sector and allowed this sector to be used to discharge the main homelessness duty. Against the backdrop of high demand but a shortage of accessible, affordable social housing, the sector has increasingly become a valuable resource for offering a range of more easily accessible housing solutions for homeless households, but elements of poor management contribute to repeat homelessness. Licensing has the potential to effect long term positive change in the sector and to provide considerable benefits to homeless households.

It is anticipated that this Selective Licensing scheme will help achieve a long-term reduction in the culture of 'tenancy hopping', i.e. the practice of households who are frequently homeless due to anti-social behaviour, and who may be aided by rogue landlords to move around the sector, which prevents underlying behavioural issues from being tackled and which blights local communities.

Empty Homes Strategy.

In Middlesbrough there were 1147 homes empty for six months or more (1st October 2023.) The Council has already begun to tackle this issue and to date has, amongst other things, secured funding from the Homes and Communities Agency and adopted an Empty Homes Action Plan to bring empties back into use.

An important part of the strategy to tackle empty homes is actively targeting owners and providing them with information on the incentives available and the reasons why empty properties are a poor financial

option. In some cases encouraging owners will not be enough and the Council will need to take strong enforcement action. Selective Licensing has helped strengthen the partnership between landlords and the Council and the benefits Licensing delivers to the area contributes to tackling problem empty properties, as has been seen in Newport and North Ormesby.

Place Based Working

The locality based working approach in Newport is a strategic priority. It aims to build on the intensive targeted delivery of services working in partnership and the Selective Licensing team is an integral part of this.

Locality working involves a system change to the current operational delivery model across Council services. It seeks to achieve joined-up systems and reconfigure relationships between statutory organisations, partners and the community. It involves developing collaborative approaches to address the underlying causes of community problems and build capacity within the community in order for residents to take charge of their own future, to have a strong voice and to build social capital and connections within the community. Locality Working commenced with two pilots in Newport and North Ormesby and currently a town wide approach focusing on four Neighbourhood Action Partnership areas is being developed.

Evidence shows that having multi-agency teams working together from one location brings benefits. It reduces the need for referrals when a quick conversation with a member of the team can identify the most appropriate course of action. Through better information sharing it also provides an opportunity to identify support needs early and proactively intervene to prevent crisis.

ALTERNATIVE REMEDIES AND WHY THE COUNCIL CONSIDERS THEY ARE INSUFFICIENT

The Council has considered whether there are any other courses of action available that might provide an effective method of achieving the objectives that the designation is intended to achieve.

The following paragraphs consider other powers and projects that are available to the Council and why they could not replace the proposed Selective Licensing designation in Newport.

Accreditation

Accreditation is a mechanism for helping landlords or agents to meet agreed standards of competence, skills and knowledge about the business of owning, managing or letting a private rented home.

Accreditation is supported nationwide by a wide range of stakeholders, including the Government, landlord associations, local authorities, Shelter, the National Union of Students and the Chartered Institute of Environmental Health. It can aid the supply of good-quality, well-managed homes.

Accreditation attracts a limited number of landlords, mainly those already providing appropriate management standards and who are motivated to improve the reputation of the private rented sector. Such schemes do not have an intensive impact in any one area, nor do they tackle the worst privately rented properties, as due to the voluntary nature the worst landlords will not engage with the Council or join the scheme.

Experience shows that it is resource intensive to encourage the poorer landlord to join accreditation and when asked to make improvements due to its voluntary nature many landlords fail to comply showing that accreditation cannot tackle the worst standards of property condition and management practices.

Traditional interventions do not provide the level of engagement with landlords necessary for the desired improvements. Landlord take up of previous accreditation schemes have 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 is run by landlords. Stockton Council figures show that they had 80 members for this scheme with 539 properties and not all landlords who opposed their SLL scheme joined the accredited scheme.

Enforcement of housing standards

The Housing Act 2004 introduced the Housing Health and Safety Rating Scheme (HHSRS) which allows local authorities to inspect privately rented properties to ensure the condition of that property does not have an adverse effect on the health, safety or welfare of tenants or visitors to that property. Where necessary the Council will serve statutory enforcement notices to ensure the condition is improved.

The current service is in the main reactive - a complaint will be made and an inspection will determine whether action needs to be taken. Whilst this approach does improve property conditions it does not have a concentrated impact in one area. In addition, this power does not tackle property management standards. There is significant underreporting of poor standards in the private rented sector. Often tenants are either unclear on their rights in relation to poor housing standards or they are unwilling to complain due to fear of losing their homes or reprisals from some landlords

Through the selective licensing designation, proactive inspection of private rented sector properties against the HHSRS standards will be undertaken. The associated training, advice and support, will enable landlords to recognise what improvements need to be made to their properties, reducing the need for action under the HHSRS.

Enforcement action will be taken to improve property conditions, where necessary. Improved property conditions will assist in retaining tenants and attracting occupants to the area assisting in tackling low demand.

Management Orders

Part 4 of the Housing Act 2004 introduced the use of Management Orders. The general effect of a Management Order is that the Council takes control of the property, although legal ownership does not transfer from the landlord. There are two forms of Management Order, interim and final. Interim lasts for a period of 12 months which can then be followed by a final Management Order which lasts for a maximum of 5 years.

Once a Management Order is in place the Council takes over the management of the property. The occupiers pay their rent to the Council and any repair costs such as routine repairs or building insurance are taken from the rent before any surplus is given to the owner (landlord).

This power only deals with individual properties and is resource intensive.

This approach does not present a long term solution to address poor management of privately rented stock as the property is returned to the original owner who may not necessarily have improved their management standards in the interim.

The Council will use Management Orders in the designation area as a last resort to deal with landlords who fail to comply with selective licensing and improve their management standards.

Private Sector Leasing Scheme

A Private Sector Leasing Scheme is where the Council takes out a lease, normally 3 to 5 years in duration, from a private owner or landlord on their property. The Council then uses the property to provide affordable accommodation for homeless families.

There is no guarantee that landlords, especially the worst, will join the scheme and the Council cannot compel them to do so. As with Management Orders the scheme does not address poor management practices as the landlord does not gain experience, advice or training during the lease meaning that once handed back management standards will once again be unsatisfactory.

Targeted Housing Inspections Pilot in Central ward (THIP)

Between October 2022 and March 2023, a proactive housing inspection initiative was undertaken in a small area of Central Ward. This Targeted Housing Inspection Pilot (THIP) was developed to investigate

private rented housing conditions in the Central ward and to encourage landlord voluntary engagement.

The initiative aimed to look at the physical condition of properties and to ensure that landlords or agents were meeting their legal responsibilities, including gas safety and electrical safety and meet minimum energy efficiency performance standards. In addition to the assessment of property conditions tenants were also offered support in relation to a wide range of matters including cost of living issues, health needs and financial advice and referrals/signposting to local advice and support services.

Over 300 letters were sent to landlords and tenants informing them of the THIP, that Council Officers would be carrying out housing standards inspections of the property and for landlords to allow officers access to their properties. Landlords were asked to contact the Public Protection Service to arrange an inspection of their property.

There was a poor response to the letters. Only 140 (47%) landlords responded to the letters to arrange an inspection of their properties. Out of these 140 properties access was only gained to 42 properties for a housing inspection to be carried out.

Whilst some landlords did provide access to their property, this initiative shows the difficulty that voluntary schemes have in engaging with some landlords and also their tenants. Often tenants do not wish to provide access for fear of eviction from their home by their landlord and concern that alternative affordable accommodation would be difficult to find.

Alternative approaches – summary

In summary the alternative options to selective licensing would require some, if not all, of the finance from the Council. Selective Licensing will be self-financing, paid for by the licence applicants and not through the Council.

Problems relating to the use of the alternatives to Selective Licensing can include the following:

- They are expensive and there is the likelihood that some of the finance required would need to be collected from Council Tax. This seems unjust when many of the problems are caused by the lack of effective tenancy management. Selective Licensing will be self-financing, paid for by landlords.
- The use of Management Orders on all problematic properties would be neither appropriate nor feasible, given the number of properties. The Council must act in a proportionate manner and a heavy handed approach would undermine efforts to work with landlords to improve standards. Selective Licensing provides an opportunity to continue to forge partnerships with otherwise anonymous private landlords and provide training and support, where the use of these orders does not.
- Alternatives do not adequately tackle the private tenant's behaviour. This could result in the same "problem" tenant being left to float within an area without any real targeted tenancy enforcement and where required, supported tenancy referral. The proposed Selective Licence conditions include a requirement for the landlord to seek references when allocating the property and to deal with any complaints of anti-social behaviour from their tenants (and/or their visitors/children).
- None of these tools provides a long-term solution to the training of inexperienced landlords whose business would benefit, either because they are not fit, or because of their poor management arrangements.
- Whilst Selective Licensing is only to be used in areas where authorisation is sought and given, many private landlords have properties across the entire town and indeed across local authority borders. Therefore, improvements attained in management standards will have a trickledown effect and will benefit tenants and communities across wider areas.

There is no single solution and each alternative approach has its limitations. No single intervention, including Selective Licensing, can solve the issues identified in Newport and therefore a co-ordinated strategy is required which links a full range of agencies and services using various interventions.

CONSULTATION – OPPORTUNITIES TO ENGAGE & RESPOND

The consultation is being carried out over a 10 week period and will be widely publicised using various channels of communication.

The consultation will start on 2nd January 2024, 9am and close on 12th March 2024, 12 Noon.

Once the consultation has been completed the results will be published and made available to the local community.

The Council is required to consult with local residents, including tenants, landlords, managing agents and other members of the community who live or operate businesses or provide services within the proposed designation and those in the surrounding area which is shown on the map at **Appendix 1**.

Everyone who responds to this consultation will have their views fully considered.

A comprehensive engagement and consultation process with partners, stakeholders and customers will include:

- Private landlords
- Private tenants
- Local communities
- Tenant and resident associations
- Landlord associations
- Citizens Advice Bureau
- Registered Social Landlords
- Local community committees
- Locally elected members
- Local businesses
- Middlesbrough Police
- Other Council service areas.

Methods of consultation

Consultation will be taking place using the following methods:

- Direct mail to landlords and residents.
- Direct mail to local community groups.
- Press release to local media/press.
- Information on Middlesbrough Council's website.
- Email to all Ward Councillors.
- Email to all relevant Council service areas.

How to respond to the consultation

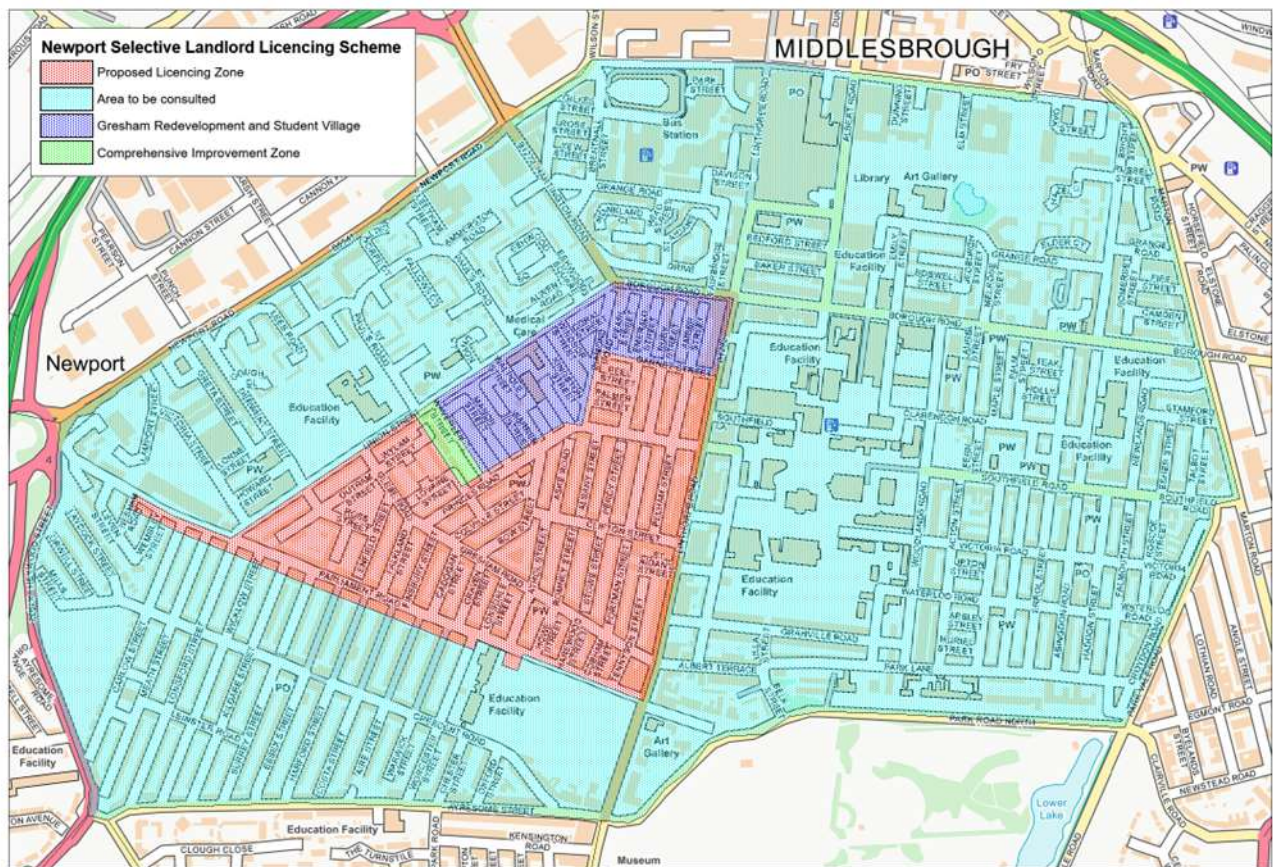
A questionnaire will be available to complete on the Council's website, a paper version of which can be downloaded from the website.

You can hand your completed questionnaire in at the reception desks at Streets Ahead on Parliament Road and Newport Hub on Union Street. Email: licensing_consultation@middlesbrough.gov.uk, Telephone: 01642 728100

If you would like any further information about the Selective Licensing proposals please contact the Selective Landlord Licensing Consultation Team on 01642 728100, or please email the team on: licensing_consultation@middlesbrough.gov.uk

Appendix 1

Map



Appendix 2

FIT AND PROPER PERSON CHECKS

Middlesbrough Council, for the purposes of deciding whether to grant or refuse an application for a licence under section 88(3) (a) or (c) of the Housing Act 2004, will (among other things) have regard to the evidence that the person is a fit and proper person to be the licence holder or (as the case may be) the manager of the house. Middlesbrough Council will evaluate and take into account any evidence of:

- (a) They have committed any offence involving fraud or other dishonesty, or violence or drugs, or any offence listed in Schedule 3 to the Sexual Offences Act 2003 (c. 42) (offences attracting notification requirements);
- (b) Practised unlawful discrimination as defined in the Equality Act 2010 on the grounds of sex, sexual orientation, gender reassignment, age, race, religion or belief, marital status, pregnancy, maternity, or disability in, or in connection with, the carrying on of any business; or
- (c) Contravened any provision of the law relating to housing or landlord and tenant law.

A criminal conviction or evidence of unlawful discrimination or breaches of housing or landlord and tenant law doesn't necessarily mean that a landlord won't pass the test. The Council will have to look at every case individually and weigh up all the circumstances when making a decision. For example, the Council will have to think about:

- What the conviction was for;
- The circumstances of the case;
- How long ago it was and whether it is spent or not;
- Whether or not it will affect the person's ability to be a good landlord;
- The risk of the same thing happening again and whether that would affect the person's duties as a Licence Holder.

In addition Middlesbrough Council will also examine evidence:

- (a) If it shows that any person associated or formerly associated with the landlord or managing agent (whether on a personal, work or other basis) has done any of the things set out in subsection (a) to (c) above, and
- (b) It appears to the council that the evidence is relevant to the question whether the landlord is a fit and proper person to be the licence holder or (as the case may be) the manager of the house.

Middlesbrough Council will consider that a person is not a fit and proper person if a banning order under section 16 of the Housing and Planning Act 2016 is in force against the person.

For the purposes of the fit and proper test Middlesbrough Council will assume, unless the contrary is shown, that the person having control of the house is a more appropriate person to be the licence holder than a person not having control of it.

Middlesbrough Council in deciding for the purposes of whether the proposed management arrangements for the house are otherwise satisfactory, will have regard (among other things) to the following considerations:

- Whether any person proposed to be involved in the management of the house has a sufficient level of competence to be so involved;
- Whether any person proposed to be involved in the management of the house (other than the manager) is a fit and proper person to be so involved; and
- Whether any proposed management structures and funding arrangements are suitable.

Appendix 3

LICENCE CONDITIONS

Mandatory Conditions Schedule 4 Housing Act 2004	
1. Gas	
If gas is supplied to the house, the Licence holder is to produce to Middlesbrough Council annually for their inspection a gas safety certificate obtained in respect of the house within the last 12 months.	
Reason: Mandatory condition required by Schedule 4 of the Housing Act 2004.	
2. Electrical Installation	
The Licence Holder is required to ensure that every electrical installation in the house is in proper working order and safe for continued use; and to supply to Middlesbrough Council, on demand, with a declaration by him as to the safety of such installations.	
Reason: Mandatory condition required by Schedule 4 of the Housing Act 2004.	
3. Electrical appliances and furniture	
The Licence holder shall keep all electrical appliances and furniture made available by them in the house in a safe condition and to supply to Middlesbrough Council on demand with a declaration by them as to the safety of such appliances and furniture.	
Reason: Mandatory condition required by Schedule 4 of the Housing Act 2004.	
4. Smoke alarms	
The Licence Holder is required to ensure that a smoke alarm is installed on each storey of the house on which there is a room used wholly or partly as living accommodation and to keep any such alarm in proper working order.	
The Licence Holder is required upon demand by Middlesbrough Council to supply a declaration as to the condition and positioning of such alarms.	
Reason: Mandatory condition required by Schedule 4 of the Housing Act 2004, The Smoke and Carbon Monoxide Alarm (England) Regulations 2015 and to comply with minimum fire safety standards LACORS.	
5. Carbon Monoxide alarms	
The Licence Holder is required to ensure that a carbon monoxide alarm is installed in any room in the house which is used wholly or partly as living accommodation and contains a fixed combustion appliance other than a gas cooker, and to keep any such alarm in proper working order.	
The licence holder is required upon demand by Middlesbrough Council to supply a declaration as to the condition and positing of such alarms.	
Reason: Mandatory condition required by Schedule 4 of the Housing Act 2004, The Smoke and Carbon Monoxide Alarm (England) Regulations 2015 and to comply with minimum fire safety standards LACORS.	
6. Terms of occupation	
The Licence holder shall supply to the occupiers of the house a written statement of the terms on which they occupy the property.	
Reason: Mandatory condition required by Schedule 4 of the Housing Act 2004	
Additional Conditions of Licence imposed by Middlesbrough Council	
The Licence holder must ensure that the premises fully comply with the conditions set out below unless notified otherwise	
7. Tenant references	
The licence holder must demand and obtain references for all prospective occupiers before they	

are offered a tenancy of the house to enable the licence holder to make an informed decision regarding occupancy of the property.

All references shall be obtained by the licence holder via the **FREE** Middlesbrough Council, tenant referencing service using the Council's approved form. A tenancy reference check will only be completed if all of the information requested has been provided and validated.

The licence holder must retain all references obtained for occupiers for the duration of this licence and must provide Middlesbrough Council, upon demand and within 14 days of that demand, a copy of pre-let reference checks along with full names and dates of birth of each occupant.

NOTE: Details of how to contact Middlesbrough Council in respect of the tenant referencing service can be found at: <https://www.middlesbrough.gov.uk/housing/landlords/selective-landlord-licensing-scheme/>

Reason: Mandatory condition required by Schedule 4 of the Housing Act 2004

8. General/Property management

The Licence holder shall ensure that:

- a) all repairs to the house or any installations, facilities or equipment within it are carried out by competent and suitably qualified person(s), for example Gas Safe registered operatives for gas appliances and an electrical contractor who is a member of an approved scheme, such as NICEIC, BSI, NAPIT, ELECSA or BRE.
- b) all occupants of the house receive written confirmation detailing arrangements in place to deal with repairs and emergencies.
- c) if the property is provided with electrical appliances, copies of user manuals will be supplied to the tenant.
- d) all occupiers are made aware of the licence and its conditions.

Reason: To safeguard the health, safety and well-being of occupants.

9. Security

The Licence holder shall ensure that:

- a) where alley gates are installed to the rear of the licensed property, tenants are made aware of how to obtain a key.

Reason: To safeguard the health, safety and well-being of occupants.

10. External areas, refuse and waste

The Licence holder shall ensure that:

- a) the tenants are instructed in their responsibilities in respect of refuse storage and disposal, to include details of what day refuse collections take place and what type of receptacle to use for household waste and recycling;

Reason: To ensure that the domestic hygiene and condition of the licensed property is maintained.

11. Training

The Licence holder and/or Manager shall undertake property management training courses or information days, where required to do so by Middlesbrough Council.

Reason: To enable the Council to provide licence holders with the knowledge and expertise to improve the management of their properties.

12. Management / Anti-social behaviour

The Licence holder shall take reasonable and practical steps to reduce or prevent anti-social behaviour by persons occupying or visiting the house and the use of premises for illegal purposes. The Licence holder shall:

- a) provide a written action plan to Middlesbrough Council outlining procedures for dealing with anti-social behaviour at the time of application. This must be reviewed annually, tenants made aware of it and submitted on request;
- b) provide the local authority, upon request, the full names and dates of birth of each occupant of the property;
- c) cooperate with Middlesbrough Council, Cleveland Police and other agencies in resolving complaints of anti-social behaviour or criminal activity. The Licence holder and/or their

nominated Managing Agent must not ignore or fail to take action against any complaints regarding their tenants. Written records of action taken, shall be maintained and made available for inspection by an authorised officer of Middlesbrough Council on request;

- d) ensure that the appropriate authorities (namely Middlesbrough Council and Cleveland Police) are informed, where they have reason to believe that their tenant's behaviour involves criminal activity;
- e) make regular (at least quarterly) inspections of the property to ensure that the property is in a good state of repair and that the occupiers are not in breach of tenancy terms and conditions. Written records of inspections made, conditions noted and actions taken as a result shall be maintained and made available for inspection by an authorised officer of Middlesbrough Council;
- f) ensure that each tenant is made aware that they are responsible for their own behaviour and the behaviour of other occupiers and visitors.
- g) the name and contact details of the Licence holder and/or manager must be supplied to each occupier and must also be on display in a prominent place.
- h) produce on request liability insurance.

Reason: To safeguard the well-being of occupants, persons visiting the premises and persons in the immediate locality.

13. Notification / consultation of changes

The Licence holder and Managing Agent shall consult with Middlesbrough Council before making any material changes to the layout, amenity provision, fire precautions or occupation of the house. They must also inform Middlesbrough Council of:

- a) when you sell the property in order that your licence can be revoked.
- b) details of any convictions not previously disclosed to the local authority that may be relevant to the Licence holder and/or the property manager and their fit and proper person status and in particular any such conviction in respect of any offence involving fraud or dishonesty, or violence or drugs or any offence listed in Schedule 3 to the Sexual Offences Act 2003;
- c) details of any finding by a court or tribunal, not previously disclosed, against the Licence holder and /or the manager that he/she has on the grounds of sex, sexual orientation, gender reassignment, age, race, religion or belief, marital status, pregnancy, maternity, or disability in, or in connection with, the carrying on of any business;
- d) details of any contravention, not previously disclosed, on the part of the Licence holder or manager of any provision of any enactment relating to housing, public health, environmental health or landlord and tenant law which led to civil or criminal proceedings resulting in a judgment or finding being made against him/her;
- e) information about any property, not previously disclosed, the Licence holder or manager owns or manages or has owned or managed for which a local housing authority has refused to grant a licence under Part 2 or 3 of the Act, or has revoked a licence in consequence of the Licence holder breaching the conditions of his/her licence;
- f) information about any property, not previously disclosed, the Licence holder or manager owns or manages or has owned or managed that has been the subject of an Interim or Final Management Order under the Housing Act 2004;
- g) notification of repossession/foreclosure;
- h) successful claims against the Licence holder for default of tenancy deposits;
- i) change in managing agent or the instruction of a managing agent;
- j) the undertaking of substantial works to the property, including conversions and modernisations or emergency problems relating to fire, flood or disaster and the tenants are made temporarily homeless.

Reason: To safeguard the health, safety and well-being of occupants in the event of changes during the period of the Licence and to enable the Council to decide whether the licence holder continues to be fit and proper to hold a Selective Landlord Licence.

14. Absence

The Licence holder shall have in place suitable emergency and other management arrangements in the event of their absence.

Reason: to safeguard the health, safety and well-being of occupants in the event of temporary absence of persons in control.

15. Compliance inspections

The Licence holder shall allow Middlesbrough Council to undertake Licence compliance checks. Council officers will give the Licence holder at least 24 hours' notice of these checks and produce valid authorisation at the time of the visit.

Reason: To ensure that the property complies with the Housing Act 2004 and Licence conditions.

APPENDIX 4

EXEMPTIONS

Properties that are exempt from requiring a licence are those that are:

1. Subject to a Prohibition Order, under Section 20 of the Housing Act 2004, that has not been suspended.
2. Business premises.
3. Houses in Multiple Occupation (HMO) that require a statutory HMO licence.
4. Tenancies for agricultural land/holdings.
5. Controlled by a local housing authority, Police authority, Fire and Rescue authority or a Health Service body.
6. Occupied solely by students undertaking a full-time course of further or higher education, and where the person managing or in control of it is the educational establishment.
7. Tenancies granted for more than 21 years and the agreement does not allow the landlord to end the tenancy earlier than the term of the lease (the property must be occupied by the original person who was granted the tenancy or members of their family).
8. The tenant is a member of the landlord's family. (The house must be the occupier's main residence. The person granting the occupancy must be the freeholder or leaseholder, which is for a period of more than 21 years. This lease must not contain a provision allowing the landlord to end the tenancy earlier than the term of the lease);
9. Tenancies or licenses granted for the occupancy of a holiday home.
10. Accommodation that the occupier shares with the landlord or licensor or a member of the landlord or licensor's family.

APPENDIX 5

FEE STRUCTURE

Fee and charging structure for the implementation of Selective Landlord Licensing in Newport ward (Newport 1).

Part 3 of the Housing Act 2004 enables the Council to require the application for a Licence to be accompanied by a fee fixed by the Council.

The Council is not permitted to make a profit from the introduction of a Selective Landlord Licensing scheme and any surplus must be ring-fenced to the scheme. The fees should, however, take account of all costs incurred in carrying out all duties under this part of the Act.

Licence Fees

To meet the costs involved in running the Selective Landlord Licensing Scheme it is proposed to charge fees of:

- £998 per Single Occupancy Household Unit

This fee has been calculated based on the cost to run the various elements of work needed to administer and enforce the scheme; the number of officers required to fulfil these tasks and the officer time needed to complete them were identified and then costed.

Where a licence is refused or revoked, the applicant or licence holder will not be entitled to any refund of fees and will be required to pay any outstanding charges linked to the application.

Applications resulting from a change in ownership of a licensed property will be charged the full standard fee.

Owners should give careful consideration to the person designated as Licence holder as licences run for a maximum of 5 years and are non-transferable. If the licence holder changes for any reason, the full licence fee is payable by the first licence holder and the new licence holder will also need to pay the full standard fee. The new licence holder will not incur a penalty charge as long as the application form, fees and documentation are received within three months of the change of ownership/manager.

Applications for licences in the last twelve months of the designation will be eligible for a reduced fee of 50% of the second payment, where properties have not been licensable prior to the 12 month deadline.

The Council will look to recoup its additional costs where landlords fail to come forward during the licensing timescales or provide incomplete applications which requires additional work from the team.

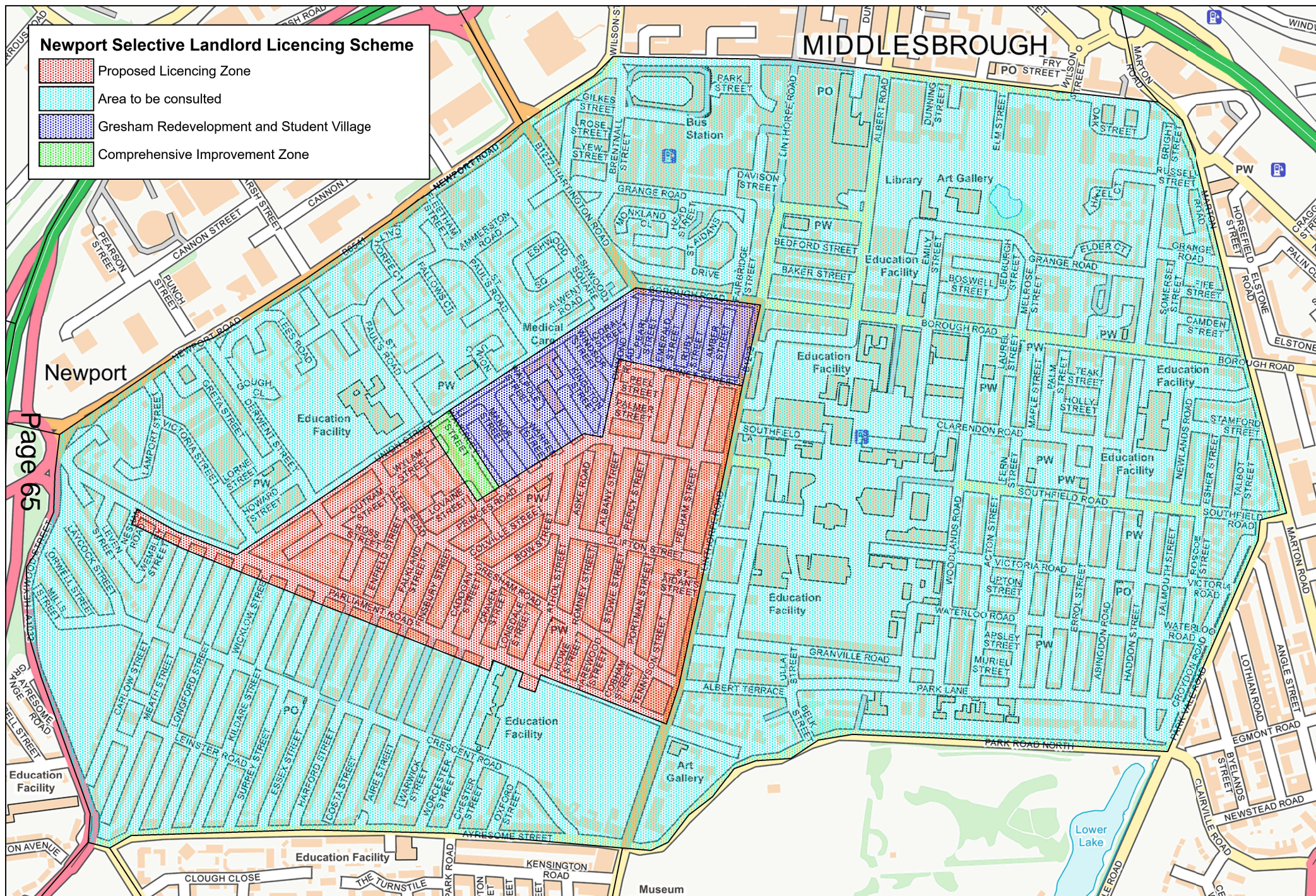
Method of Payment

This fee is divided into two payments the second only becoming payable when it is decided the landlord is fit and proper to be issued with the licence. The first £499, will be used to administer the application and fit and proper process. The second £499 will be used for the ongoing administration and the enforcement of the legislation associated with the scheme.

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Newport Selective Landlord Licencing Scheme

- Proposed Licencing Zone
- Area to be consulted
- Gresham Redevelopment and Student Village
- Comprehensive Improvement Zone



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PROPOSAL TO DESIGNATE A PART OF NEWPORT WARD FOR SELECTIVE LANDLORD LICENSING

CONSULTATION RESPONSE FORM

The Selective landlord licensing schemes have been running in North Ormesby and part of Newport ward since 2016, and have led to considerable improvements within these areas. To build on these improvements, we would like to seek your views on the proposed designation for Newport ward.

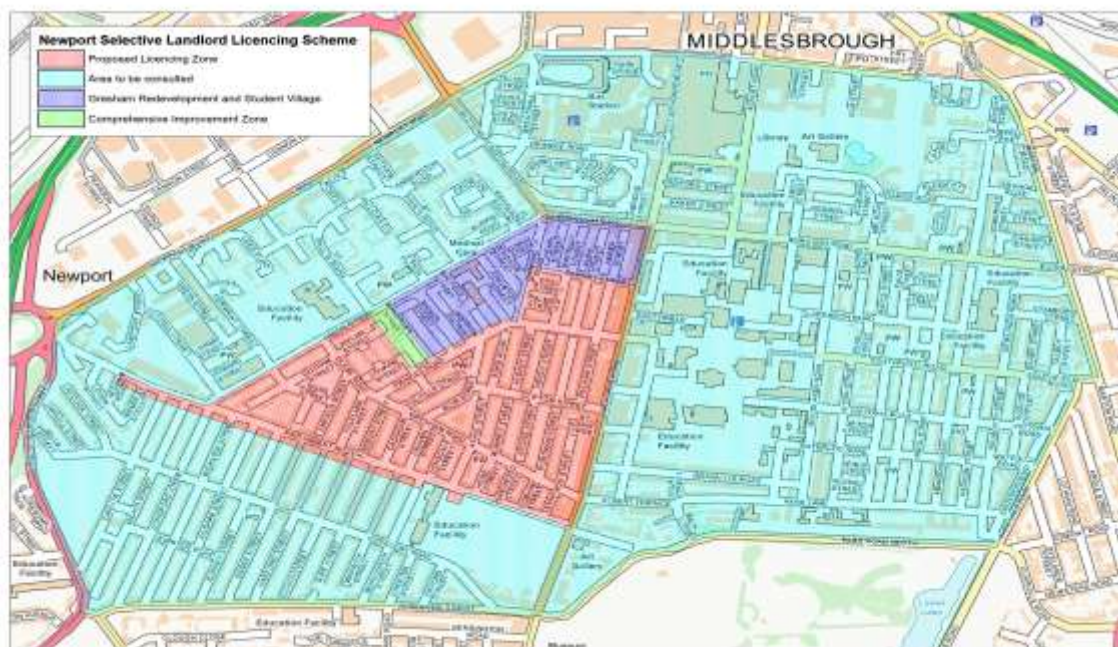
We are running a consultation to find out what residents, landlords, community groups, Councillors, and local businesses think about this.

The consultation will start on Tuesday 2nd January 2024, 9am and close Tuesday 12th March 2024, 12 noon.

Please see the below map showing the proposed designated area.

MAP OF DESIGNATED AREA

To see specific street names please view the map at: www.middlesbrough.gov.uk/SLLconsultation



Please note that the Council will report on the outcome of the consultation, however, your personal details will not be published.

Section 1

Name:

Company name (if applicable):

Address:

Email address:

S1:Q1 - Are you aware of the current Selective Licensing schemes in North Ormesby and/or Newport? Yes No

S1:Q2 - Have you applied for a licence under the current schemes? Yes No

S1:Q3 - How much do you know about Selective Licensing schemes and the services provided in Selective Licensing areas?

Nothing at all

Not much

Neutral

Some

A lot

S1:Q4 - Have you received any help and support from the Selective Licensing Team about the following?

Anti-social behaviour Yes No

Tenancy support Yes No

Housing disrepair Yes No

Tenancy referencing Yes No

Advertising vacant properties Yes No

Advice on legal issues Yes No

(i.e. serving notice for eviction)

S1:Q5a - Have you seen any improvements in areas that have current Selective Licensing schemes in North Ormesby and/or Newport ?

Yes No Don't know

S1:Q5b - Please provide details for your answer:

S1:Q6 - Are you a:

Please select one:

Private Landlord in the proposed licensing zone

Managing/Letting Agent in the proposed licensing zone

Business owner in the proposed licensing zone

Private Tenant in the proposed licensing zone

Owner occupier in the proposed licensing zone

Social Landlord in the proposed licensing zone

Social rented tenant in the proposed licensing zone

Other interested party: (e.g. any of the above in other areas of Middlesbrough, or

voluntary/statutory sector organisations)
Other

This consultation is in sections, please go the relevant section for you:

Section 2: Questions for tenants/residents of the proposed licensing zone

Section 3: Questions for Landlords of the proposed licensing zone

Section 4: Questions for business in the proposed licensing zone

Section 5: Questions for other interested parties e.g. tenants, residents, landlords & businesses in the consultation area surrounding the proposed licensing zone

Section 6: Questions about the proposal (apply to everyone)

(If you are not a tenant/resident in the proposed licensing zone please skip to next section).

These questions seek your views on proposed licensing zone.

Section 2: Questions for tenants/residents of the proposed licensing zone in Newport

S2:Q1 - How long have you lived in the proposed licensing zone?

Less than a year 1 to 5 years More than 5 years

S2:Q2 - What type of property do you live in?

Terraced house

Semi-detached house

Detached house

Bungalow

Maisonette

Flat

Other

S2:Q3 - How long do you intend to remain living in the proposed licensing zone?

Less than a year 1 to 5 years More than 5 years

S2:Q4 - Thinking about properties in your area owned by private landlords, how well do you think they maintain the properties to a good standard?

Not well at all Not well Neutral Well Very well

S2:Q5 - Overall, Do you think landlords act responsibly in letting, managing and maintaining their properties?

Yes No Don't know

S2:Q5b - Please provide details for your answer

S2:Q6 - Do you think that private landlords take appropriate action against tenants who cause a nuisance or anti-social behaviour?

Yes No Don't know

S2:Q6b - Please provide details for your answer

S2:Q7 - Please tell us if you think the following are issues in proposed licensing zone.

The number of private rented properties in the area	Yes	No	Don't know
Long-term empty properties	Yes	No	Don't know
Low house prices	Yes	No	Don't know
Households not staying for long,	Yes	No	Don't know
Tenants coming and going	Yes	No	Don't know
Properties in substandard condition	Yes	No	Don't know
Anti-social behaviour	Yes	No	Don't know

Please go to Section 6

Section 3: Questions for Landlords of the proposed licensing zone

(If you are not a landlord in the proposed licensing zone please skip to next section).

These questions seek your views on proposed licensing zone.

S3:Q1 - How many properties do you own or manage in the proposed licensing zone?

1 2 3 4 5 More than 5

S3:Q2 - Thinking about private rented properties in the proposed licensing zone, how well do you think other landlords maintain their properties to a good standard?

Not well at all Not well Neutral Well Very well

S3:Q3 - Overall do you think other landlords in the proposed licensing zone act responsibly in letting, managing and maintaining their properties?

Yes No Don't know

S3:Q3b - Please provide details for your answer

S3:Q4 - Do you think that private landlords take appropriate action against tenants who cause a nuisance or anti-social behaviour?

Yes No Don't know

S3:Q4b - Please provide details for your answer

S3:Q5 - Please tell us if you think the following are issues in the proposed licensing zone.

The number of properties in the private rented sector	Yes	No	Don't know
The occupancy of properties in the private rented sector	Yes	No	Don't know
Long-term empty properties	Yes	No	Don't know
Low house prices	Yes	No	Don't know
Households not staying for long	Yes	No	Don't know
Tenants coming and going	Yes	No	Don't know
Properties in substandard condition	Yes	No	Don't know
Anti-social behaviour	Yes	No	Don't know

S3:Q6 - Payment of the fee by instalments has been requested by some landlords in previous schemes. It is proposed that Instalment arrangements could only be applied to the second part of the fee and terms would be applied. To cover the cost of administering this, the Selective Licensing Team is proposing a fee of £100.

To what extent do you agree or disagree with this proposal?

Strongly disagree Disagree Neutral Agree Strongly agree

Please go to Section 6

S3:Q7 – Middlesbrough Council seeks to support landlords to comply with their responsibilities in regard to the impact their properties can have on the local environment. We welcome suggestions on the type of support the Council could consider to help landlords with waste disposal and/or other measures to protect the environment. Please provide your comments below:

Section 4: Questions for businesses in the proposed licensing zone

(If you are not a business in the proposed licensing zone please skip to next section).

These questions seek your views on the proposed licensing zone.

S4:Q1 - What type of business are you? e.g. food outlet or newsagent.

S4:Q2 - Do you own or rent your business premises?

Own Rent Lease

S4:Q3 - Have you experienced anti-social behaviour from tenants of privately rented properties in the proposed licensing zone ?

Yes No Don't know

S4:Q4 - Thinking about properties in your area owned by private landlords, how well do you think they maintain their properties to a good standard?

Not well at all Not well Neutral Well Very well

S4:Q6 - Do you think that landlords take appropriate action against tenants who cause nuisance or anti-social behaviour?

Yes No Don't know

S4:Q6b - Please provide details for your answer.

S4:Q7 - Please tell us if you think the following are issues in the proposed licensing zone.

The number of properties in the private rented sector	Yes	No	Don't know
Long-term empty properties	Yes	No	Don't know
Low house prices	Yes	No	Don't know
Households not staying for long	Yes	No	Don't know
Tenants coming and going	Yes	No	Don't know
Properties in substandard condition	Yes	No	Don't know
Anti-social behaviour	Yes	No	Don't know

Please go to Section 6

Section 5: Questions for other interested parties e.g. tenants, residents, landlords & businesses in the consultation area surrounding the proposed licensing zone

These questions seek your views on the proposed licensing zone.

S5:Q1 - Thinking about private rented properties in the proposed licensing zone, how well do you think other landlords maintain their properties to a good standard?

Not well at all Not well Neutral Well Very well

S5:Q2 - Overall, do you think that landlords in the proposed licensing zone act responsibly in letting, managing and maintaining their properties?

Yes No Don't know

S5:Q2b - Please provide details for your answer.

S5:Q3 - Do you think that private landlords take appropriate action against tenants who cause a nuisance or anti-social behaviour?

Yes No Don't know

S5:Q3b - Please provide details for your answer.

S5:Q4 - Please tell us if you think the following are issues in the proposed licensing zone.

The private rented sector	Yes	No	Don't know
Long-term empty properties	Yes	No	Don't know
Low house prices	Yes	No	Don't know
Households not staying for long,	Yes	No	Don't know
tenants coming and going Properties in substandard condition	Yes	No	Don't know
Anti-social behaviour	Yes	No	Don't know

Section 6: Questions about the proposal (apply to everyone)

These questions seek your views on the proposal to designate the proposed licensing zone as an area for Selective Landlord Licensing.

Having read the proposal for the proposed licensing zone:

S6:Q1 - To what extent do you agree or disagree that the Selective Landlord Licensing of landlords would help to tackle some of the issues in the proposed licensing zone?

Strongly disagree Disagree Neutral Agree Strongly agree

S6:Q3 - To what extent do you agree or disagree with the proposed Licence conditions that landlords will need to meet?

Strongly disagree Disagree Neutral Agree Strongly agree

S6:Q4 – Properties in current Selective Licensing areas are inspected to check they are safe and meet housing standards. To what extent do you agree or disagree with the properties being inspected to check compliance with housing standards and Licence conditions?

Strongly disagree Disagree Neutral Agree Strongly agree

S6:Q5 - To what extent do you agree or disagree with the Tenancy Relations support that will compliment licensing and help provide help/assistance to tenants where they need it?

Strongly disagree Disagree Neutral Agree Strongly agree

S6:Q6b - Please provide details for your answer.

S6:Q7 - If you have any further comments regarding the proposal to introduce Selective Landlord Licensing in proposed licensing zone, please make them below:

S6:Q6 – Landlords / agents are required to make an application within a particular period. Sending reminder letters and making contact with landlords / agents outside of this period incurs additional costs. Do you think that applicants should be charged an additional fee for late applications?

Yes No Don't know

Gender

Are you male or female?

Male

Female

Prefer not to say

Is your gender the same now as it was when it was assigned at birth?

Yes

No

Prefer not to say

Age

Please indicate which of these age bands you fit into?

16 – 24 25 – 34 35 – 44 45 – 54

55 – 59 60 – 64 65 – 74 74+

Prefer not to say

Disability

Do you consider yourself to be a person with a disability?

(Under the Equality Act 2010 a person is disabled if they have a physical or mental impairment which has a substantial and long term adverse effect on their ability to carry out normal day to day activities)

Yes

No

Prefer not to say

Equality Monitoring

We want to make sure that all our services are delivered fairly. We are therefore asking you the following questions so that we can make sure that services meet everyone's needs where reasonable and practicable.

You do not have to answer these questions but by answering these questions you will help us to ensure that

our services are fair and accessible to all.

The information you provide will be kept confidential.

We will use your answers to pull together statistical information that the Council will use to check the fairness of our services. Results of this anonymised monitoring information will be shared within the Council, however individuals will never be identified.

Ethnicity

To which of these groups do you consider you belong?

British Irish

Gypsy or Irish Traveller Any other White background

Caribbean African

Any other Black background Indian

Pakistani Bangladeshi

Chinese Any other Asian background

White and Black Caribbean White and Black African

White and Asian Any other Mixed background

Arab Any other background

Prefer not to say

If you have selected an "Any other" ethnic group, please provide details below:

Religion or Belief

What is your religion or belief?

Christianity Islam

Sikhism Hinduism

Humanism Judaism

Buddhism Non-religious belief

No religion Prefer not to say

Other (*please state*)

Sexual Orientation

What is your sexual orientation/sexuality?

Heterosexual or straight Gay/Lesbian

Bisexual Prefer not to say

If you want to know more about the information the Authority holds about you, or the way the Authority uses that information please contact the: Data Protection Officer, PO Box 503, Town Hall, Middlesbrough, TS1 9FX.

Middlesbrough Council is the Data Controller for the purposes of the Data Protection Act.

Thank you for taking the time to complete this survey, your views are important to us.

You can find out more about this consultation or complete the survey online via:

www.middlesbrough.gov.uk/SLLconsultation

Please note that the consultation period closes on **Tuesday 12th March 2024, 12 Noon** and any responses received after this date will not be taken into consideration.

If you have any queries please email licensing_consultation@middlesbrough.gov.uk or call 01642 728100.

Details of Middlesbrough Council's Consultation Privacy Notice is available online via

www.middlesbrough.gov.uk/consultationsprivacy

Details of Middlesbrough Council's Equality Monitoring Privacy Notice is available online via

www.middlesbrough.gov.uk/equalityprivacy

Requests for information should be made via the relevant channels and not via this survey, as these are for comments only. Further guidance is available online via

www.middlesbrough.gov.uk/foi

If you want to know more about the information the Authority holds about you, or the way the Authority uses that information please contact the:

Data Protection Officer, PO Box 503, Town Hall, Middlesbrough, TS1 9FX.

Middlesbrough Council is the Data Controller for the purposes of the Data Protection Act.

APPENDIX D.

E-mail and Telephone Objections, Questions and Responses to Newport SLL Consultation

Please note: The SLL e-mail inbox had the following automated response: Thank you for taking the time to respond to the Selective Landlord Licensing consultation. Please note at this time we will not be responding to individual e-mails.

The consultation is for a 10 week period starting on 2nd January 2024, 9am and ending on 12th March 2024, 12 noon.

You can get more information about the scheme, including the full proposal, on the Council's website www.middlesbrough.gov.uk/SLLconsultation

The Council will make a final decision on Selective Landlord Licensing after it has fully considered the responses to the consultation.

<u>Ref No /Type of response</u>	<u>Summary of Response</u>	<u>Response from the Selective Licensing Team</u>
1/response from Resident	To whom it may concern, I have lived in the area all my life. The licence fee should go ahead due to the amount of badly rented homes. Many times I've reported pest issues and the council have not responded as they don't deal with it anymore. Landlords are not getting the pest issues sorted as it their responsibility! Landlords with cash aren't using proper channels to get the rent ie..you can see the tenant paying cash on the doorstep. Houses are in a poor state. HMO make it impossible for people like me to get parked outside my own house. Landlords who Have multiple properties should be made to pay the fee and the proposed areas should also be licensed. Too many properties bought by cash should be investigated and why a particular landlord has been able to buy so many.	Comments noted

	<p>More tighter restrictions and more fees should be put on the Landlords.. they've earned cash and not looked after the houses. It's created an area of filth and antisocial behaviour/crime is off the scale. They should pay the price for making it like that. Good residents don't feel safe because of the homes and tenants in their properties. Whilst these so called Landlords fill their pockets and behave like its not their problem and they call it their "business"... when really they're making this area more of a mess. The licence fee should be thousands not hundreds!! Kindest Regards</p>	
2/response from Landlord	<p>Dear Sir/ Madam, I rent out a property in the Newport ward and have been part of the selective licensing scheme for the last four/five years. In that time I have had to spend approximately £750 for the pleasure- there was no choice or investigation into how I rented and looked after my property and tenants. As such, I feel that it is, in many respects, a flawed scheme, as it is targeting both irresponsible and responsible landlords with no differentiation between the two. My property is fully managed a manging agent and meet all the expected requirements laid out by your scheme. As a result, I feel that being made to have a selective licence is of no benefit to me or indeed my tenants and this has been borne out over the last few years having little to no contact with the SL team. In addition, I pay over £1000 per year to</p>	Comments noted

	have my property professionally managed so feel particularly aggrieved to have to pay extra, to ensure something that i already have in place.	
3/response from Councillor	It needs to be rolled out in more than just Newport.	Comments noted
4/response from Councillor	"Good afternoon, I'm in favour of the roll out however, I do feel that Central wards University area is well overdue.	Comments noted
5/response from Unknown	It is quite incredible that MBC pats itself on the back when talking about the Selective Landlord Licensing scheme, and the alleged impact that it has had on Newport and North Ormesby. When was the last time one of your team visited Percy Street to see what impact the scheme has had? It has had zero impact and the street and surrounding streets are as worse as they have ever been. That is the reason why images from the street were published in a national newspaper highlighting just how bad things have become. Whatever you are using the licence fee for, it is not on improving the lives of residents living in these streets.	The team carry out regular walkabouts in the area of Newport along with other Middlesbrough Council departments including Environmental teams.
6/response from Councillor	In my experience there is little buy to let in my ward so I'm happy to go to the back of the queue.	Comments noted
7/response from Councillor	this should be rolled out throughout the whole of Middlesbrough, my ward Pallister/Berwick hills does have lots of private landlords whose tenant's cause issues , there is also a fair few landlord's who do not care what living conditions	Comments noted

	the tenants are living in .so this just doesn't affect Newport and North Ormesby it all so effects a wider scale .	
8/response from Landlord	<p>Hello, I have read with interest your plans to extend the selective licensing scheme in the Newport ward. It says there is a questionnaire on the council website but I cannot find this. Do you have a link? First of all, as a landlord, I whole heartedly support the scheme and, although I think it is funded by already credible and law abiding landlords I thinks its benefits to improving the area are worthwhile. However, one issue: I paid for my license 1.5 years ago on a property I purchased in July 2022 . The license expires in June 2024 as this is when the scheme was due to expire. I find it very unfair that I should be asked to pay another £1000 when my last payment only lasted for such a short time. I urge the consolation committee to consider whether this will be taken into consideration. Many thanks and best wishes.</p>	<p>Comments noted, and e-mailed the link to the online questionnaire:</p> <p>Good morning, Please see below link to the Newport Consultation website page, you will find a link to complete the online questionnaire.</p> <p>https://www.middlesbrough.gov.uk/housing/landlords/selective-landlord-licensing-scheme/newport-consultation/</p> <p>Applications for licences in the last twelve months of the designation will be eligible for a reduced fee of 50% of the second payment, where properties have not been licensable prior to the 12 month deadline.</p>
9/response from Landlord	"I agree with the principle of the scheme but not with the method of finance. We purchased a property that had already paid for a license and had to apply and pay again, now we will have to pay again for the same property again within 2 years. Could the license not be issued for the property and be transferable between landlords on sale, or be refunded if the property is sold before the end of the scheme. "	<p>Unfortunately it is stipulated in the Housing Act 2004, Part 3, 91 (6)A licence may not be transferred to another person.</p> <p>Applications for licences in the last twelve months of the designation will be eligible for a reduced fee of 50% of the second payment, where properties have not been licensable prior to the 12 month deadline.</p>
10/response from Landlord	What is selective landlord licensing?	Comments noted

	<p>The Housing Act 2004 gives councils the power to introduce selective landlord licensing (SLL) for privately rented properties in areas experiencing low housing demand or significant and persistent anti-social behaviour.</p> <p>Newport is an area of low housing demand with high and persistent levels of antisocial behaviour.</p> <p>Selective landlord licensing aims to improve standards of property management in the private rented sector. We can designate an area for SLL if we believes it will, when combined with other work, lead to improved social and economic conditions in the area.</p> <p>Or in other words:</p> <p>A gateway to allow Local Authorities to throw a pebble in the in the pothole of the budget deficit from the lack of funding from central government.</p> <p>Meanwhile persecuting Landlords (whom clearly deserve it as they are all bad apples with millions of pounds) with yet another, time and financial burden.</p> <p>The results of which will be a lack of engagement with the PRS, spiralling rents, evicted tenants and absolutely no 'improved social and economic conditions'.</p> <p>The inevitable results will obviously be no fault of the Gov.uk or the LA, it will be, no doubt, down</p>	
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	<p>to those greedy grabbing landlords again, those that are left in the PRS, that is.</p> <p>We're running a 10-week consultation to get people's views on our plan to extend the selective landlord licensing scheme in part of Newport. The consultation will start on 2 January 2024 at 9am. It will close on 12 March 2024 at 12pm. Once the consultation has ended, the results will be published on this website.</p> <p>Call me a physic, I'm hearing voices from the spirit world that are shouting, screaming and wailing... "It will be introduced as proposed; the consultation process is dead and lives amongst us".</p>	
11/response from Owner Occupier	<p>Hi Team</p> <p>I know that I have already given feedback As a home owner I am absolutely in favour of this . Landlords who are not present do not or are not interested in who or what goes on in their properties.</p> <p>We are plagued by revolving tenants, which comes with its own issues Excessive amounts of house hold rubbish items being put in the alley when tenants move out , move in . All people are entitled to live in a property but it feels sometimes they get evicted from one property only for the problem to be moved to another area. I agree with the reasons why there is the need for the selective licensing. Middlesbrough/</p>	Comments noted

	Newport council really do need to think about the people who have to constantly put up with these challenges.	
12/response from Landlord	<p>Dear Sir or Madam</p> <p>Subject: NEWPORT 1</p> <p>As a landlord in Teesside I object to the redesignation proposal.</p> <p>The analysis you have provided is not specific to Newport 1.</p> <p>You are using old and irrelevant statistics used to licence Newport 2.</p> <p>Newport 1 has improved greatly since 2019 with lower ASB and higher housing demand.</p> <p>The basis of your proposed redesignation is completely flawed.</p> <p>You should move to Hemlington or a different area of Middlebrough that NEEDS licensing; your work is done in Newport 1 and not required anymore.</p>	<p>The proposal document explains why the Council believes Selective Licensing is still needed in Newport, how it will operate alongside and complement other measures, the improvements it will bring about and why alternative remedies are insufficient. This proposal presents information on a full Newport ward basis, where we have been able to present granular data for the smaller Newport 1 area we have used it.</p> <p>The report looks at a summary of findings from an evaluation of the current Newport 1 scheme.</p>
13/response from Landlord	<p>Dear Sir/Madam</p> <p>I object to the consultation.</p> <p>I have seen no benefit to licensing and all it has done has cost me money.</p>	Evaluation of Newport 1 scheme and it's achievements was included in the consultation documents.

	<p>I cannot believe you want to charge £1000 a licence now.</p> <p>I find the way in which you have combined data for the whole ward absurd and clearly wrong. Newport 1 is much better than Newport 2 which was licensed last year. You had Newport 1 for 4 years before Newport 2. You do not need Newport 1 to keep working on Newport 2. They are separate schemes and originally you only justified licensing for Newport 1 demonstrating this. You now want to combine the two and suggested when arguing for Newport 2 that if it didn't come in it could undermine Newport 1 - this is all wrong.</p> <p>The fact is you just want money off landlords given the position of the Council and intend licensing to continue indefinitely.</p> <p>We pay Council Tax already and that should cover these services.</p> <p>I doubt you will do it in Hemlington, where help is needed, because most houses are owner/occupied or social.</p> <p>We have all now had enough of it.</p>	<p>The Council is not permitted to make a profit from the introduction of a Selective Landlord Licensing scheme and any surplus must be ring-fenced to the scheme. The fees should, however, take account of all costs incurred in carrying out all duties under this part of the Act.</p> <p>This fee has been calculated based on the cost to run the various elements of work needed to administer and enforce the scheme; the number of officers required to fulfil these tasks and the officer time needed to complete them were identified and then costed.</p>
14/response from landlord	<p>Dear Licensing Officers</p> <p>Newport Consultation</p>	<p>Any properties that meet the exemptions as specified in The Selective Licensing of Houses (Specified Exemptions) (England) Order 2006 would not require to be licensed.</p>

	<p>I object to the consultation.</p> <p>The suggestion that landlords should pay £1000 fee is ridiculous.</p> <p>If you do bring it in, again, landlord will grant 21 year leases to avoid signing up, or let people sign up as lodgers to avoid the charge.</p> <p>Licensing is nothing more than income generation for a council strapped for cash.</p> <p>If you bring this in, then landlords will have to apply for exceptional financial support as well.</p>	
15/response from Tenant	<p>Dear Sirs</p> <p>I object to the new proposed scheme.</p> <p>You have already done the scheme for 5 years so why do you need it again?</p> <p>If it has been effective then why do it again? If it hasn;t been then why try more?</p> <p>I am a pensioner and these schemes increase the rent for tenants as the landlords pass them on.</p> <p>This amounts to collective punishment as good people have to pay when they are doing nothing wrong.</p>	<p>The reasons for the designation are detailed in the proposal document.</p> <p>The proposal document explains why the Council believes Selective Licensing is still needed in Newport, how it will operate alongside and complement other measures, the improvements it will bring about and why alternative remedies are insufficient. This proposal presents information on a full Newport ward basis, where we have been able to present granular data for the smaller Newport 1 area we have used it.</p>

	<p>I have seen no benefits at all as a resident in Wylam Street</p> <p>It is about time you moved the scheme to somewhere where it was needed more.</p> <p>Just because the Council cannot manage its own financial affairs is no reason to raise more money through innocent people like this.</p> <p>Re-doing the scheme is an abuse of your powers.</p> <p>The scheme should end this summer and not start up again.</p> <p>All the scheme has done is move people to the other side of Parliament Road and now that has had to be licensed. Selective licensing is not a real solution - it leads to displacement</p> <p>All the figures you have relate to the whole ward but this is only part of it. Where do you have evidence that this area needs it? Your figures include the new Newport 2 area which was licensed for the reasons given last year. It is wrong to use those figures again for this part of the ward. You have not justified the need for it in the papers presented and it all seems a bit unnecessary.</p>	
16/response from landlord	Licensing Team Middlesbrough Council	Comments noted

	<p>Dear Licensing team,</p> <p>As a recently established property company committed to providing affordable and safe housing to recent migrants and international students, we take with great interest your consultation for expansion of the Newport licensing scheme .</p> <p>Unfortunately, the consultation form placed a limit of about two short paragraphs on the ability to provide general views on the scheme, therefore I am writing to set out these views based on our experiences as a small landlord, with properties on Percy Street (TS3) and Russell Street (TS1) and cumulatively over a decade of experience working with tenants, agents, landlords, and recent arrivals in the area.</p> <p>Firstly, needless to say, the overall goals of improving the standards in the area for tenants and the local community are admirable and widely supported by all those committed to the area. It is not an easy task and it is commendable that the council is willing to pursue innovative measures for the betterment of the area.</p> <p>Despite the obviously admirable motives, it is regrettable to say that the scheme has clearly not taken the time to consult landlords and</p>	<p>Unfortunately it is stipulated in the Housing Act 2004, Part 3, 91 (6)A licence may not be transferred to another person.</p> <p>Applications for licences in the last twelve months of the designation will be eligible for a reduced fee of 50% of the second payment, where properties have not been licensable prior to the 12 month deadline.</p> <p>The Council is not permitted to make a profit from the introduction of a Selective Landlord Licensing scheme and any surplus must be ring-fenced to the scheme. The fees should, however, take account of all costs incurred in carrying out all duties under this part of the Act.</p> <p>This fee has been calculated based on the cost to run the various elements of work needed to administer and enforce the scheme; the number of officers required to fulfil these tasks and the officer time needed to complete them were identified and then costed.</p> <p>Information on the broad findings of inspections is included in the report. However, specific inspection reports are not a public document. Every Local authority must establish and maintain a register of all licences granted, all temporary exemptions and all management orders, this is a public document.</p>
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	<p>property professionals on the effects that it is likely to have on investment in the area.</p> <p>As the Scheme documentation explains (see Appendix 4), the license fee has been determined by the cost of the council's workload to administer the scheme. It can be inferred from this, and from the multitude of limitations with the scheme (lack of transferability, lack of open data, lack of multi-property efficiencies), that the council has not considered how to avoid pushing responsible landlords and investors away from the region.</p> <p>The property sector remains a primary driver of Britain's free market economy (employing over 12 million people), and continuing regeneration of a post-industrial North-East will depend on the attractiveness of the area to investors. Making the area unattractive to investors will unfortunately have the effect of turning Middlesbrough's inner-city residential areas into post-apocalyptic streets of abandoned properties left in disrepair.</p> <p>Appendix</p> <p>1.Problem: Non-transferrable licenses harm low-income tenants</p> <p>The selective license is non-transferrable. This means that buyers of a property in the area must</p>	
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	<p>purchase a new license even in cases when the property has only recently been approved for a license and has met all of the necessary criteria. The effect of this will be to push up costs to landlords, which in turn will lead to higher rents for low-income tenants.</p> <p>Solution Licenses should be transferrable so that properties of a high standard can be rented at affordable rates. Where there are costs to the Council associated with ‘fit and proper persons tests’, such tests can be associated with independent landlord registers or licenses so that this does not need to be duplicated for each property.</p> <p>2. Problem: The cost of licenses are not proportionate</p> <p>The proposed increase in the cost of the licenses from £836 to £998 is extremely disproportionate given rents in the area and is not in line with typical HMO license fees (currently £722.20 over 5 years), which apply to properties of 5 or more bedrooms. Median rents in Middlesbrough are £575pcm . After agency fees, typically in the region of 10-12%, the cost of licenses will equate to two months of gross income for landlords, at a time of extreme pressure due to high interest rates . The effect of this will be to further harm the local property market and reduce sales in a</p>	
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	<p>region where many sales prices remain below pre-2008 recession levels, ultimately disincentivising much-needed investment in the housing stock required to raise the quality of rental properties.</p> <p>Solution Licenses should be set at figures that are proportionate to rents, through close consultation with local housing providers, such that licenses are a net positive for local investment rather than undermining the sector. It is unlikely that a figure greater than one month's rent can be justified given the average cost of HMO licenses.</p> <p>3. Problem: License findings and registers are not transparent</p> <p>Buyers of properties within the licensing area are currently unable to access a record of licenses, license holders and findings of inspections, reducing transparency of the scheme and making it difficult for property buyers (and prospective buyers) to know ahead of time what work is required to maintain licensing standards.</p> <p>Solution: Property inspections for licenses should be made public if the purpose of the licensing scheme is to improve the quality and safety of housing and to benefit tenants and residents. This is another reason for why licenses should</p>	
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	<p>be transferrable. Doing so would bring them in line with current EPC reporting and with the government's plans for public landlord registers, ultimately incentivising investment in the area and boosting the local property sector.</p> <p>4. Problem: High cost of the licensing scheme</p> <p>The Council's proposed fee structure (Appendix 5 of the consultation) states that the license fee has been "calculated based on the cost to the run the various elements [of the scheme]". Clearly this is one legitimate way of setting the license fee, however it is also one that does not consider the effects that this will have on landlords and on investment in the region. As an area that is widely recognised to be in need of regeneration, the attractiveness of the area to private sector investment should be a critical concern. As such, there is a need to strike a balance between the needs of a licensing scheme and the capacity of private landlords to pay for it without being forced to invest in other regions instead.</p> <p>Solution:</p> <p>The Council should be working with responsible private landlords and housing providers to find the right balance between the needs of the scheme and the need for it to be low cost. This consultation is a start, however it should be a</p>	
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	basic precondition of the scheme that the workload required to administer it is capped at a level that allows costs to be passed on to landlords without harming investment and affordability to tenants and residents.	
17/response from Stakeholder invested in the welfare of both landlords and tenants	<p>To whom it may concern,</p> <p>Thank you for providing me with the opportunity to share my views on the selective landlord licensing scheme. As a stakeholder invested in the welfare of both landlords and tenants, I am keen to advocate for improvements that ensure fairness, effectiveness, and compliance with legal standards.</p> <p>I have outlined four key points for your consideration, some of which may have legal implications. I believe that addressing these points will not only refine the scheme but also uphold principles of fairness and justice.</p> <p>Firstly, I wish to address the issue of fairness in the licensing scheme's charging system. It is essential that charges are tailored to reflect the diverse nature of properties within the scheme. Currently, a one-size-fits-all approach fails to account for the diversity in property sizes and rental values. Drawing parallels with the council tax system, which bases charges on property value to ensure fairness, highlights the need for a similar approach in licensing fees. The council tax system sets a precedent which emphasizes the importance of fairness in regulatory frameworks and supports the argument for tailored charges based on property type.</p>	<p>The Council is not permitted to make a profit from the introduction of a Selective Landlord Licensing scheme and any surplus must be ring-fenced to the scheme. The fees should, however, take account of all costs incurred in carrying out all duties under this part of the Act.</p> <p>This fee has been calculated based on the cost to run the various elements of work needed to administer and enforce the scheme; the number of officers required to fulfil these tasks and the officer time needed to complete them were identified and then costed.</p> <p>Applications for licences in the last twelve months of the designation will be eligible for a reduced fee of 50% of the second payment, where properties have not been licensable prior to the 12 month deadline.</p> <p>The fee is divided into two payments the second only becoming payable when it is decided the landlord is fit and proper to be issued with the licence. The first £499, will be used to administer the application and fit and proper process. The second £499 will be used for the ongoing administration and the enforcement of the legislation associated with the scheme.</p> <p>Unfortunately it is stipulated in the Housing Act 2004, Part 3, 91 (6)A licence may not be transferred to another person.</p>

	<p>Secondly, the current fee structure appears exorbitant when compared to the value of properties and rental prices in the area. This discrepancy becomes even more apparent when compared to similar schemes implemented by councils within our capital, London. It is evident that the council has accumulated funds well beyond what is necessary to sustain the scheme. Therefore, I advocate for a substantial reduction in selective landlord licensing fees. This reduction should align with the scheme's original purpose of improving living standards rather than generating revenue. Furthermore, implementing a varied fee structure based on property type would ensure a more equitable distribution of costs among landlords.</p> <p>Thirdly, offering flexibility in fee payment options is crucial to accommodate landlords facing financial constraints. A rigid lump-sum payment requirement disregards the realities of individuals who may be willing to comply but unable to make immediate payments due to financial difficulties. Legal principles of reasonableness and fairness, necessitate that regulatory bodies adopt flexible payment arrangements to support compliance while upholding individual rights.</p> <p>Lastly, it is imperative to streamline the transition process for landlords already holding selective landlord licenses. Requiring them to undergo the same registration process as new applicants is unnecessary and burdensome. Instead, existing</p>	
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	<p>license holders should be able to seamlessly transfer to the new scheme by paying the appropriate fee. This would eliminate redundancy and ensure a smoother transition for all parties involved.</p> <p>In conclusion, I believe that implementing these proposals will significantly enhance the selective landlord licensing scheme and contribute to its long-term success. I trust that the council will carefully consider these suggestions before finalizing any decisions regarding the future of the scheme. Please note that these proposals are being shared within the consultation period and through designated consultation channels, ensuring transparency and inclusivity in the decision-making process.</p> <p>Thank you for your attention to this matter, and I look forward to your response.</p>	
18/response from Councillor	<p>Selective Landlord Licensing consultation on Newport 1 Submitted by Jill Ewan, councillor for Newport Ward</p> <p>I agree that the council should renew the Selective Landlord Licensing (SLL) scheme in Newport 1 for another five years, however I would like to suggest a number of changes, as follows:</p>	<p>This fee has been calculated based on the cost to run the various elements of work needed to administer and enforce the scheme; the number of officers required to fulfil these tasks and the officer time needed to complete them were identified and then costed. A £100 late fee is charged for any late applications.</p> <p>All properties are re-visited following the initial inspection were Category 1 hazards have been identified.</p> <p>Unfortunately it is stipulated in the Housing Act 2004, Part 3, 91 (6)A licence may not be transferred to another person.</p>

	<p>Measures so that bad landlords pay more than good landlords because they make more work for the SLL staff:</p> <ol style="list-style-type: none"> 1. Start with a higher headline licensing fee. Maybe £1200 including, say, £200 for application fee and processing. 2. Give a fee discount for application within, say, a month of the scheme's commencement, to both the landlords currently registered, who you will presumably e-mail or write to about the extension. Maybe £200. Make it worthwhile for the landlord to act quickly and volunteer, rather than have to be chased. 3. Give a fee discount for application to new landlords who have bought a house and who submit an application within one month of purchase or before first letting it out, whichever is earlier. A good estate agent and a good conveyancing solicitor would probably tell a client that there is a SLL scheme in force, especially if they are buying on a buy to let mortgage. Maybe £200. Again, make it worthwhile to volunteer and not wait to be tracked down. 4. Give a fee discount for being and remaining NRLA accredited, for which an annual certificate is awarded. An accredited member with a certificate, not just a paid-up member. Maybe £100. 5. A house is lettable with an EPC of E, or if an exemption had been given. Give a fee 	<p>Applications for licences in the last twelve months of the designation will be eligible for a reduced fee of 50% of the second payment, where properties have not been licensable prior to the 12 month deadline.</p> <p>The fee is divided into two payments the second only becoming payable when it is decided the landlord is fit and proper to be issued with the licence. The first £499, will be used to administer the application and fit and proper process. The second £499 will be used for the ongoing administration and the enforcement of the legislation associated with the scheme.</p> <p>This fee is divided into two payments the second only becoming payable when it is decided the landlord is fit and proper to be issued with the licence. The first £499, will be used to administer the application and fit and proper process. The second £499 will be used for the ongoing administration and the enforcement of the legislation associated with the scheme.</p> <p>All properties are inspected thorough the inspection programme and officers go through a tenants checklist of useful information and support needs.</p> <p>A quarterly update to all Selective licensing landlords is sent.</p> <p>Tenant referencing includes if a tenant has left a property with rent arrears, the personal financial position of persons in rented accommodation is not something the council can seek information on. The tenancy referencing is to deem if the tenant has a history of poor behaviour or adverse impact on</p>
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	<p>discount for an EPC of D, maybe £100, and a discount for C or above, maybe £200. This is a small recognition of the efforts that the landlord has made to make the house more comfortable and cheaper to run.</p> <p>6. Where a house that has been inspected is sufficiently substandard that you decide to re-inspect it, rather than just require evidence such as invoices and photographs to prove that the work has been done, levy a reinspection charge, maybe £100.</p> <p>7. In fairness to landlords who sell the home during the five years and landlords who buy during that period, the balance of the charge, after the application and processing costs, should be apportioned in accordance with the number of months out of 60 that the home is owned as an investment property.</p> <p>A measure to make it easier for landlords to pay the fee:</p> <p>Preferably allow landlords to pay the balance of the fee, after the application fee, by monthly direct debit over the period of the scheme, possibly adding interest at a modest rate, not less than the council's borrowing rate, to take into account that those who pay later, pay less. The council will have the same level of staffing to deal with SLL over the five years. They and costs such as their office and transport costs are</p>	<p>rental properties which prospective new landlord wish to take into consideration when renting out their properties.</p> <p>Empty properties are exempt from Selective Licensing but other Council departments have ongoing work in relation to empty boarded up properties.</p>
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	<p>paid monthly. Why shouldn't the landlord pay the fee monthly, especially as the landlord will probably want to charge the fee to the tenants by including it in the rent? I recognise that if a landlord sells a property, it would be difficult or impossible to recover the balance of the fees, but, in that case, someone else may buy the home and if they are letting out the home, the council will get a new SLL fee from the new owner.</p> <p>Measures to encourage landlords and justify the scheme to them</p> <p>Landlords on online communities often seem to think that they get nothing for their licence fees and that licensing is effectively just a tax on landlords to provide services that councils have the power to provide anyway. They often suggest that they get nothing for their money. In particular, they will say, "We have had SLL for four years and they haven't even inspected my properties". The SLL report refers to 600 inspections outstanding in October 2023 which is disappointing as it is more than half of the properties, most of the way through the scheme.</p> <p>1. Inspect as many properties as possible as soon into the scheme as possible. As well as the HHSRS aspects, inspection should include ensuring the tenant has been provided with</p>	
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	<p>access to alley bins, by a back yard gate key or, for those without back alley access, an alley gate key, where applicable and recycling bags and instructions.</p> <p>2. Provide a regular free e-mail newsletter to the landlords with statistics such as: number of dwellings in the SLL area, owner-occupied, exempt, licensed and not yet classified. Also number of home inspections and % of homes inspected in the month and in the licensing period to date. Also details of any landlord prosecutions, eg for an unsafe house or for fly tipping, and of any landlords who have had their licences taken away. Also details of number and type of action taken by the SLL team in connection with antisocial behaviour, drug dealing, abandoned vehicles etc. Include details of any changes in the area, eg alterations to waste collection arrangements.</p> <p>3. Continue to provide free tenant referencing but include financial referencing if not already included.</p> <p>4. Provide them with an entitlement to a free bulky waste collection annually and on each change of tenancy.</p> <p>5. Do something about all the empty and abandoned properties in the ward. An empty house, especially if boarded up, gives a bad impression of the area.</p>	
19/Response from Landlord	Detailed response was submitted objecting on a number of grounds to the proposed scheme,	Ground 1 – The designation of the scheme has not been pre-determined, following the consultation the proposal along with

	<p>which the key points have been summarised below:</p> <p>Ground 1 - Pre-Determination</p> <p>Ground 2 - Errors of Law and Fact / Material Misdirection's as to the lawful basis of the proposed Re-designation based on inaccurate statistics / Use of Combined Date for an Improper Purpose.</p> <p>Ground 3 - Failure to Consider Alternatives / Misdirection as to the drawbacks of Accreditation based on irrelevant or incorrect analysis / Failure to provide evidence for why Accreditation would not be acceptable following conclusion of the current scheme / Failure to properly consult existing licence holders/landlords as to "Accreditation" as an alternative to a further scheme / Misdirection as to financial risk in respect of a re-designated selective licensing scheme.</p> <p>Ground 4 - Procedural Errors in Relation to Time / Failure to Properly Consult</p>	<p>consultation responses will be presented to Executive for consideration and decision.</p> <p>Ground 2 - The proposal document explains why the Council believes Selective Licensing is still needed in Newport, how it will operate alongside and complement other measures, the improvements it will bring about and why alternative remedies are insufficient. This proposal presents information on a full Newport ward basis, where we have been able to present granular data for the smaller Newport 1 area we have used it.</p> <p>Ground 3 – careful consideration was given to the introduction of an accreditation scheme but it was considered that an accreditation scheme would not fulfill the Council's objectives, which would be sought through a Selective Licensing scheme.</p> <p>Ground 4 – The evaluation of the scheme has included 4 years of delivery, which provided and effective evaluation of the scheme. The consultation has ran for a full 10 weeks.</p>
20/Response from Landlord	<p>Subject: Newport consultation</p> <p>Dear Middlesbrough council,</p> <p>I object to the consultation. The suggestion that landlords should pay £1000 fee is ridiculous.</p>	<p>Any properties that meet the exemptions as specified in The Selective Licensing of Houses (Specified Exemptions) (England) Order 2006 would not require to be licensed.</p>

	<p>If you do bring it in, again, landlord will grant 21 year leases to avoid signing up, or let people sign up as lodgers to avoid the charge.</p> <p>Licensing is nothing more than income generation for a council strapped for cash.</p> <p>If you bring this in, then landlords will have to apply for exceptional financial support as well.</p>	
21/Response from unknown	<p>Dear Sir /Madam</p> <p>I am disappointed with the idea of licensing newport again.</p> <p>You destroyed Gresham in 2005 - 20 years on, the land on Union Street and the Jewel Streets is still not built on and up and running.</p> <p>The Council should stop meddling in private industry</p> <p>Also you even charge purpose built accommodation the charge - landlord licensing was never meant for this.</p> <p>The scheme is money making and it is wrong.</p> <p>When I think how much harm Middlesbrough Council has caused Gresham, and now it is trying to use the area to get money from landlords.</p>	Comments noted

	<p>I am disgusted.</p> <p>I hope you make the correct decision and listen to our concerns about this matter.</p> <p>Many thanks</p>	
22/Response from Landlord Association	<p>Selective Licensing Proposals</p> <p>The NRLA is an association following the merger of the National Landlords Association and the Residential Landlords Association. Our membership represents over 100,000 landlords and agents, the largest organisation in the sector.</p> <p>Thank you for the opportunity to respond to the above consultation regarding the introduction of selective licensing in Middlesbrough. The NRLA objects to the relevance of the introduction of Selective licensing by Local Authorities. Although we sympathise with the aims of Middlesbrough council, we believe that selective licensing does not align with the successful completion of these objectives.</p> <p>The NRLA seeks a fair legislative and regulatory environment for the private rented sector while ensuring landlords know their statutory rights and responsibilities.</p>	<p>We have found that by having a Selective Landlord Licenising scheme and the licence condition (see below), landlords and enforcement officers work jointly in relation to anti-social behaviour issues identified this has a quicker and more pro-active response to the issues identified.</p> <p>c) co-operate with Middlesbrough Council, Cleveland Police and other agencies in resolving complaints of anti-social behaviour or criminal activity. The Licence holder and/or their nominated Managing Agent must not ignore or fail to take action against any complaints regarding their tenants. Written records of action taken, shall be maintained and made available for inspection by an authorised officer of Middlesbrough Council on request.</p> <p>A dedicated Neighbourhood Safety Officer is funded through the scheme and works with landlords to tackle issues with anti-social tenants.</p> <p>The scheme as part of it's housing inspections works with tenants to address any issues/support needs they have that could impact on them sustaining a tenancy.</p>

	<p>Main Objections Antisocial behaviour and low housing</p> <p>Landlords are not experienced in managing antisocial behaviour when it comes to resolving tenants' mental health issues or drug and alcohol dependency. Suppose there are any allegations about a tenant causing problems, and a landlord ends the tenancy. In that case, the landlord will have fulfilled their obligations, even if the tenant has any of the above issues.</p> <p>This moves the problems around Middlesbrough but does not help the tenant, who could become lost in the system, or worst, move towards the criminal landlords. They will also blight another resident's life.</p> <p>Furthermore, the overcrowding issue is complicated for a landlord to manage if the tenant has overfilled the property. A landlord will tell a tenant how many occupants are permitted to live on the property and that the tenant is not to sublet it or allow additional people to live there. It is impractical for landlords to monitor tenants' everyday activities or sleeping arrangements.</p> <p>Regarding reducing antisocial behaviour and those landlords must tackle such activity within their properties, landlords and agents can only enforce a contract; they cannot manage behaviour.</p>	<p>Middlesbrough Council offer a FREE bulky waste collection service to collect bulky items. The service is available to all residents of Middlesbrough, and is offered in addition to their usual rubbish and recycling collections.</p> <p>Examples of bulky waste are:</p> <p>kitchen items - for example: fridge, freezer, cooker, microwave electrical items - for example: TV, computer, washing machine furniture - for example: bed, sofa</p>
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	<p>Existing Enforcement Powers and Activity</p> <p>Middlesbrough council has many existing enforcing powers that can rectify the identified problems as part of the council's housing strategy. These include:</p> <ol style="list-style-type: none"> 1. Criminal Behaviour Orders 1. Crime Prevention Injunctions 1. Interim Management Orders 1. Empty Dwelling Management Orders 1. Improvement Notices (for homes that do not meet the Decent Homes Standard) 1. Litter Abatement Notices (Section 92 of the Environmental Protection Act 1990) 1. Fixed Penalty Notices or Confiscation of equipment (Sections 8 and 10 of the Noise Act 1996) 1. Directions regarding the disposal of waste (for example, Section 46 of the Environmental Protection Act 1990) 1. Notices to remove rubbish from land (Section 2-3 of the Prevention of Damage by Pests Act 1949) <p>The council also has a wealth of housing enforcement legislation that can be used to enforce against poor standards in the PRS, such as the Housing, Health, and Safety Rating System (HHSRS), Improvement Notices, Hazard Awareness Notices, Prohibition Orders and Emergency Remedial Action, civil penalties, and</p>	
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	<p>criminal prosecutions. These powers are available to the local authority now and do not need consultation to use.</p> <p>Waste management</p> <p>The council references anti-social behaviour as one of the grounds to introduce further licensing in Middlesbrough, with fly tipping and waste being a problematic issue within PRS properties.</p> <p>Often when tenants are nearing the end of their contract/tenancy and are moving out, they will dispose of excess household waste by a variety of methods. These include but are not limited to putting waste out on the street for the council to collect. This is in the hope of getting their deposit back and made worse when the council does not allow landlords access to municipal waste collection points. Local authorities with many private rented properties need to consider a strategy for collecting excess waste at the end of a tenancy in place of selective licensing.</p> <p>Would the council consider a free/low-cost service for private landlords to remove numerous bunk items for when tenants vacate the property and not dispose of such waste beforehand if such a service is not already offered?</p> <p>Conclusions and alternatives</p>	
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	<p>The NRLA advocates using council tax records to identify tenures used by the private rented sector and those landlords in charge of those properties. Unlike discretionary licensing, landlords do not require self-identification, making it harder for criminal landlords to operate under the radar. With this approach, the council would not need to consult and implement changes immediately.</p> <p>Should the scheme be approved and implemented, the council should provide an annual summary of outcomes to demonstrate to tenants and landlords' behaviour improvements and the impact of licensing on the designated area over the scheme's lifetime. This would improve transparency overall.</p> <p>The NRLA has a shared interest with Middlesbrough in ensuring a high-quality private rented sector but strongly disagrees that the introduction of further selective licensing is the most effective approach to achieve this aim both in the short term and long term.</p>	
23/Response from Landlord	<p>Detailed response was submitted objecting to the proposed scheme, which the key points have been summarised below:</p> <ol style="list-style-type: none"> 1. The area does not have low housing demand 2. Low levels of anti-social behaviour in the designated area and specifically to the respondent's property. 	<ol style="list-style-type: none"> 1. The data provided in the report by Middlesbrough Council shows evidence that there is low demand in the proposed area. 2. The information presented in the proposal shows all anti-social behaviour incidents reported to the Council and Police. 3. The specific property data such as the incidents or lack thereof, anti-social behaviour linked to that property is

		not indicative of the anti-social behaviour in the designated area, and therefore individual properties in the designated area would not be exempt from the scheme on this basis.
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Appendix E: Summary of responses to online consultation

Section 2, provides the responses from the 2 tenant's/residents of the proposed area who responded.			
	Yes	No	Don't Know
Thinking about properties in your area owned by private landlords, how well do you think they maintain the properties to a good standard?	0%	0%	100%
Do you think landlords act responsibly in letting, managing and maintaining their properties?	0%	0%	100%
Do you think that private landlords take appropriate action against tenants who cause a nuisance or anti-social behaviour?	0%	0%	100%
Think the following are issues in proposed licensing zone. The number of private rented properties in the area	0%	50%	50%
Think the following are issues in proposed licensing zone. Long-term empty properties	0%	50%	50%
Think the following are issues in proposed licensing zone. Households not staying for long	0%	50%	50%
Think the following are issues in proposed licensing zone. Properties in substandard condition	50%	0%	50%
Think the following are issues in proposed licensing zone. Anti-social behaviour	50%	0%	50%

Section 3, provides the responses from the landlords in the proposed licensing area.			
	Yes	No	Don't Know
Thinking about private rented properties in the proposed licensing zone, how well do you think other landlords maintain their properties to a good standard?	43%	21%	36%
Overall do you think other landlords in the proposed licensing zone act responsibly in letting, managing and maintaining their properties?	57%	7%	36%
Do you think that private landlords take appropriate action against tenants who cause a nuisance or anti-social behaviour?	43%	14%	43%
Please tell us if you think the following are issues in the proposed licensing zone. The number of properties in the private rented sector	0%	85%	15%
Please tell us if you think the following are issues in the proposed licensing zone. Long-term empty properties	54%	31%	15%

Please tell us if you think the following are issues in the proposed licensing zone. Households not staying for long	23%	54%	23%
Please tell us if you think the following are issues in the proposed licensing zone. Low House Prices	31%	62%	7%
Please tell us if you think the following are issues in the proposed licensing zone. Properties in substandard condition	39%	46%	15%
Please tell us if you think the following are issues in the proposed licensing zone. Anti-social behaviour	58%	25%	17%
	Neutral	Disagree	Strongly Disagree
Payment of the fee by instalments has been requested by some landlords in previous schemes. It is proposed that Instalment arrangements could only be applied to the second part of the fee and terms would be applied. To cover the cost of administering this, the Selective Licensing Team is proposing a fee of £100.	17%	17%	66%

Section 4, provides the responses from Businesses in the proposed licensing area.

No Responses Received for this section

Section 5, provides the responses from other interested parties e.g. tenants, residents, landlords & businesses in the consultation area surrounding the proposed licensing zone

	Don't know	Well	Not Well
Thinking about private rented properties in the proposed licensing zone, how well do you think other landlords maintain their properties to a good standard?	44%	12%	44%
	Yes	No	Don't Know
Overall, do you think that landlords in the proposed licensing zone act responsibly in letting, managing and maintaining their properties?	11%	56%	33%
Do you think that private landlords take appropriate action against tenants who cause a nuisance or anti-social behaviour?	11%	67%	22%
Please tell us if you think the following are issues in the proposed licensing zone. The private rented sector	44%	44%	12%
Please tell us if you think the following are issues in the proposed licensing zone. Long-term empty properties	78%	11%	11%
Please tell us if you think the following are issues in the proposed licensing zone. Low house prices	33%	56%	11%

Please tell us if you think the following are issues in the proposed licensing zone. Households not staying for long	56%	33%	11%
Please tell us if you think the following are issues in the proposed licensing zone. Properties in substandard condition	67%	22%	11%
Please tell us if you think the following are issues in the proposed licensing zone. Anti-social behaviour	78%	22%	0%

Section 6 questions about the proposal (apply to everyone)					
	Agree	Don't know	Strongly Agree	Disagree	Strongly Disagree
To what extent do you agree or disagree that the Selective Landlord Licensing of landlords would help to tackle some of the issues in the proposed licensing zone?	14%	14%	14%	0%	58%
To what extent do you agree or disagree with the proposed Licence conditions that landlords will need to meet?	35%	10%	25%	5%	25%
Properties in current Selective Licensing areas are inspected to check they are safe and meet housing standards. To what extent do you agree or disagree with the properties being inspected to check compliance with housing standards and Licence conditions?	19%	29%	19%	4%	29%
To what extent do you agree or disagree with the Tenancy Relations support that will compliment licensing and help provide help/assistance to tenants where they need it?	24%	47%	10%	0%	19%

Landlords / agents are required to make an application within a particular period. Sending reminder letters and making contact with landlords / agents outside of this period incurs additional costs. Do you think that applicants should be charged an additional fee for late applications?		
Yes	No	Don't Know
40%	45%	15%

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Equality Impact Assessment Level 1: Initial screening assessment

Subject of assessment:	Selective Licensing Designation			
Coverage:	Designate the selective landlord licensing scheme in Newport ward (previously Newport 1)			
This is a decision relating to:	<input type="checkbox"/> Strategy	<input type="checkbox"/> Policy	<input type="checkbox"/> Service	<input type="checkbox"/> Function
	<input type="checkbox"/> Process/procedure	<input checked="" 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 type="checkbox"/>
It is driven by:	Legislation:	<input type="checkbox"/>	Local or corporate requirements:	<input checked="" type="checkbox"/>
Description:	To use powers within the Housing Act 2004 to designate the area of Newport for Selective Landlord Licensing of privately rented properties over a period of 5 years, with the aim of improving the social and economic standards for all local stakeholders, reversing issues of low demand, reducing anti-social behaviour and improving property management standards.			
Live date:	June 2024			
Lifespan:	5 years (June 2029)			
Date of next review:	12-18 months following implementation to check progress against outcomes framework, and to consider whether the scheme may be expanded to other wards affected by similar issues of low demand.			

Screening questions	Response			Evidence
	No	Yes	Uncertain	
Human Rights Could the decision impact negatively on individual Human Rights as enshrined in UK legislation?*	√	<input type="checkbox"/>	<input type="checkbox"/>	It is considered that the implementation of the schemes will not have an unjustified or disproportionate adverse impact upon any of the stakeholder groups affected by the schemes.
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?	√	<input type="checkbox"/>	<input type="checkbox"/>	It is considered that the implementation of the schemes will not have an adverse differential impact on groups or individuals with characteristics protected in UK equality law, or other commonly disadvantaged groups.
Community cohesion Could the decision impact negatively on relationships between different groups, communities of interest or neighbourhoods within the town?	√	<input type="checkbox"/>	<input type="checkbox"/>	It is considered that implementation of the schemes will have a positive impact upon community cohesion in respect of stabilising the area and enabling better relationships between different groups and communities of interest in the designated area.
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:	Louise Kelly	Head of Service:	Judith Hedgley
Date:		Date:	

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

SELECTIVE LANDLORD LICENSING NEWPORT SCHEME

EVALUATION REPORT 2023

CONTENTS
Introduction
1. Aim of the evaluation
2. Methodology
Policy background and project set up
3. Background to Selective Landlord Licensing
4. The introduction of Selective Licensing in Newport
5. Selective Landlord Licensing fees
Performance
6. Low Demand
6.1 House prices
6.2 Turnover of tenants
6.3 Empty properties & long term empties (more than 6 months)
7. Property Conditions
7.1 Improving housing standards
7.2 Housing disrepair
8. Management Standards
8.1 Tenancy referencing
9. Antisocial Behaviour & Early Help
9.1 Antisocial behaviour
9.2 Early help
10. Environmental nuisance
11. Application Process
11.1 Applications Received
11.2 Licences issued to licence holders and interested parties
12. Enforcement
12.1 Enforcement for non-compliance
12.2 Partnership working
Scheme Audits and Evaluations
13. External and Internal Evaluations/audits of the scheme
13.1 MHCLG Independent Review of SLL schemes
13.2 Middlesbrough Council scrutiny panel review
13.3 Middlesbrough Council internal audit
14. Conclusion
Appendices
Appendix 1 - Map of designated area
Appendix 2 – Fit & proper person check
Appendix 3 – Licence conditions
Appendix 4 - Exemptions
Appendix 5 – Fee Structure
Appendix A – Proposal document

INTRODUCTION

1. Aim of the evaluation

Middlesbrough Council currently operates three Selective Landlord Licensing (SLL) schemes which are set up under Part 3 of the Housing Act 2004.

Under the terms of the Act, each scheme runs for five years, with an evaluation required before the end of that period to assess its impact and to contribute to the decision whether it should be continued or ended.

The five-year period for the designation of the Newport 1 Selective Licensing Scheme ends on 12th June 2024.

The designation on the Council's North Ormesby Selective Licensing scheme ends on 13th June 2026 and the Newport 2 scheme will end on 2nd July 2028.

The aim of this report is to present the findings of an evaluation of the Selective Licensing scheme in the Newport 1 area.

Using guidance from Local Government Regulation, the evaluation seeks to identify the effectiveness of Selective Licensing in:

- reducing anti social behaviour attributable to the private rented sector;
- improving management standards in the private rented sector;
- increasing housing demand;
- improving the environment; and
- contributing to the effectiveness of partnership working to improve the quality of life.

2. Methodology

The methodology used for this evaluation of the Selective Licensing scheme within Newport consists of:

- Analysis of data from Middlesbrough Council and other stakeholders collected during the 2019 - 2024 licensing period;
- Descriptions of the housing market and details on how the Selective Licensing scheme has been managed;
- Interpretation of opinions expressed by managing agents, landlords and stakeholders operating in the Selective Licensing area.

The evaluation has also taken account of findings from an Independent Review of the Use and Effectiveness of Selective Licensing was carried out by Ministry of Housing, Communities and Local Government (MHCLG June 2019, Updated September 2019).

This report also sets out the policy background to Selective Licensing and describing the situation at Newport. The report summarises the performance outputs of the Newport 1 scheme including costs and concludes with a review of options and recommendations. Various further details are contained in appendices.

POLICY BACKGROUND AND PROJECT SET UP

3. Background to Selective Licensing

The Housing Act 2004 gives Local Authorities the power to introduce Selective Licensing for privately rented properties in areas experiencing low housing demand and/or significant and persistent anti-social behaviour. The purpose of the Selective Licensing scheme is to improve standards of property management in the private rented sector, over a five year period of designation which, when combined with other measures, should lead to improved social and economic conditions.

Part 3 of the Housing Act 2004 provides that a Council (i.e. the Local Housing Authority) may declare a licensing scheme for privately rented accommodation if the following conditions are met: -

- *that the area is, or is likely to become, an area of low housing demand; and;*
- *that the area is experiencing a significant and persistent problem caused by anti-social behaviour;*

In 2015 the criteria for designating Selective licensing schemes were widened to include poor housing conditions and high levels of deprivation, crime and migration. The improvement of management standards in the private rented sector will help to combat housing problems associated with deprivation.

Selective Licensing requires that any person wishing to rent out a property in a designated area must first obtain a licence from the Council. In order to grant such a licence the Council must be satisfied that the landlord is a “fit and proper” person with satisfactory management arrangements in place to deal with any anti-social behaviour caused by their tenants. Selective Licensing applies only to private landlords, not to social landlords.

Selective Licensing is intended to be just one of many tools available to the Council to address low demand and anti-social behaviour, it is not a stand-alone solution for every issue affecting a neighbourhood. Therefore, the 2004 Act requires the Council to identify how Selective Licensing will work alongside other measures by showing how it forms part of an overall strategic approach, contributing to existing policies and underpinning future plans for the area.

A full public consultation must be carried out before a decision can be made to introduce a Selective Licensing scheme. This should include consultation with local residents, including tenants, landlords and managing agents, and other members of the community who live, run businesses or provide services in the area proposed for designation. Those outside of the designation who will be affected should be included too.

When the Newport 1 Selective Licensing scheme was introduced in 2019, Secretary of State approval was required to designate an area. However, since April 2010 this power has been delegated to local authorities, who must still meet all the other requirements of the 2004 Act to ensure that a scheme is legally enforceable.

4. The introduction of Selective Licensing in Newport 1

Newport was experiencing major challenges associated with social and economic decline this included:

- high levels of crime and antisocial behaviour;
- high levels of private rented properties and poor living conditions;
- high levels of empty properties; and,
- a transient population.

In addition to this there has been significant investment in the physical regeneration of Middlesbrough and social regeneration is a key priority for the Council

A significant and concerning pattern of housing and subsequent social decline in parts of Newport could be identified:

- the older terraced properties were no longer the first time buyers ‘house of choice’ they had been in previous generations;
- the low demand for two bedroom terraced properties had led to private sector landlords purchasing properties at relatively cheap prices;
- some, but by no means all, of these landlords have housed tenants who have gone on to present a wide range of problem behaviours further fuelling low demand levels;
- this concentration of issues has seen a broad range of social problems manifest themselves from drug and alcohol abuse to domestic violence and high crime levels.

Whilst Newport may not always be recognised as the most disadvantaged area against every statistical measure, the rate of its decline, its vulnerability in terms of crime, social isolation, and the impact of welfare reform provides a particularly compelling picture of chronic need – especially in conjunction with the apparent housing market failure. If not addressed, this decline could threaten the long-term stability of the area.

Index of Multiple Deprivation (IMD).

The IMD 2015 identifies areas of multiple deprivation for each local authority area as a whole and also for smaller areas within each local authority known as Lower Layer Super Output Areas (LSOAs).

The IMD is a relative measure of deprivation and is based on a variety of indicators. Each of the 32,482 LSOAs in England are assigned a score based on deprivation levels, and also a rank based on each of the scores. Rankings for the 326 English districts and boroughs are also calculated. Middlesbrough has a rank of average score of 6 meaning it is the 6th most deprived local authority area in England.

LSOA's can be combined to give a measure/rank of deprivation for ward areas. In 2015 the Newport was ranked 38th most deprived ward, of 7522 wards, in England, putting Newport in the top 1% of most deprived wards in England. This is a decline of 49 places from a previous ranking of 87th in 2010.

Newport ward is ranked as the 5th most deprived ward in Middlesbrough and it has also seen a significant decline in the levels of 'employment' with the national ranking moving negatively from 254th in 2007 to 86th worst in 2015

Newport ward is ranked as the 25th worst ward of the 7529 wards in England with regards to 'Income Deprivation Affecting Children Index' it has also seen a gradual decline in the levels of 'income' with the national ranking moving negatively from 214th in 2007 to 26th worst in 2015.

Fuel poverty

Fuel poverty in England is measured by the Low Income High Costs indicator, which considers a household to be in fuel poverty if they have fuel costs that are above average, and if they were to spend that amount they would be left with an income below the official poverty line.

The key drivers behind fuel poverty are: the energy efficiency of the property, the cost of energy, and the household income.

Newport has a rate (26.8) of its households living in fuel poverty, almost three times the national rate (11%).

A part of Newport ward (Newport 1) was designated for Selective Landlord Licensing in June 2019 and this came into force on the 13th June 2019. Every landlord who privately rents a property in the designated area of Newport is required to apply for a licence to do so.

5. Selective Licensing Fees

The Housing Act 2004 gives the Council the power to charge landlords a fee for all costs it incurs carrying out its Selective Licensing functions. The Act also allows the Council to take into account costs incurred in carrying functions in relation to Interim and Final Management Orders (so far as they are not recoverable under that part of the Act).

The licensing fee in the Newport 1 scheme was set at £730 per property, plus a £20 Fit & Proper Fee per licence holder. The fee was calculated by estimating the number of licensable properties, and the anticipated staffing costs required to carry out the functions of the scheme. The payment was split in to two parts with £365 + £20 Fit and Proper Fee payable at the time of the application and £365 payable at the Notice of Intention stage.

With 800 licensable properties originally identified in the Newport 1 Selective Licensing area, an income of £600,000 was predicted from the scheme. The actual income has exceeded expectations as the number of licensable properties has changed over the five years of the scheme due to exemptions, sales

of properties and changes in tenure. To date (Nov 2023) 1,054 properties have been licensed and 1263 licences have been issued (this figure represents where properties have been relicensed due to changes in tenure.) This has generated fee income of £974,033 made up of licence fees, part licensed properties and late fee charges. Income from the licence fees is ring fenced and it can only be used for the delivery of the SLL scheme. Throughout the life of the scheme the fees have covered the staffing resource costs of the following SLL posts which are necessary for the delivery of the scheme: Manager, Co-ordinator, SLL Neighbourhood Safety Officer, Environmental Health Officer, SLL Assistant and Tenancy Relations Officer, Regulatory Compliance Officer.

PERFORMANCE

Throughout the period of the Newport 1 SLL scheme a series of performance measures have been monitored to track the progress and outcomes of the scheme. The data presented below relates to the period of the SLL scheme up to September 30th 2023, unless otherwise stated.

6. Low Demand for Housing

The Council introduced Selective Licensing in part of Newport 1 ward on the basis that there was compelling evidence of low housing demand. In line with legislation and guidance the Council considered the indicators of low housing demand such as turnover, low property prices, a transient tenant population and high proportion of empty properties.

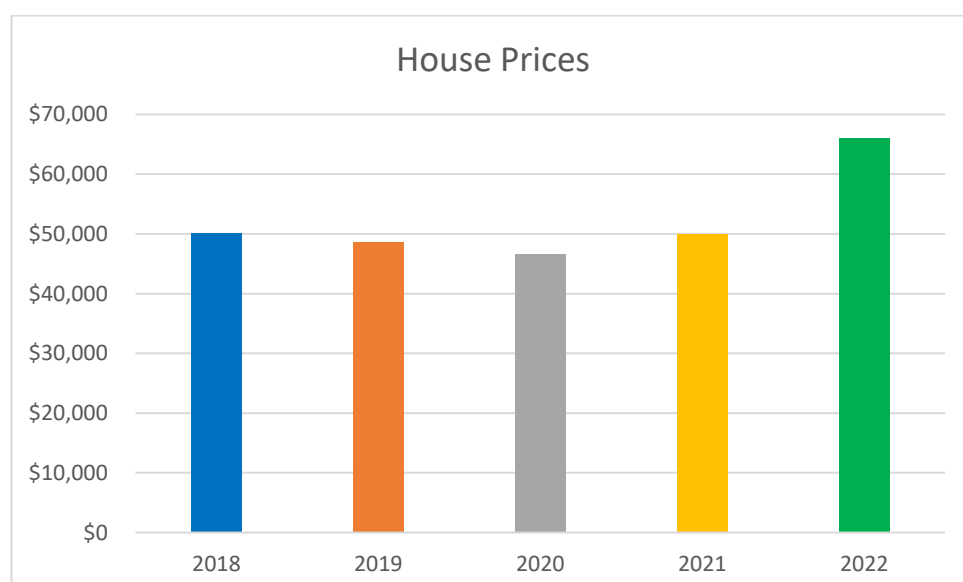
6.1 House Prices

Prior to the introduction of SLL:

With average sales prices in Newport at £50,000¹, they were amongst the lowest in the town. Average price in other town centre wards were higher (£64,000 in Central).

The average house price for Middlesbrough was £143,000). A number of factors were at play, including the disproportionate levels of private rented properties when compared with other parts of the town, high levels of crime, antisocial behaviour and deprivation, and empty properties. These older terraced properties were no longer the first-time buyers 'house of choice' as they had been in previous generations.

After the introduction of SLL (until December 2022):



Data source: HM Land registry Open data <https://landregistry.data.gov.uk/app/standard-reports/report-design>

Conclusion: There is evidence that house prices in Newport are starting to increase. During the designation period general observations have identified that there has also been an increase in the number of renovations of properties.

6.2 Turnover of tenants

Prior to the SLL scheme Newport had a more transient population typically housed in privately rented accommodation which can have a negative impact on the stability and desirability of an area. It can also affect community integration and investment and affect school performance negatively.

After the introduction of SLL up to the period end of December 2022:

Following the period of designation of the SLL scheme in Newport the table below shows that the turnover of properties started to decrease. However, in 2022 the turnover is much higher, this could be attributed to the protection offered to tenants during the Covid pandemic and the movement afterwards.

	New Occupations (accounts)						
	Properties at 1 Jan	Accounts in year	Accounts Count	Rate for all Properties	Rate for Properties Count	Properties Count	Rate for all Properties
2017	1673	2908	660	39.5%	122.2%	540	32.3%
2018	1674	2787	636	38.0%	127.5%	499	29.8%
2019	1670	2729	640	38.3%	121.2%	528	31.6%
2020	1670	2597	593	35.5%	120.8%	491	29.4%
2021	1665	2426	513	30.8%	121.0%	424	25.5%
2022	1663	2633	654	39.3%	125.8%	520	31.3%

Data Source: Middlesbrough Council, Council Tax records.

Conclusion: Throughout the life of the SLL scheme there was a year on year reduction in the number of properties changing hands in Newport, only with the exception of 2022 which may be a delayed impact of the covid pandemic.

6.3 Empty Properties and Long Term Empties (More than 6 Months)

The problems empty properties cause for local communities are well known, but in summary they:

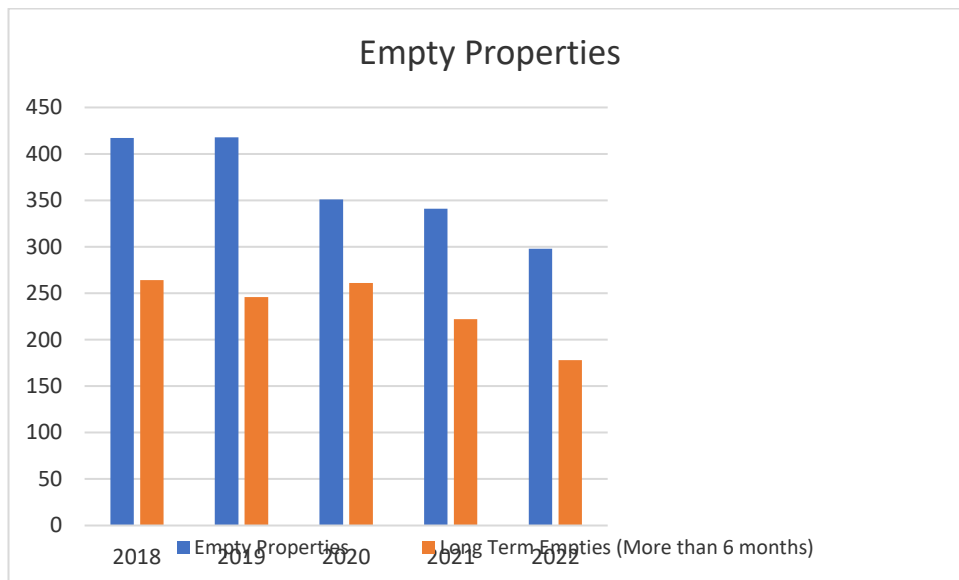
- deny homes to those in need;
- attract vermin, crime, arson, vandalism, fly-tipping and anti-social behaviour;
- are a source of anxiety for owners and neighbours;
- reduce the value of neighbouring properties; and as a consequence,
- are a drain on public services and budgets.

Empty properties which become open for access due to vandalism or criminal damage are subject to legal notices which require the owner to secure the property. The SLL team have become more involved in engaging with the owners of empty properties which are open for access, to require them to act quickly to secure them, or to take legal action when the owner is not cooperative.

Prior to the introduction of SLL:

Council Tax records tell us that at the end of September 2018 there were 418 long-term empty properties in Newport, which equates to 22% of total stock. Newport has the highest proportion of long term empties than any other area in Middlesbrough. This contributes to a negative image causing uncertainty for established residents and making it hard to attract people to the area. A Rent & Refurb Scheme was introduced in 2017 and Empty Homes Funding from the HCA as far back as 2013 has been available, however the numbers of empty properties have fluctuated throughout the five years of the scheme.

After the introduction of SLL (end of December 2022):



Data Source: Middlesbrough Council, Empty Property dashboard

Conclusion: Whilst the number of empty properties has decreased they still remain high. There has been a decline in the number of long-term empty properties, which are the most problematic in terms of attracting antisocial behaviour, damage and contribute to lack of confidence in safety in the community. The SLL team have been more actively involved in taking legal action, where necessary, to secure empty properties which become open for access. This has increased the efficiency of securing properties in a shorter timescale.

Recommendation for future SLL scheme: To continue with the delivery of the current scheme's approach to dealing with vacant properties.

7. Property Conditions

Middlesbrough's Private Sector Stock Condition Survey (PSSCS) 2008 identified Newport as having the second highest proportion of non-decent dwellings in Middlesbrough at 49.3%. Non-decent homes do not meet current statutory minimum standards, are not in a reasonable state of repair, do not have reasonably modern facilities and fail to provide a reasonable degree of thermal comfort.

The survey also recorded a non-decency remedial cost score as (£40.3m and an average of £3,685, per non decent dwelling).

The same survey identified Newport as having the second largest proportion of vulnerable households (50.1%) living in non-decent homes.

Newport was also found to have the second highest proportion of homes with a Category 1 hazard (23.1%). Examples of Category 1 hazards include:

- Damp and mould
- Excess cold
- Falls on stairs
- Hot surfaces
- Falls on the level
- Fire

7.1 Improving housing standards

Non-decent homes do not meet current statutory minimum standards, are not in a reasonable state of repair, do not have reasonably modern facilities and fail to provide a reasonable degree of thermal comfort.

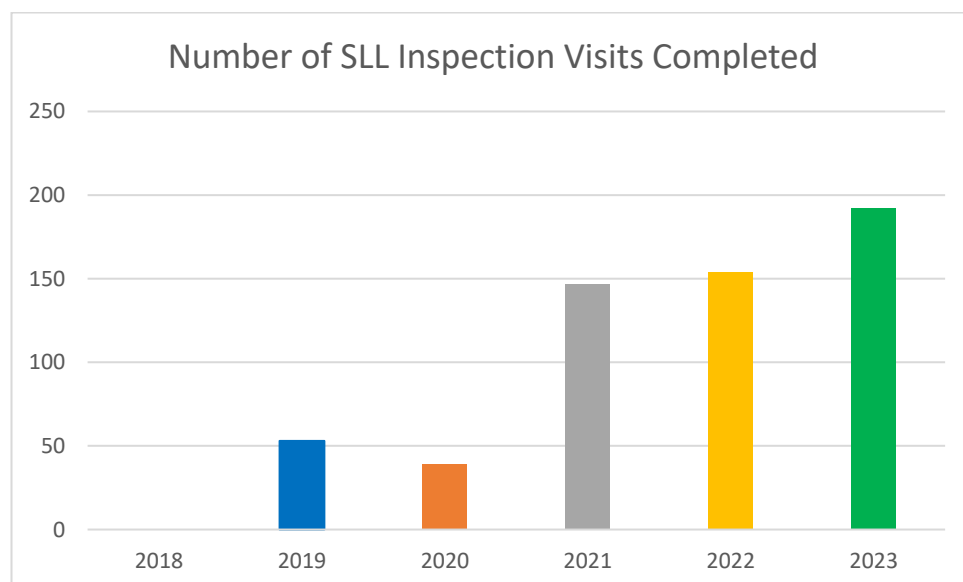
7.2 Housing disrepair

Prior to the introduction of SLL:

Between 2015/16 and 2016/17 the Council received 197 complaints of housing disrepair in private rented properties in Newport. Over this same period the Council issued 37 pre-formal schedules of work to landlords in Newport and served 11 statutory repair notices.

The graphs below show the number of rented properties in Newport 1 which inspected throughout the course of the SLL (up to Sept 2023) to ensure they met housing standards (HHSRS). The incorporation of housing standards inspections into the SLL scheme has resulted in improved housing conditions for residents. In normal circumstances, the majority of housing inspections are to be carried out in the first three years of a SLL scheme. However, the covid pandemic and legal restrictions prevented internal housing inspections from being carried out between March 2020 and June 2021. Officers resumed carrying out the inspections and they have identified an increased number of properties with category 1 and 2 defects which has put additional demand on their time. There have also been challenges to gaining access to some properties, mainly due to the nature and sometimes chaotic lifestyles of the tenants. In some cases, 3 and 4 attempts were required to access the properties to carry out the housing inspection. Consequently (October 2023) there are 600 housing inspections outstanding. The number of staff carrying out HHSRS inspections has been increased (within the financial envelope of the scheme) and it is forecasted that the inspections will be completed by the end of the scheme.

Number of SLL Housing Inspection Carried Out:

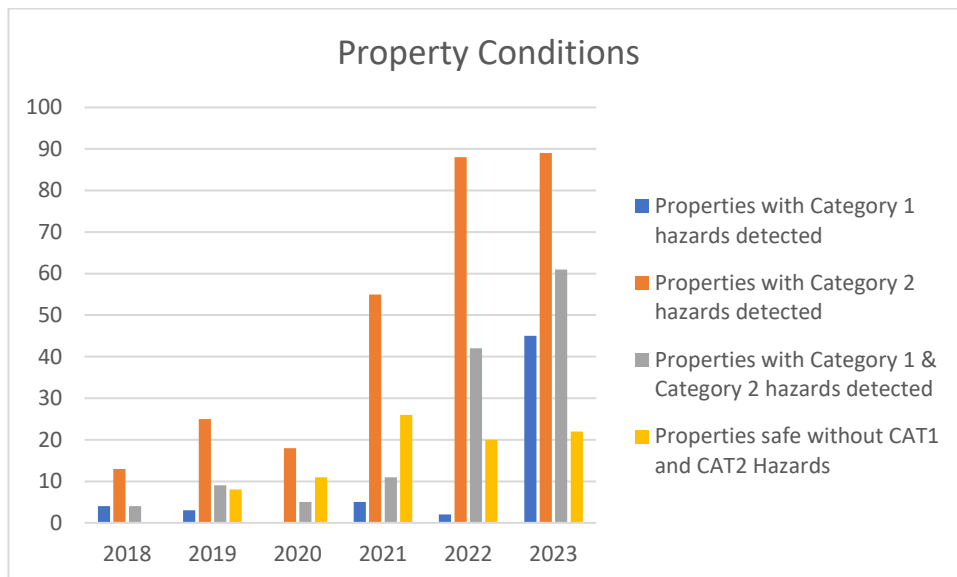


Data Source: Selective Licensing Spreadsheet

Conclusion: It was planned that a 100% of the licence properties in Newport 1 would be inspected in the first 3 years of the scheme. However, due to Covid restrictions the inspection programme was delayed. If a property was licensed but was vacated before the inspection was carried out, it would be delayed until the property was tenanted again. It was also evident over the course of the SLL scheme that new properties became licensable and required an inspection. The graph above shows the extended programme to complete the housing inspections.

These figures for the housing inspections also provide the numbers of multi-agency visits made to each property to offer wider support, including the Tenancy support for vulnerable residents.

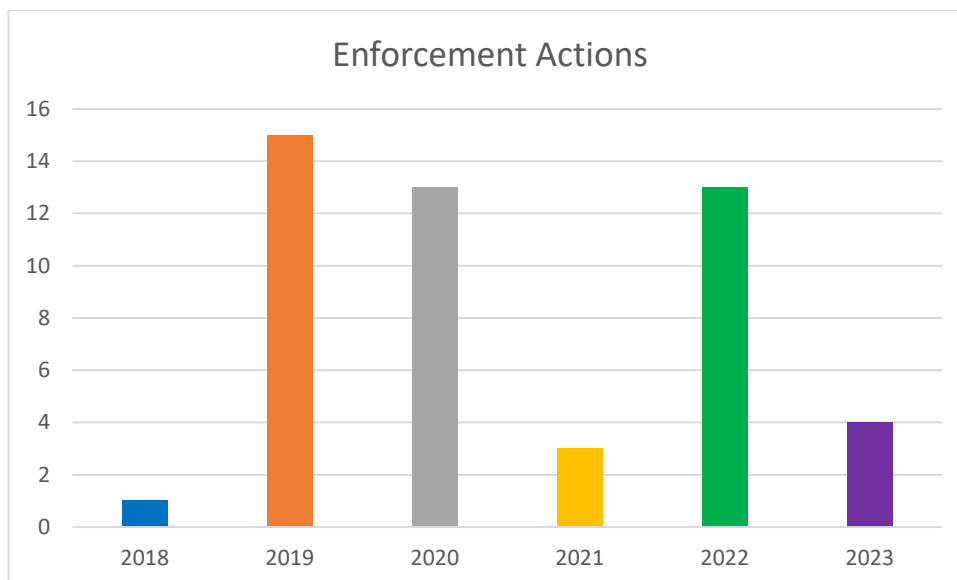
Property Conditions from Inspections:



Data Source: FLARE data system

The housing inspections carried out as part of the SLL scheme have identified more properties with category 1 and 2 hazards. Category 1 hazards are those where the most serious harm outcome is identified, for example, those hazards which may cause death, permanent paralysis, and permanent loss of consciousness, loss of a limb or serious fractures. There is a legal duty to take action when category 1 hazards are identified, and a power to enforce against category 2 hazards. In the graph below the data for 2018 reflects the low number of tenants coming forward to report poor housing conditions and the resulting low number of enforcement actions compared with future years where proactive housing inspections, under the SLL scheme are carried out. The Regulatory Compliance Code sets out a wide range of enforcement actions ranging from advisory to legal action. Enforcement action is required in a relatively small number of cases as a result of landlords not responding to the “softer” approach or where conditions are so hazardous

Enforcement action taken in respect of serious disrepair issues:



Data Source: FLARE data system

Conclusion: The proactive housing inspections incorporated into the Newport 1 SLL scheme have resulted in identifying a significant number of rented properties with poor housing conditions. Without the SLL scheme the improvements to these properties would not have been achieved. There are significant number of number of properties which have CAT1 and CAT2 hazards.

Recommendation for future SLL scheme: To maintain housing standards inspections as a requirement of the SLL scheme.

Targeted proactive Housing Inspections in Central ward (THIP)

Between October 2022 and March 2023, a proactive housing inspection initiative was undertaken in a small area of Central Ward. This Targeted Housing Inspection Programme (THIP) was developed to investigate private rented housing conditions in the Central ward and to measure landlord voluntary engagement.

The initiative aimed to look at the physical condition of properties and to ensure that landlords or agents are meeting their legal responsibilities, including gas safety and electrical safety and minimum energy efficiency performance standards. In addition to the assessment of property conditions tenants were also offered support in relation to a wide range of matters including cost of living issues, health needs and financial advice and referrals/signposting to local advice and support services.

Over 300 letters were sent to Landlords and tenants informing them of the THIP and that Council Officers would be carrying out housing standards inspections of the property and for landlords to allow officers access to their properties. Landlords were asked to contact the Public Protection Service to arrange an inspection of their property.

140 (47%) landlords responded to the letters to arrange an inspection of their properties. Out of these 140 properties access was only gained to 42 properties for a housing inspection to be carried out.

Whilst many landlords did provide access to their property, this initiative demonstrated the difficulty that voluntary schemes have in engaging with landlords and also their tenants. Often tenants do not wish to provide access for fear of eviction from their home and often affordable accommodation is difficult to find.

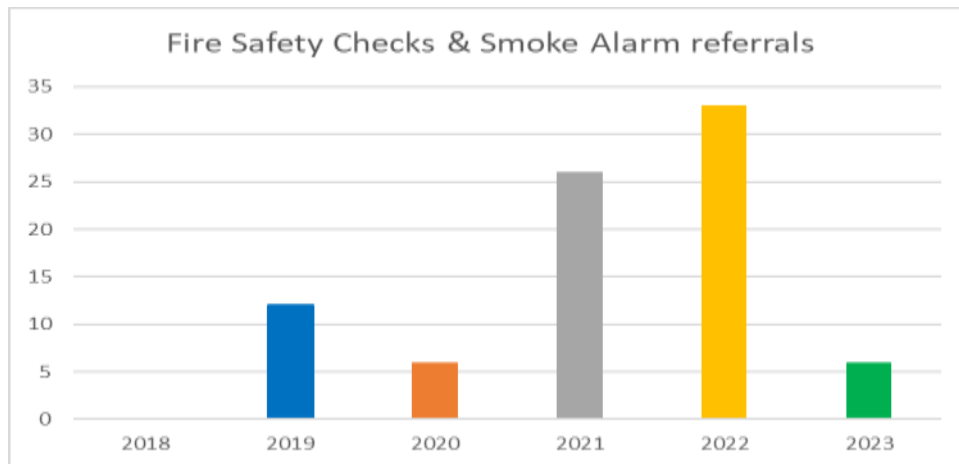
Case Study to support Housing Disrepair

Stacey Carlisle Deputy Head Teacher Newport Primary School - *"As a school we have found it very helpful to know that we can refer families to SLL. Many of our families are new to the area, or indeed new to the country, and find themselves in properties which are not fit for purpose. On occasion they are not aware that the home conditions are unacceptable, and worry that raising concerns may result in them losing their homes. This can be stressful and impacts greatly upon the children and parents. Now we know that when a family comes to us for help, we can refer them to SLL who have always been hugely supportive. They make sure that the families know their rights and help them to resolve their housing issues quickly and efficiently, ensuring that safety and home conditions meet expected standards. The service families receive has always been timely and professional and we have had lots of families very grateful for their support".*

Fire Safety Checks.

It is a mandatory condition that smoke alarms are fitted at each floor level within a property. From 1 October 2015, the Smoke and Carbon Monoxide Alarm (England) Regulations 2015 have required at least one working smoke alarm installed on every storey of rental property. Where there is a fixed combustion appliance (excluding gas cookers), landlords are also required to have a carbon monoxide alarm installed in the room. Landlords must also make sure that there are adequate working alarms at the start of each new tenancy. On each housing inspection every tenant is offered a home fire safety check with the fire brigade and if smoke alarms are not present or found to be not working then the landlord is required to rectify this.

Fire Safety Check referrals made by team following property inspection:



Data Source: FLARE data system & Selective Licensing Spreadsheet

Conclusion: If the housing inspections were not carried out, there would be a large number of private rented properties where the tenants would be at significant risk with inadequate smoke and fire protection.

8. Management Standards

By introducing Selective Landlord Licensing the Council is fully utilising the suite of tools introduced by the Housing Act 2004 to address management standards and property conditions within the private rented sector. As part of a coordinated approach, Selective Licensing compels landlords to maintain good standards and raise the profile of problem properties. Through the increased awareness amongst the community and across agencies, Selective Licensing has become a valuable mechanism for identifying and dealing with bad practice amongst private landlords.

Reputable landlords are provided with assurance when a Selective Licensing scheme is in place. Those landlords whose business practices did not meet the required minimum standards are encouraged and supported to improve their management standards. Landlords who were not willing to work with the Council could face being refused a licence and ultimately having a Management Order imposed against the property, which removes it from their control. They also potentially face legal action if their properties do not meet the HHSRS standards.

8.1 Tenancy Referencing

The Tenancy Referencing Service offers a free service to member landlords which allows them to make informed choices about prospective tenants when letting properties in the Selective Licensing areas.

A traffic light system is used to explain the results of the reference check. This lets landlords make an informed choice about whether or not to allocate a tenancy.

- Green: indicates no issues.
- Amber: may indicate that there has been no previous tenancy held, or there may have been some minor tenancy issues or rent arrears.
- Red: indicates evidence of eviction, anti-social behaviour, or high rent arrears.

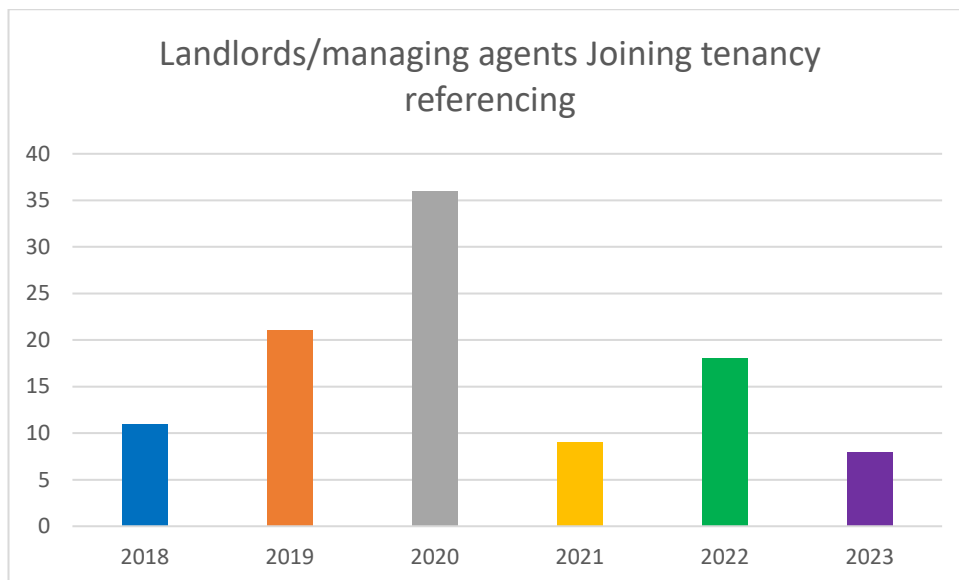
Prior to the introduction of SLL:

Landlord referencing existed but it was discretionary for landlords to join and use the service.

After the introduction of SLL over the 5 year period:

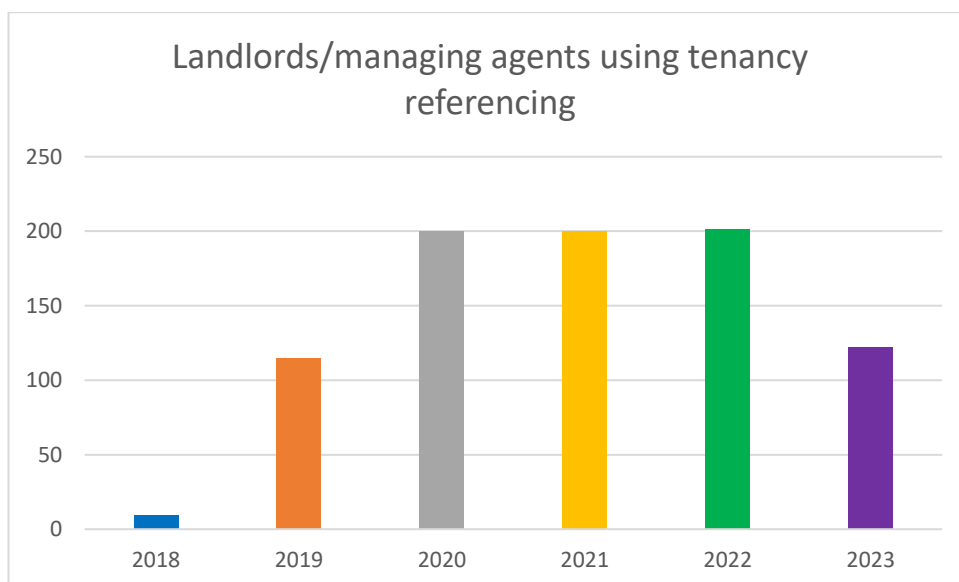
When SLL was introduced tenancy referencing became a mandatory condition of the licence, in addition to conditions requiring landlords to provide a copy of a tenancy agreement, up to date gas safety certificate and an anti-social behaviour plan.

Landlords/managing agents joining tenancy referencing:



Data Source: FLARE data system

Landlords/managing agents using tenancy referencing:



Data Source: FLARE data system

Conclusion: A SLL licence condition is that all landlords must reference their tenants using Middlesbrough Council FREE referencing service, before placing them in a tenancy. The graphs show that during the course of the scheme landlords have not only joined the tenancy referencing scheme, but are also using the service.

9. Antisocial Behaviour & Early Help

9.1 Antisocial Behaviour

Antisocial behaviour and crime can have a devastating effect on individuals and communities. It describes a wide range of everyday nuisance, disorder and crime from graffiti and noisy neighbours to harassment and street drug dealing. It is sometimes dismissed as trivial, but antisocial behaviour has a huge impact on victims' quality of life and it is often the public's number one priority when it comes to local concerns.

The types of antisocial behaviour that the Selective Licensing Neighbourhood Safety Officer regularly

deals with includes:

- Vandalism, graffiti, and other deliberate damage to property or vehicles
- Teenagers hanging around on the streets
- Rubbish or litter lying around
- Drug use and dealing
- Drunk or rowdy behaviour
- Chaotic families.

Prior to the introduction of SLL:

ASB

There was a total of 1,240 complaints of anti-social behaviour received in Newport in 2016/17 by the Council's Private Housing Enforcement and Antisocial Behaviour Teams.

In addition, in 2016 Cleveland Police recorded 1678 incidents of antisocial Behaviour in Newport ward, which was an increase of 4.8% on the previous year and the highest number per ward other than Central ward. Newport had the third highest rate of antisocial behaviour per population of any ward in Middlesbrough, behind North Ormesby and Central wards.

Crime

During the period 1st October 2021 to 30th September 2023, Newport ward had the third highest rate of crime out of all wards across Middlesbrough. Newport ward has also consistently had the third highest rate of crimes marked as racially aggravated accounting for at least 12% of all racially motivated crime within Middlesbrough across the period. During this period there were a total of 5768 crimes, 47 of which marked as racially motivated, additionally there were 139 deliberate fires within the ward.

After the introduction of SLL:

ASB

Currently in financial year (FY) 2023/24 there have been a total of 3149 reported incidents of ASB to Cleveland Police, this is 42% lower than the full financial year of 2022/23 following a reduction in the previous year of 22%. This decrease can also be seen in Newport with the total of 287 ASB reports currently for financial year 2023/24 being lower than FY2022/23 by 46%, with last year also being lower than the one before by 64%.

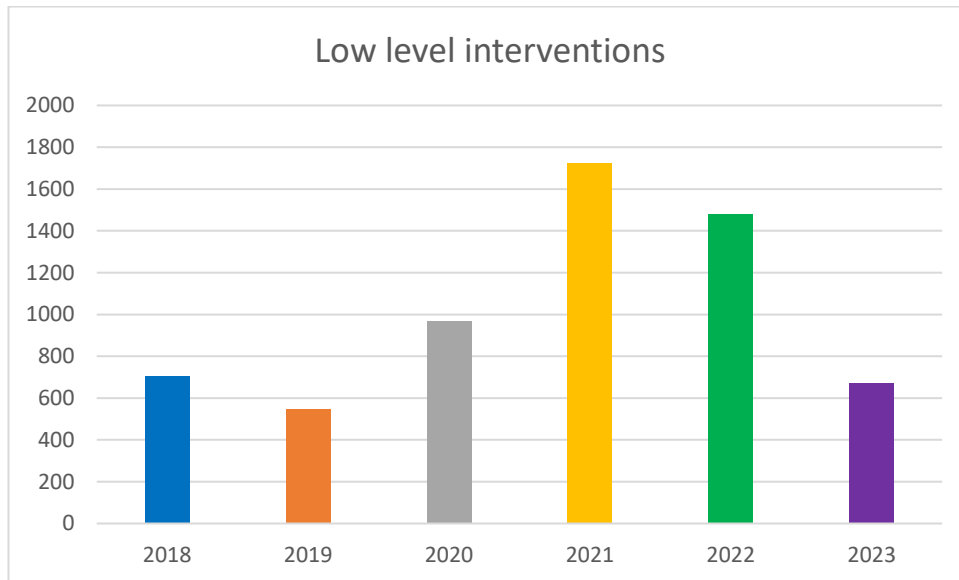
ASB levels in FY2022-23 significantly reduced resulting in the yearly average also reducing, resulting in month-on-month levels so far in FY2023-24 appearing higher, but the levels of ASB counts per month overall are still lower than in 2020-21 and look to be somewhat static.

Crime

Whilst Newport ward remains the third highest ward in relation to the rate of crime per 1000 head of population, the general trend is decreasing. In Financial Year (FY) 2021/22 the crime rate was 116.3 crimes per 1000 Head of Population, this increased to 254.9 in FY2022/23, and currently in FY2023/24 the rate is at 106.2 per 1000. Whilst the rate of crime looks to be increasing considering this data only captures half of the financial year, it is currently still lower than in previous years. Currently in FY2023/24 there have been 1311 reported crimes, this was 3079 in 2022/23, 1378 in 2021/22, and 2975 in financial year 2020/21.

In Newport the levels of police reported crime have been continuously decreasing with levels in 2023-24 recording some of the lowest seen over the last 3 financial year periods. The total of 163 crimes in October 2023 is lower than in 2022 by 41.3%, lower than in 2021 by 36.3%, and lower than in 2020 by 29.4%.

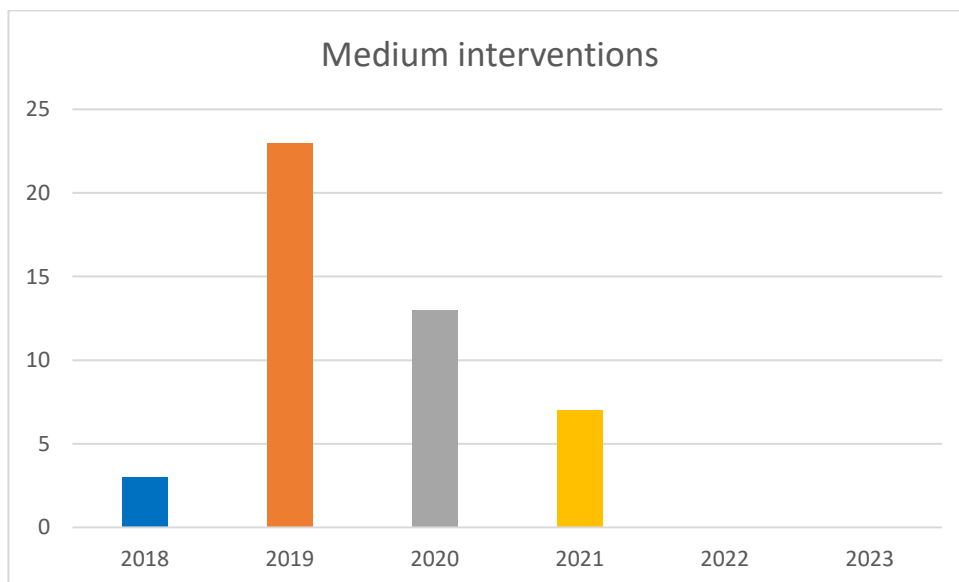
Number of low level interventions



Data Source: FLARE data system

Low Interventions are: cases open/closed, telephone call/e-mail, letter drop, diary sheets received, initial warning letters, motorbike warning letter, site meetings and joint patrols.

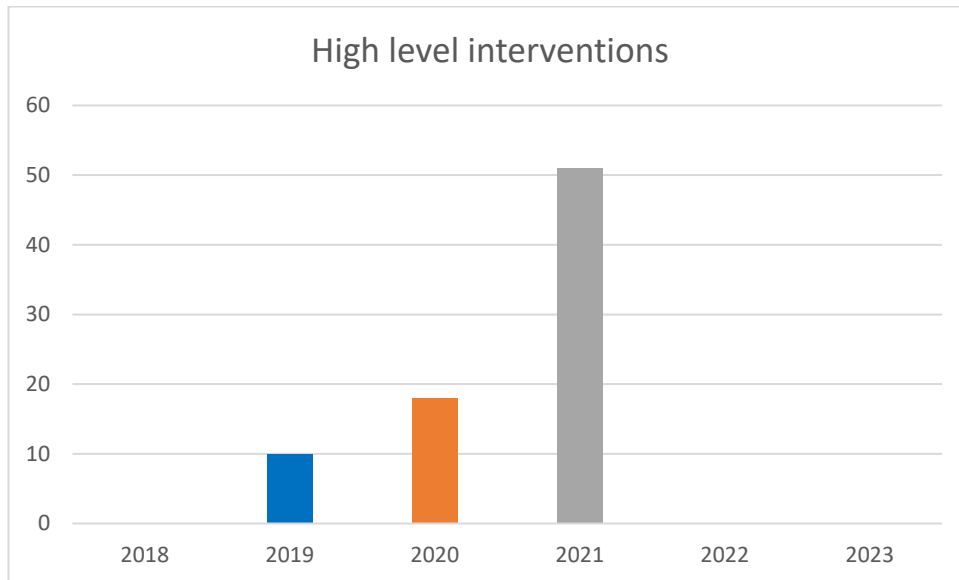
Number of medium interventions



Data Source: FLARE data system

Medium Interventions are: second warning letter, final warning, ABC issued, ABC breached, joint interviews and tenancy breach interview.

Number of High level interventions:

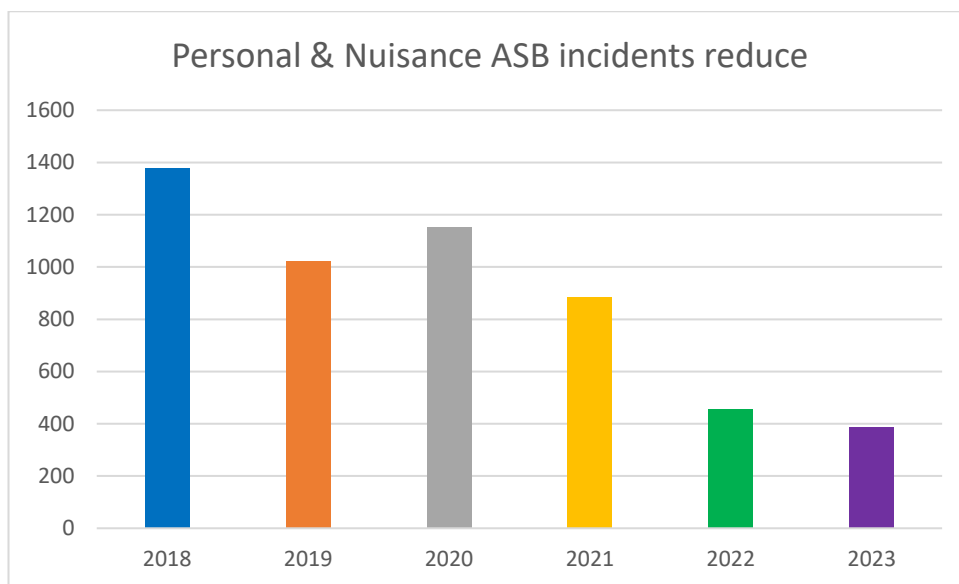


Data Source: FLARE data system

High level interventions are: Criminal Behaviour Orders, Civil Injunction, House Closures (all for high levels of persistent antisocial behaviour and a last resort after all low and medium level interventions have been exhausted).

Conclusion: The figures demonstrate the wide range of interventions delivered as part of the SLL scheme to tackle antisocial behaviour. These also show that the low level interventions are effective in preventing any further escalation in behaviour which requires a higher level of intervention.

Reduction in Personal & Nuisance ASB incidents (Police Data):



Data Source: police analyst data systems provided by Middlesbrough Council Data Analyst

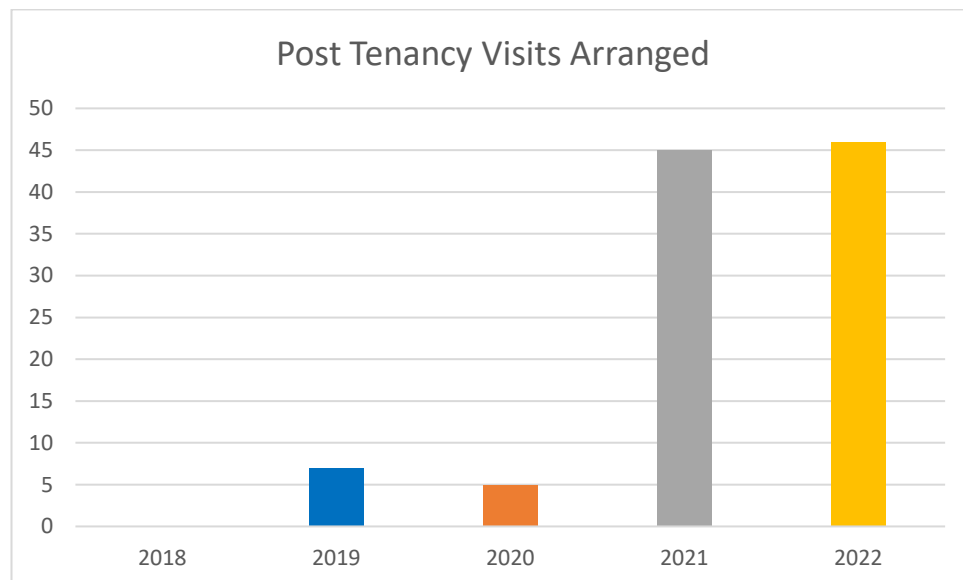
The personal and nuisance antisocial behaviour incidents in Newport (Police data) has reduced by 45.5% reduction between June 2019 and June 2023.

9.2 Early Help

A multi-agency/disciplinary team visit was made to each property which incorporated the housing standards inspection. Issues identified includes substance misuse, parenting skills, unemployment; the team make referrals to relevant agencies and follow-up any actions. The services offered through the inspection team are of benefit to landlords, tenants and the wider community to help to reduce the turnover of tenants.

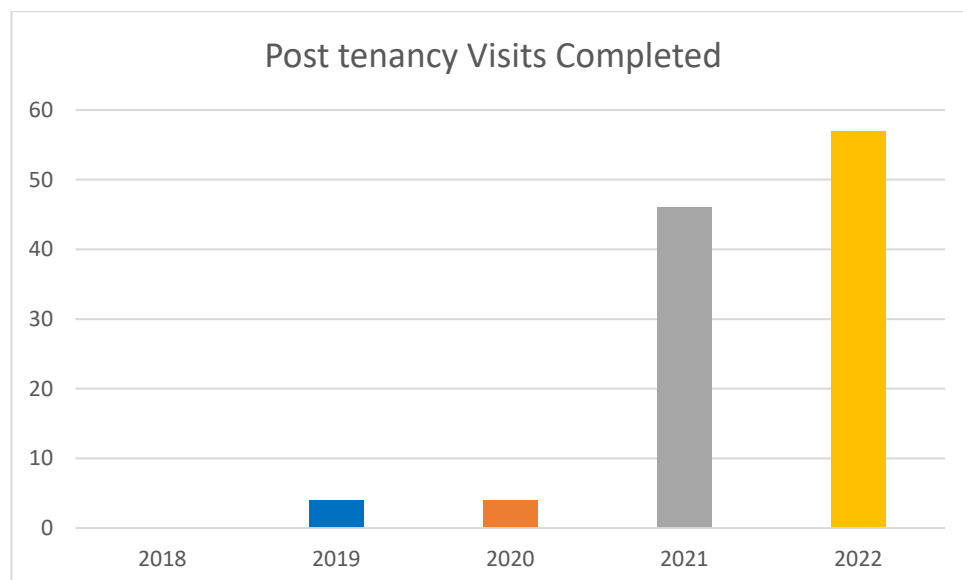
Post tenancy visits were carried out for all new tenancies. Part of the Tenancy Relations Officer's role was to carry out a post tenancy visit approximately 4 weeks after the new tenancy had commenced to ensure that the tenant had settled into their new home and to discuss any concerns/issues they may have. If there was history of previous anti-social behaviour this visit was conducted jointly with the Neighbourhood Safety Officer. A post tenancy visit appointment letter is normally sent (Post tenancy visits arranged figure) however some visits are not prearranged for example if a complaint is made. This explains why the number of post tenancy visits completed is greater than those arranged. During 2020 the number of visits are low due to COVID restrictions. In April 2023 there was a change in focus to only visit red referenced tenants and they are now carried out by the Neighbourhood Safety Officer jointly with the landlord.

Post Tenancy Visits Arranged (up to the period March 2023):



Data Source: FLARE data system

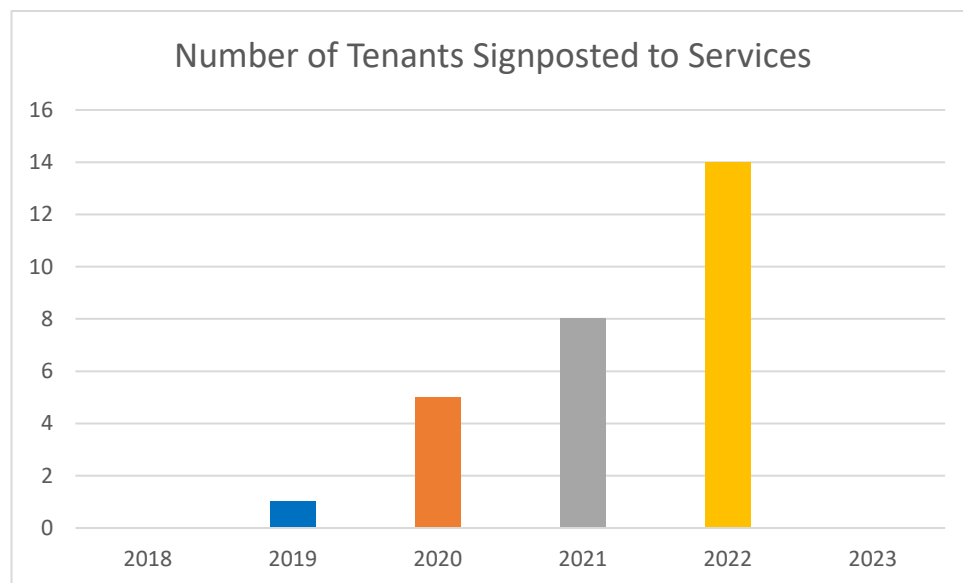
Post tenancy Visits Completed (up to the period March 2023):



Data Source: FLARE data system

Conclusion: Post tenancy visits are useful to identify any early support needs. Focusing on red referenced clients is seen as an effective preventative measure and a better use of resources than visiting all tenants. In addition offering support through the joint visit and housing inspections is considered to be a valuable means of engagement and identifying any needs.

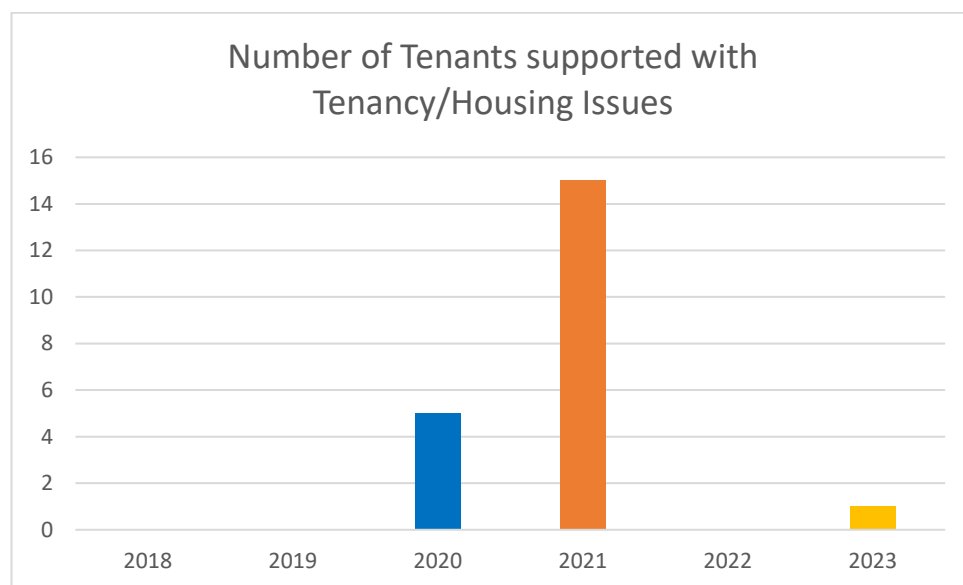
Number of Tenants Signposted to Services:



Data Source: FLARE data system

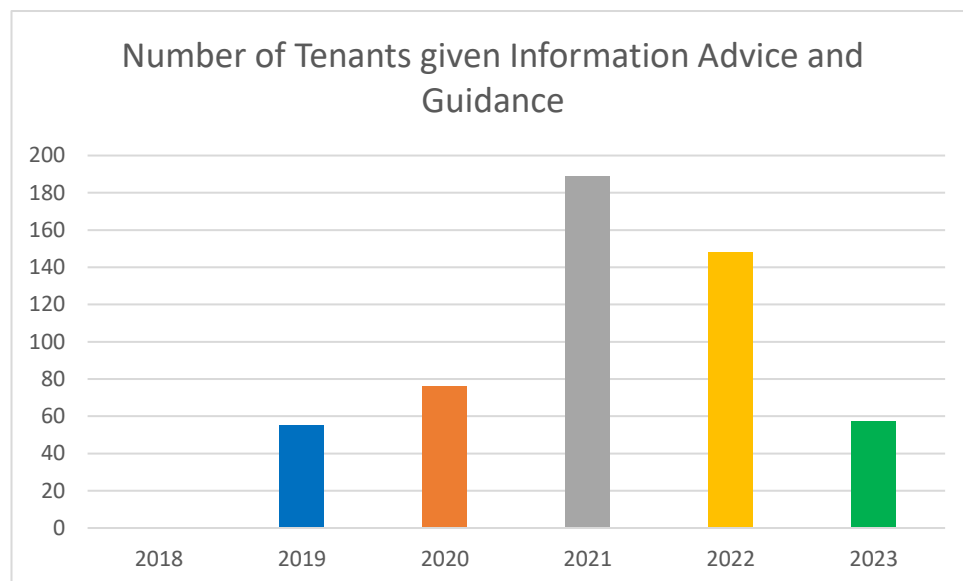
Conclusion: During inspection and post tenancy visits the tenancy relations officer discusses the tenant's needs and referrals into other services such as Mental Health, substance misuse and debt services. Without this SLL intervention these tenants may not access the services they require or access may be delayed.

Number of Tenants supported with Tenancy/Housing Issues:



Data Source: FLARE data system

Number of Tenants given Information Advice and Guidance:



Data Source: FLARE data system

Conclusion: During inspection and post tenancy visits tenants are given information, advice and guidance on any matters arising, these can be tenancy issues, antisocial behaviour, information on refuse/recycling days, alley gates and more. These types of intervention assist in tackling anti social behaviour.

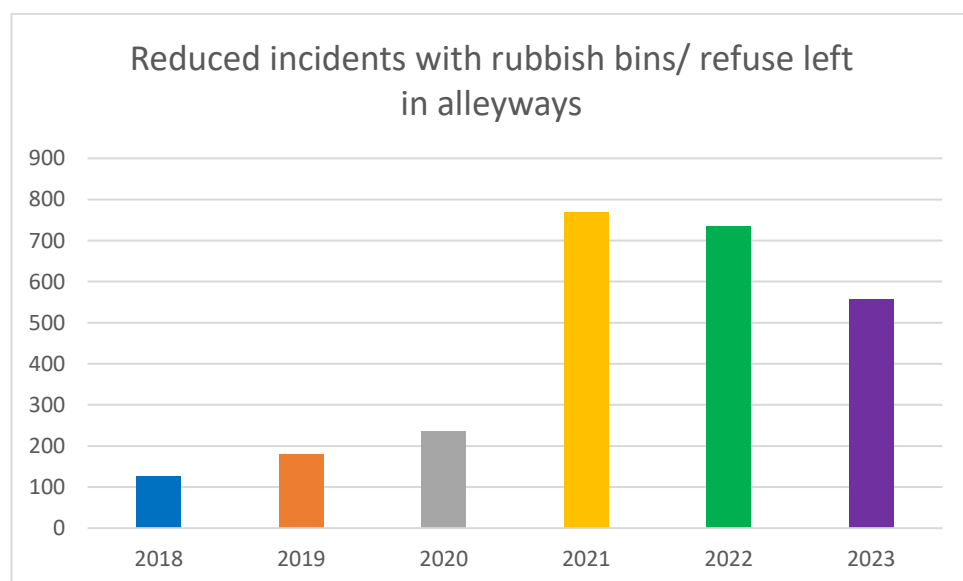
10. Environmental Nuisance

Environmental nuisance and fly-tipping was an issue in Newport especially in and at the entrance to alleys.

After the introduction of SLL over the 5 year period:

Selective licensing team conduct daily walkabouts in the area and introduced a multi-agency walkabout fortnightly to address the issue. Any fly-tipping or rubbish identified by the team is reported to Middlesbrough Council contact centre. The walkabouts identify hotspots and problem areas and can implement early intervention to remove waste and to attempt to prevent further dumping.

Reduction in incidents with rubbish bins/ refuse left in alleyways:



Data Source: Street scene operative's data into Microsoft Access report

Conclusion: The figures show an increase in the number of reports during 2021 followed by a small reduction in the number of reported incidents of dumped waste and environmental issues. There is still work to be done to tackle environmental nuisances.

11. Application Process

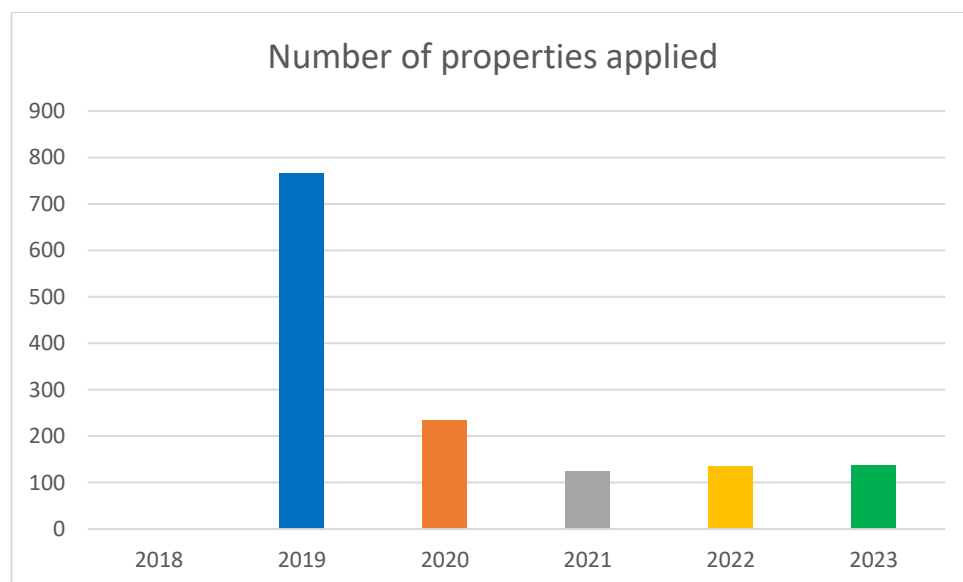
11.1 Applications Received

Within the designated area of Newport all privately rented properties need a licence to operate. The owner of the rented property needs to make an application to the Council. The Council must be satisfied that of all the person with an interest in the property, the most appropriate person is the licence holder, this would usually be the property owner.

The licence is valid for a maximum of 5 years. Failing to apply for a licence could lead to prosecution and an unlimited fine. If prosecuted, this would lead to the licence holder no longer being classed as 'fit and proper' and would mean they would need to find someone else to hold their licence and undertake the management of the property.

At the start of the scheme it was estimated that 800 properties would require licences, to date (Nov 2023) 1,054 properties have been licensed. and 1263 licences have been issued (this figure represents where properties have been relicensed due to changes in tenure.)

Number of properties applied up to the period 30th September 2023:



Data Source: FLARE data system

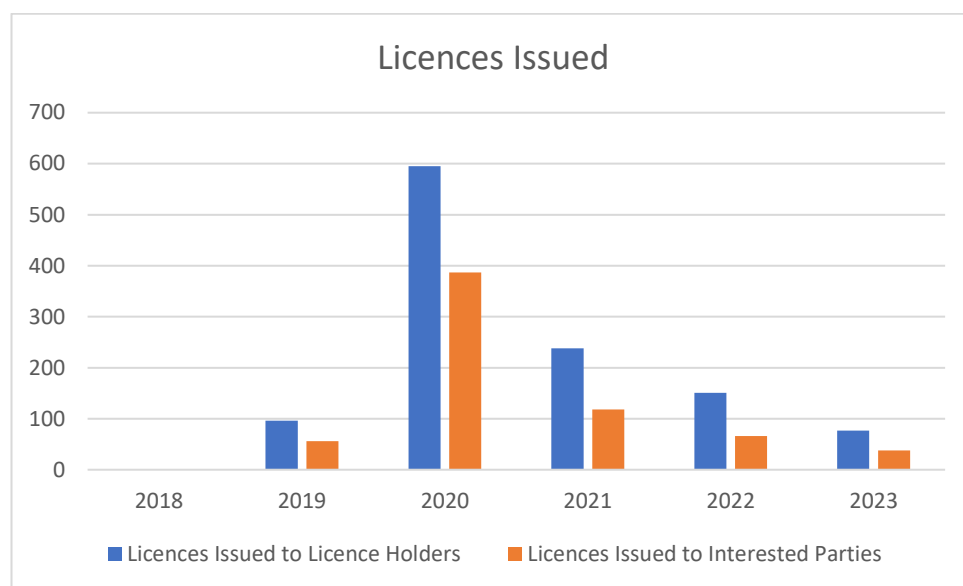
Conclusion: The number of properties applying for the scheme have decreased over the course of the SLL scheme demonstrating that most landlords complied with the requirement to licence in 2019. Applications have been received throughout the duration of the scheme due to the sale of properties and changes in tenure and also as non compliant landlords are pursued using legal powers.

11.2 Licences issued to licence holder and to interested parties

Once a landlord has applied for a licence, the application is checked and a notice of intention (draft licence) sent including second payment link, once the second payment has been received the licence is issued.

If the property has an interested party in the property i.e. a mortgage company then a copy of the licence is also issued to the interested party.

Licences Issued to Licence holders and Interested Parties:



Data Source: FLARE data system

12. Enforcement

Failing to apply for a licence could lead to issuing a civil penalty notice or prosecution with the potential for an unlimited fine. In addition to the fine the Council can apply for a Rent Repayment Order which allows amounts paid in connection with a tenancy or licence to be recovered for the period that the property should have been licensed.

12.1 Enforcement for non-compliance

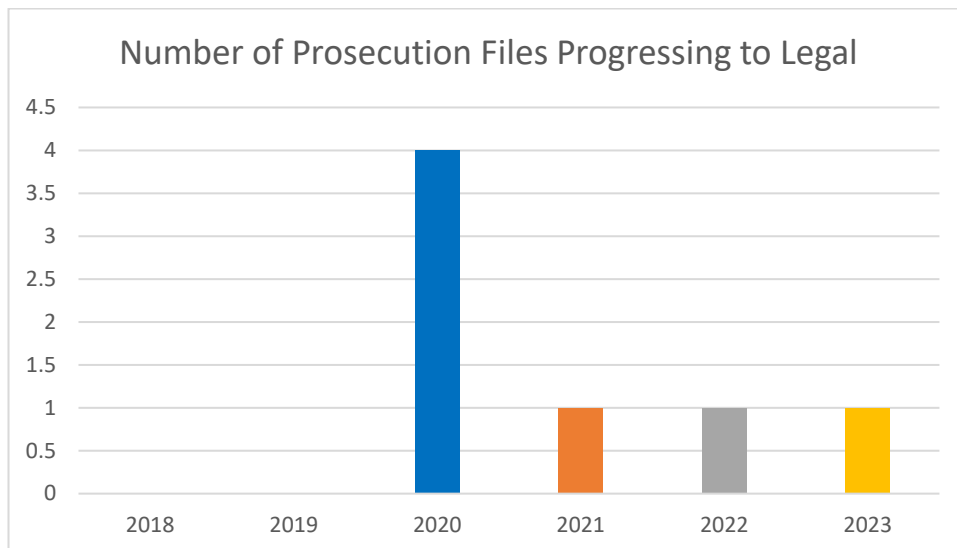
Landlords are given adequate time and support to apply for a Selective licence. They are sent an initial notification letter, giving 4 weeks to apply. If no application is received they are then sent a reminder letter incurring a £100 late fee and giving a further 14 days to apply for a licence. If an application is still not received we then pursue the landlord and take enforcement action for non-compliance with the scheme. Under the Housing Act 2004 a person commits an offence if he is a person having control of or managing a house which is required to be licensed under this Part (see section 85(1)) but is not so licensed.

Prior to the introduction of SLL:

No enforcement was taken against landlords in the Newport ward.

After the introduction of SLL up to the period 30th September 2023

Number of Prosecution Files Progressing to Legal Services:



Data Source: FLARE data system & Selective Licensing Legal Data spreadsheet

The low number of cases indicate that most landlords have complied with the SLL scheme. However, considerable time and effort is put into chasing a larger number of landlords for payment, some landlords require further reminders which includes a late payment fee and some only respond at the summons stage, apply for a licence and the case did not progress to a hearing. What is not shown here is the amount of time and work which goes into chasing landlords and putting a legal case together. A range of enforcement tools are used to ensure compliance, and this is in accordance with the Enforcement Policy (currently under review). Officers are now using Civil Penalties which is a penalty notice for non payment and prosecution if the penalty is not paid. This has the advantage of being an immediate penalty, legal cases can take months to progress to a court hearing, and it is hoped that this will encourage more landlords to apply within the expected timescales.

Conclusion: There are a relatively small number of prosecution files submitted to Legal Services for non-compliance with the scheme. Compliance was achieved by using the wide range of regulatory approaches in accordance with the Enforcement Policy.

The results of some of the legal proceedings are summarised below:

- 5 landlords applied before their cases were scheduled for court.
- 1 landlord accepted a caution as an alternative to prosecution.
- 2 landlords applied following the issue of a summons.
- 1 case is pending a Civil Penalty

12.2 Partnership working

The SLL team work in close partnership with other services and agencies to maximise the impact of the scheme, service include police, fire brigade, community groups, youth groups and other council's services such as street warden service and environmental services. It was initially planned that SLL would be a multi-agency team and include Police, Fire Service and Social Care (similar to the locality based working) and working together with landlords. This multi-agency approach is being achieved through the delivery of the Locality based working arrangement in both Newport and North Ormesby wards. SLL work closely alongside other agencies as part of this set up, benefiting from the close ground level working. A Landlord's Forum has been set up and is currently chaired by a landlord. It is in its early stages of development and further engagement with landlord's is needed to improve attendance.

Case Study to support Partnership Working

Police Testimonial (Inspector 0895 Darren Birkett Middlesbrough North NPT) – “As Neighbourhood Inspector I am delighted with the partnership we have with the Selective Licence Scheme colleagues.

On a daily basis we share intelligence and work closely together to support individuals and communities and to tackle and disrupt those who cause harm to our communities.

13. Scheme Audits and Evaluations

13.1 MHCLG Independent Review of Selective Licensing schemes

An Independent Review of the Use and Effectiveness of Selective Licensing was carried out by Ministry of Housing, Communities and Local Government (MHCLG) in June 2019 and was updated in September 2019.

The survey results indicated that the most common reasons for the introduction of a SLL scheme are:

- poor housing conditions
- pervasive anti-social behaviour
- deprivation, and
- low demand.

When the London boroughs are excluded from the calculation, low demand as a reason for the introduction of selective licensing is relatively common.

With only one exception, all local housing authorities with schemes in operation considered their schemes to be at least “fairly effective” in tackling one or more of the issues licensing was introduced to address. 41% of local authorities reported their schemes were “very effective”, 51% were “fairly effective” and only 9% were “fairly ineffective” or “very ineffective”. This clearly indicates that the local authorities currently operating SLL schemes find it to be an effective policy tool.

The review overall indicates that SLL is effective policy tool with many schemes achieving demonstrable positive outcomes. This study also finds that schemes appear to be more successful as part of a wider, well planned, coherent initiative with an associated commitment of resources, as opposed to those schemes implemented in isolation which have more limited outcomes. This finding entirely consistent with the aims of the Housing Act.

13.2 Middlesbrough Council Scrutiny Panel Review

In 2018 Middlesbrough Council Scrutiny Panel reviewed the North Ormesby scheme. The Panel were extremely supportive of the scheme:

- They recognised the achievements made through SLL in the North Ormesby ward, including improving community confidence which has led to increased reporting of anti-social behaviour and crime to the SLL team.
- They were extremely complimentary of the work achieved, and applauded the Selective Licensing Team for their efforts.
- They Panel also learned that in November 2017, the team had been awarded Outstanding Contribution to Prevention at the Cleveland Community Safety Awards.

Throughout the investigation, the Panel made reference to the issues within Gresham and University wards and the increasing number of private rented housing properties. The Panel were of the opinion that the excellent work achieved since the introduction of Selective Licensing in North Ormesby and hoped that any future schemes would mirror this model.

Members asked about the potential for a Selective Landlord Licensing town wide scheme which they considered would have benefits across the whole town. However, many of the wards in Middlesbrough do not meet the legislative criteria to introduce a SLL scheme such as that the area is, or is likely to become, an area of low housing demand; and that the area is experiencing a significant and persistent problem caused by anti-social behaviour; and would put the Council at risk of legal challenge.

Additionally, if rolled out on an Early Help basis, it would almost certainly be cost prohibitive. If it was run more simply, as a licensing regime, it is unlikely to have significant impacts on supporting residents’ needs”.

13.3 Middlesbrough Council Internal Audit

An internal audit of the SLL scheme in North Ormesby was carried out in January 2019, prior to the implementation of the Newport 1 SLL scheme. The audit found that the scheme has strong control measures, there were no recommendations and had exceeded the Council's expectations.

A further audit of the Selective licensing schemes commenced on 12th June 2023. The audit which focused on the Selective Landlord Licensing Schemes currently operating in the areas of North Ormesby and Newport 1. The purpose of this audit was to provide assurance to management that procedures and controls within the system ensure that:

- The scheme is well administered and the financial model is fit for purpose.
- The performance of the project is monitored and the Council's objectives are met.

Auditors found that the SLL Schemes are well administered, the financial model is fit for purpose, and that performance of each of the schemes is monitored to ensure that the Council's objectives are met.

The Statement of Policy and Procedure for Selective Landlord Licensing (SPPSLL) is published on the Council's website and clearly sets out the requirements of the schemes, and is appropriately reviewed, updated and approved. The aims and objectives of each of the schemes provide links to the Council's Strategic Plan and to the improvement of housing. The Selective Landlord Licensing (SLL) team works in close partnership with other Council services and external agencies to maximise the benefits of the schemes.

Overall Conclusions from the audit are that a sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited. Their overall opinion of the controls within the system at the time of the audit was that they provided Substantial Assurance.

CONCLUSION

In accordance with the guidance from Local Government Regulation, the effectiveness of the Newport 1 Selective Landlord Licensing has been measured against the following:

- reducing anti social behaviour attributable to the private rented sector;
- improving management standards in the private rented sector;
- increasing housing demand;
- improving the environment; and
- contributing to the effectiveness of partnership working to improve the quality of life.

The evaluation of outcomes and performance have demonstrated that the Selective Landlord Licensing Scheme in Newport 1 has resulted in a wide range of positive outcomes and benefits to the community, landlords, tenants and owners, both directly and indirectly, including:

- Improved management and condition of privately rented accommodation.
- Supported landlords in dealing with anti-social tenants.
- Educating tenants about their responsibilities and their impact of their behaviour on the community and neighbours.
- Encouraged tenants to recognise when properties are of a sub-standard condition and what options are available to them.
- Promotion of landlord aspiration to let property to a higher standard and to act in a professional manner.
- Encouragement of landlords not to take tenants with a poor reference.
- Improvement of the image and desirability of the area.
- Improved values of property in the area.
- Encouraging a change to the tenure mix of the area. Protect investment in the area.
- Working with those landlords who are not providing good quality accommodation or managing their tenancies effectively and removing "rogue landlords" altogether.
- Reduced tenant turnover leading to sustainable communities, creating communities where tenants want to remain.
- Encouraged the use of reputable managing agents when landlords are inexperienced or "absentee".

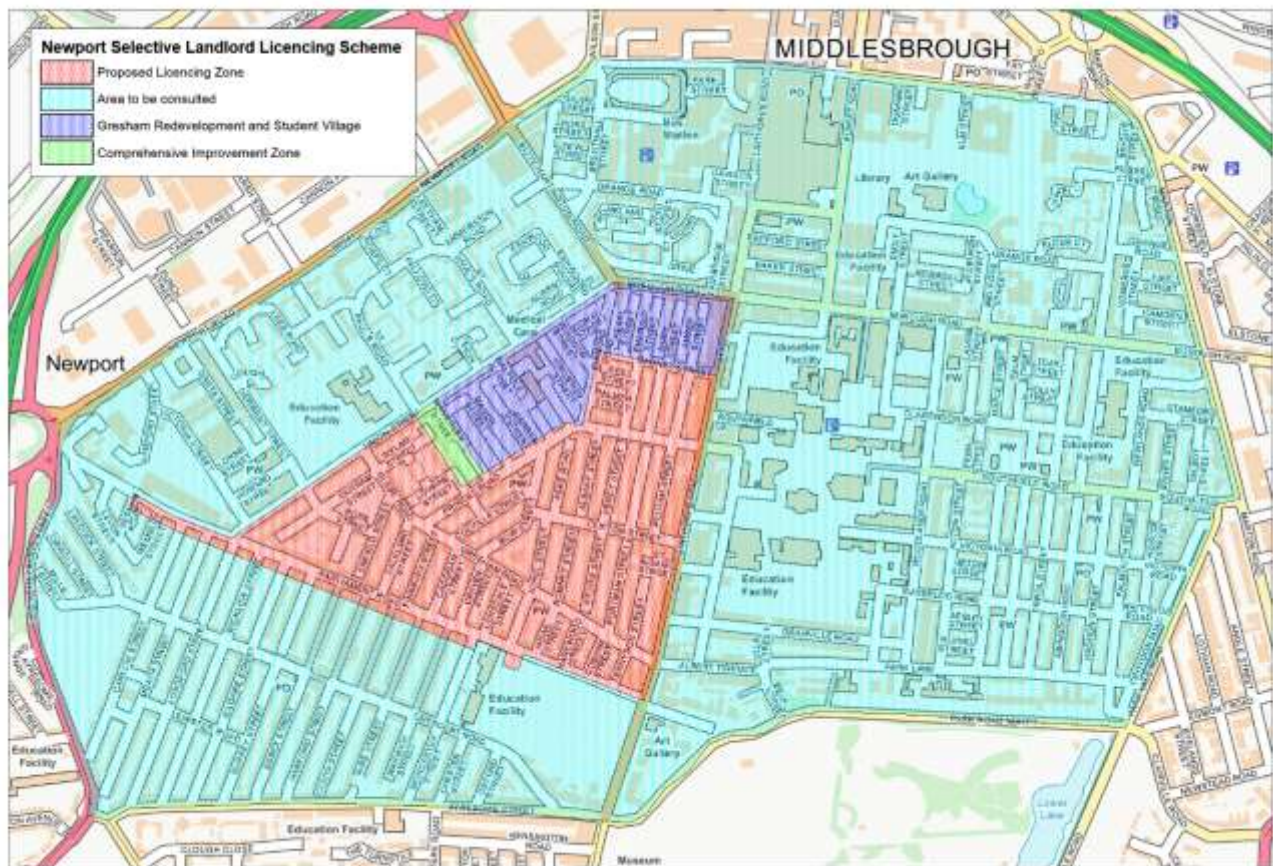
- Raising community confidence through the appropriate use of enforcement powers against landlords who are failing to comply with the provisions of the Housing Act 2004.

In carrying out this evaluation of the Newport 1 scheme there are areas of learning and improvement which have been identified some of which will be considered in the delivery of future schemes:

- Expanding the team's role in securing empty, open for access properties. The SLL team have been actively involved in taking legal action, where necessary, to secure empty properties which become open for access. This has increased the efficiency of securing properties in a shorter timescale.
- Inspection delays due to Covid restrictions. This situation was unforeseen and the impact was unprecedented but it has had an impact on the face to face elements of the delivery of the scheme. It has delayed the housing inspection programme which has impact on the delivery of other elements of the scheme.
- There have also been challenges to gaining access to some properties to carry out a housing inspection, mainly due to the nature and sometimes chaotic lifestyles of the tenants. The team will be introducing cold call visits to aid the inspection process.
- Post tenancy visits to focus solely on red referenced tenants and are now carried out by the Neighbourhood Safety Officer jointly with the landlord. All support is still to be offered through this joint visit and housing inspections.
- Maximising enforcement tools. Enforcement of the scheme now includes the use of Civil Penalties in addition to prosecution for Housing Act offences, including non licensing and poor housing standards. For anti-social behaviour Community protection warnings and notices are being issued.
- A review of the procedure for a Fit & proper person check. This will now be achieved through a Disclosure Barring service (DBS) check to make it more robust.
- An additional charge of £100.00 will be made for the submission of incomplete applications. This is considered to be a better approach than rejecting applications which is more costly to the applicant.
- Consideration to providing those landlords making applications for licences in the last twelve months of the designation to be eligible for a reduced fee of 50% of the second payment, where properties have not been licensable prior to the 12 month deadline. Offering discounts have to be carefully considered in the context of ensuring that the scheme is adequately resourced throughout its life and that they do not encourage landlords to delay making their application.

APPENDICES

APPENDIX 1 MAP OF DESIGNATED AREA



APPENDIX 2 FIT AND PROPER PERSON CHECKS

Middlesbrough Council, for the purposes of deciding whether to grant or refuse an application for a licence under section 88(3) (a) or (c) of the Housing Act 2004, will (among other things) have regard to the evidence that the person is a fit and proper person to be the licence holder or (as the case may be) the manager of the house. Middlesbrough Council will evaluate and take into account any evidence of:

- (a) They have committed any offence involving fraud or other dishonesty, or violence or drugs, or any offence listed in Schedule 3 to the Sexual Offences Act 2003 (c. 42) (offences attracting notification requirements);
- (b) Practised unlawful discrimination as defined in the Equality Act 2010 on the grounds of sex, sexual orientation, gender reassignment, age, race, religion or belief, marital status, pregnancy, maternity, or disability in, or in connection with, the carrying on of any business; or
- (c) Contravened any provision of the law relating to housing or landlord and tenant law.

A criminal conviction or evidence of unlawful discrimination or breaches of housing or landlord and tenant law doesn't necessarily mean that a landlord won't pass the test. The Council will have to look at every case individually and weigh up all the circumstances when making a decision. For example, the Council will have to think about:

- What the conviction was for;
- The circumstances of the case;
- How long ago it was and whether it is spent or not;
- Whether or not it will affect the person's ability to be a good landlord;
- The risk of the same thing happening again and whether that would affect the person's duties as a Licence Holder.

In addition Middlesbrough Council will also examine evidence:

- (a) If it shows that any person associated or formerly associated with the landlord or managing agent (whether on a personal, work or other basis) has done any of the things set out in subsection (a) to (c) above, and
- (b) It appears to the council that the evidence is relevant to the question whether the landlord is a fit and proper person to be the licence holder or (as the case may be) the manager of the house.

Middlesbrough Council will consider that a person is not a fit and proper person if a banning order under section 16 of the Housing and Planning Act 2016 is in force against the person.

For the purposes of the fit and proper test Middlesbrough Council will assume, unless the contrary is shown, that the person having control of the house is a more appropriate person to be the licence holder than a person not having control of it.

Middlesbrough Council in deciding for the purposes of whether the proposed management arrangements for the house are otherwise satisfactory, will have regard (among other things) to the following considerations:

- Whether any person proposed to be involved in the management of the house has a sufficient level of competence to be so involved;
- Whether any person proposed to be involved in the management of the house (other than the manager) is a fit and proper person to be so involved; and
- Whether any proposed management structures and funding arrangements are suitable.

Middlesbrough Council

Newport 1 area

Selective Landlord Licensing Conditions

(Housing Act 2004)

Mandatory Conditions Schedule 4 Housing Act 2004

1. Gas

If gas is supplied to the house, the Licence holder shall provide to Middlesbrough Council a Gas Safety Certificate issued within the previous 12 months at the time of the application and thereafter annually.

Reason: Mandatory condition required by Schedule 4 of the Housing Act 2004.

2. Electrical appliances

The Licence holder shall keep all electrical appliances and furniture supplied in a safe condition and must provide a declaration as to their safety at the time of application and thereafter on demand.

Reason: Mandatory condition required by Schedule 4 of the Housing Act 2004.

3. Furniture and furnishings

The Licence holder shall ensure that furniture and furnishings supplied by them are compliant with the Furniture and Furnishings (Fire) (Safety) Regulations 1988 (as amended 1989 and 1993) and must provide a declaration as to their safety at the time of application and thereafter on demand.

Reason: Mandatory condition required by Schedule 4 of the Housing Act 2004.

4. Smoke alarms

The Licence holder shall ensure that at least one smoke alarm is installed on every storey in their rental property which is used as living accommodation. The landlord (or someone acting on behalf of the landlord) must ensure all alarms are in proper working order at the start of each new tenancy. Landlord must provide a declaration as to their condition and positioning to Middlesbrough Council on demand.

Reason: Mandatory condition required by Schedule 4 of the Housing Act 2004, The Smoke and Carbon Monoxide Alarm (England) Regulations 2015 and to comply with minimum fire safety standards LACORS.

5. Carbon Monoxide alarms

The Licence holder shall ensure that a carbon monoxide alarm is installed in any room in the house which is used wholly or partly as living accommodation and contains a solid fuel burning combustion appliance. The landlord (or someone acting on behalf of the landlord) must ensure all alarms are in proper working order at the start of each new tenancy. Landlord must provide a declaration as to their condition and positioning to Middlesbrough Council on demand.

Reason: Mandatory condition required by Schedule 4 of the Housing Act 2004, The Smoke and Carbon Monoxide Alarm (England) Regulations 2015 and to comply with minimum fire safety standards LACORS.

6. Tenant references

The licence holder must demand and obtain references for all prospective occupiers of the house to enable the licence holder to make an informed decision regarding occupancy of the property.

All references shall be obtained by the licence holder via the **FREE** Middlesbrough Council, tenant referencing service.

The licence holder must retain all references obtained for occupiers for the duration of this licence and must provide Middlesbrough Council, upon demand and within 14 days of that demand, a copy of pre-let reference checks along with full names and dates of birth of each occupant.

NOTE: Details of how to contact Middlesbrough Council in respect of the tenant referencing service can be found at: <https://www.middlesbrough.gov.uk/planning-and-housing/landlord-and-tenant-support/tenancy-referencing-service/tenancy-referencing-service-further-information>

Reason: Mandatory condition required by Schedule 4 of the Housing Act 2004

7. Terms of occupation

The Licence holder shall supply to the occupiers of the house a written statement of the terms on which they occupy the property. A copy of the terms will be provided to the Council on demand.

Reason: Mandatory condition required by Schedule 4 of the Housing Act 2004

Additional Conditions of Licence imposed by Middlesbrough Council

The Licence holder must ensure that the premises fully comply with the conditions set out below unless notified otherwise

8. Number of occupiers

The Licence holder shall ensure that the number of occupants in the property does not cause overcrowding.

Reason: To ensure that the premises comply with Middlesbrough's space and amenity standards.

9. Heating and Insulation/Energy Efficiency

The Licence holder shall provide a copy of a valid Energy Performance Certificate. Also, when requested during the period of the Licence, to complete and return to the authority, an energy efficiency assessment questionnaire of the licensed property.

Reason: To safeguard the health and well-being of the occupants with regards to the reduction of fuel poverty and national energy efficiency measures and to be aware of the statutory requirements for Energy Performance Certificates (EPCs).

10. Property management

The Licence holder shall ensure that:

- a) all repairs to the house or any installations, facilities or equipment within it are carried out by competent and suitably qualified persons, for example Corgi registered operatives for gas appliances and an electrical contractor who is a member of an approved scheme, such as NICEIC, BSI, NAPIT, ELECSA or BRE.
- b) all occupants of the house receive written confirmation detailing arrangements in place to deal with repairs and emergencies and report nuisance and anti-social behaviour;
- c) if accommodation is provided on a furnished basis and includes electrical appliances, copies of user manuals or equipment provided as part of the agreement for the occupation of the house;
- d) all occupiers are made aware of the Selective Licencing scheme, licence and it's conditions.

Reason: To safeguard the health, safety and well-being of occupants.

11. Security

The Licence holder shall ensure that:

- a) the security provisions for the access to the dwelling (including but not limited to locks, latches, deadbolts and entry systems) must be maintained in good working order at all times;
- b) where window locks are fitted, keys are provided to the relevant occupant;
- c) where previous occupants have not surrendered keys, a lock change is undertaken prior to new occupants moving in; and,

- d) where alley gates are installed to the rear of the licensed property, tenants are aware of how to obtain a key.

Reason: To safeguard the health, safety and well-being of occupants.

12. External areas, refuse and waste

The Licence holder shall ensure that:

- a) the exterior of the property is maintained in a reasonable decorative condition and state of repair, including the removal of graffiti;
- b) the tenants are instructed in their responsibilities to maintain at all times any garden, yard and other external areas within the curtilage of the house, and ensure they are kept in a reasonably clean and tidy condition;
- c) the tenants are instructed in their responsibilities in respect of refuse storage and disposal, to include details of what day refuse collections take place and what type of receptacle to use for household waste and recycling;
- d) where they are aware of a pest problem or infestation at the property, they will take steps to ensure that a treatment program is carried out to eradicate it. Records shall be kept of such treatment programs and these shall be provided to the Council on demand;
- e) access is available at all times to adequate, external, refuse storage or suitable arrangements are in place for the collection of refuse.

Reason: To ensure that the domestic hygiene and condition of the licensed property is maintained.

13. Training

The Licence holder and/or Manager shall undertake property management training courses or information days, where required to do so by the Council. The training/information days will be provided by Middlesbrough Council.

Reason: To enable the Council to provide licence holders with the knowledge and expertise to improve the management of their properties.

14. Management / Anti-social behaviour

The Licence holder shall take reasonable and practical steps to reduce or prevent anti-social behaviour by persons occupying or visiting the house and the use of premises for illegal purposes.

The Licence holder shall:

- a) provide a written action plan to Middlesbrough Council outlining procedures for dealing with anti-social behaviour at the time of application. This must be reviewed annually and submitted on request;
- b) obtain tenant references prior to granting a tenancy as to previous tenancy conduct, including behaviour of that of the proposed occupier and household;

- c) provide the local authority, upon request, the full names and dates of birth of each occupant of the property;
- d) if he/she receives a reference request for a current or former tenant he must refer the matter to Middlesbrough Council's tenancy referencing service who will carry out the reference on their behalf;
- e) cooperate with Middlesbrough Council, Cleveland Police and other agencies in resolving complaints of anti-social behaviour or criminal activity. The Licence holder and/or their nominated Managing Agent must not ignore or fail to take action against any complaints regarding their tenants. Written records of action taken, if any, shall be maintained and made available for inspection by an authorised officer of Middlesbrough Council on request;
- f) ensure that the appropriate authorities (namely Middlesbrough Council and Cleveland Police) are informed, where they have reason to believe that their tenant's behaviour involves criminal activity;
- g) contact the tenant within 14 days if a complaint is received, or criminal or anti-social behaviour is discovered. The tenant must be informed of the allegations of their behaviour in writing and of the consequences of its continuation. The Licence holder should maintain contact with the Council's Neighbourhood Safety Team in order to monitor complaints and take appropriate action;
- h) endeavour to attend home visits, interviews, multi-agency meetings or case conferences arranged by the Council or Police as and when necessary;
- i) make regular (at least quarterly) inspections of the property to ensure that the property is in a decent state of repair and that the occupiers are not in breach of tenancy terms and conditions. Written records of inspections made, conditions noted and actions taken as a result shall be maintained and made available for inspection by an authorised officer of Middlesbrough Council;
- j) ensure that each tenant is made aware that they are responsible for their own behaviour and the behaviour of other occupiers and visitors. Tenants shall be made aware that if they, other occupiers, or their visitors: engage in criminal activity within the locality, or cause nuisance or annoyance to neighbours; or use abusive or threatening language or behaviour to neighbours; fail to store or dispose of refuse properly; or cause damage to fixtures, fittings, fire prevention or alarm equipment or installations, or to the fabric of the premises; or fail to give access to the landlord or his agent for the purpose of maintaining communal areas or, upon reasonable notice, to inspect or undertake works within their accommodation. They will be liable to enforcement action which may include possession proceedings either under the terms of the tenancy, pursuant to Section 21 of the Housing Act 1988 or pursuant to Grounds 13 or 14 of Schedule 2 to the Housing Act 1988;
- k) ensure that the occupants of the property are aware of the services available to them and how they can report nuisance and anti-social behaviour to the local authority.

Reason: To safeguard the well-being of occupants, persons visiting the premises and persons in the immediate locality.

15. Notification / consultation of changes

The Licence holder and Managing Agent shall consult with Middlesbrough Council before making any material changes to the layout, amenity provision, fire precautions or occupation of the house. They must inform Middlesbrough Council of:

- a) details of any convictions obtained after the initial licence application that may be relevant to the Licence holder and/or the property manager and their fit and proper person status and in particular any such conviction in respect of any offence involving fraud or dishonesty, or violence or drugs or any offence listed in Schedule 3 to the Sexual Offences Act 2003;
- b) details, after the initial licence application, of any finding by a court or tribunal against the Licence holder and /or the manager that he/she has practiced unlawful discrimination on grounds of sex, colour, race, ethnic or national origin or disability in, or in connection with, the carrying on of any business;
- c) details, after the initial licence application, of any contravention on the part of the Licence holder or manager of any provision of any enactment relating to housing, public health, environmental health or landlord and tenant law which led to civil or criminal proceedings resulting in a judgment or finding being made against him/her;
- d) details, after the initial licence application, about any property the Licence holder or manager owns or manages or has owned or managed for which a local housing authority has refused to grant a licence under Part 2 or 3 of the Act, or has revoked a licence in consequence of the Licence holder breaching the conditions of his/her licence;
- e) details, after the initial licence application, about any property the Licence holder or manager owns or manages or has owned or managed that has been the subject of an Interim or Final Management Order under the Housing Act 2004;
- f) the property becoming empty;
- g) changes to liability insurance;
- h) notification of repossession/foreclosure;
- i) successful claims against the Licence holder for default of tenancy deposits;
- j) change in managing agent or the instruction of a managing agent;
- k) the undertaking of substantial works to the property, including conversions and modernisations or emergency problems relating to fire, flood or disaster and the tenants are made temporarily homeless.

Reason: To safeguard the health, safety and well-being of occupants in the event of changes during the period of the Licence and to enable the Council to decide whether the licence holder continues to be fit and proper to hold a Selective Landlord Licence.

16. Absence

The Licence holder shall have in place suitable emergency and other management arrangements in the event of their absence. The name and contact details of the Licence holder and/or manager must be supplied to each occupier and must also be on display in a prominent place.

Reason: to safeguard the health, safety and well-being of occupants in the event of temporary absence of persons in control.

17. Compliance inspections

The Licence holder shall allow the Council to undertake Licence compliance checks. Council officers will give the Licence holder at least 24 hours notice of these checks and produce valid authorisation at the time of visit. If the inspection is because the Council suspects there has been a breach of Licence conditions then no notice period will be provided.

Reason: To ensure that the property complies with the Housing Act 2004 and Licence conditions.

APPENDIX 4 EXEMPTIONS

Properties that are exempt from requiring a licence are those that are:

1. Subject to a Prohibition Order, under Section 20 of the Housing Act 2004, that has not been suspended.
2. Business premises.
3. Houses in Multiple Occupation (HMO) that require a statutory HMO licence.
4. Tenancies for agricultural land/holdings.
5. Controlled by a local housing authority, Police authority, Fire and Rescue authority or a Health Service body.
6. Occupied solely by students undertaking a full-time course of further or higher education, and where the person managing or in control of it is the educational establishment.
7. Tenancies granted for more than 21 years and the agreement does not allow the landlord to end the tenancy earlier than the term of the lease (the property must be occupied by the original person who was granted the tenancy or members of their family).
8. The tenant is a member of the landlord's family. (The house must be the occupier's main residence. The person granting the occupancy must be the freeholder or leaseholder, which is for a period of more than 21 years. This lease must not contain a provision allowing the landlord to end the tenancy earlier than the term of the lease);
9. Tenancies or licenses granted for the occupancy of a holiday home.
10. Accommodation that the occupier shares with the landlord or licensor or a member of the landlord or licensor's family.

APPENDIX 5 FEE STRUCTURE

Fee and charging structure for the implementation of Selective Landlord Licensing in a the Newport 1 area.

Part 3 of the Housing Act 2004 enables the Council to require the application for a Licence to be accompanied by a fee fixed by the Council.

The Council is not permitted to make a profit from the introduction of a Selective Landlord Licensing scheme and any surplus must be ring-fenced to the scheme. The fees should, however, take account of all costs incurred in carrying out all duties under this part of the Act.

Licence Fees

To meet the costs involved in running the Newport 1 Selective Landlord Licensing Scheme it is proposed to charge fees of:

- £730 per Single Occupancy Household Unit
- £20 per Fit and Proper Person Check – in respect of the proposed Licence Holder and the proposed manager (if a different person from the Licence Holder)

This fee has been calculated based on the cost to run the various elements of work needed to administer and enforce the scheme; the number of officers required to fulfil these tasks and the officer time needed to complete them were identified and then costed.

Where a licence is refused or revoked, the applicant or licence holder will not be entitled to any refund of fees and will be required to pay any outstanding charges linked to the application.

Applications resulting from a change in ownership of a licensed property will be charged the full standard fee.

Owners should give careful consideration to the person designated as Licence holder as licences run for a maximum of 5 years and are non-transferable. If the licence holder changes for any reason, the full licence fee is payable by the first licence holder and the new licence holder will also need to pay the full standard fee. The new licence holder will not incur a penalty charge as long as the application form, fees and documentation are received within three months of the change of ownership/manager.

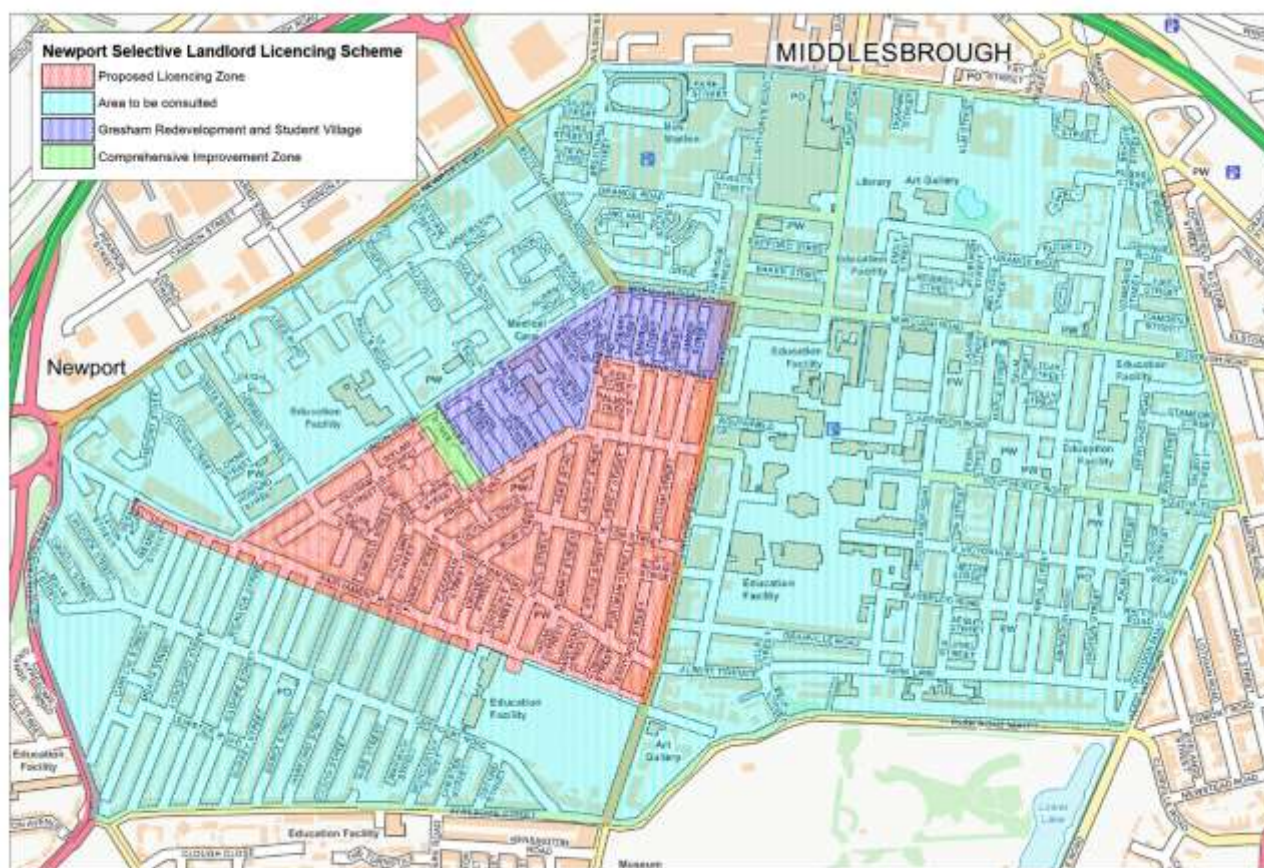
Applications for licences in the last six months of the designation will be eligible for a reduced fee of 50%, where properties have not been licensable prior to the 6 month deadline.

The Council will look to recoup its additional costs where landlords fail to come forward during the licensing timescales or provide incomplete applications which requires additional work from the team.

Method of Payment

This fee is divided into two payments the second only becoming payable when it is decided the landlord is fit and proper to be issued with the licence. The first £365 + £20, will be used to administer the application and fit and proper process. The second £365 will be used for the ongoing administration and the enforcement of the legislation associated with the scheme.

Proposal by Middlesbrough Council to introduce Selective Landlord Licensing in a part of the Newport ward (Newport 1)



Selective Landlord Licensing
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CONTENTS

	Page number
About this consultation	2
Challenges facing Newport	2
Low demand housing	3
<ul style="list-style-type: none">• Tenure mix• Empty properties• Property values• Turnover• Housing stock condition• Housing disrepair• Illegal eviction/harassment• Anti-social behaviour• Crime	
Wider indicators	4
<ul style="list-style-type: none">• Index of multiple deprivation• Unemployment• Fuel poverty	
How the proposed selective licensing scheme will work	5
<ul style="list-style-type: none">• Licence application• Fit and proper person test• Licence conditions• Refusal to grant a licence• Failure to apply• Exemptions• Inspection programme• Licence fees	
Benefits of the Selective Licensing scheme	7
How Selective Licensing will support strategies for the area	9
<ul style="list-style-type: none">• Mayor's Vision and Council's Change Programme• Health and wellbeing• Private rented sector• Anti-social behaviour• Prevention of Homelessness Strategy• Empty homes• Neighbourhood Action Plan	
Alternative remedies and why the Council considers they are insufficient	11
<ul style="list-style-type: none">• Accreditation• Enforcement of housing standards• Management Orders• Private Sector Leasing Scheme• Alternative approaches – summary	
Consultation: opportunities to engage and respond	13
<ul style="list-style-type: none">• Methods of consultation• How to respond to the consultation	

ABOUT THIS CONSULTATION

The Housing Act 2004 gives the Council powers to introduce Selective Licensing for privately rented properties in areas experiencing low housing demand and/or significant and persistent anti-social behaviour. The purpose of such schemes is to improve standards of property management in the private rented sector. The Council can make the 'designation' if it believes this will, when combined with other measures, lead to improved social and economic conditions in the area.

The Council proposes to introduce Selective Licensing in Newport, as outlined on the map at Appendix 1. The Council's proposal is made on the grounds that Newport is an area of low housing demand with significant levels of antisocial behaviour.

This document explains why the Council believes Selective Licensing is needed in Newport, how it will operate alongside and complement other measures, the improvements it will bring about and why alternative remedies are insufficient.

The Council wants to hear from those who are likely to be affected by the proposed scheme, including local tenants, landlords, managing agents and other members of the community who live or operate businesses or provide services within the proposed designation. This includes local residents and those who operate businesses or provide services in the surrounding area outside of the proposed designation who are likely to be affected. This wider consultation area is also outlined on the map at Appendix 1.

Details of how to respond to the consultation are set out from page 12.

The consultation will last for a period of 11 weeks, starting on 12th November 2018 and closing on 28th January 2019. After this time the results will be published, including a summary of the responses received and how these have either been acted on or not, giving reasons in each case.

The Council will make a final decision on Selective Licensing after it has fully considered the responses to the consultation.

Should the Council decide to introduce a scheme then all affected parties will be formally notified 3 months in advance of it coming into operation.

CHALLENGES FACING NEWPORT

Newport is experiencing major challenges associated with social and economic decline this includes:

- high levels of crime and antisocial behaviour;
- high levels of private rented properties and poor living conditions;
- high levels of empty properties; and,
- a transient population.

In addition to this there has been significant investment in the physical regeneration of Middlesbrough and social regeneration is a key priority for the Council

A significant and concerning pattern of housing and subsequent social decline in parts of Newport can be identified:

- the older terraced properties are no longer the first time buyers 'house of choice' they have been in previous generations;
- the low demand for two bedroom terraced properties has led to private sector landlords purchasing properties at relatively cheap prices;
- some, but by no means all, of these landlords have housed tenants who have gone on to present a wide range of problem behaviours further fueling low demand levels;
- this concentration of issues has seen a broad range of social problems manifest themselves from drug and alcohol abuse to domestic violence and high crime levels.

Whilst Newport may not always be recognised as the most disadvantaged area against every statistical measure, the rate of its decline, it's vulnerability in terms of crime, social isolation, and the impact of welfare reform provides a particularly compelling picture of chronic need – especially in conjunction with the apparent housing market failure. If not addressed, this decline could threaten the long-term stability of the area.

LOW HOUSING DEMAND

The Council is looking to introduce Selective Licensing in Newport on the basis that there is compelling evidence of low housing demand. In line with legislation and guidance the Council has considered the indicators of low housing demand described in the following section. The evidence points to an area with a high incidence of private renting, low property prices, a transient tenant population and high proportion of empty properties.

Tenure mix

The Newport ward has an area of 229 hectares which represents 4.25% of the total area of Middlesbrough with a resident population of 11,440 which represents 8.27% of the total Middlesbrough resident population of ~138,000.

The 2015 election ward of Newport had 5,006 households, which represents 8.75% of Middlesbrough's 57,203 households.

The largest number of households was 'private landlord or letting agency accommodation' at 40.7%. That compared with 15.1% for Middlesbrough as a whole, 23.7% for North East Region and 13.6% for the whole of England.

The second largest number of households was 'owned outright accommodation' at 17.7%. That compares with 30.6% for Middlesbrough as a whole, 27.1% for North East Region and 34.5% for the whole of England.

Empty properties

The problems empty properties cause for local communities are well known, but in summary they:

- deny homes to those in need;
- attract vermin, crime, arson, vandalism, fly-tipping and anti-social behaviour;
- are a source of anxiety for owners and neighbours;
- reduce the value of neighbouring properties; and,
- as a consequence, are a drain on public services and budgets.

At the end of September 2018, according to Council Tax records, there were 418 long-term empty properties in Newport, which equates to 22% of total stock. Newport has the highest proportion of long term empties than other areas in Middlesbrough. This position contributes to a negative image causing uncertainty for established residents and making it hard to attract people to the area.

Property values

With average sales prices in Newport at £50,000², they are amongst the lowest in the town. Average price in other town centre wards are higher (£64,000 in University). The average house price for Middlesbrough is £143,000). A number of factors are at play, including the disproportionate levels of private rented properties when compared with other parts of the town, high levels of crime, anti-social behaviour and deprivation, and empty properties. These older terraced properties are no longer the first time buyers 'house of choice' they have been in previous generations.

Turnover

The presence of a more transient population typically housed in privately rented accommodation can have a negative impact on the stability and desirability of an area. It can also affect community integration and investment.

² Land Registry, Sold Prices, 2017..

Transience can also attract disadvantaged people to the area, which in turn can lead to increased social deprivation.

The Newport Ward also has a culturally diverse community with over 45 languages being used within the ward. This brings significant benefits to the local area i.e. many migrants have settled in the ward and established new businesses, contribute to the local economy and support the population levels. The local community hub supports both the settled and migrant community however there is inevitable some tensions that currently exist.

Council Tax records provide a guide as to the proportion of properties experiencing turnover in the Newport area. Of the 1,671 Council Tax accounts in 2017/18 a change occurred in 71% of them, requiring a new account to be created, affecting 737 properties (44%). In the preceding year a change requiring a new account to be created occurred on 73% of accounts, affecting 734 properties (43%).

Housing stock condition

Middlesbrough's Private Sector Stock Condition Survey (PSSCS) 2008 identified Newport as having the second highest proportion of non-decent dwellings in Middlesbrough at 49.3%. Non-decent homes do not meet current statutory minimum standards, are not in a reasonable state of repair, do not have reasonably modern facilities and fail to provide a reasonable degree of thermal comfort.

The survey also recorded a non-decency remedial cost score as (£40.3m and an average of £3,685, per non decent dwelling).

The same survey identified Newport as having the second largest proportion of vulnerable households (50.1%) living in non-decent homes.

Newport was also found to have the second highest proportion of homes with a Category 1 hazard (23.1%). Examples of Category 1 hazards include:

- Damp and mould
- Excess cold
- Falls on stairs
- Hot surfaces
- Falls on the level
- Fire

Newport also had the second lowest SAP rating (42) – this compares the energy performance of different homes and is measured on a scale of 1 to 100. The higher the rating the lower the fuel costs.

Housing disrepair

The Council received 197 complaints of housing disrepair in private rented property in Newport between 2015/16 and 2016/17

The Council forwarded 37 pre-formal schedules of work to landlords in Newport between 2015/16 and 2016/17

The Council served 11 statutory repair notices on landlords in Newport between 2015/16 and 2016/17.

Illegal eviction/harassment

Between 2015/16 and 2016/17 there were 23 complaints of illegal eviction and harassment in Newport.

Anti-social behaviour

Anti-social behaviour and crime can have a devastating effect on individuals and communities. It describes a wide range of everyday nuisance, disorder and crime from graffiti and noisy neighbours to harassment and street drug dealing. It is sometimes dismissed as trivial, but anti-social behaviour has a huge impact on victims' quality of life and it is often the public's number one priority when it comes to local concerns.

Anti-social behaviour that the Council's Community Safety Team regularly needs to deal with includes:

- Vandalism, graffiti, and other deliberate damage to property or vehicles
- Teenagers hanging around on the streets
- Rubbish or litter lying around
- Drug use and dealing
- Drunk or rowdy behaviour
- Chaotic families.

There was a total of 1,240 complaints of anti-social behaviour received in 2016/17 by the Council's Private Housing Enforcement and Anti-Social Behaviour Teams.

In 2016 Cleveland Police recorded 1678 incidents of Anti-Social Behaviour in Newport ward, an increase of 4.8% on the previous year and the highest number per ward other than Central ward. Newport has the third highest rate per population of any ward in Middlesbrough, behind North Ormesby and Central wards.

Crime

Newport is experiencing some of the highest levels of criminal activity in Middlesbrough. Within the calendar year of 2016 there were 2087 crimes reported in Newport, the highest number per ward outside Central. This puts Newport 3rd in rate of crime per ward within Middlesbrough, behind Central and North Ormesby.

WIDER INDICATORS

Index of Multiple Deprivation (IMD)

The IMD 2015 identifies areas of multiple deprivation for each local authority area as a whole and also for smaller areas within each local authority known as Lower Layer Super Output Areas (LSOAs).

The IMD is a relative measure of deprivation and is based on a variety of indicators. Each of the 32,482 LSOAs in England are assigned a score based on deprivation levels, and also a rank based on each of the scores. Rankings for the 326 English districts and boroughs are also calculated. Middlesbrough has a rank of average score of 6 meaning it is the 6th most deprived local authority area in England.

LSOA's can be combined to give a measure/rank of deprivation for ward areas. In 2015 the Newport was ranked 38th most deprived ward, of 7522 wards, in England, putting Newport in the top 1% of most deprived wards in England. This is a decline of 49 places from a previous ranking of 87th in 2010.

Newport ward is ranked as the 5th most deprived ward in Middlesbrough³ and it has also seen a significant decline in the levels of 'employment' with the national ranking moving negatively from 254th in 2007 to 86th worst in 2015

Newport ward is ranked as the 25th worst ward of the 7529 wards in England with regards to 'Income Deprivation Affecting Children Index' it has also seen a gradual decline in the levels of 'income' with the

³ www.middlesbrough.gov.uk/index.aspx?articleid=2135

national ranking moving negatively from 214th in 2007 to 26th worst in 2015⁴

Fuel poverty

Fuel poverty in England is measured by the Low Income High Costs indicator, which considers a household to be in fuel poverty if they have fuel costs that are above average, and if they were to spend that amount they would be left with an income below the official poverty line.

The key drivers behind fuel poverty are: the energy efficiency of the property, the cost of energy, and the household income.

Newport has a rate (26.8)⁵ of its households living in fuel poverty, almost three times the national rate (11%).

HOW THE PROPOSED SELECTIVE LICENSING SCHEME WILL WORK

Licence application

Within the designated area all privately rented properties will need a licence to operate. The owner of the rented property will need to make an application to the Council. The Council must be satisfied that of all the person with an interest in the property, the most appropriate person is the licence holder, this would usually be the property owner.

The licence will be valid for a maximum 5 years, although the Council has discretion to grant the licence for a shorter period of time where there are problems with the application such as evidence of insufficient management. Failing to apply for a licence could lead to prosecution and an unlimited fine. If prosecuted, this could lead to the licence holder no longer being classed as 'fit and proper' (see below) and would mean they would need to find someone else to hold their licence and undertake the management of the property.

Fit and Proper Person test

As part of the application process, proposed licence holders and managers will be required to prove that they are "fit and proper persons" and that they have satisfactory management arrangements in place, including those for dealing with anti-social behaviour. A plan for how they will handle complaints of anti-social behaviour will need to be submitted with the application.

When deciding whether a landlord and/or managing agent is "fit and proper" the Council will look at whether they have:

- (d) They have committed any offence involving fraud or other dishonesty, or violence or drugs, or any offence listed in Schedule 3 to the Sexual Offences Act 2003 (c. 42) (offences attracting notification requirements);
- (e) Practised unlawful discrimination as defined in the Equality Act 2010 on the grounds of sex, sexual orientation, gender reassignment, age, race, religion or belief, marital status, pregnancy, maternity, or disability in, or in connection with, the carrying on of any business; or
- (f) Contravened any provision of the law relating to housing or landlord and tenant law.

To check this, all applications will require detailed information from the landlord and any relevant managers.

⁴ Tees Valley Unlimited, Ward Statistics, September 2014.

⁵ Gov.UK Fuel poverty: sub-regional data under low income high cost indicator, 2015.

A criminal conviction or evidence of unlawful discrimination or breaches of housing or landlord and tenant law doesn't necessarily mean that a landlord won't pass the test. The Council will have to look at every case individually and weigh up all the circumstances when making a decision. For example, the Council will have to think about:

- What the conviction was for;
- The circumstances of the case;
- How long ago it was and whether it is spent or not;
- Whether or not it will affect the person's ability to be a good landlord;
- The risk of the same thing happening again and whether that would affect the person's duties as a Licence Holder. (Appendix 2).

Where the Council has concerns, applicants will be required as part of the licence conditions to seek a Disclosure Scotland.

There will be a fee to cover the Council's costs of carrying out the fit and proper person checks, which will be £20.00 per person. Landlords with multiple properties will only be required to pay this fee once, if it is the same owner and manager.

Licence conditions

The licence holder will have to satisfy a number of conditions. Breaches of these licence conditions could lead to prosecution and a fine of £5,000.

Mandatory conditions relate to the following requirements:

- a landlord must obtain references from all persons wishing to occupy the property;
- landlords must produce gas certificates;
- electrical appliances must be kept safe;
- the property must have working carbon monoxide alarms in any room in the house which is used wholly or partly as living accommodation and contains a solid fuel burning combustion appliance;
- the property must have working smoke alarms; and,
- each tenant must be provided with a written tenancy agreement.

The Council is proposing to include a number of discretionary conditions which relate to the management of the property, including: ensuring the number of occupiers does not cause overcrowding with the property, to supply a copy of the Energy Performance Certificate to the Council, and have a suitable anti-social behaviour plan in place. The proposed licence conditions are attached to this document at Appendix 3.

Refusal to grant a licence

If the licence application is refused, and there is no reasonable prospect of the property being licensed in the near future, the Council can apply for an Interim Management Order to take over the management of the property for up to one year or until such time as the owner is able to rectify the reasons for the licence being refused. If the owner is unable to rectify the problems then the Council can apply for a Final Management Order to take on the management for up to 5 years.

In some circumstances rather than refuse the licence, it may be possible for the owner to apply for a temporary exemption notice. This allows 3 months for the owner to take such steps as are necessary so the property no longer requires a licence e.g. the property has been sold to an owner-occupier.

Failure to apply

Failing to apply for a licence could lead to prosecution and an unlimited fine.

In addition to the fine the Council can apply for a Rent Repayment Order which allows amounts paid in connection with a tenancy or licence to be recovered for the period that the property should have been licensed.

Exemptions

There are certain properties that are exempt from applying for a licence, they are detailed at Appendix 4.

Inspection programme

The Council will inspect all private rented properties within the area. High risk properties that are known to be problematic will be prioritised. The inspection programme will check for compliance with selective licensing conditions including:

- the working order and positioning of smoke alarms;
- carbon monoxide detector;
- tenancy agreements supplied to the tenant;
- property management arrangements.

Compliance action will be taken against landlords who breach licence conditions. Landlords will not be deemed to be 'fit and proper' if housing offences are proven against them in the courts.

The inspections will be completed by a multi-agency/disciplinary team, this could include a Licensing Officer, Police, Neighbourhood Safety Officer and Tenancy Relations Officer. This approach is to ensure that as well as checking compliance with the licence conditions, the tenants are helped and supported with any issues they may be facing. Issues may include substance misuse, parenting skills, unemployment; the team will make referrals to relevant agencies and follow-up any actions.

The other services offered through the tenancy relations support will be of benefit to landlords, tenants and the wider community to help to reduce the turnover of tenants.

Licence fees

The Housing Act 2004 gives the Council the power to charge landlords a fee for all costs it incurs carrying out its Selective Licensing functions. The Act also allows the Council to take into account costs incurred in carrying functions in relation to Interim and Final Management Orders (so far as they are not recoverable under that part of the Act).

The Council proposes to charge a basic fee of £730.00 for a licence.

The Council will split the licence fee payment into two equal instalments, one payment to be made upon application for a licence, with the other payment to be made upon the licence being granted.

The proposed fee structure is set out in detail at Appendix 5.

Income from the licence fees is ring fenced meaning that it can only be used for this project and not for any other reason. It is anticipated the scheme will require 6 FTEs and an Apprentice to operate.

BENEFITS OF THE SELECTIVE LICENSING SCHEME

Introducing this scheme in Newport will have a number of benefits to the community, landlords, tenants and owners, both directly and indirectly, including:

- Improved management and condition of privately rented accommodation.
- Support for landlords in dealing with anti-social tenants.

- Reductions in levels of anti-social behaviour.
- Educating tenants about their responsibilities and the impact of their behaviour on the community and neighbours.
- Encouraging tenants to recognise when properties are of a sub-standard condition and what options are available to them.
- Promotion of landlord aspiration to let property to a higher standard, and to act in a professional manner.
- Encouragement of landlords not to take tenants with a poor reference.
- Improvement of the image and desirability of the area.
- Improved market values of property in the area.
- Encouraging a change to the tenure mix of the area. Protect investment in the area.
- Working with those landlords who are not providing good quality accommodation or managing their tenancies effectively and removing "rogue landlords" altogether.
- Reduced tenant turnover leading to sustainable communities, creating communities where tenants want to remain.
- Encourage the use of reputable managing agents when landlords are inexperienced or "absentee".
- Raising community confidence through the appropriate use of enforcement powers against landlords who are failing to comply with the provisions of the Housing Act 2004.

The Council aims to build better working relations with landlords in the area and concentrate resources on eradicating bad practice by some landlords.

License conditions will help to ensure that vulnerable tenants are living in accommodation where the management is capable of dealing with their needs.

It will also help the Council to better target resources in dealing with anti-social tenants and take enforcement action against unprofessional landlords.

Selective Licensing will seek to develop a more consistent level of property management among all private landlords in the area, thus assisting prospective private tenants in making a positive, confident choice about their next home.

Reputable landlords can be assured that if a Selective Licensing scheme were in place, those landlords whose business practices do not meet the required minimum standards would be encouraged and supported to improve their management standards. Landlords who are not willing to work with the Council could face being refused a licence and ultimately having a Management Order imposed against the property.

Case Studies from North Ormesby Scheme

Tenant Support: During a tenancy inspection visit with a landlord, it was identified that the tenant was struggling with mental health issues due to spiralling debts. Whilst at the property a debt enforcement agency arrived to reclaim goods to the value of the debt. Both the Officer and landlord negotiated on the tenant's behalf, providing evidence that the property was a furnished tenancy and that their only belongings were clothing and toiletries. The Tenancy Relations Officer arranged an appointment for the tenant to attend Citizens Advice and also made a referral to Firmer Foundations (mental health support). During the Citizens Advice appointment the tenant disclosed significant debts; therefore a Debt Relief Order was applied for (due to severe mental health issues) and a food bank voucher was issued. The tenant has now applied for different benefits and is receiving the much needed support they required.

Property Conditions: The SLL Team had arranged numerous inspection visits to a property but the tenant repeatedly wouldn't allow access. An evening visit was made and the tenant finally opened the door. The tenant was initially angry as they were confused as to who their managing agent was as they

kept changing. The tenant agreed for officers to carry out the inspection which highlighted at least four Category 1 (most serious) Hazards in the property. These included: no boiler, no heating, no hot water, the bathroom roof had fallen in (which was propped up with pole), the kitchen was inaccessible and had no cooking facilities. Due to the condition of the property and the hazards identified, a Prohibition Order was served. The Landlord has since installed a new boiler, new kitchen (including cooking facilities), new bathroom roof, bathroom suite, new rear windows downstairs and a new back door. The landlord has also informed the tenant that he is going to supply new carpets in the property downstairs.

Landlord Support:

The Selective Licensing team have assisted landlords with difficult housing benefit claims and successfully helped landlords receive payments for housing benefits, even after they have been determined as closed. A recent claim dating back more than 8 months was paid after intervention from the team. This claim amounted to more than £3000 and prevented tensions arising between the tenant and the landlord and ultimately a possible eviction.

Testimonials from North Ormesby Scheme

"For many years I prevented my clients (investors) and myself from purchasing /working in this area and told anyone who asked where to buy, not North Ormesby! Since Selective licensing has been rolled out my attitude to the area has changed dramatically due to the efforts by the team at the hub.

I can see, personally, the difference to the area and the type of tenants. I see a lot more builders vans here than I have ever seen in the street (we did have a few we managed and maintained before my change of heart). Houses look better generally, and it seems a concerted effort to remove the stigma from "Doggy" is slowly being removed for the landlords. As a comparison, to show our faith in the improvement, we are currently working on 8 refurbishment programmes in the area. In Middlesbrough, just 1!

The referencing is very good, I am an Accredited Landlord with the NLA, their referencing costs me £24 per time. It does not, however, tell me their history at previous address` s, nor their conduct, whether they have issues with housing benefits and rent etc. The service is much more beneficial to prospective and established landlords.

In my opinion, Selective Licensing has changed North Ormesby and it was much needed".

Landlord Paul Norman

"Cleveland Police fully support Selective licensing. It is an excellent process that supports the interests of the landlords, ensures safe and suitable accommodation for tenants and also helps to improve the quality of the broader community. I would fully support its expansion into other areas within Middlesbrough. I think there is an excellent working relationship with the Police".

Inspector D Snaith

HOW SELECTIVE LICENSING WILL SUPPORT STRATEGIES FOR THE AREA

Housing plays a fundamental role in delivering sustainable communities, facilitating social and environmental improvements and promoting economic growth. The Council believes that Licensing has an important role to play and offers valuable support to existing initiatives to tackle empty homes, prevent homelessness, create sustainable, high quality neighbourhoods and reduce anti-social behaviour.

Mayor's Vision and the Council's Change Programme

The proposal for Newport clearly links to the Mayors Vision in terms of its contribution to a learning

town, in which families and communities thrive, and a town that continues to transform. It contributes directly to a number of the Change Programme outcomes, specifically:

- Providing services and support to communities such that people have more fulfilling lives, feel safe and their need for support services reduces.
- Achieving longer and healthier lives, reducing health inequalities and protecting the local population from environmental hazards and incidents.
- Providing support to help families and adults in need and, maximise their independence such that dependency on services reduces.

Health and well-being

Housing has an important impact on health and well-being: good quality appropriate housing in places where people want to live have a positive influence on reducing deprivation and health inequalities by facilitating stable/secure family lives. This in turn helps to improve social, environmental, personal and economic well-being. Conversely, living in housing which is in poor condition, overcrowded or unsuitable will adversely affect the health and well-being of individuals and families.

As mentioned, the Licensing Team will promote multi-agency case intervention strategies where problems are identified.

Private rented sector

Many properties in the sector provide decent accommodation and are well managed by landlords. Selective licensing will be a vital tool in driving up standards. It will reduce the negative impact on neighbourhoods of poor landlords and encourage greater awareness and a sense of responsibility in landlords and tenants alike.

The Council's Housing Enforcement team will continue to employ a wide range of tools to tackle poor property condition, inadequate tenancy management and improve conditions in the private rented sector. These tools include:

- Mandatory HMO Licensing
- Tenant Referencing
- Empty Property Enforcement
- Housing Health and Safety Rating System (HHSRS)

By introducing selective licensing the Council is fully utilising the suite of tools introduced by the Housing Act 2004 to address management standards and property conditions within the private rented sector. As part of a coordinated approach, Selective Licensing will compel landlords to maintain good standards and raise the profile of problem properties. Through the increased awareness amongst the community and across agencies, Selective Licensing will become a valuable mechanism for identifying and dealing with bad practice amongst private landlords.

Anti-social behaviour

Selective Licensing will help to ensure that landlords meet their statutory duties regarding tenancy management and will encourage and assist them to deal with issues of anti-social behaviour by taking appropriate and effective action where they receive a complaint about their tenants.

There is a range of other initiatives that are targeted at reducing crime and anti-social behaviour operating across the Newport area and the Selective Licensing team will work in close partnership with other services and agencies to maximise the impact and contribute to improved community safety.

The Licensing Team will promote multi-agency case intervention strategies where problems are identified, which can include actions for the Police, the Youth Offending Team, ASB, and Housing

Enforcement teams. Landlords will be offered support and advice to help tackle anti-social behaviour from their tenants.

Prevention of Homelessness Strategy

The private rented sector has a central role to play in offering a decent alternative to owner-occupation or social rented housing. The sector makes a significant contribution to meeting the housing needs of vulnerable people and in many cases has prevented homelessness and minimised the use of temporary accommodation.

The Council continues to work in partnership with the private rented sector and Selective Licensing will strengthen this partnership by increasing the number of landlords working with the Council with well-managed, good quality accommodation.

By strengthening the partnership between landlords and the Council, Selective Licensing can contribute to the prevention of homelessness through effective tenancy management that minimises ASB, tackles rent payment issues in a timely and constructive manner and offers a housing option for some of the most vulnerable households in need of a home.

The Localism Act 2011 enabled the use of suitable offers of accommodation in the private rented sector and allowed this sector to be used to discharge the main homelessness duty. Against the backdrop of high demand but a shortage of accessible, affordable social housing, the sector has increasingly become a valuable resource for offering a range of more easily accessible housing solutions for homeless households, but elements of poor management contribute to repeat homelessness. Licensing has the potential to effect long term positive change in the sector and to provide considerable benefits to homeless households.

It is anticipated that the Selective Licensing scheme will help achieve a long-term reduction in the culture of 'tenancy hopping', i.e. the practice of households who are frequently homeless due to anti-social behaviour, and who may be aided by rogue landlords to move around the sector, which prevents underlying behavioural issues from being tackled and which blights local communities.

Empty homes

In Middlesbrough there were 1470 homes empty for six months or more as of 1st October 2018. The Council has already begun to tackle this issue and to date has, amongst other things, secured funding from the Homes and Communities Agency and adopted an Empty Homes Action Plan to bring empties back into use.

An important part of the strategy to tackle empty homes is actively targeting owners and providing them with information on the incentives available and the reasons why empty properties are a poor financial option. A range of promotional and marketing measures will be introduced. In some cases encouraging owners will not be enough and the Council will need to take strong enforcement action. It is anticipated that Selective Licensing will help strengthen the partnership between landlords and the Council and the benefits Licensing will deliver to the area will contribute to tackling problem empty properties in Newport.

Newport Neighbourhood Action Plan

The Newport action plan sets out suggested actions and proposes measures which can be adopted to monitor progress within the Newport Ward. The plan will be updated and monitored by the Operational Task & Finish Group on a monthly basis. The plan concentrates on the following four areas:

(a) Anti-social behaviour

- (b) Crime
- (c) Community Tensions
- (d) Environmental Issues

The Council has concluded there is an urgent need to take strong and immediate action to halt the slide of the area. However, it has also recognised that traditional forms of public sector intervention are no longer applicable and there is a need to re-focus interventions around supporting communities to practice greater levels of self-management, by focusing on strengthening those activities and structures which underpin that ability. In light of this it has agreed to formulate a comprehensive response to address the social and economic issues arising in Newport.

Selective Licensing will have an important role to play given the priorities and the fact that it responds to the need to develop a more radical partnership response to the problems in the area.

Middlesbrough Housing Strategy 2017-20

Middlesbrough's Housing Strategy (2017-20) identifies the following priorities:

- Work with local communities in areas of poor quality housing and deprivation to improve housing standards, challenge social and economic exclusion, poor public health outcomes and poverty;
- Work with private landlords to address concerns about poor housing conditions and management standards

Implementing Selective Landlord Licensing as part of a wider community plan is identified as a key action.

<https://www.middlesbrough.gov.uk/planning-and-housing/middlesbrough-housing-strategy-2017-2020>

ALTERNATIVE REMEDIES AND WHY THE COUNCIL CONSIDERS THEY ARE INSUFFICIENT

The Council has considered whether there are any other courses of action available that might provide an effective method of achieving the objectives that the designation is intended to achieve.

The following paragraphs consider other powers and projects that are available to the Council and why they could not replace the proposed Selective Licensing Designation in Newport.

Accreditation

Accreditation is a mechanism for helping landlords or agents to meet agreed standards of competence, skills and knowledge about the business of owning, managing or letting a private rented home.

Accreditation is supported nationwide by a wide range of stakeholders, including the Government, landlord associations, and local authorities, Shelter, the National Union of Students and the Chartered Institute of Environmental Health. It can aid the supply of good-quality, well-managed homes. Accreditation attracts a limited number of landlords, mainly those already providing appropriate management standards and who are motivated to improve the reputation of the private rented sector. Such schemes do not have an intensive impact in any one area, nor do they tackle the worst privately rented properties, as due to the voluntary nature the worst landlords will not engage with the Council or join the scheme.

Experience shows that it is resource intensive to encourage the poorer landlord to join accreditation and when asked to make improvements due to its voluntary nature many landlords fail to comply showing that accreditation cannot tackle the worst standards of property condition and management practices.

Enforcement of housing standards

The Housing Act 2004 introduced the Housing Health and Safety Rating Scheme (HHSRS) which allows local authorities to inspect privately rented properties to ensure the condition of that property does not have an adverse effect on the health, safety or welfare of tenants or visitors to that property. Where necessary the Council will serve statutory enforcement notices to ensure the condition is improved.

The current service is in the main reactive - a complaint will be made and an inspection will determine whether action needs to be taken.

Whilst this approach does improve property conditions it does not have a concentrated impact in one area. In addition this power does not tackle property management standards. Through the selective licensing designation and associated training advice and support, landlords will recognise what improvements need to be made to their properties reducing the need for action under the HHSRS.

In addition the Council will continue to undertake proactive property inspections in the designation area, offering advice and where necessary taking enforcement action to improve property conditions. Improved property conditions will assist in retaining tenants and attracting occupants to the area assisting in tackling low demand.

Management Orders

Part 4 of the Housing Act 2004 introduced the use of Management Orders. The general effect of a Management Order is that the Council takes control of the property, although legal ownership does not transfer from the landlord. There are two forms of Management Order, interim and final. Interim lasts for a period of 12 months which can then be followed by a final Management Order which lasts for a maximum of 5 years.

Once a Management Order is in place the Council takes over the management of the property. The occupiers pay their rent to the Council and any repair costs such as routine repairs or building insurance are taken from the rent before any surplus is given to the owner (landlord).

This power only deals with individual properties and is resource intensive.

This approach does not present a long term solution to address poor management of privately rented stock as the property is returned to the original owner who may not necessarily have improved their management standards in the interim.

The Council will use Management Orders in the designation area as a last resort to deal with landlords who fail to comply with selective licensing and improve their management standards.

Private Sector Leasing Scheme

A Private Sector Leasing Scheme is where the Council takes out a lease, normally 3 to 5 years in duration, from a private owner or landlord on their property. The Council then uses the property to provide affordable accommodation for homeless families.

There is no guarantee that landlords, especially the worst, will join the scheme and the Council cannot compel them to do so. As with Management Orders the scheme does not address poor management practices as the landlord does not gain experience, advice or training during the lease meaning that once handed back management standards will once again be unsatisfactory.

In summary the alternative options to selective licensing would require some, if not all, of the finance from the Council, which in turn comes from everyone paying Council Tax.

Selective Licensing will be self-financing, paid for by the licence applicants and not the community.

Alternative approaches – summary

There is no single solution and each alternative will have its limitations. No single intervention, including Selective Licensing, can solve the problem and therefore a co-ordinated strategy is required which links a full range of agencies and services using various interventions.

Problems relating to the use of the alternatives to Selective Licensing can include the following:

- They are expensive and there is the likelihood that some of the finance required would need to be collected from Council Tax. This seems unjust when many of the problems are caused by the lack of effective tenancy management. Selective Licensing will be self-financing, paid for by landlords.
- The use of Management Orders on all problematic properties would be neither appropriate nor feasible, given the number of properties. The Council must act in a proportionate manner and a heavy handed approach would undermine efforts to work with landlords to improve standards. Selective Licensing provides an opportunity to continue to forge partnerships with otherwise anonymous private landlords and provide training and support, where the use of these orders does not.
- Alternatives do not adequately tackle the private tenant's behaviour. This could result in the same "problem" tenant being left to float within an area without any real targeted tenancy enforcement and where required, supported tenancy referral. The proposed Selective Licence conditions include a requirement for the landlord to seek references when allocating the property and to deal with any complaints of anti-social behaviour from their tenants (and/or their visitors/children).
- None of these tools provides a long-term solution to the training of inexperienced landlords whose business would benefit, either because they are not fit, or because of their poor management arrangements.
- Whilst Selective Licensing is only to be used in areas where authorisation is sought and given, many private landlords have properties across the entire town and indeed across local authority borders. Therefore, improvements attained in management standards will have a trickledown effect and will benefit tenants and communities across wider areas.

CONSULTATION – OPPORTUNITIES TO ENGAGE & RESPOND

The consultation is being carried out over an 11 week period, and will be widely publicised using various channels of communication.

The consultation will start on 12th November 2018 and close on 28th January 2019.

Once the consultation has been completed the results will be published and made available to the local community.

The Council is required to consult with local residents, including tenants, landlords, managing agents and other members of the community who live or operate businesses or provide services within the proposed designation and those in the surrounding area which is shown on the map at Appendix 1. Everyone who responds to this consultation will have their views fully considered.

A comprehensive engagement and consultation process with partners, stakeholders and customers will include:

- Private landlords
- Private tenants
- Local communities

- Tenant and resident associations
- Landlord associations
- Citizens Advice Bureau
- Registered Social Landlords
- Local community committees
- Locally elected members
- Local businesses
- Middlesbrough Police
- Other Council service areas.

Methods of consultation

Consultation will be taking place using the following methods:

- Direct mail to landlords and residents.
- Press release to local media/press.
- Information on Middlesbrough Council's website.
- Drop-in sessions for landlords, tenants, other residents, businesses and other agencies.
- Email to all Ward Councilors.
- Email to all relevant Council service areas.

How to respond to the consultation

A questionnaire will be available to download on the Council's website. It will also be available to collect from the receptions of the Civic Centre, Town Hall, Middlesbrough House and Newport Hub.

All questionnaires and comments should be returned to: Selective Landlord Licensing, Middlesbrough Council, P.O. Box 504, Civic Centre, Middlesbrough, TS1 9FY.

If you would like any further information about the Selective Licensing proposals please contact the Selective Landlord Licensing Consultation Team on 01642 728100 / 729154 / 354150.

Or please email the team on:
licensing-consultation@middlesbrough.gov.uk

MIDDLESBROUGH COUNCIL	
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Report of:	Director of Legal and Governance Services
Relevant Executive Member:	The Mayor and Executive Member for Adult Social Care and Public Health
Submitted to:	Executive
Date:	10 April 2024
Title:	Social Value Charter
Report for:	Decision
Status:	Public
Strategic priority:	All
Key decision:	Yes
Why:	Decision(s) will have a significant impact in two or more wards
Exempt from call in?:	No
Why:	Not applicable

Executive summary	
<p>The purpose of this report is to seek approval for the adoption of a Social Value Charter for Middlesbrough Council and set out an implementation plan to ensure consideration of social value is embedded within all the Council's practices, in particular procurement and decision-making practices.</p> <p>The report also sets out how the Council will partner with organisations and suppliers in the town that share its values to encourage them to consider how Social value can deliver better outcomes for themselves and the town.</p>	

1. Purpose

- 1.1 The purpose of this report is to seek approval for the adoption of a Social Value Charter for Middlesbrough Council and set out an implementation plan to ensure consideration of social value is embedded within all of the Council's practices, in particular procurement and decision-making practices.
- 1.2 The report also sets out how the Council will partner with organisations and suppliers in the town that share its values to encourage them to consider how Social value can deliver better outcomes for themselves and the town.

2 Recommendations

- 2.1 That the Executive approves:
 - the Social Value Charter, attached to this report at Appendix One and that Council practices are amended to align with its requirements
 - that Executive approves the guidance document that will be put in place to support implementation
 - the implementation plans set out within this report which will ensure consideration of social value is embedded within all of the Council's practices, in particular procurement and decision-making practices.

3 Rationale for the recommended decision(s)

- 3.1 Social Value has the potential to release millions of pounds of public money for community benefit and support regeneration of the town. It encourages smarter spending to not only deliver a proposed service but also address social, economic, and environmental issues in the local community. Adoption of this Charter will ensure the Council's significant procurement spend has a positive, measurable impact on the communities it serves.

4 Background and relevant information

- 4.1 As local authorities are required to become increasingly financially self-reliant, many are looking at how to make their limited resources go ever further while still maintaining the quality and breadth of services.
- 4.2 Councils, along with the rest of the public sector are being encouraged to use procurement to achieve wider financial and non-financial outcomes, including improving wellbeing of individuals, communities and the environment by making social value a decision-making criterion when awarding contracts.
- 4.3 Adoption and effective implementation of a Social Value Charter has the potential to deliver the following benefits:
 - Encourage a more diverse range of suppliers to work with the Council and its partners, including the participation of small and medium sized enterprises (SME's), Voluntary and Community Sector organisations, and local suppliers in general.

- Promote fair employment practices: Ensuring workforce equality and diversity within supply chains.
- Increasing the diversity of local apprenticeship, training, and skills development opportunities as well as employment opportunities.
- Maximising opportunities for Middlesbrough organisations to participate in the council's supply chains and encouraging suppliers to make a social contribution to the local area.
- Ensuring ethical sourcing practices, including compliance with UK, and international standards, promoting fair trade and fair pricing policies, tackling corruption, child/slave labour, blacklisting of union members and similar social issues.
- Promoting greater environmental sustainability: Minimising waste and pollution, supporting carbon reduction initiatives, furthering energy efficiency and other sustainability programmes.

Embedding Social Value – implementation plan

4.4 The Council will embed social value considerations within all Council processes by:

- Multi-disciplinary working group established to oversee delivery, chaired by the Director of Public Health.
- Identification of key policies that should be reviewed during 2024/25 to incorporate consideration of Social Value Charter commitments.
- Including Social Value in every procurement opportunity in line with the charter. The working group will track the volume of contracts that do this and include information on this within an annual report as part of steps to increase inclusion of social value within contracts.
- Delivering the commitments within the Charter.
- Develop contract monitor processes that easily allow suppliers' Social Value commitments to be evidenced and published.
- Developing a supporting charter that can be adopted by partners and local businesses during 2024.
- Reporting the impact of the social value charter to Executive annually to ensure the effectiveness of the Charter is assessed and shared with Members.
- Amend the committee report format going forward to include impact of future decisions on Social Value.
- Ensure that the implementation of the People Strategy has due regard to this Social Value Charter commitment.

4.5 The first annual report to Executive will set out progress made against these ambitions.

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

5.1 The Council could choose not to adopt a Social Value Charter. It would still be compliant with its duties in relation to Best Value. This is not recommended as an option as the Council would miss the opportunity to deliver the wider benefits to the organisation and the town that can be achieved through social value, while still achieving Best Value from its commissioning and procurement activity.

6 Impact(s) of the recommended decision(s)

6.1 *Financial (including procurement and Social Value)*

The financial implications associated with delivering the Social Value Charter will be dependent upon the extent to which the existing operations of the Council are changed to meeting the requirements of the Charter. Therefore, the financial implications of individual service proposals will need to be evaluated at the time.

6.2 *Legal*

Social value is defined through the Public Services (Social Value) Act (2013) which requires all public sector organisations and their suppliers to look beyond the financial cost of a contract to consider how the services they commission and procure can improve the economic, social and environmental wellbeing of an area. This charter will support compliance with that Act.

6.3 *Risk*

While not directly linked, increased social value return from the significant financial spending made by the Council will have a positive impact on several risks currently identified in the Strategic Risk Register, including:

- Failure to achieve a balanced budget
- Volatility in the demand and cost of children's social care
- Unable to recruit or retain key staff.

6.4 *Human Rights, Public Sector Equality Duty and Community Cohesion*

There are no concerns that the proposed Charter could impact negatively on these areas. An impact assessment has been completed and is attached at Appendix 2. It found that the charter will have a positive impact by improving skills, training and employment opportunities for all. Commitments in the charter are particularly relevant to young adults, those not in employment and those from under representative communities. It should also have a positive impact on community cohesion by supporting them to be more resilient.

6.5 *Climate Change / Environmental*

The poorest are most effected by Climate Change, as such any work which aims to have a positive impact on social value, should also include consideration of addressing those measures that could impact most positively on the poorest.

6.6 *Children and Young People Cared for by the Authority and Care Leavers*

There are no concerns that the proposed Charter could impact negatively on these areas. The charter will have a particular focus on those less able to access employment and training opportunities and includes care leavers in this group.

6.7 *Data Protection / GDPR*

There are no concerns that the proposed charter could impact on data protection of GDPR issues directly. Where data needs to be gathered in order to monitor compliance with the charter, this will be completed in line with the Council's Data Protection policy and GDPR requirements.

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

Action	Responsible Officers	Deadline
Provision of the first annual monitoring report on delivery against the Social Value Charter	Mark Adams, Director of Public Health	February 2025

Appendices

1	Social Value Charter
2	Social Value Impact Assessment

Background papers

Not applicable.

Contact: Ann-Marie Johnstone, Head of Governance, Policy and Information
Email: ann-marie_johnstone@middlesbrough.gov.uk

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We will thrive is our vision for Middlesbrough – built on a thriving, inclusive local economy.

The development and adoption of the Social Value Charter by the Council provides a clear and common understanding of what Social Value means in Middlesbrough and identifies the outcomes anticipated because of the adoption of the Charter principles.

Building a greater consideration of social value into all the activities of Middlesbrough Council will bring benefits to Middlesbrough by:

- Creating skills and training opportunities (e.g. apprenticeships or on the job training)
- Creating employment opportunities for the long-term unemployed and under-employed or those not in education, employment or training
- Build awareness of opportunities by offering work placements to school children and young adults
- Providing career advice and information for young people on specific careers, such as health and care, construction or engineering
- Offering curriculum support to schools, with contractors sharing knowledge and expertise about their discipline
- Thinking inclusively to providing additional opportunities for individuals or groups facing greater social or economic barriers
- Creating supply chain opportunities for small businesses and social enterprises
- Creating opportunities to develop social enterprises and other community-based models to improve market diversity
- Encouraging community engagement.

This Charter sets out how Middlesbrough Council aims to generate social value through all our activities to benefit the citizens and communities we serve. The Charter is structured to align with the draft Council Plan (2024-27), and adoption of the Charter will support the inclusive delivery of the Council Plan's ambitions that Middlesbrough will be:

- A successful and ambitious town
- A healthy place
- A place that has safe and resilient communities
- An organisation that delivers Best Value.

Supporting Middlesbrough to be a successful and ambitious town – maximising economic growth, employment and prosperity in an inclusive and environmentally sustainable way.

We recognise that training and employment provide significant opportunities to create a resilient and innovative local economy, improve social mobility and reduce inequalities. We will create inclusive training, employment and development opportunities for all, with a particular focus on those who need additional support to achieve the same outcomes as their peers, for example care leavers. We will make the following commitments under this ambition.

1. We will widen access to Council jobs through the implementation of our People Strategy to develop a more diverse workforce representative of our communities, including:
 - Creating better links with our wider community to promote employment opportunities with the Council and within supply chains and commissioned services
 - Build on those links to develop pre-work programmes, such as apprenticeships, and placements (including through our 50 Futures programme) to target populations
 - Continuing to raise aspirations of school aged pupils through effective career sharing opportunities for example, The Talent Foundry program
 - Adapt recruitment policies and processes to support access for target populations, where appropriate focussing on skills, behaviours and values rather than qualifications
 - Expand our workforce data reporting from gender pay gap to include wider protected characteristics starting with race and disability
 - Creating an environment of inclusion at work
 - Working proactively to raise awareness and support underrepresented groups
 - Full adoption of the Race at Work Charter
 - Implementation of the EDI Action Plan – Disability Confident.
2. We will ensure and maximise the community benefit by including Social Value in every procurement opportunity.
3. We will lead the development of a **Tees Valley Anchor Network** to identify and share good practice in working with local place-based Anchor institutions – including NHS, University and Colleges, Police and local and combined authorities – to use their economic levers as inclusive employers, commissioners, service providers and land and property owners to build the wealth of our residents and maximise social value within the Tees Valley area. This will widen access to good quality work (the health and care sector is the largest employer in the Tees Valley and broadening access to ensure all communities are aware of and can access opportunities).

4. We will prioritise employment outcomes through LiveWell South Tees (our Health and Wellbeing Board), through the development of the Joint Strategic Needs Assessment and the LiveWell Health and Wellbeing Strategy so we can work together with partners to improve access to high-quality employment and increase skills in under-represented communities.
5. We will explore opportunities to add employability interventions to the NHS Waiting Well programme for targeted groups of patients waiting for surgery in Middlesbrough, to support those who are economically inactive due to long term health issues.
6. We will support the “Buy Boro” ethos of purchasing from local suppliers or supply chains where possible.

Supporting Middlesbrough to be a healthier place - helping our residents to live longer, healthier lives

We recognise that healthier residents will live longer, more fulfilling lives. Utilising Social Value within our decision-making and procurement activity can have a positive impact on this area. We will make the following commitments under this ambition:

1. We will develop our local plans and policies to maximise health gain and creating health-promoting environments, including the use of Health Inequalities Impact Assessments to ensure we reduce inequalities through the Planning process.
2. We will review our existing policies, plans and strategies to identify where they require revision to ensure they consider social value.
3. We will support the development of a strategic approach to green space enhancement and management to create healthier spaces in Middlesbrough
4. We will work with the NHS to design, redesign or co-locate NHS services to maximise accessibility (“health on the high street” model) and contribution to wider regeneration by bringing people into the town and community centres.
5. We will achieve Sustainable Food Places *Gold Award* as part of a systems approach to creating a healthy food environment to tackle food poverty and increase access to healthy and sustainable food.
6. We will embrace green purchasing. All procurement decisions will, except where clearly not possible, support the One Planet Living agenda.
7. We will consider the carbon impact of any purchasing decisions and seek to influence our supply chain to improve sustainability.

Supporting safe and resilient Communities - creating a safer environment where residents can live more independent lives.

If we can work with our residents to make their communities safer and more resilient, they will be in a position to do more for themselves and be active voices in co-producing services and solutions that improve outcomes for all. We make the following commitments under this ambition:

1. We will create opportunities to develop social enterprises and other community-based models to deliver services and improve market diversity.
2. We will sell, lease, or develop Council estate, including vacant/derelict land, to provide community assets where doing so will improve economic, social or environmental wellbeing, in line with the Council's Estates strategy
3. We will support community and third sector organisations to use our buildings and other assets to support their development, amending rates where necessary to deliver this.
4. We will support the goal in the emerging LiveWell South Tees Health and Wellbeing Strategy to enhance the development of social capital to increase community cohesion, resilience and engagement including by:
 - Building our understanding and value of social capital into decision-making: decision-making processes will be built on the ability for people to participate, including supporting the development of a Poverty Truth Commission for Middlesbrough;
 - Better defining and understand the role of Anchor Institutions of all sizes that are within our place and communities and develop a more extensive relationships map within place to ensure local needs are considered in the development of the plans for Anchor Institutions and the network;
 - Broadening our concept of training to develop our understanding of opportunities in communities and design training around these opportunities and community needs;
 - Creating more spaces for collaborative conversations and networking, broadening networks and strengthening links with under-represented communities;
 - Supporting our voluntary sector – valuing and supporting the development of a strong and thriving voluntary sector, recognising the sector's role in both achieving and maintaining social cohesion;
 - Ensuring that public policy reflects community needs and addresses the barriers that stop local people from taking action and developing solutions for themselves.
 - Better understand and use the data we have, to ensure that it informs decision-making. Commit to listen, collect, and share data worded to make more informed decisions. Be aware of the limits that data has.

- Improve understanding of what volunteering and community action is - who volunteers, why they volunteer and appreciate the value they create.

Delivering best value - changing how we operate, to deliver affordable and cost-effective outcomes for residents and businesses.

Middlesbrough Council is ambitious about its use of Social Value in our procurements processes and is working with the North East Procurement Organisation (NEPO) around the development of some specific North East based metrics as well as looking at good practice. The aim is to ensure that each procurement process carried out is able to evidence a social value return for Middlesbrough. We make the following commitments under this ambition:

1. We will ensure and maximise the community benefit by including Social Value in every procurement opportunity and allocate a scoring mechanism that is proportionate, 10% or greater, except where it is not appropriate to do so. Procurement activity will continue to have due regard to the need to achieve best value and the principle of affordability.
2. We will develop contract monitor processes that easily allow suppliers' Social Value commitments to be evidenced and published.

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Template for Impact Assessment Level 1: Initial screening assessment

Subject of assessment:	Social Value Charter			
Coverage:	Cross-cutting			
This is a decision relating to:	<input checked="" 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 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	<p><u>Key aims, objectives and activities:</u></p> <p>Social Value has the potential to release millions of pounds of public money for community benefit and support regeneration of the town. It encourages smarter spending to not only deliver a proposed service but also address social, economic, and environmental issues in the local community. Adoption of this Charter will ensure the Council's significant procurement spend has a positive, measurable impact on the communities it serves.</p> <p><u>Statutory Drivers:</u></p> <p>The Public Services (Social Value Act 2012, requires all public sector organisations to look beyond financial cost and consider how the services they commission and procurement might improve the economic, social and environmental wellbeing of an area</p>			

	<p><u>Differences from any previous approach:</u></p> <p>If adopted, the Social Value charter would become the first such charter adopted by the Council and would shape the Council's approach to embedding social value and measuring its impact.</p> <p>Key stakeholders and intended beneficiaries (internal and external as appropriate):</p> <p>Residents and communities, suppliers</p> <p>Intended Outcomes:</p> <p>Adoption and effective implementation of a Social Value Charter has the potential to deliver the following benefits:</p> <ul style="list-style-type: none"> • Encourage a more diverse range of suppliers to work with the Council and its partners, • Promote fair employment practices: Ensuring workforce equality and diversity within supply chains. • Increasing the diversity of local apprenticeship, training, and skills development opportunities as well as employment opportunities. • Maximising opportunities for Middlesbrough organisations to participate in the council's supply chains and encouraging suppliers to make a social contribution to the local area. • Ensuring ethical sourcing practices, including compliance with UK, and international standards, promoting fair trade and fair pricing policies, tackling corruption, child/slave labour, blacklisting of union members and similar social issues. <p>Promoting greater environmental sustainability: Minimising waste and pollution, supporting carbon reduction initiatives, furthering energy efficiency and other sustainability programmes.</p>
Live date:	April 2024 onwards
Lifespan:	ongoing
Date of next review:	April 2025

Screening questions	Response			Evidence
	No	Yes	Uncertain	
Human Rights Could the decision impact negatively on individual Human Rights as enshrined in UK legislation?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The proposed review will not impact negatively on individual Human Rights as defined in the UK legislation.
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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>The Equality Act 2010 requires that the impact of recommendations is considered as part of the decision-making process. The Act requires that the Council must have due regard to the need to:</p> <ul style="list-style-type: none"> • Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act. • Advance equality of opportunity between people who share a protected characteristic and those who do not. • Foster good relations between people who share a protected characteristic and those who do not. <p>Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular the need to:</p> <ul style="list-style-type: none"> • remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic • take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it; • encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low. <p>The proposed charter has the potential to impact positively on all protected characteristics. Commitments in the charter are particularly relevant to young adults, those not in employment and those from under representative communities and It provides a framework against which the Council can measure the impact of its actions to improve outcomes for those groups and individuals.</p> <p>Evidence used to inform this assessment includes analysis of the charter and analysis of underpinning data.</p>

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

Screening questions	Response			Evidence
Community cohesion Could the decision impact negatively on relationships between different groups, communities of interest or neighbourhoods within the town?*	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	It should have a positive impact on community cohesion by supporting them to be more resilient. Evidence used to inform this assessment includes analysis of the charter and analysis of underpinning data.
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:	Ann-Marie Johnstone	Head of Service:	Not applicable
Date:	19/3/2024	Date:	

MIDDLESBROUGH COUNCIL	
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Report of:	Chief Executive
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Executive Member:	The Mayor and Executive Member for Adult Social Care and Public Health
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Submitted to:	Executive
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Date:	10 April 2024
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Title:	The Council Plan, 2024-27: Approach to Delivery
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Report for:	Decision
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Status:	Public
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Strategic Priority:	<p>Not applicable.</p> <p>The purpose of this report is to set out the approach to delivery of the Council Plan 2024-27 and its strategic priorities and aims.</p>
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Key decision:	No
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Why:	Not applicable
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Subject to call in?:	No
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Why:	The report is to seek Executive endorsement only.
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Proposed decision(s)	
<p>That the Executive:</p> <ul style="list-style-type: none"> • Approves the Council Plan workplan and associated outcomes, to assure achievement of the Council's priorities for the 2024-27 period; and • Agrees the delegation of approval for minor amendments to in-quarter timescales to the Chief Executive, through the corporate performance management framework and policy arrangements, with any significant variation to approach or deliverables, reported to and seeking approval via the quarterly corporate performance reports to Executive. 	

Executive summary

This report sets out the Council Plan 2024-27 workplan, seeking Executive endorsement on the supporting initiatives and outcomes, to ensure achievement of the Council's priorities over the 2024 to 2027 period.

The vision for Middlesbrough is a thriving, healthier, safer and more ambitious place where people want to live, work, invest, and visit. We will support our residents to live fulfilling lives, to ensure that our communities thrive.

A Successful and Ambitious Town: *Maximising economic growth, employment, and prosperity, in an inclusive and environmentally sustainable way.*

A Healthy Place: *Helping our residents to live longer and healthier lives, improving life chances and opportunities to thrive.*

Safe and Resilient Communities: *Creating a safer environment where residents can live more independent lives.*

Delivering Best Value: *Changing how we operate, to deliver affordable and cost-effective outcomes for residents and businesses.*

The report also makes the recommendation to the Executive to approve the Council Plan 2024-27 workplan and its associated outcomes and seeks the delegation for the approval of minor amendments to in-quarter timescales to the Chief Executive.

The Council's Scheme of Delegation gives the Executive collective responsibility for corporate strategic performance, together with associated action(s).

Purpose

1. Following Council approval of the Council Plan 2024-27, this report sets out the Council Plan workplan and seeks Executive endorsement on its structure and content, supporting initiatives and outcomes, setting out how we will work with our communities, to take forward our shared priorities over the 2024 to 2027 period.

Recommendations

That the Executive:

- Approves the Council Plan workplan and associated outcomes, to assure achievement of the Council's priorities for the 2024-27 period; and
- Agrees the delegation of approval for minor amendments to in-quarter timescales to the Chief Executive, through the corporate performance management framework and policy arrangements, with any significant variation to approach or deliverables, reported to and seeking approval via the quarterly corporate performance reports to Executive.

Rationale for the recommended decision(s)

2. To enable the Executive to endorse, following approval by full Council, the supporting workplan to the Council Plan 2024-27, ensuring that it is reflective of major developments of the past year, and those anticipated in the coming three years.

Background and relevant information

- 3. The Council Plan, formerly known as the Strategic Plan, is the Council's overarching business plan for the medium-term, and is refreshed on an annual basis, setting out the priorities of the Elected Mayor of Middlesbrough, the ambitions for our communities and the ways in which we seek to achieve them.
- 4. Part of the Council's Policy Framework, requires full Council to approve the Council Plan, as set out in the [Constitution](#). As such, at a meeting of full Council on 8 March 2024, the Council Plan 2024-27 expressing Mayor Cooke's priorities and ambitions for the town, was approved and is attached at Appendix 1, for reference.

Priorities

- 5. The Council plan articulates the 4 priorities of the Mayor and outlines the approach that will be taken to addressing those priorities, which are outlined below:

Mayor's Priority	Description
A successful and ambitious town	Maximising economic growth, employment, and prosperity, in ana inclusive and environmentally sustainable way.
A healthy place	Helping our residents to live longer and healthier lives, improving life chances and opportunities to thrive.
Safe and resilient communities	Creating a safer environment, where residents can live more independent lives.
Delivering best value	Changing how we operate, to deliver the best outcomes for residents and businesses.

How we'll deliver

- 6. To ensure focus upon and strengthen delivery of the above outcomes, a supporting workplan has also now been developed, bringing together all current and planned activity in support of the Council's priorities.
- 7. The proposed workplan and initiatives is set out at Appendix 2 for consideration and approval.
- 8. Activity within the workplan will either adhere to the corporate Programme and Project Management Framework, or have robust milestone plans to be assessed against.
- 9. Progress against delivery of the workplan will be monitored monthly and reported to the Leadership Team, for check and balance and steer and in-project decisions in principle.
- 10. Members will be updated quarterly via the corporate performance reports to Executive and Overview and Scrutiny Board.
- 11. It is proposed that Executive approve delegation of approval for minor amendments to delivery plans to the Chief Executive via the monthly LMT corporate performance reviews, with any significant variation to approach or deliverables, to be reported to and seeking approval via the quarterly corporate performance reporting mechanism, which includes progress against the Council plan.

How we'll know that we have achieved

12. Focus on the above priorities will provide the best opportunity to secure sustained improvements in the following outcomes, up to and beyond 2027. The detail is provided in Appendix 3.

6.1 A successful and ambitious town

- We need to increase the proportion of our residents that are economically active. 45.4% of residents are economically inactive compared to 39.1% nationally (ONS 2021 Census).
- We track the number of businesses based here and the sectors they operate in.
- Our residents need support to find work. 15.3% have either never worked or are long term unemployed, compared to 8.5% nationally (ONS 2021 Census).
- We need to have more well paid, secure jobs in the town. Currently, those in employment are more likely to work in sales, care, leisure or manual jobs when compared to regional and national averages.
- We need more roles in senior management positions and professional and technical occupations.
- Increasing our skills base is key to attracting businesses and improving job prospects. Currently, 23.9% of residents have no qualifications, compared to 20.3% regionally and 18.1% nationally.
- 26.4% of residents have a Level 4 equivalent qualification or higher, compared to 28.6% regionally and 33.9% nationally.
- We track the number of new homes that are delivered and the number of affordable homes. We monitor the levels of homelessness and the circumstances of people at the risk of homelessness.

6.2 A healthy place

- We track the percentage increase of families who are engaging with the Family Hub service, the percentage of eligible families supported to take up their funded place for two-year-olds and the number of children reached each month via the literacy pathway.
- Life expectancy at birth in Middlesbrough is 75.4 for males and 79.8 for females, compared to 79.3 and 83.1 nationally. Healthy life expectancy is also lower than national averages. We must work to close the gaps.
- 56.5% of over-16s in Middlesbrough are classed as 'active', taking part in sport and physical activity for over 150 minutes per week. This compares to 67.3% nationally. Obesity and overweight rates for both children and adults are higher than the national average.
- Promoting and supporting healthier lifestyles can influence these measures that impact on people's health.
- We track resident satisfaction on environmental issues, including maintenance, parks and green spaces, via the Resident Survey.
- We have statistics for amounts of waste sent for refuse, recycling and composting.
- Based on the 2019 Indices of Deprivation, Middlesbrough is the fifth most deprived council area in England. This is due to be updated in 2025.

6.3 Safe and resilient communities

- Middlesbrough has consistently had the highest crime rate in the Cleveland Police area for the past five years. We must narrow the gap between our town and the rest of the Tees Valley.
- We track the number of adults whose long-term support needs are met by admission to residential and nursing care homes.
- We track the number of over-65s who receive reablement/rehabilitation services after discharge from hospital.
- We monitor the number of people who use public transport and the average minimum travel time to reach key services by different modes of travel

6.4 Delivering best value

- By demonstrating successful cultural transformation and financial recovery and resilience, we will aim for the removal of the Best Value notice within the period of this plan.
- We will deliver the action plan in response to the external auditor's statutory recommendations and move towards an unqualified set of accounts within the period of this plan.
- Monthly budget monitoring takes place with Executive Member oversight.
- The Section 151 officer will assess the financial health of the council, including a risk assessment of the adequacy of reserves annually as part of medium-term financial planning and budget setting.
- Audits, risks to the organisation, complaints, programme and project management, health and safety and information security incidents are all tracked.
- Compliance with Freedom of Information Act and Subject Access Request legislation to ensure we are demonstrating transparency and accountability by the way in which we respond to requests.

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

- 7 It is imperative that the Council effectively articulates and communicates an overarching plan to direct activity across Directorates and services, towards the achievement of its priorities and ambitions.
- 8 The only other realistic potential decision would be to leave the Council's strategic objectives unchanged on the assumption that they are sufficiently robust to address and achieve previously identified outcome measures. This, however, is not correct and neither would it represent an appropriate response to the needs of the town, it would detrimentally impact local communities and the business of the Council for some years ahead.
- 9 The only other feasible decisions therefore relate to the structure of the document, and its horizon (i.e., reverting to an annual plan). It is strongly in the Council's interest to plan over the medium-term, (between 3 – 5 years) in line with the indicative budgets over this period outlined by the Government. The proposed document achieves this whilst also providing an appropriate level of detail for all audiences on the Council's planned activity over this period.

Impact(s) of the recommended decision(s)

Financial (including procurement and Social Value)

- 10 The Council Plan 2024-27 and the Council’s annual revenue and capital budgets are developed in parallel, to ensure full alignment between the Council’s ambitions and spending plans.
- 11 In outlining an achievable programme of work that delivers performance improvement within reduced resources, the Council Plan and its supporting Service Plans therefore demonstrate how the Council will deliver value for money in the medium-term.

Legal

- 12 Implementation of the Council Plan 2024-27 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.

Risk

- 13 The Council Plan sets out a range of activities to address the key risks within the Council’s Strategic Risk Register which could impact on the Council’s ability to achieve the ambitions set out in the Council Plan. As such, a review of the current content of the Strategic Risk Register will be completed, with any changes reported to Executive, as part of the quarterly performance management reports.

Human Rights, Public Sector Equality Duty and Community Cohesion

- 14 The Council Plan 2024-27 will have a positive impact on individuals and communities. It contains within it, plans to ensure that the Council has an inclusive approach for all its residents.

Climate Change / Environmental

- 15 The Council Plan will have a positive impact on climate change and the environment, with a specific priority of ‘a healthy place’, which will focus Council activity on these areas, with a set of measurable outcomes to be achieved against this theme.

Children and Young People Cared for by the Authority and Care Leavers

- 16 Delivery of the Council Plan will have a positive impact on children and young people, with a proposed priorities of ‘a successful and ambitious town’ and ‘a healthy place’, with focused activity directed at these areas, with a set of measurable outcomes to be achieved against this theme.

Data Protection / GDPR

- 17 There are no concerns that the proposed plan could impact adversely on data protection or GDPR.

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

Action	Responsible Officer	Deadline
Following approval, Council Plan supporting workplans and associated delivery plans will be uploaded to performance systems, to instigate 2024/25 corporate performance management arrangements.	Head of Strategy, Business and Customer	30 April 2024

Appendices

1	Council Plan 2024-27
2	Council Plan 2024-27 workplan
3	Council Plan 2024-27 outcome measures

Background papers

Body	Report title	Date
Executive	Strategic Plan 2021-24	16 Feb 2021
Executive	Strategic Plan 2022-24	14 Feb 2022
Executive	Refreshing the Strategic Plan workplan for the 2022-24 period	5 Apr 2022
Executive	2023 Residents Survey	20 Dec 2023
Executive	Draft Council Plan 2024-27	20 Dec 2023
Executive	Council Plan 2024-27	8 Mar 2024

Contact: Gemma Cooper, Head of Strategy, Business and Customer
Email: gemma_cooper@middlebrough.gov.uk

Appendix 1: Council Plan 2024-27

Appendix 2: Council Plan 2024-27 workplan

Council Plan 2024-27						
	Ref	Initiative	Lead Directorate	Lead Exec Member	Lead Officer	Activity Start Activity End
A successful and ambitious town <i>Maximising economic growth, employment and prosperity in an inclusive and environmentally sustainable way</i>	CP-EAP-01	Transform Middlesbrough's approach to delivery of learning through implementation of the Council's Education and Skills Strategy.	EAP	Cllr Philippa Storey	Claire Kemp / Karen Smith	01/04/2024 30/09/2024
	CP-EAP-02	Improve outcomes through delivery of the Priority Education Area action plan at key stages 1, 2 and 4.	EAP	Cllr Philippa Storey	Karen Smith	01/04/2024 31/07/2025
	CP-EAP-03	Increase parental understanding of the importance of literacy for under 5s through a programme of learning.	EAP	Cllr Philippa Storey	Karen Smith	01/07/2023 31/07/2024
	CP-EAP-04	Improve life chances by increasing childrens and young peoples access to high quality education through delivery of the Learning and Education Strategy.	EAP	Cllr Philippa Storey	Karen Smith	01/02/2024 31/08/2025
	CP-REG-05	Develop and deliver a programme of qualifications and learning to support people into / back into employment through Middlesbrough Community Learning.	REG	Cllr Philippa Storey	Claire Kemp	01/05/2024 31/03/2026
	We will ensure housing provision meets local demands					
	CP-REG-06	Develop and progress a new Local Plan for Middlesbrough which balances growth aspirations with the longer-term needs of the Middlesbrough community.	REG	Cllr Theo Furness	Paul Clarke	01/04/2024 31/05/2025
	CP-REG-07	Continue to grow housing sites and opportunities in Middlesbrough, to enable the development of 450 units of new housing per year.	REG	Cllr Theo Furness	Sam Gilmore	01/04/2024 31/03/2027
	CP-REG-08	Establish a strategic leadership role for the provision of housing to ensure that the provision aligns with needs.	REG	Cllr Theo Furness	Richard Horrman	05/04/2024 31/03/2024
	CP-ASC-02	Increase pathways offer for homeless households that embody choice, safety and dignity and provide routes into sustainable, long-term accommodation.	ASC	The Mayor	Ruth Musika	01/04/2024 01/03/2025
A healthy place <i>Helping our residents to live longer, healthier lives</i>	We will improve life chances of our residents by responding to health inequalities					
	CP-EAP-05	Boost recruitment and retention of practitioners through delivery of the childcare expansion in Early Years.	EAP	Cllr Zafar Uddin	Karen Smith	01/02/2024 31/03/2025
	CP-EAP-06	Roll-out the extended childcare entitlement to increased number of children from 9months +, who have access to Early Years provision.	EAP	Cllr Zafar Uddin	Karen Smith	01/01/2024 01/04/2025
	CP-EAP-07	Increase outcomes for under 5s through successful delivery of the Best Start Pathway.	EAP	Cllr Zafar Uddin	Karen Smith	31/07/2025 01/07/2025
	CP-PH-01	Develop research architecture and attract funding, to support development of our local understanding of key issues affecting health inequalities.	PH	The Mayor	Rebecca Scott	31/01/2025 01/01/2025
	CP-PH-02	Reduce health inequalities caused by excess weight, through implementation of the core Healthy Weight Declaration commitments.	PH	The Mayor	Lindsay Cook	01/07/2023 01/03/2026
	CP-PH-03	Improve wellbeing in Middlesbrough through embedding a 'health in all' policies approach in all planning and transport decision-making.	PH	The Mayor	Rebecca Scott	01/09/2023 01/09/2025
	CP-PH-04	Improve health literacy through delivery of a Healthy Start pilot model for prevention of ill-health in schools.	PH	The Mayor	Rebecca Scott	01/03/2024 01/02/2025
	CP-PH-05	Reduce inequalities through improvements to cancer screening programmes uptake.	PH	The Mayor	Michelle Stamp	01/10/2023 31/03/2026
	CP-PH-06	Improve prevention services delivered in primary and secondary care to increase uptake.	PH	The Mayor	Michelle Stamp	01/10/2023 31/03/2026
	We will protect and improve our environment					
	CP-ECS-01	Increase the levels of recycling in Middlesbrough from 30% to 35%.	ECS	Cllr Peter Gangan	Kate Burgwell	01/04/2024 01/03/2027
	CP-ECS-02	Protect and improve our parks and open spaces through retention of Green Flag Status.	ECS	Cllr Peter Gangan	Craig Holmes	01/04/2024 31/01/2027
	CP-ECS-03	Improve environmental standards of the town through increased levels of environmental enforcement	ECS	Cllr Peter Gangan	Marion Walker	01/04/2024 31/03/2025
	We will promote inclusivity for all					
	CP-PH-09	Strengthen our approach to supporting dementia friendly communities programme through increasing voluntary and community sector capacity.	PH	The Mayor	Rebecca Scott	01/03/2023 31/10/2024
	CP-ASC-01	Prevent and / or delay the need for formal service provision through improved access to reliable and timely advice and information, to support independent and healthy living.	ASC	The Mayor	Ruth Musika	01/04/2024 31/03/2025
	CP-PH-08	Develop and implement a pilot approach to housing and support, for inclusion health groups ensure this is reflected in the Supported Housing Strategy.	PH	The Mayor	Michelle Stamp	01/04/2024 31/03/2025
	We will reduce poverty					
	CP-FIN-01	Research Welfare Strategy to support Middlesbrough's vulnerable residents, in need of financial assistance, advice and support	FIN	Cllr Nick Walker	Janele Savage	01/02/2024 01/03/2025

Council Plan 2024-27						
	Ref	Initiative	Lead Directorate	Lead Exec Member	Lead Officer	<div>Activity StartActivity End</div>
Safe and resilient communities <i>Creating a safer environment where residents can live more independent lives</i>	CP-ASC-05	Develop an enhanced range of accommodation and support options for adults with a learning disability to promote independence and reduce the reliance on residential care provision.	ASC	The Mayor	Sarah Didsbury	01/04/202431/03/2026
	CP-ASC-06	Reduce the need for on-going care through the expanded use of the Connect Service, assistive technology, and digital solutions.	ASC	The Mayor	Suzanne Hodge	31/07/202531/07/2025
	CP-ASC-07	Re-locate and expand our specialist Autism Day Care service	ASC	The Mayor	Suzanne Hodge	31/03/202531/03/2025
	CP-FH-07	Develop a Community Capacity Building Strategy with a focus on social capital and community wealth building.	PH	The Mayor	Rebecca Scott	01/04/202431/07/2024
	We will improve transport and digital connectivity					
	CP-FIN-03	Implementation of a transformed customer model to achieve improved customer outcomes and savings.	FIN	Clir Nicky Walker	Janette Savage	01/04/202401/03/2027
	CP-ESC-05	Improve public highways and infrastructure to support connectivity across Middlesbrough and the Tees Valley.	ECS	Clir Peter Gargan	Craig Cowley	01/04/202431/03/2027
	We will promote new ideas and community initiatives					
	CP-ECS-04	Introduce a neighbourhood working model to ensure Council services are more closely aligned to community needs.	ECS	Clir Janet Thomson	Marion Walker	01/04/202430/06/2025
	We will reduce crime and antisocial behaviour					
	CP-ESC-06	Reduce Crime and Anti-Social behaviours across Middlesbrough through the continued working with the Community Safety Partnership.	ECS	Clir Janet Thomson	Marion Walker	01/04/202431/03/2025
	CP-ESC-07	Improve the safety and health of the public and the environments in which they live and work through review of public protection policies and interventions.	ECS	Clir Janet Thomson	Marion Walker	01/04/202431/05/2026
	CP-CS-CC-01	Implement a multidisciplinary approach (SHFT) to increase prevention opportunities through early intervention.	CS (CC)	Clir Zafar Uddin	Kai Dargue	01/04/202431/03/2027
	CP-ASC-08	Work with partners to ensure safe and effective systems and processes are in place for the protection of victims of domestic abuse and their children.	ASC	The Mayor	Ruth Muscica	01/04/202401/03/2025
	CP-FIN-04	Revise and implement an Empty Homes strategy to assist and reduce crime and antisocial behaviour in Middlesbrough.	FIN	Clir Janet Thomson	Janette Savage	01/04/202431/03/2026
Delivering best value <i>Changing how we operate to deliver affordable and cost-effective outcomes for residents and businesses.</i>	We will ensure robust and effective corporate governance					
	CP-LGS-01	Implement and embed a Member Development Strategy and Programme to extend learning and development opportunities.	LGS	Clir Nicky Walker	Ann-Maire Wilson	01/11/202301/03/2027
	CP-LGS-02	Develop and implement approach to achieve organisational change through implementation of Transformation portfolio of programme and projects and associated governance structure.	CEX	The Mayor	Clive Heahy	01/07/202422/04/2024
	CP-LGS-03	Refresh the Information Strategy to ensure legal compliance in regards to information governance.	LGS	Clir Nicky Walker	Ann-Maire Johnstone	01/02/202430/07/2024
	We will set a balanced revenue budget and Medium Term Financial Plan to restore financial resilience and sustainability					
	CP-CS-CC-03	Increase internal residential capacity through the purchase of suitable properties.	CS (CC)	Clir Zafar Uddin	Rob Hamer	01/01/202431/01/2026
	CP-CS-CC-04	Improve recruitment and retention of social worker related posts through more targeted and effective marketing.	CS (CC)	Clir Zafar Uddin	Carrie McCarry	01/01/202431/01/2025
	CP-CS-CC-05	Maximise grant opportunities to support service delivery.	CS (CC)	Clir Zafar Uddin	Nicky Saunders	01/01/202431/01/2025
	CP-LGS-04	Implementation of a People Strategy to underpin the Council's cultural transformation ambitions and financial stability.	LGS	Clir Nicky Walker	Nicola Finnigan	01/02/202431/03/2025
	CP-REG-09	Increase sales and maximise rental income of the Council's asset portfolio to ensure financial sustainability and promote economic growth.	REG	Clir Theo Furness	David Jamison	01/04/202431/03/2027
	CP-REG-10	Remodel the Council's Planning Service to reflect increasing demand and complexity, address recruitment and retention difficulties, and deliver improved customer service.	REG	Clir Theo Furness	Paul Clarke	01/04/202431/03/2026
	CP-FIN-07	Implement new delivery model for Procurement and Contract Management across Council services.	FIN	Clir Nicky Walker	Louise Graham	01/04/202431/03/2025
	CP-FIN-02	Increase level of grant income to support development of new service delivery initiatives.	FIN	Clir Nicky Walker	Louise Graham	01/04/202431/03/2025
	CP-FIN-05	Relevant pensions administration service, to ensure value for money for fund and scheme members.	FIN	Clir Nicky Walker	Nick Olson	01/06/202401/06/2025
	CP-FIN-06	Implementation and review effectiveness of demand and cost modelling forecast, for high-spend areas to feed in to MTFF assumptions.	FIN	Clir Nicky Walker	Andrew Humble	01/01/202430/09/2024
	CP-CS-CC-02	Review of Children's and Young People placements, including processes and procedures to ensure robust decision-making and allocation.	CS (CC)	Clir Zafar Uddin	Jane Carroll	01/04/202430/09/2024

Appendix 3: Council Plan 224-27 outcome measures

Measure	How will Middlesbrough demonstrate impact?
A successful and ambitious town	
Attract and grow local business, increasing employment opportunities	
Employment Rate (16-64 years) %	Increase employment rate from 68.8% to 75% to align with the regional average.
Rate of births of new enterprises per 10,000 resident population aged 16 and above	Increase the number of new business registrations per 10,000 resident population (aged 16+) from 54.8 to 66.3 to align with the national average, as Middlesbrough is already exceeding the regional average (44.1)
Improving attainment in education and skills	
Number and % of pupils funded by the local authority	Increase the percentage of pupils, in alternate provision, funded by the local authority from 0.45% to 0.51% to align with the national average, as Middlesbrough is already exceeding the regional average (0.42%).
Key Stage 1 Attainment: Percentage of pupils meeting the expected standard in reading TA.	Increase the percentage of pupils meeting the expected standard in reading TA in Key Stage 1 from 63% to 68% to meet the regional and national average.
KS4 attainment 8 or Grade 5 or above in English and maths GCSEs	Increase the percentage of Key Stage 4 attainment (8 or Grade 5 or above) in English and Maths GCSEs from 34% to 45% to meet the national average for all state funded schools, as there is no regional breakdown for this outcome.
Housing provision will meet local demand and need	
Homelessness: households owed a duty under the Homelessness Reduction Act	Decrease the rate per 1,000 of households owed a duty under the Homelessness Reduction Act from 25.6 to 15.4 to align with the regional average.
Number of completed affordable homes delivered (gross)	Increase the number of completed affordable homes delivered (gross) from 168 to 215 to meet the national total, as Middlesbrough is already exceeding the regional total (155)
New Homes: Started	Increase the total number of permanent dwellings started from 400 to 756 to meet the regional average.
New Homes: Completed	Increase the total number of permanent dwellings completed from 600 to 712 to meet the regional average.
A healthy place	
Improved life chances for children and adults, to address and respond to health inequalities	
Cancer Screening coverage: Breast Cancer	Increase cancer screening coverage for breast cancer from 63.6% to 67.1% to meet the regional average.
Cancer Screening coverage: cervical cancer (aged 25 to 49 years old)	Increase cancer screening coverage for cervical cancer (for those aged 25 to 49 years old) from 60% to 70.8% to meet the regional average.
Cancer Screening coverage: cervical cancer (aged 50 to 64 years old)	Increase cancer screening coverage for cervical cancer (for those aged 50 to 64 years old) from 69.9% to 75.6% to meet the regional average.
School readiness: Percentage of children achieving at least the expected level of development in communication, language and literacy skills at the end of reception	Increase the percentage of children achieving at least the expected level of development in communication, language and literacy skills at the end of reception from 61.7% to 67.7% to meet the regional average for school readiness.
Obesity - Obesity prevalence in children (aged 10 to 11)	Decrease the obesity prevalence in children (aged 10 to 11) from 28.5% to 25.8% to meet the regional average.
Obesity - Obesity prevalence in children at reception age (aged four to five years)	Decrease the obesity prevalence in children at reception age (aged four to five) from 12.8% to 11.3% to meet the regional average.
Obesity - Adult Obesity (18 years plus)	Decrease adult obesity (18 years plus) from 35.3% to 32.4% to meet the regional average.
Protection of and improvements to our environment	
Household waste sent for reuse, recycling and composting	Increase the amount of household waste sent for reuse, recycling and composting from 23.1% to 30.6% to align with the regional average
Residual household waste per household	Reduce the amount of residual waste collected per household from 759.10 kilograms to 578.45 kilograms to meet the regional average.
Protection of inclusivity for all	
Proportion of people who use services who find it easy to find information about services	Maintain the current proportion of people who use services, in Adults Social Care, who find it easy to find information about services (79.2) as Middlesbrough is higher than the regional and national average for this indicator.
Tackling poverty	
Index of Multiple Deprivation Decile	Decrease the Index of Multiple Deprivation Decile from 46.8 to be closer to the North East Average 22.5. Middlesbrough currently has a rank of average score of 5. This means it's the fifth most deprived local authority area in England, that has become more deprived since 2015.

Measure	How will Middlesbrough demonstrate impact?
Safe and Resilient Communities	
Support for adults to be independent for longer	
The number of adults aged 18 to 64 whose long-term support needs are met by admission to residential and nursing care homes (per 100,000 population)	Decrease the number of adults (aged 18 to 64) whose long term support needs are met by admission to residential and nursing care homes (per 100,000 population) from 42.4 to 17.8 to meet the regional average.
2A2 The number of adults aged 65 and over whose long-term support needs are met by admission to residential and nursing care homes (per 100,000 population)	Decrease the number of adults (aged 65+) whose long term support needs are met by admission to residential and nursing care homes (per 100,000 population) from 1374.2 to 738.6 to meet the regional average.
2B2: The proportion of older people (aged 65 and over) who received readmission/rehabilitation services after discharge from hospital	Increase the proportion of older people (aged 65+) who received readmission/rehabilitation services after discharge from hospital from 0.9 to 2.7 to meet the regional average.
Improved connectivity: digital and transport	
Bus Patronage	Continue to increase bus patronage, year on year, in Middlesbrough. In 2022/23 bus patronage reached 6,170,735, the highest year since 2019/2020 when the total reached 6,782,097.
Rail Patronage	Continue to increase rail patronage, year on year, in Middlesbrough. In 2022/23 rail patronage reached 1,509,640, the highest year recorded in 16 years.
Number of publicly accessible Electric Vehicle charging points	Continue to increase the number of publicly accessible Electric Vehicle charging points, year on year, in Middlesbrough. There are 20 publicly accessible EV charging points within Middlesbrough Council car parks to date.
Total Middlesbrough Council website page views	Continue to increase Middlesbrough Council website page views, year on year. In 2022/23 the total reached 2,103,027.
Total MyMiddlesbrough user accounts to date	Continue to increase MyMiddlesbrough user accounts, year on year. To date the total reached 83,813 in March 2023.
Promotion of new ideas and community initiatives	
Satisfaction with the local area as a place to live	Increase the percentage of satisfaction with the local area as a place to live from 66% to 74% to meet the regional average.
Tackling crime and antisocial behaviour	
Anti Social Behaviour Rate per 1,000 (thead of population)	Decrease the rate of anti social behaviour (per 1,000 population) from 37.1 to 29.7 to meet the regional average.
Domestic abuse rate per 1,000 population over 16 in Middlesbrough	Decrease the rate domestic abuse per 1,000 population (over 16) in Middlesbrough from 44.2 to 39.9 to meet the regional average.
First time entrants into the Criminal Justice System	Decrease the rate of juvenile first time entrants to the criminal justice system per 100,000 (of 10-17 year olds) from 189 to 163 to align with the regional average.
Crime rate per 1,000 (thead of population)	Decrease the crime rate (per 1,000 population) from 186.50 to 151.1 to meet the regional average.
Delivering Best Value	
Set a balanced revenue budget and medium term financial plan to restore financial resilience and sustainability	
Estimated unringfenced reserves as a % net revenue expenditure	Increase the estimated unringfenced reserves as a % net revenue expenditure from 21.56% to 37.54% to align with the regional average.
Total debt as percentage of core spending power	Increase the total debt as percentage of core spending power from 174% to 244.6% to align with the regional average.
% CLA placed out of area	Decrease the % of looked after children placed out of area from 15% to 10% to align with the regional average. Though Middlesbrough is currently below the national average (17%).
Robust and effective corporate governance	
Reduction in the number of member to member complaints (internal)	Internal measure TBD, awaiting data
Mandatory Training completion % - focusing on Corporate Governance modules	Internal measure TBD, awaiting data

Council Plan 2024-27



'The Council's vision for Middlesbrough is a thriving, healthier, safer and more ambitious place where people want to live, work, invest, and visit. We will support our residents to live fulfilling lives, to ensure that our communities thrive.'

Foreword

Welcome to our Council Plan for the 2024-27 period.

The Council has experienced lots of change following May 2023's elections and this plan sets out the new administration's visions and ambitions.

Like most local authorities, Middlesbrough faces lots of challenges. As a Council, we're determined to work with local people, our partners and businesses to overcome them.

We are also working closely with government and other bodies to make changes to our culture. There are problems from the past we are determined to resolve so we can look to the future with confidence.

We will recover, reset and deliver for the people of Middlesbrough.

By recovering our financial position, we will put the Council on a stronger footing for the future.

By resetting our priorities, we will ensure our attention is focused on things that matter to people and businesses.

With those foundations in place the Council will be able to put all its energy into delivering services that people value.

The Council's vision for Middlesbrough is a thriving, healthier, safer and more ambitious place where people want to live, work, invest, and visit. We will support our residents to live fulfilling lives, to ensure that our communities thrive.

While acknowledging the difficulties and societal problems that people face, we must also promote Middlesbrough as an area where great things happen.

Our town centre hosts thousands of people on a regular basis whether it be for football, live music, or the various cultural festivals we're proud to play a part in.

We're home to innovative companies that do business on the world stage and we boast award-winning educational institutions preparing our young people for prosperous lives.

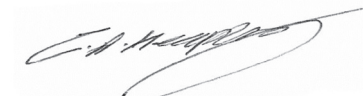
Middlesbrough is a brilliant town, and we must use the talent, pride and positivity of our people to make the most of the opportunities that come our way.

Clearly, there's a lot of work to get through as we set about transforming the way we do things.

We believe this Council Plan can help create a fair, welcoming, and thriving place.



Chris Cooke
Elected Mayor of
Middlesbrough



Clive Heaphy
Chief Executive



Chris Cooke, Elected
Mayor of Middlesbrough



Clive Heaphy, Interim
Chief Executive.

Middlesbrough's challenges and opportunities

1. Middlesbrough is a lively and exciting place with an increasingly diverse population. Approximately 18% of our people are of an ethnic minority.

We are proud that our 2023 residents' survey found increasing numbers of people think Middlesbrough is a place where people from different backgrounds get on well together



5. Our population is younger than the regional and national averages



6. We must ensure our future workforce has the right skills so we can attract investment



7. Life expectancy and healthy life expectancy for men and women are both lower than national averages



8. We must transform our services in the face of reductions in government funding and declining resident satisfaction



2. We're the heart of the Tees Valley with 800,000 people living within a 30-minute radius. We're a busy place with lots happening



3. Our population of around 144,000 lives in an area of just 35 square miles. Roughly 19 people live on each football pitch size of land making it the most densely populated part of the North East



4. Middlesbrough is a vibrant place with a strong sense of community



Sources:
• Office for National Statistics 2021 Census
• Middlesbrough Council Resident Survey 2023
• Indices of Deprivation 2019

Our vision and priorities

We will thrive

Our vision for Middlesbrough is a thriving, healthier, safer and more ambitious place where people want to live, work, invest, and visit. We will support our residents to live fulfilling lives, to ensure that our communities thrive.



1

A successful and ambitious town

Maximising economic growth, employment and prosperity in an inclusive and environmentally sustainable way.

2

A healthy place

Helping our residents to live longer, healthier lives.

3

Safe and resilient communities

Creating a safer environment where residents can live more independent lives.

4

Delivering best value

Changing how we operate, to deliver affordable and cost-effective outcomes for residents and businesses.



A successful and ambitious town

Maximising economic growth, employment and prosperity in an inclusive and environmentally sustainable way.

Aims:

Attract and grow businesses to increase employment opportunities

Middlesbrough is home to thriving companies in innovative industries who compete on the world stage. To ensure we continue to be an attractive place to start or build a business, we will work to grow the range of employment opportunities. We will attract new businesses and support existing ones to grow, increasing the links between employers and job seekers.

Improve attainment in education and skills

Our town boasts award-winning education institutions including Teesside University, Middlesbrough College and the Northern School of Art. We have dozens of wonderful schools led by inspirational teachers. We will work alongside these organisations to ensure skills provision is focused on the future needs of the economy and that our residents are equipped for work.

Ensure housing provision meets local demand

Our population is growing and we need to have homes that meet all types of needs and aspirations. Housing provided through the Council must promote and support independent living. Services for homeless people will be safe and dignified, supporting access into long-term sustainable accommodation.

How will we know we are delivering?

We need to increase the proportion of our residents that are economically active. 45.4% of residents are economically inactive compared to 39.1% nationally (ONS 2021 Census).

We track the number of businesses based here and the sectors they operate in.

Our residents need support to find work. 15.3% have either never worked or are long term unemployed, compared to 8.5% nationally (ONS 2021 Census).

We need to have more well paid, secure jobs in the town. Currently, those in employment are more likely to work in sales, care, leisure or manual jobs when compared to regional and national averages.

We need more roles in senior management positions and professional and technical occupations.

Increasing our skills base is key to attracting businesses and improving job prospects. Currently, 23.9% of residents have no qualifications, compared to 20.3% regionally and 18.1% nationally.

26.4% of residents have a Level 4 equivalent qualification or higher, compared to 28.6% regionally and 33.9% nationally.

We track the number of new homes that are delivered and the number of affordable homes. We monitor the levels of homelessness and the circumstances of people at the risk of homelessness.



A healthy place

Helping our residents to live longer, healthier lives.

Aims:

Improve life chances of our residents by responding to health inequalities

Using our Family Hub model, we will support families to secure the best start in life for children.

We will improve children's readiness to learn and help them develop strong foundations for success at school.

Early intervention and support for families will prevent issues escalating and build resilience.

Through our Public Health Strategy we will work with partners to increase the prevention and early detection of disease and act on the structural factors that drive ill health.

Adult Social Care Services will further develop early intervention and prevention services to reduce the need for social care assessment.

We will consistently promote the conditions for improved health and wellbeing to users of our services and their carers.

Protect and improve our environment

Through our Green Strategy we will continue to drive up recycling rates and encourage our residents to join with us in protecting our environment, green spaces and parks.

Promote inclusivity for all

To ensure the principle of fairness is at the heart of everything we do, we will work together with communities and partners to develop solutions that improve outcomes for all.

We will always consider the impact our policies, strategies and decision making have on health inequalities.

Reduce poverty

We will work with partners to support our residents out of poverty and improve community resilience to prevent people falling into poverty.

Meeting this challenge is central to all of the ambitions within the Council Plan.

How will we know we are delivering?

We track the percentage increase of families who are engaging with the Family Hub service, the percentage of eligible families supported to take up their funded place for two year olds and the number of children reached each month via the literacy pathway.

Life expectancy at birth in Middlesbrough is 75.4 for males and 79.8 for females, compared to 79.3 and 83.1 nationally. Healthy life expectancy is also lower than national averages. We must work to close the gaps.

56.5% of over-16s in Middlesbrough are classed as 'active', taking part in sport and physical activity for over 150 minutes per week. This compares to 67.3% nationally. Obesity and overweight rates for both children and adults are higher than the national average.

Promoting and supporting healthier lifestyles can influence these measures that impact on people's health.

We track resident satisfaction on environmental issues, including maintenance, parks and green spaces, via the Resident Survey.

We have statistics for amounts of waste sent for refuse, recycling and composting.

Based on the 2019 Indices of Deprivation, Middlesbrough is the fifth most deprived council area in England. This measure is due to be updated in 2025.

Safe and resilient communities

Creating a safer environment where residents can live more independent lives.



Aims:

Support for adults to be independent for longer

We will improve access to advice and information for adults and informal carers.

We will develop and expand our use of assistive technology and reablement to minimise the need for ongoing care.

We will develop the choice of accommodation and support options for vulnerable adults to promote independent living, reducing reliance on residential care.

Improved transport and digital connectivity

Our transport infrastructure will meet the needs of our residents and businesses and also support the town's green agenda by increasing the number of electric vehicle charging points.

We will work to improve digital connectivity, including by allowing residents to access Council services in the most convenient way.

Promotion of new ideas and community initiatives

We will develop an approach that empowers individuals and groups to build resilient and thriving communities.

Reducing crime and antisocial behaviour

We will work to reduce crime and antisocial behaviour across the town, allowing residents to live safer lives.

How will we know we are delivering?

Middlesbrough has consistently had the highest crime rate in the Cleveland Police area for the past five years. We must narrow the gap between our town and the rest of the Tees Valley.

We track the number of adults whose long-term support needs are met by admission to residential and nursing care homes.

We track the number of over-65s who receive reablement/rehabilitation services after discharge from hospital.

We monitor the number of people who use public transport and the average minimum travel time to reach key services by different modes of travel.



Delivering best value

Changing how we operate, to deliver affordable and cost-effective outcomes for residents and businesses.

Aims:

Ensuring robust and effective corporate governance

It will be a priority over the life of this plan to provide government and the Council's auditors with assurances the Council has effectively addressed concerns as set out in the Best Value notice and subsequent statutory recommendations.

Set a balanced revenue budget and Medium Term Financial Plan to restore financial resilience and sustainability

The Council is required by law to manage its annual revenue expenditure within its available financial resources.

It also has a Best Value duty to deliver a balanced Medium Term Financial Plan over three to five years to demonstrate financial stability and sustainability in delivering its wider Council Plan objectives.

The Council faces a significant risk that it is unable to balance its revenue expenditure with its available resources in 2024/25, and over the medium term to 2026/27, without fundamental transformation and redesign of services.

The Council's financial resilience is currently weak due to its critically low level of usable revenue reserves which constrain its ability to respond effectively to unforeseen financial pressures.

The Council's Medium Term Financial Planning and annual budget setting framework provides the affordability envelope within which the Council's plans will need to be developed in order to secure financial sustainability.

This includes the requirement to plan to rebuild revenue reserves to strengthen financial resilience that will enable more stable financial planning and management in delivering wider objectives and priorities over the medium term.



How will we know we are delivering?

By demonstrating successful cultural transformation and financial recovery and resilience, we will aim for the removal of the Best Value notice within the period of this plan.

We will deliver the action plan in response to the external auditor's statutory recommendations and move towards an unqualified set of accounts within the period of this plan.

Monthly budget monitoring takes place with Executive Member oversight.

The Section 151 officer will assess the financial health of the council, including a risk assessment

of the adequacy of reserves annually as part of medium term financial planning and budget setting.

Audits, risks to the organisation, complaints, programme and project management, health and safety and information security incidents are all tracked.

Compliance with Freedom of Information Act and Subject Access Request legislation to ensure we are demonstrating transparency and accountability by the way in which we respond to requests.

Transformation

We are working to 'recover, reset and deliver' to ensure that we deliver modern cost-effective services, focused on the needs of residents and arranged around individuals, their families, carers and communities.

We will be an inclusive and supportive Council where staff thrive, prosper and feel valued in their work.

Aims:

Transformation is not only a response to challenges, but a proactive strategy to shape a future-ready organisation.

It is a catalyst for positive change, driving the organisation forwards.

In embracing this ethos, the Council aspires to create a culture that thrives on adaptability and continuous improvement, ensuring its resilience in the face of ongoing challenges and changes.

Our transformation is focused on key areas and priorities:

Service delivery: we are committed to adopting new approaches to the design and delivery of services to better meet the needs of our residents.

Controls and efficiencies: our emphasis is on driving improved controls and efficiency measures across the organisation, ensuring streamlined processes and resource optimisation.

Demand management: through implementing effective demand management measures, we aim to optimise resource allocation and target our interventions precisely where they are needed most

Outcomes: ultimately, the goal of our transformation is to deliver improved outcomes for our residents, communities and businesses, elevating the overall quality of life.

How will we know we are delivering?

In recognising the evolving landscape and dynamic nature of our operating environment, the Council is dedicated to embracing innovative approaches in the design and delivery of services.

This commitment involves new strategies, partnerships and collaborative efforts with stakeholders.

To methodically track our progress and ensure the successful delivery of our transformative vision, we will establish a comprehensive Transformation Portfolio. This portfolio will serve as a structured framework, outlining a range of projects and programmes designed to implement our initiatives effectively.

Our approach will be both strategic and adaptive, examining short and long-term transformative opportunities to ensure that our efforts align with the evolving needs of our community and the broader landscape. Through this approach, we will proactively gauge our success and respond to emerging opportunities and challenges.






Middlesbrough
moving forward

Post: **Middlesbrough Council,**
PO Box 500, Middlesbrough, TS1 9FT

Phone: **01642 245432** (Monday to
Thursday, 8.30am to 5pm, and
Friday, 8.30am to 4.30pm)

Website: **www.middlesbrough.gov.uk**

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Appendix 2: Council Plan 2024-27 workplan

Council Plan 2024-27						
Ref	Initiative	Lead Directorate	Lead Exec Member	Lead Officer	Activity Start	Activity End
A successful and ambitious town						
Maintaining economic growth, employment and skills provision in an environmentally sustainable way						
CP-EAP-01	Transform Middlesbrough's approach to delivery of learning through implementation of the Council's Education and Skills Strategy.	EAP	Cllr Philippa Storey	Claire Kemp / Karen Smith	01/04/2024	30/09/2024
CP-EAP-02	Improve outcomes through delivery of the Priority Education Area action plan at key stages 1, 2 and 4.	EAP	Cllr Philippa Storey	Karen Smith	01/04/2024	31/07/2025
CP-EAP-03	Increase parental understanding of the importance of literacy for under 5s through a programme of learning.	EAP	Cllr Philippa Storey	Karen Smith	01/07/2023	31/07/2024
CP-EAP-04	Improve life chances by increasing childrens and young peoples access to high quality education through delivery of the Learning and Education Strategy.	EAP	Cllr Philippa Storey	Karen Smith	01/02/2024	31/08/2025
CP-REG-05	Develop and deliver a programme of qualifications and learning to support people into / back into employment through Middlesbrough Community Learning.	REG	Cllr Philippa Storey	Claire Kemp	01/05/2024	31/03/2026
We will ensure housing provision meets local demands						
CP-REG-06	Develop and progress a new Local Plan for Middlesbrough which balances growth aspirations with the longer-term needs of the Middlesbrough community.	REG	Cllr Theo Furness	Paul Clarke	01/04/2024	31/05/2025
CP-REG-07	Continue to grow housing sites and opportunities in Middlesbrough, to enable the development of 450 units of new housing per year.	REG	Cllr Theo Furness	Sam Gilmore	01/04/2024	31/03/2027
CP-REG-08	Establish a strategic leadership role for the provision of housing to ensure that the provision aligns with needs.	REG	Cllr Theo Furness	Richard Horrnan	05/04/2024	31/03/2024
CP-ASC-02	Increase pathways offer for homeless households that embody choice, safety and dignity and provide routes into sustainable, long-term accommodation.	ASC	The Mayor	Ruth Musika	01/04/2024	01/03/2025
We will improve life chances of our residents by responding to health inequalities						
CP-EAP-05	Boost recruitment and retention of practitioners through delivery of the childcare expansion in Early Years.	EAP	Cllr Zafar Uddin	Karen Smith	01/02/2024	31/03/2025
CP-EAP-06	Roll-out the extended childcare entitlement to increased number of children from 9months+ who have access to Early Years provision.	EAP	Cllr Zafar Uddin	Karen Smith	01/01/2024	01/04/2025
CP-EAP-07	Increase outcomes for under 5's through successful delivery of the Best Start Pathway.	EAP	Cllr Zafar Uddin	Karen Smith	31/07/2025	01/07/2025
CP-PH-01	Develop research architecture and attract funding, to support development of our local understanding of key issues affecting health inequalities.	PH	The Mayor	Rebecca Scott	31/01/2025	01/01/2025
CP-PH-02	Reduce health inequalities caused by excess weight, through implementation of the core Healthy Weight Declaration commitments.	PH	The Mayor	Lindsay Cook	01/07/2023	01/03/2026
CP-PH-03	Improve wellbeing in Middlesbrough through embedding a 'Health in Air' policies approach in all planning and transport decision-making.	PH	The Mayor	Rebecca Scott	01/09/2023	01/09/2025
CP-PH-04	Improve health literacy through delivery of a Healthy Start pilot model for prevention of ill-health in schools.	PH	The Mayor	Rebecca Scott	01/03/2024	01/02/2025
CP-PH-05	Reduce inequalities through improvements to cancer screening programmes uptake.	PH	The Mayor	Michelle Stamp	01/10/2023	31/03/2026
CP-PH-06	Improve prevention services delivered in primary and secondary care to increase uptake.	PH	The Mayor	Michelle Stamp	01/10/2023	31/03/2026
We will protect and improve our environment						
CP-ECS-01	Increase the levels of recycling in Middlesbrough from 30% to 35%.	ECS	Cllr Peter Gangan	Katie Bargwell	01/04/2024	01/03/2027
CP-ECS-02	Protect and improve our parks and open spaces through retention of Green Flag Status.	ECS	Cllr Peter Gangan	Craig Holmes	01/04/2024	31/01/2027
CP-ECS-03	Improve environmental standards of the town through increased levels of environmental enforcement.	ECS	Cllr Peter Gangan	Marion Walker	01/04/2024	31/03/2025
We will promote inclusivity for all						
CP-PH-09	Strengthen our approach to supporting dementia friendly communities programme through increasing voluntary and community sector capacity.	PH	The Mayor	Rebecca Scott	01/03/2023	31/10/2024
CP-ASC-01	Prevent and / or delay the need for formal service provision through improved access / reliable and timely advice and information, to support independent and healthy living.	ASC	The Mayor	Ruth Musika	01/04/2024	31/03/2025
CP-PH-08	Develop and implement a pilot approach to housing and support, for inclusion health groups ensure this is reflected in the Supported Housing Strategy.	PH	The Mayor	Michelle Stamp	01/04/2024	31/03/2025
We will reduce poverty						
CP-FIN-01	Re-launch Welfare Strategy to support Middlesbrough's vulnerable residents, in need of financial assistance, advice and support.	FIN	Cllr Nick Walker	Janelle Savage	01/02/2024	01/03/2025

Council Plan 2024-27						
	Ref	Initiative	Lead Directorate	Lead Exec Member	Lead Officer	Activity Start Activity End
Safe and resilient communities <i>Creating a safer environment where residents can live more independent lives</i>	CP-ASC-06	Develop an enhanced range of accommodation and support options for adults with a learning disability to promote independence and reduce the reliance on residential care provision.	ASC	The Mayor	Sarah Disbury	01/04/2024 31/03/2026
	CP-ASC-06	Reduce the need for on-going care through the expanded use of the Connect Service, assistive technology and digital solutions.	ASC	The Mayor	Suzanne Hodge	31/07/2025 31/07/2025
	CP-ASC-07	Re-locate and expand our specialist Autism Day Care service	ASC	The Mayor	Suzanne Hodge	31/03/2025 31/03/2025
	CP-FH-07	Develop a Community Capacity Building Strategy with a focus on social capital and community wealth building.	PH	The Mayor	Rebecca Scott	01/04/2024 31/07/2024
	We will improve transport and digital connectivity					
	CP-FIN-03	Implementation of a transformed customer model to achieve improved customer outcomes and savings.	FIN	Clir Nicky Walker	Janelle Savage	01/04/2024 01/03/2027
	CP-ESC-05	Improve public highways and infrastructure to support connectivity across Middlesbrough and the Tees Valley.	ECS	Clir Peter Gargan	Craig Cowley	01/04/2024 31/03/2027
	We will promote new ideas and community initiatives					
	CP-ECS-04	Introduce a neighbourhood working model to ensure Council services are more closely aligned to community needs.	ECS	Clir Janet Thomson	Marion Walker	01/04/2024 30/06/2025
	We will reduce crime and antisocial behaviour					
	CP-ESC-06	Reduce Crime and Anti-Social behaviours across Middlesbrough through the continued working with the Community Safety Partnership.	ECS	Clir Janet Thomson	Marion Walker	01/04/2024 31/03/2025
	CP-ESC-07	Improve the safety and health of the public and the environments in which they live and work through review of public protection policies and interventions.	ECS	Clir Janet Thomson	Marion Walker	01/04/2024 31/05/2026
	CP-CS-CC-01	Implement a multidisciplinary approach (SHIFT) to increase prevention opportunities through early intervention.	CS (CC)	Clir Zafar Uddin	Kaj Dargue	01/04/2024 31/03/2027
	CP-ASC-08	Work with partners to ensure safe and effective systems and processes are in place for the protection of victims of domestic abuse and their children	ASC	The Mayor	Ruth Musicka	01/04/2024 01/03/2025
	CP-FIN-04	Revise and implement an Empty Homes strategy to assist and reduce crime and antisocial behaviour in Middlesbrough.	FIN	Clir Janet Thomson	Janelle Savage	01/04/2024 31/03/2026
Delivering best value <i>Changing how we operate to deliver affordable and cost-effective outcomes for residents and businesses.</i>	We will ensure robust and effective corporate governance					
	CP-LGS-01	Implement and embed a Member Development Strategy and Programme to extend learning and development opportunities.	LGS	Clir Nicky Walker	Ann-Marie Wilson	01/11/2023 01/03/2027
	CP-LGS-02	Develop and implement approach to achieve organisational change through implementation of transformation portfolio of programme and projects and associated governance structure.	CEX	The Mayor	Cllie Heahy	01/01/2024 22/04/2024
	CP-LGS-03	Refresh the Information Strategy to ensure legal compliance in regards to information governance.	LGS	Clir Nicky Walker	Ann-Marie Johnstone	01/02/2024 30/07/2024
	We will set a balanced revenue budget and Medium Term Financial Plan to restore financial resilience and sustainability					
	CP-CS-CC03	Increase internal residential capacity through the purchase of suitable properties.	CS (CC)	Clir Zafar Uddin	Roo Hamer	01/01/2024 31/01/2028
	CP-CS-CC04	Improve recruitment and retention of social worker related posts through more targeted and effective marketing.	CS (CC)	Clir Zafar Uddin	Carrie McGarry	01/01/2024 31/01/2025
	CP-CS-CC05	Maximise grant opportunities to support service delivery.	CS (CC)	Clir Zafar Uddin	Nicky Saunders	01/01/2024 31/01/2025
	CP-LGS-04	Implementation of a People Strategy to underpin the Council's cultural transformation ambitions and financial stability.	LGS	Clir Nicky Walker	Nicola Finnegan	01/02/2024 31/03/2025
	CP-REG-09	Increase sales and maximise rental income of the Council's asset portfolio to ensure financial sustainability and promote economic growth.	REG	Clir Theo Funness	David Jamison	01/04/2024 31/03/2027
	CP-REG-10	Remodel the Council's Planning Service to reflect increasing demand and complexity, address recruitment and retention difficulties, and deliver improved customer service.	REG	Clir Theo Funness	Paul Clarke	01/04/2024 31/03/2026
	CP-FIN-07	Implement new delivery model for Procurement and Contract Management across Council services.	FIN	Clir Nicky Walker	Louise Graham	01/04/2024 31/03/2025
	CP-FIN-02	Increase level of grant income to support development of new service delivery initiatives.	FIN	Clir Nicky Walker	Louise Graham	01/04/2024 31/03/2025
	CP-FIN-05	Redesign pensions administration service, to ensure value for money for fund and scheme members.	FIN	Clir Nicky Walker	Nick Odon	01/02/2024 01/06/2025
	CP-FIN-06	Implementation and review effectiveness of demand and cost modelling forecast for high-spend areas to feed in to MTFP assumptions.	FIN	Clir Nicky Walker	Andrew Furbule	01/01/2024 30/09/2024
	CP-CS-CC-02	Review of Children's and Young People placements, including processes and procedures to ensure robust decision-making and allocation.	CS (CC)	Clir Zafar Uddin	Jane Carroll	01/04/2024 30/09/2024

Appendix 3: Council Plan 224-27 outcome measures

Measure	How will Middlesbrough demonstrate impact?
A successful and ambitious town	
Attract and grow local business, increasing employment opportunities	
Employment Rate (16-64 years) %	Increase employment rate from 68.8% to 75% to align with the regional average.
Rate of births of new enterprises per 10,000 resident population aged 16 and above	Increase the number of new business registrations per 10,000 resident population (aged 16+) from 54.8 to 66.3 to align with the national average, as Middlesbrough is already exceeding the regional average (44.1)
Improving attainment in education and skills	
Number and % of pupils funded by the local authority	Increase the percentage of pupils, in alternate provision, funded by the local authority from 0.45% to 0.51% to align with the national average, as Middlesbrough is already exceeding the regional average (0.42%)
Key Stage 1 Attainment: Percentage of pupils meeting the expected standard in reading TA:	Increase the percentage of pupils meeting the expected standard in reading TA in Key Stage 1 from 63% to 68% to meet the regional and national average.
KS4 attainment 8 or Grade 5 or above in English and maths GCSEs	Increase the percentage of Key Stage 4 attainment (8 or Grade 5 or above) in English and Maths GCSE's from 34% to 45% to meet the national average for all state funded schools, as there is no regional breakdown for this outcome.
Housing provision will meet local demand and need	
Homelessness: households owed a duty under the Homelessness Reduction Act	Decrease the rate per 1,000 of households owed a duty under the Homelessness Reduction Act from 25.6 to 15.4 to align with the regional average.
Number of completed affordable homes delivered (gross)	Increase the number of completed affordable homes delivered (gross) from 168 to 215 to meet the national total, as Middlesbrough is already exceeding the regional total (155)
New Homes Started	Increase the total number of permanent dwellings started from 400 to 756 to meet the regional average.
New Homes Completed	Increase the total number of permanent dwellings completed from 600 to 712 to meet the regional average.
A healthy place	
Improved life chances for children and adults, to address and respond to health inequalities	
Cancer Screening coverage: Breast Cancer	Increase cancer screening coverage for breast cancer from 63.6% to 67.1% to meet the regional average.
Cancer Screening coverage: cervical cancer (aged 25 to 49 years old)	Increase cancer screening coverage for cervical cancer (for those aged 25 to 49 years old) from 60% to 70.6% to meet the regional average.
Cancer Screening coverage: cervical cancer (aged 50 to 64 years old)	Increase cancer screening coverage for cervical cancer (for those aged 50 to 64 years old) from 69.9% to 75.6% to meet the regional average.
School readiness: Percentage of children achieving at least the expected level of development in communication, language and literacy skills at the end of reception	Increase the percentage of children achieving at least the expected level of development in communication, language and literacy skills at the end of reception from 61.7% to 67.7% to meet the regional average for school readiness.
Obesity - Obesity prevalence in children (aged 10 to 11)	Decrease the obesity prevalence in children (aged 10 to 11) from 28.5% to 25.8% to meet the regional average.
Obesity - Obesity prevalence in children at reception age (aged four to five years)	Decrease the obesity prevalence in children at reception age (aged four to five) from 12.6% to 11.3% to meet the regional average.
Obesity - Adult Obesity (18 years plus)	Decrease adult obesity (18 years plus) from 35.3% to 32.4% to meet the regional average.
Protection of and improvements to our environment	
Household waste sent for reuse, recycling and composting	Increase the amount of household waste sent for reuse, recycling and composting from 23.1% to 30.6% to align with the regional average
Residual household waste per household	Reduce the amount of residual waste collected per household from 759.10 kilograms to 578.45 kilograms to meet the regional average.
Protection of inclusivity for all	
Proportion of people who use services who find it easy to find information about services	Maintain the current proportion of people who use services, in Adults Social Care, who find it easy to find information about services (79.2) as Middlesbrough is higher than the regional and national average for this indicator.
Tackling poverty	
Index of Multiple Deprivation Decile	Decrease the Index of Multiple Deprivation Decile from 46.8 to be closer to the North East Average 22.5. Middlesbrough currently has a rank of average score of 5. This means it's the fifth most deprived local authority area in England, that has become more deprived since 2015.

Measure	How will Middlesbrough demonstrate impact?
Safe and Resilient Communities	
Support for adults to be independent for longer	
The number of adults aged 18 to 64 whose long-term support needs are met by admission to residential and nursing care homes (per 100,000 population)	Decrease the number of adults (aged 18 to 64) whose long term support needs are met by admission to residential and nursing care homes (per 100,000 population) from 42.4 to 17.8 to meet the regional average.
2A2 The number of adults aged 65 and over whose long-term support needs are met by admission to residential and nursing care homes (per 100,000 population)	Decrease the number of adults (aged 65+) whose long term support needs are met by admission to residential and nursing care homes (per 100,000 population) from 1374.2 to 738.6 to meet the regional average.
2B2 The proportion of older people (aged 65 and over) who received reablement/rehabilitation services after discharge from hospital	Increase the proportion of older people (aged 65+) who received reablement/rehabilitation services after discharge from hospital from 0.9 to 2.7 to meet the regional average.
Improved connectivity: digital and transport	
Bus Patronage	Continue to increase bus patronage, year on year, in Middlesbrough. In 2022/23 bus patronage reached 6,170,735, the highest year since 2019/2020 when the total reached 6,762,097.
Rail Patronage	Continue to increase rail patronage, year on year, in Middlesbrough. In 2022/23 rail patronage reached 1,509,640, the highest year recorded in 16 years.
Number of publicly accessible Electric Vehicle charging points	Continue to increase the number of publicly accessible Electric Vehicle charging points, year on year, in Middlesbrough. There are 20 publicly accessible EV charging points within Middlesbrough Council car parks to date.
Total Middlesbrough Council website page views	Continue to increase Middlesbrough Council website page views, year on year. In 2022/23 the total reached 2,103,027.
Total MyMiddlesbrough user accounts to date	Continue to increase MyMiddlesbrough user accounts, year on year. To date the total reached 83,813 in March 2023.
Promotion of new ideas and community initiatives	
Satisfaction with the local area as a place to live	Increase the percentage of satisfaction with the local area as a place to live from 66% to 74% to meet the regional average.
Tackling crime and antisocial behaviour	
Anti Social Behaviour Rate per 1,000 (head of population)	Decrease the rate of anti social behaviour (per 1,000 population) from 37.1 to 29.7 to meet the regional average.
Domestic abuse rate per 1,000 population over 16 in Middlesbrough	Decrease the rate domestic abuse per 1,000 population (over 16) in Middlesbrough from 44.2 to 39.9 to meet the regional average.
First time entrants into the Criminal Justice System	Decrease the rate of juvenile first time entrants to the criminal justice system per 100,000 (of 10-17 year olds) from 189 to 163 to align with the regional average.
Crime rate per 1,000 (head of population)	Decrease the crime rate (per 1,000 population) from 186.50 to 151.1 to meet the regional average.
Delivering Best Value	
Set a balanced revenue budget and medium term financial plan to restore financial resilience and sustainability	
Estimated unringfenced reserves as a % net revenue expenditure	Increase the estimated unringfenced reserves as a % net revenue expenditure from 21.56% to 37.54% to align with the regional average.
Total debt as percentage of core spending power	Increase the total debt as percentage of core spending power from 174% to 244.6% to align with the regional average.
% CLA placed out of area	Decrease the % of looked after children placed out of area from 15% to 10% to align with the regional average. Though Middlesbrough is currently below the national average (17%).
Robust and effective corporate governance	
Reduction in the number of member to member complaints (internal)	Internal measure TBD, awaiting data
Mandatory Training completion % - focusing on Corporate Governance modules	Internal measure TBD, awaiting data

MIDDLESBROUGH COUNCIL	
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Report of:	Director of Education and Partnerships
Relevant Executive Member:	Deputy Mayor and Executive Member for Education and Culture
Submitted to:	Executive
Date:	10 April 2024
Title:	Schools Capital Programme 2024/2025
Report for:	Decision
Status:	Public
Strategic priority:	Children and young people
Key decision:	Yes
Why:	Decision(s) will incur expenditure or savings above £250,000
Subject to call in?:	Yes
Why:	Non-urgent report

Proposed decision(s)	
<p>That the Executive:</p> <ul style="list-style-type: none"> • Approves the new schemes included in Appendix 1; • The reallocation of £0.599 grant funding sitting within the capital programme, approved by Council on 8 March 2024, from the Block Budget School Condition Allocation to Schemes in Maintained Primary Schools and Schemes in Special Schools as detailed within the report; • An additional £0.106m of external school funding to be added to the capital programme in order to fully fund £0.705m of anticipated costs for condition works to schools. 	

Executive summary

The report sets out Middlesbrough Council’s responsibilities to maintain school buildings and ensure there are sufficient school places to meet demand. It seeks approval of a programme of capital works to address school condition priorities financed from Department for Education (DfE) capital grants.

On 8 March 2024, Council approved the capital programme for 2024/25 to 2026/27, of which £12.040m expenditure was approved in 2024/25 within Education & Partnerships. This report seeks approval to transfer £0.599m of the 2024/25 approved funds within the block budget for Schools Condition Allocation to Schemes In Maintained Primary Schools and Schemes In Special Schools to fund schemes detailed within this report.

The Executive are recommended to approve the programme to fulfil these statutory duties and ensure that the grant funding is spent in a timely manner on improving teaching and learning environments and outcomes for young people.

The Executive could choose not to approve the schemes for inclusion in the Schools Capital Programme. This could lead to elements of school buildings failing, resulting in lost teaching time, poor learning environments, and Health and Safety risks.

The implications of the recommendation have been considered by the appropriate officers of the Council and are set out in the main body of the report.

1. Purpose

- 1.1 To seek approval for capital schemes to be added to the schools capital programme for delivery to start in 2024/25.

2. Recommendations

- 2.1 That the Executive
 - Approves the new schemes included in Appendix 1;
 - The reallocation of £0.599 grant funding sitting within the capital programme, approved by Council on 8 March 2024, from the Block Budget School Condition Allocation to Schemes in Maintained Primary Schools and Schemes in Special Schools as detailed within the report;
 - An additional £0.106m of external school funding to be added to the capital programme in order to fully fund £0.705m of anticipated costs for condition works to schools.

3 Rationale for the recommended decision(s)

- 3.1 This is a key decision involving expenditure of over £0.250m, about the allocation of capital funding on school schemes from within existing budgets, and is therefore reserved for the Executive.
- 3.2 To ensure that the grant funding available is spent in a timely manner on improving teaching and learning environments and outcomes for young people.

- 3.3 There is no obligation for the Council to consult over these schemes. Schools named in the programme have been engaged on a tentative basis to ensure that, where a school contribution to the cost of schemes is required, this can be agreed.
- 3.4 The schools capital programme has not been examined by the Overview and Scrutiny Board or by a Scrutiny Panel.

4 Background and relevant information

- 4.1 Middlesbrough Council shares responsibility with governing bodies for the maintenance of nine community and foundation school buildings across the town:
 - 4.1 Responsibility for general maintenance, repairs and minor capital works is devolved to schools;
 - 4.2 The Council is responsible for major capital schemes such as the replacement of substantial parts of buildings, the provision of new buildings and other high-value, strategic schemes that would be unaffordable by schools on their own.
- 4.2 The Council is also responsible for ensuring there are sufficient school places across the town to be able to meet demand, including for pupils with Special Education Needs and Disabilities (SEND) or those requiring Alternative Provision. Investment can be in both locally maintained schools and Academies.
- 4.3 The schools capital programme, maintained and delivered by the Assets Team within Property and Commercial Services, sets out all of the centrally funded school capital works being undertaken to discharge these duties. It is a multi-year, rolling programme of capital improvements to school buildings.
- 4.4 The report sets out new schemes proposed to be added to the programme. Schemes are selected to address condition, sufficiency and other strategic priorities. Schemes are prioritised to address those elements of schools with the most urgent need or to secure value for money as part of a larger programme of work.
- 4.5 The costs of the schemes identified in the report are estimates, until such a time as full feasibility studies can be undertaken, and are subject to change until they have returned from tender. The schemes will be treated as a programme of works, with savings in schemes being used to offset increased costs in others and the programme being managed within the overall funding envelope.
- 4.6 Where there is a significant deviation from the estimated cost to the Council of individual scheme these will be revisited and appropriate action taken. This could include reducing the scope of works, re-tendering, or postponing the scheme. Where there is a significant effect on the cost of the programme, which would result in a key decision being required, this would be brought back to Executive for decision.
- 4.7 In addition to the schemes below, a number of previously approved schemes, with residual works outstanding, will be completed. Emergency works will also be undertaken if/when they occur and other schemes of moderate value where they are time sensitive e.g. preventative schemes to avoid higher costs later on, or schemes that address Health and Safety concerns and ensure compliance.
- 4.8 The capital programme covers schools widely distributed across the town. There are no specific ward implications. Ward members will be consulted on individual building

schemes where appropriate as part of the normal process of securing planning permission.

Condition Improvement Schemes

- 4.9 Appendix 1 sets out new schemes proposed to be added to the programme for delivery during the 2024/25 financial year and beyond. It includes schemes aimed at improving the condition of schools - roof works, improvements to heating systems, drainage works and asbestos encapsulation:
- **Berwick Hills Primary School** – £0.285m to replace existing air source heat pumps and associated equipment. This is a proactive approach to replacing the school plant, which has already required investment, to avoid future issues and the risk of school closure should the heating fail during the colder months.
 - **Newport, Park End and Whinney Banks primary schools** - £0.135m to address issues with foul water drainage systems which are resulting in poor system performance and, if unaddressed, could result in internal flooding and damage. The works will focus on removing blockages such as tree roots, repairing misaligned joints and replacing broken sections
 - **Acklam Whin, Park End and Holmwood schools** - £0.215m to undertake roof repairs and replacements and replace defective equipment which is currently preventing schools from being watertight.
 - **Park End Primary School** – £0.070m to encapsulate asbestos containing materials in the school. The areas to be addressed have been identified in the school’s asbestos management survey as requiring more proactive management due to the materials degrading over time
- 4.10 The total amount required to undertake the works on all the schemes is estimated at £0.705m, which will be funded using £0.599m of Department for Education (DfE) School Condition Allocation with a 15% contribution, totalling £0.106m, from the schools. The funding has been included in the Council Capital Programme and Capital Investment Strategy seeking budgetary approval from Council.

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

- 5.1 The Executive could choose not to approve the schemes for inclusion in the Schools Capital Programme. In the short term this could lead to elements of the buildings identified failing, resulting in lost teaching and learning time, inappropriate learning environments and Health and Safety risks.
- 5.2 In the longer-term, such an approach would lead to the gradual decline of the condition of the schools, children being out of school unnecessarily and escalating costs for both the schools and the Council.

6 Impact(s) of the recommended decision(s)

6.1 Financial (including procurement and Social Value)

School Condition Allocation (SCA)

- 6.1.1 As previously stated, all of the grant funding that the Council is required to expend is already secured and is contained within the Council Capital Programme that was approved by Council on 8 March 2024.
- 6.1.2 Additional external funding of £0.106m provided from the various schools will be added to the Capital Programme to fund the total cost of the schemes.
- 6.1.3 The table below shows the relevant elements of the capital programme and the proposed changes:

2024/25 Capital Programme Approved By Council 8.3.24				
Scheme Title	Current Programme £m	Proposed Virements £m	Additional External Funding £m	Revised Programme £m
Block Budget (Grant) School Condition Allocation	0.773	-0.599	-	0.174
Schemes In Maintained Primary Schools	0.075	0.579	0.103	0.757
Schemes In Special Schools	6.071	0.020	0.003	6.094
Total	6.919	-	0.106	7.025

- 6.1.4 The DfE have not yet announced local authority SCA allocations for the 2024/25 financial year. The funding above is pre-existing grant accrued from previous years allocations. When this funding is approved it will be allocated and reported via Executive within the appropriate quarterly Revenue and Capital Outturn Projection report.
- 6.1.5 All capital maintenance schemes will be managed by Corporate Property within existing staffing resources. The indicative costs of each scheme includes fees, including the direct cost of Design Services in designing, procuring and monitoring the works. These works will be procured in compliance with the Contract procedure rules and are included within the tender pipeline for 2024/25.
- 6.1.6 There are no associated life-cycle or revenue costs for the Council. It is anticipated that the additional investment in the schools’ buildings will reduce the long-term maintenance costs for the schools, and therefore the pressure on schools’ budgets. School budgets are funded entirely from the Schools Block or High Needs Block of the Dedicated Schools Grant and do not impact upon the Council’s budget.
- 6.1.7 Appendix 1 includes a breakdown of estimated costs for each scheme, identifying the funding sources and including school contributions towards those schemes delivered by the Council.

6.2 Legal

- 6.2.1 The decision would assist the Council in meeting its statutory duty, under Section 14 of the Education Act 1996, to ensure there are sufficient school places to meet demand.
- 6.2.2 The decision would assist the Council in meeting its statutory duty under Section 22 of the School Standards and Framework Act 1998 as amended by the Education Act 2002 and the Education and Inspections Act 2006 to maintain schools in its area.

6.2.3 As an Academy, any significant changes deemed to be taking place as result of the relocation of places and services at River Tees Hospital School fall outside of the School Organisation (Prescribed Alterations to Maintained Schools) (England) Regulations 2013 and are fully the responsibility of the Academy Trust.

6.3 Risk

6.3.1 The recommended decision will ensure that all pupils can access provision appropriate to their educational needs and provide a safe and welcoming environment in which they can learn and achieve, improving outcomes for children and young people.

6.3.2 The relevant risks this decision would influence are below, alongside an explanation about why they are relevant and how each risk is affected.

Register No	Description of risk	Explanation as to why they are relevant and how it would affect each risk
O4-012	If the department fails to meet statutory responsibilities , due to lack of resources or staff knowledge, then this will lead to reduced effectiveness and increased costs.	The Schools Capital Programme will ensure that the Council complies with its statutory duty to supply sufficient school places to meet demand.
O7-026	If the Council fails to comply with the Health and Safety at Work Act 1974 , other legislation and good practice, then avoidable deaths and accidents may occur, resulting in charges under the Corporate Manslaughter and Corporate Homicide Act 2007; and HSE prosecutions with corresponding financial and reputational loss.	The Schools Capital Programme prioritises schemes to ensure that the schools are structurally sound and safe for teaching and learning, ensuring the safety of pupils and staff and having a positive impact on the risk.

6.4 Human Rights, Public Sector Equality Duty and Community Cohesion

6.4.1 A Level 1 (Initial Screening) Impact Assessment (IA) accompanies this report at Appendix 2.

6.4.2 The impact assessment identified that the decision would have a positive impact on the local community and would not represent a concern to equal rights, disability discrimination or the impingement of human rights.

6.4.3 The decision being sought aims to positively affect educational outcomes for young people aged 3-16 including those with Special Educational Needs and Disabilities or requiring alternative education, improving their learning environment, access to educational services and removing the need for children to travel to schools outside of the town to access appropriate education.

6.5 Climate Change / Environmental

6.5.1 As part of the Council's drive to achieve net carbon and in-line with One Planet Living, all work will comply with energy efficiency measures in line with building

regulations, and schemes will endeavour to reuse and source local materials and labour to reduce transportation impacts.

6.6 Children and Young People Cared for by the Authority and Care Leavers

6.6.1 There is no differential impact on children and young people cared for by the Local Authority

6.7 Data Protection / GDPR

6.7.1 The proposed decision does not involve the collation or use of any personal data.

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

Action	Responsible Officer	Deadline
Officers in Corporate Property’s Assets Team will commence the delivery of the schemes to the specified timescales. This includes the detailed design, commissioning and completion of all works.	Teresa Garret/ Sue Corner	31 August 2024
The Council Capital Programme and Capital Investment Strategy will be adjusted to include the new schemes identified in the report.	Gary Maddison	5 April 2024

Appendices

1	Appendix 1 –Schools Capital Programme – New Schemes 2024/25
2	Appendix 2 – Equality Impact Assessment

Background papers

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

Contact: Gary Maddison, Strategic School Planning Manager
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Schools Capital Programme - DRAFT

Delivery Year - 2024/2025

School / Establishment	Project	Description	Estimated scheme value (awaiting feasibility) £m	School funding (agreed amount or minimum 15%)	Childrens Services capital (Cap Maint) / SCA	Total funding available for the project
CONDITION						
	Roof work					
Acklam Whin Primary School	Condition	roof work	0.085	0.013	0.072	0.085
Park End Primary School	Condition	roof work	0.110	0.017	0.094	0.110
Holmwood School	Condition	replace roof fans	0.020	0.003	0.017	0.020
	Mechanical					
Berwick Hills Primary School	Condition	heating plant replacement	0.285	0.043	0.242	0.285
	Building drainage					
Newport Primary School	Condition	drainage works	0.050	0.008	0.043	0.050
Park End Primary School	Condition	drainage works	0.035	0.005	0.030	0.035
Whinney Banks Primary School	Condition	drainage works	0.050	0.008	0.043	0.050
	Miscellaneous					
Park End Primary School	Condition	asbestos encapsulation	0.070	0.011	0.060	0.070

0.705	0.106	0.599	0.705
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Template for Impact Assessment Level 1: Initial screening assessment

Subject of assessment:	Schools Capital Programme 2024			
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 checked="" 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:	<ul style="list-style-type: none"> • Key aims, objectives and activities – to improve the learning environment in schools maintained by the Council. • Statutory drivers – the Council a duty to maintain its schools under Section 22 of the School Standards and Framework Act 1998. • Differences from any previous approach – The Schools Capital Programme is a rolling programme of improvement works and investments in schools. New schemes are added regularly. • Key stakeholders and intended beneficiaries – <ul style="list-style-type: none"> • Pupils and Parents of Pupils; • Local schools and Academy trusts; • Intended outcomes – <ul style="list-style-type: none"> • Ensure that locally maintained schools continue to be safe and welcoming environments in which to learn; • Compliance with Health and Safety requirements for employers and building owners 			
Live date:	The programme will primarily be delivered over the academic year 2023/24 and financial year 2024/25.			
Lifespan:	The Schools Capital Programme is reviewed annually or more regularly where needs require.			
Date of next review:	March 2025			

Screening questions	Response			Evidence
	No	Yes	Uncertain	
Human Rights Could the decision impact negatively on individual Human Rights as enshrined in UK legislation?	<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 programme 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>
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?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>The Public Sector Equality Duty (PSED) requires that when exercising its functions the Council must have due regard to the need to:-</p> <ul style="list-style-type: none"> 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>As this proposal relates to school-age children it is relevant to the equality duties and the protected characteristic of age. The proposal would have a positive impact on this group, increasing the quality of school learning environment and ensuring that schools are a safe place to learn</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
Community cohesion Could the decision impact negatively on relationships between different groups, communities of interest or neighbourhoods within the town?*	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	No negative impact is anticipated. The proposal would impact positively on community cohesion, increasing the availability of school places in the town and removing the need for pupils to have to travel to other schools outside the town, or be without a school place. 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.

Assessment completed by:	Gary Maddison	Head of Service:	Trevor Dunn
Date:	22 February 2024	Date:	22 February 2024

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MIDDLESBROUGH COUNCIL	
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Report of:	Director of Environment and Commercial Services
Relevant Executive Member:	Executive Member for Environment
Submitted to:	Executive
Date:	10 April 2024
Title:	2024/25 Transport and Infrastructure Capital Programme
Report for:	Decision
Status:	Public
Strategic priority:	Physical environment
Key decision:	Yes
Why:	Decision(s) will incur expenditure or savings above £250,000
Subject to call in?:	Yes
Why:	Not Applicable

Proposed decision(s)
<p>That the Executive</p> <ul style="list-style-type: none"> • approve the allocation of £4.015m 2024/2025 Local Transport Plan (LTP) Highways Maintenance / Incentive grant funding to specific schemes as detailed in Appendix 2. • approve a budget virement of £0.316m from the LTP Incentive Funding scheme to the LTP Highways Maintenance Scheme in order to fund to works detailed within Appendix 2.

Executive summary
<p>The purpose of this report is to gain approval to allocate funding to develop and deliver transport and infrastructure improvements contained within the report.</p>

On 8 March 2024, Council approved the capital programme for 2024/25 to 2026/27, of which £17.396m expenditure was approved in 2024/25 within Environment & Community Services. This report seeks approval to undertake a budget virement of £0.316m of the 2024/25 approved funds within the LTP Incentive Funding Scheme to the LTP Highways Maintenance Scheme to fund schemes detailed within Appendix 2 of this report.

The report also seeks approval for the allocation of the 2024/25 overall £4.015m LTP funding towards specific schemes as per Appendix 2 of this report.

1. Purpose

The purpose of this report is to gain approval to allocate funding to develop and deliver transport and infrastructure improvements contained within the report.

2. Recommendations

2.1 That the Executive

2.1.1 approve the allocation of £4.015m of approved LTP grant funding to develop and deliver infrastructure improvements as outlined within the report.

2.1.2 approve the programme package as set out in Appendix 2; and,

2.1.3 Should it be required to change the phasing of these programmes to delegate any programme amendments and virements to new or prioritised projects and where such activity is permissible within the funding criteria, to the Director of Environment and Community Services and the Executive Member for Environment where appropriate.

3 Rationale for the recommended decision(s)

3.1 Recommendation will allow strategic allocation of funding to ensure that the Council is not only working toward its ambitions and objectives but is allocating resources to ensure statutory requirements placed upon the Council as the Highway Authority, “to ensure the safe and expeditious movement of people and goods on its network”.

3.2 The allocations that are being proposed are based on ensuring a balance between maintaining the existing assets and making improvements to the accessibility of the current network/alternate modes of transport enhancements. This balance is crucial to ensure the safety of the infrastructure, and to assist in encouraging sustainability and longevity of the network.

4. Background and relevant information

4.1 Middlesbrough Council receives Local Transport Plan funding from the Department for Transport, via Tees Valley Combined Authority, to undertake maintenance and improvement works on the Councils transport network.

- 4.2 The current Council approved LTP allocation for 2024/25 is £1.377m, specified against Incentive Funding (new works) and £2.638m for Highways Maintenance. Appendix 2 details the planned works totalling £4.015m.
- 4.3 It is proposed that the Council approves the expenditure of the Local Transport Plan allocation for 2024/25, as outlined in appendix 2. This will provide the Council time to identify the most prudent method of delivering a longer-term programme; ensuring that best value for money is achieved.
- 4.4 The projects within the proposed programme have been identified from the Council's "Future Year scheme" list. This is a compiled table of all known requirements and suggestions received, which are matrix ranked for their suitability against a set criterion, forming a priority basis. However, this is also conditional upon external funding criteria, eligible uses, statutory obligations, and other implications.
- 4.5 The maintenance schemes are based on asset condition rating systems and allocation of resources work to address a "worst first" is used. This is rationalised based on public safety and asset longevity priorities (such as ensuring that structures are safe). This ensures that the Council is sequentially addressing the areas of the network in most need of resolving.
- 4.6 The Council also receives specific allocations through competitive grant programmes and awards that are to deliver prescribed pieces of work, depending upon national / regional criteria. Any awards for such projects by-pass the matrix scoring criteria (although this may be used to identify the most suitable candidates) and can be awarded / is accessible throughout the financial year. The proposals within this report include all known awarded allocations at time of approval but can be subject to change. If required, approvals will be sought through the formal decision-making process.
- 4.7 A map of the scheme locations can be found in appendix 1. The full funding allocations used to identify the projects / programmes can be found in appendix 2.

5. Other potential alternative(s) and why these have not been recommended

- 5.1 Re-assessing the project proposals – this is not recommended, as they have been identified using a robust scoring matrix and the prescribed funding criteria, to ensure best allocation of resources. Any changes would deviate from this process and add delays to the delivery programme.

Do nothing

- 5.2 This is not recommended as it will not allow the Council to allocate funding and make the necessary arrangements in advance of receipt of the allocations. The delivery of infrastructure improvements requires prudent planning, and co-ordination, so approvals in a timely manner are pivotal to ensuring a successful delivery programme.

6 Impact(s) of the recommended decision(s)

6.1 Financial (including procurement and Social Value)

The Transport and Infrastructure Capital Programme is 100% grant funded from the Local Transport Plan provided by the Department of Transport via the Tees Valley Combined Authority. The proposals have been costed at a high level (including an element for contingencies), based on delivering similar schemes in previous years. Appendix 2 of this report details the planned expenditure.

The project allocations are indicative and may require alteration to address unforeseen issues and service demand responsiveness. Should costs exceed the available budget, the programme can be re-prioritised, and projects removed to account for unforeseen additional expenditure.

Should additional funding become available during the financial year, this will be considered subject to the same rules and regulations, and Executive/financial approvals; and governed as such.

The Capital Programme reported to Council on 8 March included several schemes that have been funded from the 2023/24 allocation but will now not complete until 2024/25.

The table below shows the relevant element of the 2024/25 Capital Programme and the proposed budget virements:

2024/25 Capital Programme Approved By Council 8.3.24			
Scheme Title	Current Programme £m	Proposed Virements £m	Revised Programme £m
Local Transport Plan -Highways Maintenance	2.638	0.316	2.954
Local Transport Plan - Incentive Funding	1.377	-0.316	1.061
Total	4.015	-	4.015

Any underspends within 2023/24 relating to the above will be reported within the Quarter 4 Revenue and Capital Outturn Report.

6.2 Legal

Any legal issues associated with the approved programme will be managed through the Council's established procedures. The allocations within this report are indicative, are not committed and can alter. Should the figures vary beyond the delegation sought in this report, appropriate Executive approvals will be sought.

The funding allocations and proposed expenditure is required to ensure the Council complies with Highways Act 1980.

6.1 Risk

The proposal does not require any change to the Council's existing policy framework.

The funding allocations identified are indicative or are pending funding allocation within the programme. Should funding levels alter, there is an element of contingency within the proposed programme. Should this be exceeded, the programme will be re-addressed, and approval sought to allow re-prioritisation to fit with the available funding.

By approving this allocation of funding, the Council is positively and actively managing risk to support the outcomes of the department(s), such as not having appropriate planning in place.

The approval of the programme will allow targeted interventions, which will reduce the risk of Road Traffic Accidents. Without investment in mitigations, those killed and seriously injured because of road traffic accidents may increase, particularly in areas where the Council is aware of issues. Additional to increased injury to individuals, this also results in increased costs on other local stakeholders such as the Police, the Fire Authority, and the NHS, but also reputational damage to the Council as the Highway Authority.

The proposed programme reduces financial risk. Highway network deterioration is greater than the available funding to maintain it. By approving the allocations, the Council will be able to minimise the number of claims made against it due to surface defects.

6.2 Human Rights, Public Sector Equality Duty and Community Cohesion

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

It is not anticipated that any other protected groups will be impacted upon negatively because of progressing with proposals. The Equality Impact Assessment in appendix 3 provides this assurance.

6.3 Climate Change / Environmental

The proposals will improve accessibility to key services and facilities and assist the Borough's impact on climate change and the environment by providing and updating our infrastructure to support alternative methods of travel therefore improving the public realm, and reducing congestion, traffic noise and improving air quality.

6.4 Children and Young People Cared for by the Authority and Care Leavers

The proposals outlined will not negatively impact children and young people cared for by the authority and care leavers as the highway schemes we have proposed will be accessible to all and will improve safety, accessibility and usability of the Councils Transport network; ensuring that people can access employment, education, retail and leisure opportunities.

6.5 Data Protection

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

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

Action	Responsible Officer	Deadline
Produce project management documentation for all new projects, which will be monitored by the Transport and Infrastructure Capital Programme Board, and the Project Management Office, which will ensure prudent and active management of projects	Infrastructure Programme Manager (Liyaqat Ud-Din)	March 2024

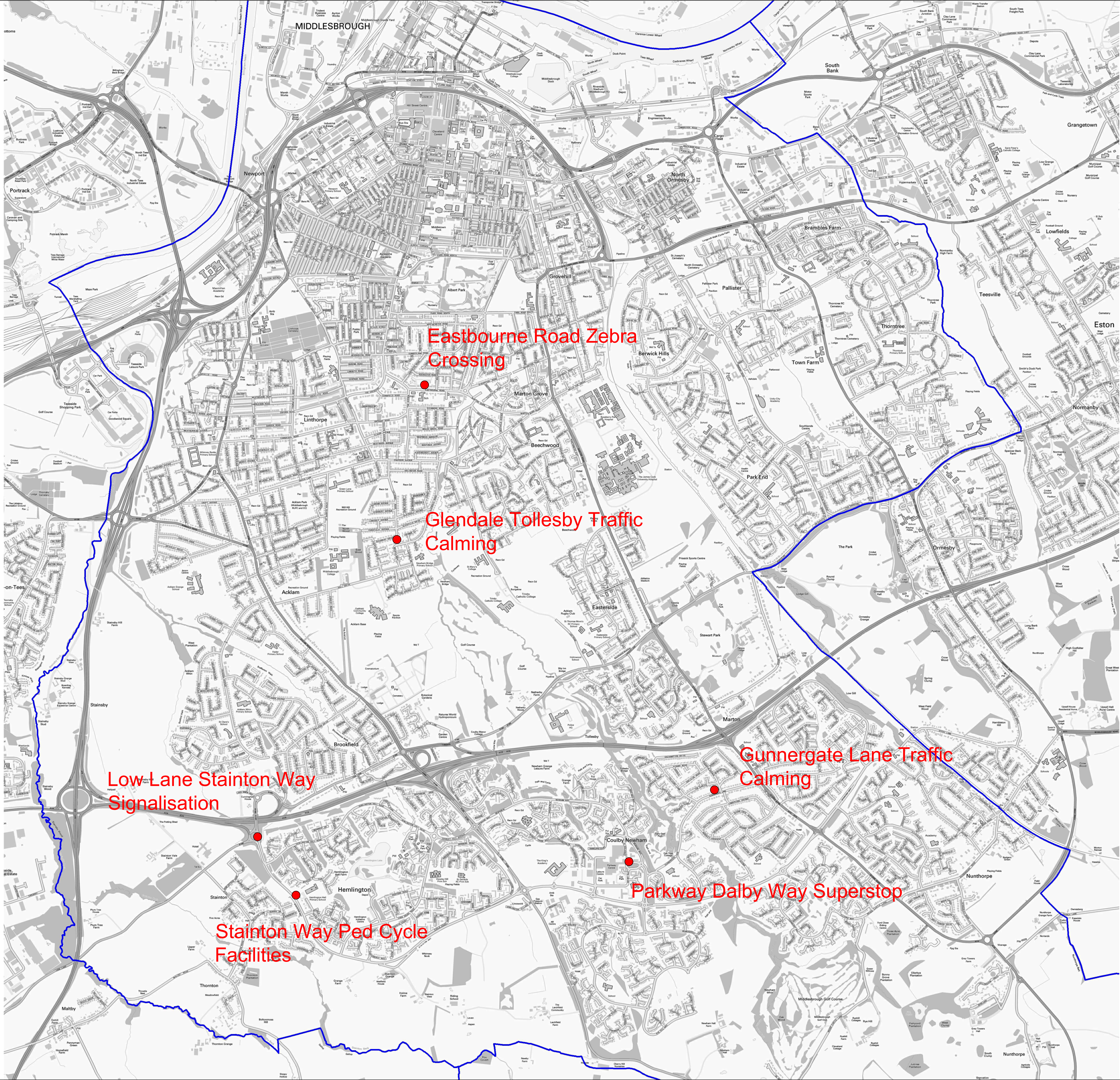
Appendices

1	Ward map of locations for intervention
2	Indicative Funding allocations and proposed projects
3	Equality Impact Assessment

Background papers

Body	Report title	Date
N/A	Future years scheme document (internal document)	January 2024

Contact: Li Ud-Din - Infrastructure Programme Manager
Email: Liyaqat_Ud-Din@middlesrough.gov.uk



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SAFETY HEALTH AND ENVIRONMENTAL ISSUES

IN ADDITION TO THE RISKS AND HAZARDS, NORMALLY ASSOCIATED WITH THE TYPES OF WORK DETAILED ON THIS DRAWING, YOUR ATTENTION IS DRAWN TO THE FOLLOWING RESIDUAL RISKS

Rev	Date	Details
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Middlesbrough Council
Craig Cowley
Head of Transport & Infrastructure
P.O. Box 504, Environment &
Commercial Services, Resolution
House, Cargo Fleet Lane,
Middlesbrough, TS3 8AL



www.middlesbrough.gov.uk

Project
2024/25 Capital Programme Map
Drawing

File Ref	Drg no	Revision
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Date April 24	Drawn AG	Scale A1
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Tender Reference Number

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Planned Expenditure funded from Department of Transport 2024/25 allocation			
Block	Programme	Projects	
			£m
HM	Carriageways	Carriageway maintenance to the allocation value taken from the asset management list	1.300
	Footways	Maintenance of the verge asset (schemes taken from asset list)	0.700
	Verges	Maintenance of the footway asset (schemes taken from asset list)	0.300
	Structures and Bridges	Maintenance of the bridge and structure asset (schemes taken from asset list following PI assessments)	0.200
	Flooding/drainage	Maintenance of the drainage asset (schemes taken from asset list)	0.100
	Street lighting	Maintenance of the lighting asset (schemes taken from asset list)	0.200
	Programme delivery	Management of the programme	0.066
		Previous years scheme remediation/contingency	0.088
		TOTAL HIGHWAYS MAINTENANCE	2.954
IT (new allocations)	Road Safety and Traffic Management	General Traffic Management	0.110
		Gunnergate Lane traffic calming SR/JL	0.050
		Glendale Rd/ Tollesby Rd traffic calming - JL	0.040
	Ped/cycle crossing point	Stainton Way Ped Cycle Facilities CO/LU	0.220
		Eastbourne Road Zebra Crossing - MOR/MS	0.040
	Junction signalisation	Low Lane/Stainton Way Signalisation - LU	0.300
		Superstop - Parkway/Dalby upgrading infrastructure - ST/ LU/JL	0.120
	Programme delivery, management and future development	Programme delivery	0.090
		Future years scheme development (TBC)	0.041
		Previous years scheme remediation/contingency	0.050
		TOTAL INTEGRATED TRANSPORT	1.061
		TOTAL PROGRAMME	4.015

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Template for Impact Assessment Level 1: Initial screening assessment

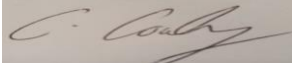
Subject of assessment:	2024/25 Capital Programme Transport and Infrastructure			
Coverage:	To cover the proposed funding allocations and projects within the 2024/25 Capital programme for Transport and Infrastructure			
This is a decision relating to:	<input type="checkbox"/> Strategy	<input type="checkbox"/> Policy	<input checked="" type="checkbox"/> Service	<input checked="" type="checkbox"/> Function
	<input type="checkbox"/> Process/procedure	<input checked="" type="checkbox"/> Programme	<input checked="" 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 type="checkbox"/>
It is driven by:	Legislation:	<input type="checkbox"/>	Local or corporate requirements:	<input checked="" type="checkbox"/>
Description:	<p><u>Key aims, objectives and activities</u></p> <p>The 2024/25 Capital Programme sets out the projects that will be delivered within the financial year based on the available funding. The projects are derived from the available funding, ensuring fit with Council aims, objectives and policies.</p> <p><u>Statutory drivers (set out exact reference)</u></p> <p>As a Highway Authority, the Council has statutory duties, as set out within the Traffic Management Act 2004. "It is the duty of a Local Traffic Authority to manage their road network with a view to achieving, so far as is reasonably practicable having regard to their other obligations, policies and objectives, the following objectives;</p> <p>(a) Securing the expeditious movement of traffic on the Authority's road network; and</p> <p>(b) Facilitating the expeditious movement of traffic on road networks for which another Authority is the Traffic Authority."</p> <p>The projects within this programme are aimed at ensuring compliance with this requirement.</p> <p><u>Differences from any previous approach</u></p> <p>No changes are anticipated from any previous approaches adopted.</p> <p><u>Key stakeholders and intended beneficiaries (internal and external as appropriate)</u></p> <p>Residents, Businesses, Politicians, Council Officers, Public Transport operators, and visitors to the area.</p> <p><u>Intended outcomes.</u></p> <p>To ensure that the Council is delivering projects that meet with statutory requirements of the Traffic Management Act 2004, and to the benefit of the Council and its stakeholders.</p>			
Live date:	2024			

Lifespan:	This will be live throughout the duration of the 2024/25 programme
Date of next review:	n/a

Screening questions	Response			Evidence
	No	Yes	Uncertain	
Human Rights Could the decision impact negatively on individual Human Rights as enshrined in UK legislation?*	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>The programme aims to improve access to transport for all residents. This will assist in improving accessibility to education, employment, training, retail and leisure facilities by making reasonable adjustments to services provided to new proposals, and retrofitting existing infrastructure, and therefore not impact negatively upon human rights.</p> <p>Evidence used to inform this assessment includes analysis of the Human Rights Act 1998.</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?*	<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 projects within this programme aim to improve transport access to all residents. The Council is bound by legislation, which includes ensuring that those with physical and learning disabilities, and inhibited mobility are not detrimentally impacted upon. Therefore, there are no concerns that this will impact adversely upon equality.</p> <p>Evidence used to inform this assessment includes analysis of statutory guidance in relation to accessibility, including the Access for All legislation</p>

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

Screening questions	Response			Evidence
Community cohesion Could the decision impact negatively on relationships between different groups, communities of interest or neighbourhoods within the town?*	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Although some of the projects within this programme could divide opinion, there is no evidence to suggest that this will impact negatively upon relationships between different community groups. The Council has a duty to consult proposals with the community, and will do so in order to gauge community opinions prior to commencing with proposals derived from this programme. It is therefore not considered that this will have a negative impact upon community cohesion. This programme will help to maintain sustainable access routes to communities and safe road networks.</p> <p>The Council proposes to undertake consultation with the community prior to commencing projects, which will identify any potential issues that will need to be addressed.</p>
Next steps: <p>➡ If the answer to all of the above screening questions is No then the process is completed.</p> <p>➡ If the answer of any of the questions is Yes or Uncertain, then a Level 2 Full Impact Assessment must be completed.</p>				

Assessment completed by:	Liyaqat Ud-Din	Head of Service:	Craig Cowley
Date:	4 Jan 2024	Date: 4 Jan 2024	

MIDDLESBROUGH COUNCIL	
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Report of:	Executive Member for Environment and Community Services Director of Environment and Community Services
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Relevant Executive Member:	Executive Member for Environment
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Submitted to:	Executive
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Date:	10 April 2024
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Title:	Price Increase for Traded Cleaning and Caretaking Services with Schools.
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Report for:	Decision
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Status:	Public
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Strategic priority:	Physical environment
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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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Subject to call in?:	Yes
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Why:	Not applicable
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Proposed decision(s)
<p>That Executive approve the proposal to increase the price of Building Cleaning and Caretaking Services by Middlesbrough Council to contracted Middlesbrough Schools by 13%.</p> <p>That Executive approve the transfer of remaining Core Council Cleaning Services for Council Buildings from the Environment and Community Services Directorate to Regeneration Directorate to report under Property Services when appropriate to do so.</p>

Executive summary

This report sets out the proposal to increase the charge for the the provision of Building Cleaning Services in Contracted Middlesbrough Schools by 13%.

Purpose

- 1. The purpose of the report is to seek to increase the charge for Building Cleaning and Caretaking Services in Middlesbrough Schools by 13%.

Background and relevant information

- 2. The council provide services to a number of Middlesbrough Schools with the provision of Building Cleaning and Caretaking Services Staff currently employed by Middlesbrough Council in Middlesbrough Schools equate to:

Service	Number of Schools Sites	Number of People	*Number of Positions	*Weekly Hours	*FTE
Cleaning	25	156	178	2055.25	55.55
Caretaking	7	7	7	207.25	5.60

- 3. Whilst in previous years, these services have provided a surplus for the local authority, this is now not the case and at present the council is subsidising the schools for these services. The table below shows the amount the Council has been subsidising over the past two years. These do not include the corporate overheads and support from enabling services, estimated to be around £0.090m per annum.

2019/2020	2020/2021	2021/2022	2022/2023	2023/2024 (estimate)
£m	£m	£m	£m	£m
(0.085)	(0.050)	(0.084)	0.090	0.234

- 4. By increasing the price for cleaning and caretaking by 13% this will eliminate losses on this service. This can be seen in the table below.

Estimated Full Year Effect of price increase	2024/25
	£m
Total Income (assumes estimated rate of inflation increase)	(1.825)
Expenditure:	
Salaries (Cleaners & Mobile, including estimated pay award and assumption current level of vacant posts carried).	2.004
Transport/Fuel	0.012
Materials and Equipment	0.049
Total Expenditure	2.065
Total Full Net Cost	0.240
Required contract income increase to achieve break even	13%

5. It may well be the case that some schools decide to test these services in the market. If this is the case and should the contract be lost, staff will transfer to the winning contractor or to the school in question. In this case the costs will transfer with the staff and therefore will not put the council at financial risk.

Rationale for the recommended decision(s)

6. This approach is required in order to bring this service in to financial balance.

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

7. The Council could stop trading in these services at this time. However, if the service can be cost neutral there is no need to undertake this approach. However, if a large number of schools withdraw from the service this option might come back to the Executive for consideration.

Impact(s) of the recommended decision(s)

8. If this price increase causes further schools to shift to other providers the management structure and administration services that support this service will be reviewed as some of the positions will no longer be required.

Financial (including procurement and Social Value)

9. If the decision is approved prices will increase and enable the service to be cost neutral to the council and alleviate the present pressure of £234K. If this decision is not taken then the council will have a pressure of £234K on its 2024/25 budget.

Legal

10. There are no legal implications as schools will follow the existing SLA process.

Risk

11. There is a risk that schools will withdraw from the service in the financial year. The financial risk will be mitigated by the transfer of staff under TUPE regulations should schools either return these services to themselves or to other organisations who they choose to contract with. If a significant number choose other providers or take the work back to be managed by schools there may be a requirement to review management and support costs.

Human Rights, Public Sector Equality Duty and Community Cohesion

12. No Human Rights, Equality or Data Protection issues arise from this report.

Climate Change / Environmental

13. There are no climate or environmental implications associated with this report.

Children and Young People Cared for by the Authority and Care Leavers

14. There are no children and young people cared for implications in this report.

Data Protection / GDPR

15. No Impact on GDPR and Data protection.

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

Action	Responsible Officer	Deadline
Inform Schools of the 13% price increase.	Geoff Field	April 2023/4

Appendices

1	n/a
2	
3	

Background papers

Body	Report title	Date

Contact: **Geoff Field, Director of Environment and Community Services**
Email: geoff_field@middlesbrough.gov.uk

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MIDDLESBROUGH COUNCIL	
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Report of:	Director of Finance
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Relevant Executive Member:	Executive Member for Finance & Governance
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Submitted to:	Executive
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Date:	10 April 2024
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Title:	Corporate Procurement Strategy 2024 - 2026
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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:	Not applicable
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Subject to call in?:	No
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Why:	Not applicable
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Proposed decision(s)
That Executive approves the Corporate Procurement Strategy 2024 – 2026.

Executive summary
This report presents Executive with the Corporate Procurement Strategy for 2024 – 2026 for approval and subsequent publication.

1. Purpose

To present Executive with the Corporate Procurement Strategy 2024 – 2026 for approval.

2. Recommendations

That the Executive

- Approves the Corporate Procurement Strategy 2024 - 2026

3. Rationale for the recommended decision(s)

The Corporate Procurement Strategy sets the strategic direction for the implementation of the Contract Procedure Rules, which are the regulatory framework for all staff to follow in respect of purchasing goods, services and works regardless of value. This strategy supports the aims and priorities of the Council.

4. Background and relevant information

The current strategy was in place from 2020 to 2023 and a new strategy is required.

A new two year corporate procurement strategy (Appendix A) is recommended to be put into place until 2026, this timeframe is shorter than previous strategies to ensure any future revisions reflect the transformation anticipated over the next two years within the authority. As part of this transformation an options appraisal will be developed concerning the most cost effective delivery model for procurement across the authority.

The strategy recognises the opportunity that procurement activity has in maximising added value and efficiencies with a focus on achieving value for money, alongside collaborating with internal and external partners.

The Procurement vision is to offer an outstanding procurement experience for stakeholders and suppliers that is transparent, provides opportunities for local businesses, delivers fantastic goods and services, delivers the best value for our residents, and supports achievement of the Councils strategic priorities.

Key elements of the Strategy

The procurement strategy has three strategic aims:

- **Straightforward** - To make procurement as straightforward as possible for the Council and potential suppliers, in particular to improve access for local suppliers, SMEs, the VCS/ Third Sector and to eliminate anything that does not add value to the procurement.
- **Strategic** - To use sound procurement practices and innovative solutions to promote sustainability and value for money, making use of collaboration and partnership opportunities where this meets the needs of the Council.
- **Delivering local Opportunities** - To support and encourage an effective local supplier market including the voluntary sector and the promotion of local social value in contracts (such as the creation of apprenticeships and local supply chains).

Following the concerns articulated by External Audit, and noted as part of the Best Value notice, a suite of actions have been implemented to improve governance in accordance with respect to procurement activity. These actions include:

- Refresh of the Contract Procedure Rules within the Constitution
- Mandatory face to face training for all senior managers and budget holders
- Revision of criteria linked to the use of procurement cards
- “How to” training videos for all staff
- Production of a procurement operational manual
- Options appraisal concerning the most cost effective model for procurement to deliver best value for money and ensure good governance.

This Procurement Strategy complements all the activities above, and sets the strategic direction to promote excellence in our procurement practices and ensuring full accountability and transparency for our spend.

5. Other potential alternative(s) and why these have not been recommended

Do Nothing – The current strategy would expire, without a replacement . As such there would be no strategic vision aligning to the council plan for the purchase of goods and services.

6. Impact(s) of the recommended decision(s)

6.1 Financial (including procurement and Social Value)

Whilst there are no direct financial implications arising from the agreement of the Strategy, clearly the absence of an agreed strategy could lead to increased costs being incurred by the Council, or indeed missed opportunities.

This strategy articulates the link to the annual procurement pipeline report, which is determined annually and is reflective of the Council Plan.

6.2 Legal

There are no known legal implications of adopting the strategy. However adopting an up to date procurement strategy will assist the Council to be mindful of and comply with the relevant legislative framework.

Procurement operates in a highly regulated environment governed by the Council's internal procedures and rules such as the Contract Procedure Rules in the Constitution and legislation such as the UK Public Contract Regulations 2015, the Concession Contracts Regulations 2016 and the Utilities Contracts Regulations 2016 (soon to become one legal framework

The Strategy has also been prepared (so far as possible) to reflect changes that the Council anticipates may be required to comply with the Procurement Act 2023 when this comes into force in October 2024. The government has indicated that there will be a six month transition period to allow authorities and suppliers time to prepare for any changes introduced by the Procurement Act 2023. The Public Services (Social Value) Act 2012 will

be applicable to pre-procurement procedures and the Council must consider how any services it is considering procuring might improve social priorities and the wellbeing of the service area.

6.3 Risk

The risk to the council in not having a Procurement Strategy is that officers would not have strategic guidelines to follow. As a result the council would potentially be open to challenge as a result of inconsistent procurement activities.

6.4 Human Rights, Public Sector Equality Duty and Community Cohesion

An Impact Assessment has been completed with no concerns being found that the strategy could have any adverse effects and the assessment is attached as Appendix B.

6.5 Climate Change / Environmental

The Corporate Procurement Strategy 2024 – 2026 articulates how the Council will be strengthening Social Value return through procurement which could assist the Council in meeting its aspirations to become net carbon neutral by 2029, ensure Middlesbrough as a town is net carbon neutral by 2039 and make Middlesbrough a lead authority on environment issues.

6.6 Children and Young People Cared for by the Authority and Care Leavers

There are no impacts for Children and Young People cared for by the Authority and Care Leavers from this report.

6.7 Data Protection / GDPR

There are no Data Protection or GDPR implications from this report.

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

Action	Responsible Officer	Deadline
Publish the Corporate Procurement Strategy 2024 – 2026 on the Middlesbrough Council website	Strategic Commissioning & Procurement Manager	29 th February 2024

Appendices

1	Appendix A – Impact Assessment Corporate Procurement Strategy
2	Appendix B – Corporate Procurement Strategy 2024 - 2026
3	

Background papers

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

Contact: Claire Walker
Email: Claire_walker@middlesbrough.gov.uk

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CORPORATE PROCUREMENT STRATEGY

2024 – 2026



Foreword

Middlesbrough Council has the resilience, drive and ambition to address its current challenging financial position, with procurement emerging from a back office function and being embraced as a change-making strategic function and will be key in ensuring value for money and achieving financial efficiencies.

It is more important than ever that we ensure every pound spent or invested contributes to our objectives and allows the Council to find opportunities to help local businesses, the voluntary sector and the community as a whole, in the most cost effective and transparent way.

Middlesbrough Council spends approximately £130m per year across its supplier base to support its various activities; from keeping the streets clean, to providing care and support for our most vulnerable, to building and creating new affordable housing for residents in the heart of our communities.

The promotion of strong governance in procurement sits at the heart of this procurement strategy, and through this we will seek every opportunity to ensure that we maximise wherever possible spend locally and promote the utilisation of local supply chains.

Procurement will be one area that will be supporting the Council to achieve and evidence Social Value return, as part of our procurement processes we will focus on strengthening how we secure and evidence social value return from our contracts.

We recognise that procurement has a pivotal role to play in supporting much of what the Council is looking to do. This document sets out how the Council is looking to align our priorities and embed the Procurement Strategy three pillars to achieve the economic, social and environmental benefits for Middlesbrough.

As an organisation we have a significant level of change during the lifetime of this strategy, and as Executive Member for Finance I view this as a real opportunity to bring the procurement function along that journey and really add value to the Council.



Councillor Nicky Walker

Executive Member for Finance &
Governance



Louise Grabham

Head of Strategic Commissioning &
Procurement

1 Introduction

This procurement strategy is in place to support the delivery of the Council's strategic priorities by ensuring they are central in every procurement that is undertaken for Middlesbrough.

The Council wishes to ensure that its own values and ethos are reflected in the organisations and individuals that it does business with.

This includes awareness and adherence to the UK Law and Middlesbrough Council policies. For example, Health & Safety Acts and regulations, Safeguarding, Equality & Diversity, Confidentiality & Publicity, Data Protection, Freedom of Information, the Modern-Day Slavery Act, Anti-Terrorism and Anti-bribery.

The Council promotes effective procurement across the Borough, by having regard to local employment and skills shortages, social value, localisation and ensuring wherever possible contracts are Small and Medium Enterprise (SME) friendly.

Council Priorities (Middlesbrough Council Strategic Plan 2024 – 2027):



This Strategy therefore sets out how we will:

- ◆ Strive to make procurement easier for suppliers and the Council alike
- ◆ Challenge and drive value for money from all procurement activity.
- ◆ Maximise innovation, sustainability and collaboration in our procurement activities to support the Council's strategic objectives
- ◆ Ensure social value and local return is at the heart of our procurement opportunities
- ◆ Continue to increase the visibility of our tender opportunities to our local and SME suppliers
- ◆ Make the best use of local, sub-regional, regional and national collaborative arrangements where significant benefits for Middlesbrough can be evidenced.

This Strategy is intended to provide a high-level statement about our direction of travel and the principles that we will follow. If you need detailed information about the “how to” aspects of procurement then you should refer to the Strategic Commissioning and Procurement Team.

2 What is Procurement?

When we need to acquire goods, services or works that cannot be provided in house we procure those from external providers (which may be a contractor, third sector supplier or another public sector body). Procurement is the process we use to acquire/purchase such goods, services and works from those external providers.

Whilst responsibility for procurement activity resides in each Council service area, the Strategic Commissioning and Procurement Team will assist service areas with their procurement requirements as appropriate.

Procurement is a strategic process that follows a clear pattern and includes the following:

- ◆ managing the various categories of expenditure to identify the most appropriate procurement route to the market
- ◆ securing the most cost effective solution to meet the Council's needs
- ◆ management and the delivery of the contract
- ◆ learning any lessons for future procurements

Competitive procurement remains the foundation of the Council's procurement approach but there will be circumstances where negotiations and contracts with specialist providers may be appropriate.

Within this strategy it is essential to understand the interrelationship between commissioning and procurement, as the functions are aligned within the Council to achieve efficiency.

Commissioning takes place first. It is the strategic process whereby the Council decides what services or products they require and what services they should be buying to meet their priorities and people’s needs. It is a stakeholder centric and strategic approach that considers the needs of citizens and is focused on delivering meaningful outcomes for those citizens.

Procurement is the process by which the Council purchases services from an organisation (i.e. a social enterprise, a charity, a business or other). It involves buying the services and issuing a contract to the provider in order to make this process legally binding.

There is opportunity to explore innovative approaches within both commissioning and procurement practice, which can achieve cost effective quality service provision.

3 The Vision for Procurement -The Three Pillars

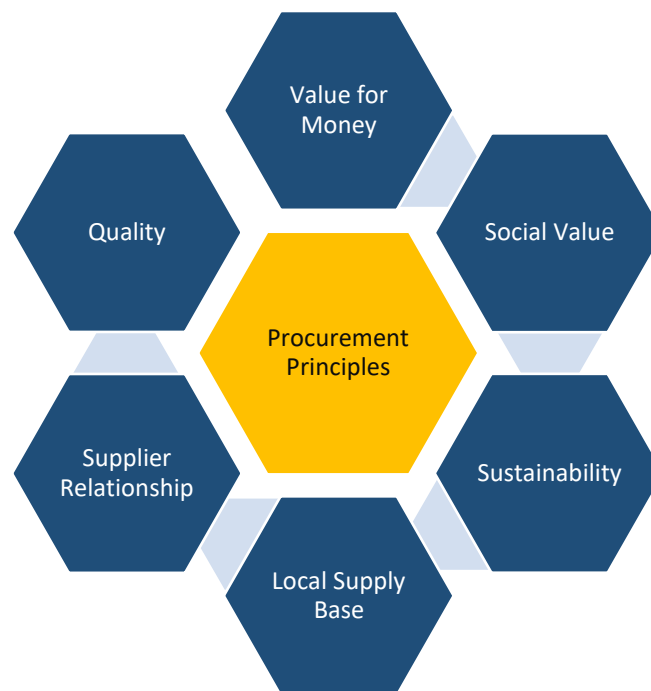
The vision for Procurement is to enable the Council to procure what it needs to achieve its priorities ensuring the Council obtains the goods, works and services to the highest standards within the financial and other resources available.

To do this we have adopted the following Strategic Themes for the period covered by the Strategy.

Straightforward	Strategic	Develop local Opportunities
<ul style="list-style-type: none">• To make procurement as straightforward as possible for the Council and potential suppliers, in particular to improve access for local suppliers, SMEs, the VCS/ Third Sector and to eliminate anything that does not add value to the procurement.	<ul style="list-style-type: none">• To use sound procurement practices and innovative solutions to promote sustainability and value for money, making use of collaboration and partnership opportunities where this meets the needs of the Council	<ul style="list-style-type: none">• To support and encourage an effective local supplier market including the voluntary sector and the promotion of local social value in contracts (such as the creation of apprenticeships and local supply chains).

4 Our Procurement Principles

Fundamental to this strategy are our Procurement Principles. These are the principles that will guide how we conduct our procurements and how we develop procurement activity and the central resource. Central throughout the procurement principles will be our conduct and adherence to governance.



General

- ✓ Throughout any procurement the Council will be clear about the outcomes and objectives it wants to achieve and the steps that it will take to achieve them.
- ✓ The Council's requirements identified at each stage of procurement will be critically assessed in relation to the Council's strategic priorities and affordability.
- ✓ The assessment of risk associated with a procurement will aim to achieve a balance with commercial outcomes placing risk where it is best managed.
- ✓ Wherever possible requirements will be expressed in terms of outcome and performance to provide scope for innovation.

Value for money

- ✓ The Council will aim to achieve the best combination of whole-life cost and quality to fulfil the requirements of the users of the service (internal or external as appropriate) or works (e.g. a building) or commodity.
- ✓ The Council will take a long-term view of the procurement or its requirements, including the potential for innovative funding and the opportunity for working with other authorities especially for goods and services which can be procured more cost-effectively in a collaborative group.
- ✓ The Council will strengthen its contract and category management systems in order to improve and innovate our analysis and interpretation of spend to ensure resources are allocated in the right places.
- ✓ The Council will continue to monitor its use of purchasing cards across the Council to ensure they are being used effectively and in line with policy and procedure and subject to annual audit.

Social Value

- ✓ The Council will develop and strengthen how Social Value return is achieved and evidenced through procurement process and contract management.
- ✓ The Council will work collaboratively with the North East Local Authorities to identify how Social Value for Middlesbrough is achieved through regional procurement processes and contract award.

Sustainability

- ✓ Improving sustainability throughout our supply chain is an essential component of our commitment to reduce our environmental impact and lead by example and we will seek every opportunity to drive sustainability through our procurements.

The local supply base

- ✓ The Council will support local businesses and VCS organisations through a range of initiatives including:
 - Making it simpler to do business with the Council;
 - Reduce the bidding burden on suppliers.
 - Have regard to the impact on small/local firms of the way in which a procurement is structured;
 - Providing clear information about selling to the Council on our website;

- Providing information where it can about potential sub-contract opportunities arising from major Council procurements .

Relationships with suppliers

- ✓ In longer-term contracts, the Council will incorporate provisions for continuous improvement both within the contracted service and to the benefit of the community it is serving.
- ✓ In higher value contracts the Council will challenge contractors to identify ways in which they can contribute to improving the economic, social and environmental well-being of Middlesbrough.

Equality

- ✓ Equality issues must be considered as a key requirement in any contract which involves direct contact with the public or where the contractor is acting on the Council's behalf in a public environment.

Our conduct

- ✓ In all our dealings in the procurement process, the Council will preserve the highest standards of honesty, integrity, impartiality and objectivity and shall comply with the Council's Contract Procedure Rules and Codes of Conduct at all times.
- ✓ All procurement opportunities will be published electronically on the North East Procurement Organisation (NEPO) e-tendering system and all potential bidders will be offered access to advice, guidance and training as required either via the supplier, NEPO or the Council.
- ✓ In selecting contractors the Council will generally evaluate offers received on the basis of the most economically advantageous tender (MEAT) and will take into account, where appropriate, whole life costing seeking an appropriate balance between cost and quality.
- ✓ Will make every effort to ensure that any contractor delivering a service on behalf of the Council conducts themselves in such a way as not to cause any reputational damage to the Council and will be expected to comply with our Codes of Conduct.
- ✓ In every procurement the Council will ensure that its approach to the market is consistent with these principles.

5.0 Supplier Relationship Management

We will build strong, long term, positive relationships with our suppliers across all sectors, not just when actively procuring goods and services but also when considering alternative delivery models. We will establish strategic relationships with suppliers to ensure that both parties are delivering against the commitments within the contract and to embed continuous improvement practices throughout the contracted period and beyond.

Effective engagement with suppliers will also inform future specifications to ensure we are approaching the market with requirements that meet our needs and are commercially attractive to the market, and therefore generate value for money contracts that can be successfully delivered.

Our procurement activity will be driven and informed by engagement with customers and our partner organisations.

6.0 Contract Management

By managing contracts from the point of award until expiry, we will be able to ensure we get what we pay for and that suppliers perform well and consistently over time.

7.0 eProcurement

The Council recognises the importance of electronic procurement in delivering lower transaction costs, improving visibility of contract opportunities to the supply market, making procurement activity visible to all and providing a clear audit trail.

The corporate procurement portal will be utilised for tender and quotation processes, ensuring a transparent and auditable process. Support is given to small businesses on how to use the portal. Purchasing cards are used for low value purchases where relevant, with monitoring with regard to purchase card activity monthly to ensure adherence to policy, but the majority of spend will be commissioned via the Council's electronic purchase ordering system.

8.0 Commitments & Deliverables

We will:

Have a rolling 12 month Procurement Plan
Ensure value for money is secured from all our expenditure on goods and services
Continue to increase our on contract spend

Provide appropriate training to all relevant staff
Actively collaborate with partners on procurement activity
Contract with a wide range of organisations from different sectors
Performance manage and realise the benefits of all contracts
Improve relationships with suppliers, ensuring small businesses can bid for council contracts and increasing the proportion of council spend with local businesses
Ensure any relevant procurement activity adheres to the commitments of the Council's Healthy Weight Declaration, and other Council commitments within budget parameters

Template for Impact Assessment Level 1: Initial screening assessment

Subject of assessment:	Corporate Procurement Strategy 2024 – 2026			
Coverage:	Cross Cutting			
This is a decision relating to:	X 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:	X
It is driven by:	Legislation:	<input type="checkbox"/>	Local or corporate requirements:	X
Description:	<ul style="list-style-type: none"> • Key aims, objectives and activities <p>New Corporate Procurement Strategy.</p> <p>Provides detail of the Council’s approach to procurement and how this achieves and contributes to the Council’s Strategy priorities.</p> <ul style="list-style-type: none"> • Statutory drivers (set out exact reference) <p>There are no statutory drivers for this service, however, procurement must comply with a range of legislation and instruments, including but not exclusive, Public Contract Regulations 2015.</p> <ul style="list-style-type: none"> • Differences from any previous approach <p>There are no differences only the time period the strategy will cover which is for the next 2 years.</p> <ul style="list-style-type: none"> • Key stakeholders and intended beneficiaries (internal and external as appropriate) <p>The Council, residents of Middlesbrough, local suppliers and supply chains</p> <ul style="list-style-type: none"> • Intended outcomes <p>To promote the Council’s procurement processes ensuring that residents and local suppliers and supply chains understand how procurement is carried out in Middlesbrough Council to support achievement of its ambitions as articulated in the procurement strategy.</p>			
Live date:	February 2024			
Lifespan:	2024 – 2026			
Date of next review:	2025			

Screening questions	Response			Evidence
	No	Yes	Uncertain	
Human Rights Could the decision impact negatively on individual Human Rights as enshrined in UK legislation?*	X	<input type="checkbox"/>	<input type="checkbox"/>	<p>The Corporate Procurement Strategy is in place to ensure that the Council is fair, open and transparent in all its procurement activity. It is not envisioned that this strategy would negatively impact on individual Human Rights as enshrined in UK Legislation.</p> <p>Evidence includes analysis of performance against legislative requirements. E-tendering portal used to publish tenders and all suppliers are directed and encouraged to register on the portal which provides (this is free of charge).</p>

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

Screening questions	Response			Evidence
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?	X	<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 Corporate Procurement Strategy is in place to ensure that the Council is fair, open and transparent in all its procurement activity. The strategy will ensure fair access to procurement opportunities. There are no concerns that these changes could result in adverse differential impacts on groups or individuals.</p> <p>Evidence includes analysis of performance against legislative requirements. E-tendering portal used to publish tenders and all suppliers are directed and encouraged to register on the portal which provides (this is free of charge)</p>
Community cohesion Could the decision impact negatively on relationships between different groups, communities of interest or neighbourhoods within the town?	X	<input type="checkbox"/>	<input type="checkbox"/>	<p>The Corporate Procurement Strategy is in place to ensure that the Council is fair, open and transparent in all its procurement activity. There are no concerns that the proposal could have an adverse impact on community cohesion.</p> <p>Evidence includes analysis of performance against legislative requirements. E-tendering portal used to publish tenders and all suppliers are directed and encouraged to register on the portal which provides (this is free of charge).</p>

Screening questions	Response	Evidence
<p>Next steps:</p> <p>➡ If the answer to all of the above screening questions is No then the process is completed.</p> <p>➡ If the answer of any of the questions is Yes or Uncertain, then a Level 2 Full Impact Assessment must be completed.</p>		

Assessment completed by:	Claire Walker	Head of Service:	Louise Grabham
Date:	8 th January 2024	Date:	9 th January 2024

MIDDLESBROUGH COUNCIL	
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Report of:	Director of Finance
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Relevant Executive Member:	Executive Member for Finance & Governance
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Submitted to:	Executive
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Date:	10 April 2024
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Title:	Tender Pipeline 2024/25
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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:	Yes
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Why:	Decision(s) will incur expenditure or savings above £250,000
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Subject to call in?:	Yes
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Why:	Not Applicable
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Proposed decision(s)
That the Executive approves the tender pipeline for 2024/25 including delegation of responsibility for award of contract to the relevant Director in consultation with their Executive Member.

Executive summary
To seek Executive approval of the Middlesbrough Council tender pipeline for 2024/25 including the delegation of responsibility for award to the relevant Director in consultation with their Executive member.

This decision is being sought in line with governance arrangements for tenders undertaken by the Council. The implications of this decision have been considered by the appropriate officers of the Council and are set out in the main body of the report.

1. Purpose

To approve Middlesbrough Council’s tender pipeline for 2024/25 and agree delegation of award to the relevant Director in consultation with their Executive Member.

2. Recommendations

That the Executive

- Approves the tender pipeline for 2024/25
- Delegation of award to the relevant Director in consultation with their Executive Member.

3. Rationale for the recommended decision(s)

To continue to have strong governance arrangements in place for procurement activity carried out by the Council. This pipeline report identifies the proposed procurements throughout 2024/2025, including those under threshold in order to provide full transparency with regard to proposed purchases. Approval is requested, in accordance with the Contract procedure rules for authorisation to progress with procurement activity which is above the key decision threshold.

Delegated Authority is required to ensure due governance is completed and Directors are fully aware of new contractual obligations and their associated financial impact.

4. Background and relevant information

A tender pipeline for April 2024 to 31st March 2025 has been developed as part of our governance processes. This report seeks Executive approval for that planned procurement activity and delegates authority for contract award to the relevant Director in consultation with their Executive Member.

The tender pipeline for 2023/24 had 50 procurements proposed and below is an update on progress:

- 21 – Contracts have been awarded
- 2 – did not progress as services were brought back in-house
- 2 – did not progress as no longer needed
- 3 – procurement is in progress
- 1 – failed procurement and direct award is being progressed
- 21 – procurements have been delayed and will now be published in 24/25 pipeline

The tender pipeline will be a live record which will be maintained by the Commissioning and Procurement Team and will be available for the supplier market to view on the Council’s website.

If any new procurements with a full contract value of £250,000 or more are identified during the course of the year, an individual Executive report outlining the procurement request will be presented. This eventuality should be minimal, as all known procurements are captured within the pipeline work programme, however this may occur if new funding is made available, i.e through grant income.

5. Other potential alternative(s) and why these have not been recommended

Do Nothing – if this pipeline report is not progressed, each procurement activity in excess of the key decision threshold would need presentation to Executive for approval, in accordance with the Contract Procedure Rules. This is not a feasible option as this would increase the Executive agenda significantly, and create potential delays within the procurement process. The tender pipeline report details all planned procurement activity for the year ahead.

6. Impact(s) of the recommended decision(s)

6.1 Financial (including procurement and Social Value)

Activity within the procurement pipeline work programme will be progressed in accordance with the Contract Procedure rules, approved in September 2023. All activity within the procurement pipeline is known activity that is factored within service area budgets, or funding sources have been agreed. This pipeline report does not provide any additional pressures to the budgetary position.

6.2 Legal

This decision will enhance governance of procurement, and processes will be compliant with the authority's Contract Procedure Rules and the Public Contract Regulations 2015.

6.3 Risk

On 24 January 2023, the Department for Levelling Up, Housing and Communities (DLUHC) issued a Best Value Notice. The notice was formal notification that the Department for Levelling Up, Housing and Communities had concerns about the Council in relation to governance arrangements.

In accordance with the Contract procedure rules, any procurement in excess of the Executive key decision threshold must be approved by Executive, to ensure governance is followed the pipeline report identifies all potential procurement activity for 2024/2025 and seeks approval to progress with the appropriate procurement routes. Sign off to a successful procurement and contract award is delegated to the relevant Director in consultation with their Executive portfolio holder.

In securing this approval, any risk of non- compliance with approval routes is mitigated.

6.4 Human Rights, Public Sector Equality Duty and Community Cohesion

An Impact Assessment has been completed and found no concerns that the Tender Pipeline and delegation of responsibility could have any adverse effects and the assessment is attached as Appendix B.

6.5 Climate Change / Environmental

There are no adverse effects for Climate Change / Environmental from this report, however sustainability is a key factor within procurement processes.

6.6 Children and Young People Cared for by the Authority and Care Leavers

There are no adverse effects for Children and Young People Cared for by the Authority and Care Leavers from this report

6.7 Data Protection / GDPR

There are no data protection or GDPR implications from this report. The procurement process within the authority has embedded with it appropriate procedures for ensuring compliance with GDPR where appropriate.

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

Action	Responsible Officer	Deadline
Publish Middlesbrough Council Tender Pipeline 2024/25 on the Council internet	Specialist Commissioning & Procurement Manager	30 th April 2024

Appendices

1	Appendix A – Tender Pipeline 2024/25
2	Appendix B – Equality Impact Assessment
3	

Background papers

Body	Report title	Date

Contact: Claire Walker
Email: Claire_walker@middlesbrough.gov.uk

APPENDIX A – TENDER PIPELINE 2024/25

PROJECT TITLE	DESCRIPTION OF SERVICE	ANTICIPATED PUBLISH DATE*	ANTICIPATED PURCHASE ROUTE	DIRECTORATE (DELEGATED TO DIRECTOR FOR AWARD)
Teesside Pension Fund Administration (carry over 23/24)	Contract for the Administration of the Teesside Pension Fund	April – June 2024	Tender	Director of Finance
Parts and Materials for Vehicles (carry over 23/24)	Contract for the supply of parts and materials for commercial vehicles	TBC	Framework	Director Environment and Commercial Services
Commercial Waste Collection Service (carry over 23/24)	Contract for the collection of commercial waste	TBC	Quotation	Director Environment and Commercial Services
Annual inspections for safety equipment (carry over 23/24)	Contract for the testing and maintenance of safety equipment at various MBC sites	July – Sept 2024	Quotation	Director Environment and Commercial Services
Corporate Purchase Card Contract (carry over 23/24)	Contract for the Corporate Purchasing Card solution – this has carried over due to work to reduce need for cards so need to wait for that work to be completed	TBC	Framework	Director of Finance
Supply and Delivery of traffic signal cables (carry over 23/24)	Contract for the supply and delivery of cables for traffic signals	July – Sept 2024	Quotation	Director Environment and Commercial Services

APPENDIX A – TENDER PIPELINE 2024/25

PROJECT TITLE	DESCRIPTION OF SERVICE	ANTICIPATED PUBLISH DATE*	ANTICIPATED PURCHASE ROUTE	DIRECTORATE (DELEGATED TO DIRECTOR FOR AWARD)
Removal and collection of refuse from Council Buildings and Schools – (carry over 23/24)	Contract for the removal and collection of refuse from corporate buildings and schools	TBC	Framework	Director Environment and Commercial Services
Annual Maintenance and Callouts for various Middlesbrough Council buildings (hubs, museums, centres) Heating Controls and Installers. (carry over 23/24)	Contract for Annual Maintenance and Callouts for various Middlesbrough Council buildings (hubs, museums, centres) Heating Controls and Installers. (Note - limited to supplier of heating controls already installed.)	TBC	Direct Award	Director Environment and Commercial Services
Installation of Traffic Signal Loops and Detection – (carry over 23/24) (carry over 23/24)	Contract for the supply and installation of Traffic Loop Detection systems – carried over as waiting for detail from service area	Jul – Sept 2024	Framework	Director Environment and Commercial Services

APPENDIX A – TENDER PIPELINE 2024/25

PROJECT TITLE	DESCRIPTION OF SERVICE	ANTICIPATED PUBLISH DATE*	ANTICIPATED PURCHASE ROUTE	DIRECTORATE (DELEGATED TO DIRECTOR FOR AWARD)
Energy Auditing Services (carry over 23/24)	Contract for Energy Auditing Services for council assets	March – May 2024	Framework	Director Environment and Commercial Services
Arborist Services (carry over 23/24)	Contract for Tree Felling, bush trimming Services	TBC	Quotation	Director Environment and Commercial Services
Housing Model for Women with Complex Needs & Support (carry over 23/24)	Contract for a housing and support model for women with complex needs arising from drug and alcohol use, homelessness, mental health needs, sexual exploitation, domestic abuse, and trauma.	October 24 – March 25	Exemption	Director Adult Social Care and Health Integration
Planned Maintenance Built Assets	Framework for all planned maintenance requirements not covered by hub Frameworks	April-Jun 24	Tender	Regeneration and Culture
Carers Infrastructure Support Service	'One stop shop' providing information and advice to unpaid carers across Middlesbrough and Redcar & Cleveland. Propose 5 year Grant of 1 year +1+1+1+1 dependent on funding	Not Applicable	TBC	Director Adult Social Care and Health Integration
Veterans Supported Accommodation	Supported housing project located in Teesside housing single ex Service veterans experiencing homelessness or at risk of experiencing rough sleeping. Grant funding could be up to a 5 year contract.	Not Applicable	TBC	Director Adult Social Care and Health Integration

APPENDIX A – TENDER PIPELINE 2024/25

PROJECT TITLE	DESCRIPTION OF SERVICE	ANTICIPATED PUBLISH DATE*	ANTICIPATED PURCHASE ROUTE	DIRECTORATE (DELEGATED TO DIRECTOR FOR AWARD)
Home Care (18+)	Provision of Home Care	Jan – March 2025	Tender	Director Adult Social Care and Health Integration
SG One	Supported Accommodation for complex persons (all primary support reasons)	Not Applicable	Exemption	Director Adult Social Care and Health Integration
Salvation Army Housing Association	Supported Accommodation – Mental health	Not Applicable	VEAT	Director Adult Social Care and Health Integration
Richmond Fellowship	Supported Accommodation – Mental health	Not Applicable	VEAT	Director Adult Social Care and Health Integration
By and For Framework	Supporting persons with protected characteristics and need support with domestic abuse	August – October 2024	Tender	Director Adult Social Care and Health Integration

APPENDIX A – TENDER PIPELINE 2024/25

PROJECT TITLE	DESCRIPTION OF SERVICE	ANTICIPATED PUBLISH DATE*	ANTICIPATED PURCHASE ROUTE	DIRECTORATE (DELEGATED TO DIRECTOR FOR AWARD)
0-19 Healthy Child Programme	Universal and targeted services, aimed at improving the health and wellbeing of children and young people, that proactively address poor health outcomes and inequalities that are most relevant to the population of Middlesbrough.	August/Sept 24	Provider Selection Regime (PSR)	Director Adult Social Care and Health Integration
Tees Integrated Sexual Health Service	An inclusive, accessible community based genitourinary medicine (GUM) and complicated STI testing and treatment offer within each Tees local authority area, with capacity for all levels of contraception provision	Oct-Dec 2024	Provider Selection Regime (PSR)	Director Adult Social Care and Health Integration
GP and Pharmacy Services	Contracts with individual pharmacies and GP practices on agreed tariffs for NHS Health Checks, substitute medication dispensation, needle exchange and stop smoking services	Nov/Dec 2024	Provider Selection Regime (PSR)	Director Adult Social Care and Health Integration
Specialist Prescribing GP's	Clinical support and oversight to the delivery of the Recovery Solutions prescribing service to ensure that Middlesbrough Council delivers a safe and effective specialist prescribing service for substance misuse.	July/Aug 2024	Provider Selection Regime (PSR)	Director Adult Social Care and Health Integration
Adoption Support Fund	Contract to provide therapy services to children and young people with a SGO or Child Arrangement Order	TBC	TBC	Director of Children's Services

APPENDIX A – TENDER PIPELINE 2024/25

PROJECT TITLE	DESCRIPTION OF SERVICE	ANTICIPATED PUBLISH DATE*	ANTICIPATED PURCHASE ROUTE	DIRECTORATE (DELEGATED TO DIRECTOR FOR AWARD)
Safe Families	Bespoke packages of support for vulnerable families to reduce the need for statutory services	TBC	TBC	Director of Children's Services
Independent Residential Framework	Contract to provide residential/supported accommodation placements for children and young people and support agencies	TBC	TBC	Director of Children's Services
Therapy Services	Contract to provide therapy services for our children and young people	TBC	TBC	Director of Children's Services
Bikeability & Pedestrian Training	Secure provider to offer Bikeability and Pedestrian Training	Feb/March 24	VEAT	Director of Environment & Community Services
Asset Valuations/Disposal	Contract to provide asset valuations and asset disposals on the Council's assets.	April 24	Framework	Director of Regeneration
Asset Valuations/Disposals	Contract to provide asset valuations and asset disposals on the Council's assets.	April 24	Framework	Director of Regeneration
Sandwiches and Food to Go	Secure provision of food for school catering services.	May / June 24	Framework	Director of Environmental & Community Services

APPENDIX A – TENDER PIPELINE 2024/25

PROJECT TITLE	DESCRIPTION OF SERVICE	ANTICIPATED PUBLISH DATE*	ANTICIPATED PURCHASE ROUTE	DIRECTORATE (DELEGATED TO DIRECTOR FOR AWARD)
AVC	Secure a provider to offer employee benefit for AVC.	May / June 24	TBC	Director of Legal
Footfall Monitoring & Analysis	To secure a provider to analyse footfall data measuring the performance of the town centre.	May / June 24	Quotation	Director of Regeneration
Investing in People & Cultures (IPC) Support Package	To secure a provider to offer integration and employability of Ukrainian communities.	August / September 24	TBC	Director of Environment & Community Services
WPC Coroners Case Management	To secure provider who offers a hosting platform for the coroners service with successful Coronial support.	August / September 23	TBC	Director of Legal
North Ormesby Market Management	To secure a provider to run and maintain the North Ormesby market on behalf of the Council	November / December 24	Quotation	Director of Environment & Community Services
Performance Management System	To secure a performance management system for the Revenues and Benefits service	November / December 24	TBC	Director of Finance

APPENDIX A – TENDER PIPELINE 2024/25

PROJECT TITLE	DESCRIPTION OF SERVICE	ANTICIPATED PUBLISH DATE*	ANTICIPATED PURCHASE ROUTE	DIRECTORATE (DELEGATED TO DIRECTOR FOR AWARD)
End to End Payment Solution	To secure a provider for the Council Tax Energy Rebate.	November / December 2024	TBC	Director of Finance
Coroners Services	To procure a range of services to support the Coroners service to deliver its service on behalf of the region as per the shared service arrangements	November / December 2024	TBC	Director of Legal
Property & Asset Management System	To secure a clous annual maintenance and support renewal package for Property & Management system	November / December 2024	TBC	Director of Environment & Commercial Services
Transport Support	To procure services that can deliver a range of transport cover for Adults and Children's services that fall outside of the Integrated Transport Unit (ITU)	TBC	TBC	Director of Children's and Adult Services
Children's Residential Partnership	To secure a parentship arrangement with an external supplier in order to deliver Children's residential care in order to provide efficiencies and placements closer to Middlesbrough avoiding and/or	April – June 24	Tender	Director of Finance and Director of Children's Services

APPENDIX A – TENDER PIPELINE 2024/25

PROJECT TITLE	DESCRIPTION OF SERVICE	ANTICIPATED PUBLISH DATE*	ANTICIPATED PURCHASE ROUTE	DIRECTORATE (DELEGATED TO DIRECTOR FOR AWARD)
	reducing the need for external out of area expensive placements			
South Tees Children's Residential Provision	Working with R&C in order to put in place a Framework or DPS in order to allow a compliant route for spot purchase arrangements for a range of children's residential, educational and supported living placements	TBC	Framework/DPS	Director of Finance and Director of Children's Services
Older Persons Residential	To provide a range of older persons residential providers to register with the Council and allow for placement choice options for older person's placement	TBC	VEAT	Director of Adults
Digital Mail and Print	Digital Mail and Print	May 2024	Framework	Director of Legal
Multi-Functional Devices	Multi-Functional Devices	May 2024	Framework	Director of Legal
Software Licenses G-Cloud 11 Framework Agreement (RM1557.11	Software Licenses	March / May 2024	Framework	Director of Environment & Commercial Services

APPENDIX A – TENDER PIPELINE 2024/25

PROJECT TITLE	DESCRIPTION OF SERVICE	ANTICIPATED PUBLISH DATE*	ANTICIPATED PURCHASE ROUTE	DIRECTORATE (DELEGATED TO DIRECTOR FOR AWARD)
The Supply and Delivery of Traffic Signal Detectors and Nearside Detectors	The Supply and Delivery of Traffic Signal Detectors and Nearside Detectors	June / August 2024	Framework	Director of Environment & Commercial Services
NEPO231 Highway and Civil Engineering Materials - Call-Off (C-011871)	Pole Products for Traffic Light Signals	June / August 2024	Framework	Director of Environment & Commercial Services
Trackers Fitted to Council Vehicles	Trackers Fitted to Council Vehicles	June / August 2024	ITQ	Director of Environment & Commercial Services
Cemetery Development Feasibility Surveying	Cemetery Development Feasibility Surveying	MAR - MAY 24	Framework	Director of Environment & Commercial Services
Newham Grange Farm Canopy	Newham Grange Farm Canopy	FEB-MAR 24	Framework	Director of Environment & Commercial Services
BOHO - Removal of pipework, Replacement faulty pressurisation, Fire	BOHO - Removal of pipework, Replacement faulty pressurisation, Fire Dampers Maintenance. Cumberland Resource Centre & Centre Square - air	MAR - MAY 24	Framework / ITQ	Director of Environment & Commercial Services

APPENDIX A – TENDER PIPELINE 2024/25

PROJECT TITLE	DESCRIPTION OF SERVICE	ANTICIPATED PUBLISH DATE*	ANTICIPATED PURCHASE ROUTE	DIRECTORATE (DELEGATED TO DIRECTOR FOR AWARD)
Dampers Maintenance.	conditioning. Pallister Park - uncover gas main in caretakers garden. Remove leaking pipework			
Condition Surveys	Condition Surveys. Full ABC Classified Carriageway Network; 25% of our Footway Network; 25% of our Unclassified Carriageway Network. NEPO209 Highways Technical Surveys	MAR - MAY 24	Framework / ITQ	Director of Environment & Commercial Services
Engineer call out fees for various Middlesbrough Council buildings	Engineer call out fees for various Middlesbrough Council buildings	MAR - MAY 24	Framework / ITQ	Director of Environment & Commercial Services
Street Lighting Connections	Street Lighting Connections	MAR - MAY 24	Framework / ITQ	Director of Environment & Commercial Services
CCTV Middlesbrough Bus Station - Vision - Analogue Legacy Rental - Yearly Charge	CCTV Middlesbrough Bus Station - Vision - Analogue Legacy Rental - Yearly Charge	MAR - MAY 24	Framework / ITQ	Director of Environment & Commercial Services

APPENDIX A – TENDER PIPELINE 2024/25

PROJECT TITLE	DESCRIPTION OF SERVICE	ANTICIPATED PUBLISH DATE*	ANTICIPATED PURCHASE ROUTE	DIRECTORATE (DELEGATED TO DIRECTOR FOR AWARD)
Hire of Equipment for Fleet Services	Hire of Equipment	MAR - MAY 24	Framework / ITQ	Director of Environment & Commercial Services
Street Lighting Technical Approval Consultant	Street Lighting Technical Approval Consultant	FEB-MAR 24	Framework	Director of Environment & Commercial Services
NEPO 211 - LOT 1 - Tees Valley up to £750k - A174 Marton Interchange	NEPO 211 - LOT 1 - Tees Valley up to £750k - A174 Marton Interchange	MAR - MAY 24	Framework	Director of Environment & Commercial Services
Play zone consultant Appointment	have up to £25k funding from the Football Foundation to pay for someone to deliver a consultation process/insight gathering into where might be best for us to site potential 'Play zones' (these are multi use games areas you see in parks). From this funding we are also able to ask a consultant to complete the application process for additional funding from the Football Foundation to deliver/build Play zones in Middlesbrough	MAR - MAY 24	Framework	Director of Public Health

APPENDIX A – TENDER PIPELINE 2024/25

PROJECT TITLE	DESCRIPTION OF SERVICE	ANTICIPATED PUBLISH DATE*	ANTICIPATED PURCHASE ROUTE	DIRECTORATE (DELEGATED TO DIRECTOR FOR AWARD)
Meeting Pods for Fountain Court	Meeting Pods for Fountain Court	MAR - MAY 24	Framework	Director of Regeneration
Newham Grange Farm Infrastructure	Newham Grange Farm Infrastructure	MAR - MAY 24	Framework	Director of Regeneration
Card Reading Machines	Payment Card Reading Machines installation	MAR - MAY 24	Exemption	Director of Regeneration
HEAT Software Renewal	Renewal of the council's IT service desk function	April / May 2024	Framework	Director of Legal & Governance
Infection Prevention and Control Nurse	Infection Prevention and Control Nurse staff who provide additional capacity to the team which aims to reduce the transmission of COVID-19 plus other communicable disease and illness within the care sector across South Tees	April / May 2024	Quotation	Director of Public Health
Telecommunication Bills	Renewal of the council's telecommunications service	April / May 2024	Framework	Director of Finance

APPENDIX A – TENDER PIPELINE 2024/25

PROJECT TITLE	DESCRIPTION OF SERVICE	ANTICIPATED PUBLISH DATE*	ANTICIPATED PURCHASE ROUTE	DIRECTORATE (DELEGATED TO DIRECTOR FOR AWARD)
Knowledge Management Software	Document storage management system	April / May 2024	Framework	Director of Legal & Governance
Vsan Infrastructure: Provision of Hardware, Software, Implementation, Maintenance and Support Services	IT virtual storage function	April / May 2024	Framework	Director of Legal & Governance
Purchase of Network Hardware	Purchase of IT hardware in connection with the councils Network structure	May / July 2024	Framework	Director of Legal & Governance
Corporate Risk Management and Audit Tool	Audit software tool which manages all of the corporate risks	May / August 2024	Framework	Director of Legal & Governance
Captain Cook Square Units 8-10 – Cinema Fit-Out Works	Construction works in connection with the Fit-Out of the Cinema	March / April 2024	ITT	Director of Regeneration

APPENDIX A – TENDER PIPELINE 2024/25

PROJECT TITLE	DESCRIPTION OF SERVICE	ANTICIPATED PUBLISH DATE*	ANTICIPATED PURCHASE ROUTE	DIRECTORATE (DELEGATED TO DIRECTOR FOR AWARD)
PSN IT Health Check	IT security software and overall vulnerability health check	May / August 2024	Framework	Director of Legal & Governance
AutoCAD	Purchase of AutoCAD software licenses	September / November 2024	Framework	Director of Legal & Governance
Citrix Netscaler	First line of defence security software	September / November 2024	Framework	Director of Legal & Governance
Oracle Licence Software Update and Support	Renewal of the license for Oracle databases	September / November 2024	Framework	Director of Legal & Governance
SearchNet Land Charge Services	Land charges searches and registers	September / November 2024	Framework	Director of Legal & Governance
Kemp Load Renewal	Licenses for IT virtual load balancing server	October / December 2024	Quotation	Director of Legal & Governance

APPENDIX A – TENDER PIPELINE 2024/25

PROJECT TITLE	DESCRIPTION OF SERVICE	ANTICIPATED PUBLISH DATE*	ANTICIPATED PURCHASE ROUTE	DIRECTORATE (DELEGATED TO DIRECTOR FOR AWARD)
Live Well Relocation Works	Construction works in connection with the relocation of the Live Well Centre	March / April 2024	ITT	Director of Regeneration
Customer Relationship Management System	Customer Relationship Management System	November / December 2024	Framework	Director of Legal & Governance
Payroll and Managed Accounts & Employment Support Service through Direct Payments and Personal Budgets	Direct payments and managed accounts	October 2024	ITT	Director of Finance
Independent Visitors	Independent Visitors for children and young people	TBC	TBC	Director of Children's Services
Tees Alternative Education Provision	Alternative Education Provision for children and young people	TBC	Re-open Framework	Director of Children's Services
Short Breaks	Short Breaks for children and young people to support in and outside of the family home	TBC	TBC	Director of Children's Services

APPENDIX A – TENDER PIPELINE 2024/25

PROJECT TITLE	DESCRIPTION OF SERVICE	ANTICIPATED PUBLISH DATE*	ANTICIPATED PURCHASE ROUTE	DIRECTORATE (DELEGATED TO DIRECTOR FOR AWARD)
Lifts Repairs at Captain Cook Car Park and Broadcasting House	Lift Repairs required to Passenger Lifts, 2 at Captain Cook Car Park and 2 at Broadcasting House	March/April 2024	Mini Competition	Director of Regeneration
Cultural Development Fund Evaluation	Evaluation of projects progressed under the Cultural Development Fund from The Arts Council	April/June 2024	Quotation	Director of Regeneration
Swimming Pool Support Fund	<p>Middlesbrough Council received notification from Sport England that it had been successful in its application to their Swimming Pool Support Fund (Phase 2 Capital).</p> <p>The council has been awarded £459,400 to install Photo Voltaic (PV) panels at the Rainbow Leisure centre.</p>	March/April 2024	Tender/Framework	Director of Public Health
Transporter Bridge Monitoring	Monitoring of the Transporter Bridge	March/April 2024	Quotation	Director of Environment and Commercial Services
The assessment of Gypsy & Traveller sites	Assessment of Gypsy & Traveller Sites	March/April 2024	Quotation	Director of Regeneration

APPENDIX A – TENDER PIPELINE 2024/25

PROJECT TITLE	DESCRIPTION OF SERVICE	ANTICIPATED PUBLISH DATE*	ANTICIPATED PURCHASE ROUTE	DIRECTORATE (DELEGATED TO DIRECTOR FOR AWARD)
Bin Washer	Purchase of a bin washing machine	TBC	Quotation	Director of Environment and Commercial Services
Partners for Change - Three Conversations Procurement	Three conversations is a bespoke approach to the delivery of Adult Social Care services developed by Partners for Change.	March/April 2024	Exemption	Director of Adult Social Care and Health
Transformational Support	Provision of a range of support to allow Middlesbrough Council to achieve its savings transformation plans for phase 1 to end May 24 and Phase 2 – post May 24 – this could range from a service or individuals (agency worker or consultants) that are required in order to support any or all of the projects that need to be achieved over the coming years and in line with Governance requirements.	March 24 – March 25	Frameworks / Tenders / Quotations (dependent upon need)	Chief Executive and Director of Legal
Stair Lifts	Provision of stair lifts working collaboratively with the region to secure deliver of a contract that can provide, support and maintain stair lifts in individual	March – May 24	VEAT	Director of Adult and Health Integrated Services

APPENDIX A – TENDER PIPELINE 2024/25

PROJECT TITLE	DESCRIPTION OF SERVICE	ANTICIPATED PUBLISH DATE*	ANTICIPATED PURCHASE ROUTE	DIRECTORATE (DELEGATED TO DIRECTOR FOR AWARD)
	homes in order to allow people to remain at home as long as possible			
EV Charging	Installation of EV charging units and annual maintenance at BOHO X car park	April – June 24	Framework	Director of Regeneration
Culture Development Fund – Evaluation	Consultant to evaluate projects completed for the funding awarded under the Cultural Development Fund	April – June 24	Quotation	Director of Regeneration
Voicescape Connections Platform	Voicescape Connections Platform	April – June 24	Extension	Director of Finance
Electronic Payment Services	Supply agreement for services under electronic payment services	July – August 24	TBC	Director of Finance
Therapeutic Hoarding Service	Service to provide specialist therapeutic support to people with complex and compulsive hoarding behaviours.	Sept 24	Quotation	Director Adult Social Care and Health Integration
Property Management	Potential to procurement property management arrangements for Council owned buildings where internal resource is not available and/or where a commercial return can be made for the Council	TBC	TBC	Director of Regeneration

APPENDIX A – TENDER PIPELINE 2024/25

PROJECT TITLE	DESCRIPTION OF SERVICE	ANTICIPATED PUBLISH DATE*	ANTICIPATED PURCHASE ROUTE	DIRECTORATE (DELEGATED TO DIRECTOR FOR AWARD)
Adult Respite Provision	Potential to develop joint commissioning with health for provision of adult respite provision	TBC	TBC	Director of Adult Social Care and Health Integration
Transport Provision	Work to review and deliver alternative delivery model for the Integrated Transport Unit (ITU) in order to develop a more fit for purpose future delivery model and achieve savings	TBC	TBC	Director of Environment and Commercial Services
Additional Support for Carers	Potential to commission online and face to face services to support carers	TBC	Exemption / Quotation	Director of Adult Social Care and Health Integration
Sandringham House	Provision of additional and alternative education places via contribution towards building refurbishment	TBC	TBC	Director of Children's Services
Acklam Whin Primary	Roof work	TBC	TBC	Director of Children's Services
Park End Primary	Roof works	TBC	TBC	Director of Children's Services

APPENDIX A – TENDER PIPELINE 2024/25

PROJECT TITLE	DESCRIPTION OF SERVICE	ANTICIPATED PUBLISH DATE*	ANTICIPATED PURCHASE ROUTE	DIRECTORATE (DELEGATED TO DIRECTOR FOR AWARD)
Holmwood School	Replacement of roof fans	TBC	TBC	Director of Children's Services
Berwick Hills Primary	Heating plant replacement	TBC	TBC	Director of Children's Services
Newport Primary	Drainage works	TBC	TBC	Director of Children's Services
Whinney Banks Primary	Drainage works	TBC	TBC	Director of Children's Services
Park End Primary	Drainage works	TBC	TBC	Director of Children's Services
Park End Primary	Asbestos works	TBC	TBC	Director of Children's Services
Middlesbrough Learns	Secure an online platform solution for Middlesbrough Learns	TBC	TBC	Director of Legal

*Please note dates are not indicative and could change.

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Template for Impact Assessment Level 1: Initial screening assessment

Subject of assessment:	Insert title			
Coverage:	State the extent or scope e.g. overarching/crosscutting or service-specific.			
This is a decision relating to:	<input type="checkbox"/> Strategy	<input type="checkbox"/> Policy	<input 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:	X
It is driven by:	Legislation:	<input type="checkbox"/>	Local or corporate requirements:	<input type="checkbox"/>
Description:	<ul style="list-style-type: none"> Key aims, objectives and activities Annual Executive approval of the Tendering Pipeline for the forthcoming financial year and seeking delegated authority to the relevant Director and Executive Member for contract award. Statutory drivers (set out exact reference) There are no statutory drivers for this service, however, procurement must comply with a range of legislation and instruments, including but not exclusive, Public Contract Regulations 2015 and the Provider Selection Regime (PSR). The annual Tender Pipeline approval strengthens our internal governance arrangements. Differences from any previous approach This process has now become business as usual following its introduction in April 2021. Key stakeholders and intended beneficiaries (internal and external as appropriate) The Council, residents of Middlesbrough, local suppliers, and supply chains Intended outcomes Strengthen internal governance in respect of the award of high value contacts. Increase the markets understanding of tender opportunities for the coming financial year. 			
Live date:	April 2024			
Lifespan:	April 2024 – March 2025			
Date of next review:	January/February 2025			

Screening questions	Response			Evidence
	No	Yes	Uncertain	
Human Rights Could the decision impact negatively on individual Human Rights as enshrined in UK legislation?*	X	<input type="checkbox"/>	<input type="checkbox"/>	The approval from Executive of the tender pipeline for 2024/25 and delegated responsibility to the relevant Director for contract award will ensure that the Council is being fair, open and transparent in all its formal tendering activity. It is not envisioned that this Tender Pipeline approval would negatively impact on individual Human Rights as enshrined in UK Legislation. Evidence includes analysis of performance against legislative requirements. E-tendering portal used to publish tenders and all suppliers are directed and encouraged to register on the portal which provides (this is free of charge)

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

Screening questions	Response			Evidence
<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>	X	<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 Tender Pipeline 2024/25 is in place to ensure that the Council is fair, open and transparent in all its tendering activity. The Tender Pipeline will ensure fair access to procurement opportunities for all. There are no concerns that these changes could result in adverse differential impacts on groups or individuals. Evidence includes analysis of performance against legislative requirements. E-tendering portal used to publish tenders and all suppliers are directed and encouraged to register on the portal which provides (this is free of charge)</p>
<p>Community cohesion</p> <p>Could the decision impact negatively on relationships between different groups, communities of interest or neighbourhoods within the town?*</p>	X	<input type="checkbox"/>	<input type="checkbox"/>	<p>The Tender Pipeline 2024/25 is in place to ensure that the Council is fair, open and transparent in all its tendering activity. There are no concerns that the proposal could have an adverse impact on community cohesion. Evidence includes analysis of performance against legislative requirements. E-tendering portal used to publish tenders and all suppliers are directed and encouraged to register on the portal which provides (this is free of charge).</p>

Screening questions	Response	Evidence
<p>Next steps:</p> <p>➡ If the answer to all of the above screening questions is No then the process is completed.</p> <p>➡ If the answer of any of the questions is Yes or Uncertain, then a Level 2 Full Impact Assessment must be completed.</p>		

Assessment completed by:	Claire Walker	Head of Service:	Louise Grabham
Date:	13 th February 2024	Date:	13 th February 2024

MIDDLESBROUGH COUNCIL	
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Report of:	Director of Regeneration
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Relevant Executive Member:	Executive Member for Regeneration
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Submitted to:	Executive
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Date:	10 April 2024
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Title:	Middlesbrough Development Company Update
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Report for:	Decision
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Status:	Public
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Strategic priority:	Town centre
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Key decision:	No
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Why:	Not applicable
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Subject to call in?:	Yes
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Why:	Not applicable
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Proposed decision(s)
That the Executive notes the progress made by the Directors of the Middlesbrough Development Company towards its closure, the commencement of the Members Voluntary Liquidation, and the distribution of key assets to the Council. Formal endorsement of the directors decision to close the company is also sought.

Executive summary
The Middlesbrough Development Company is a separate legal entity from the Council with a Board of Directors who are legally and independently responsible for taking decisions on the strategy and operations of the Company and any decision to close it down.

As set out in previous reports, the Directors of the Middlesbrough Development Company has resolved that the company is to be closed down via a Members Voluntary Liquidation route. This process has commenced, and the Company's major assets have now been distributed to the Council. The final stages of the closure process will take place with the company under the management of a specialist liquidator (FRP Advisory Ltd) over the next three to four months.

Purpose

- 1. The purpose of the report is to update the Executive on the process being followed by the Directors to close down the Middlesbrough Development Company. The report also fulfils the commitment to report on the Company's status, in line with the requirements of the Partly and Wholly Owned Council Companies policy and supporting minimum standards.

Recommendations

- 2. That the Executive:
 - a. notes the progress made towards closure of the Middlesbrough Development Company, the commencement of the Members Voluntary Liquidation, and the distribution of key assets and liabilities to the Council; and,
 - b. as the shareholder, formally endorses the director's decision to close the company.

Rationale for the recommended decision(s)

- 3. The previous decision of the Directors of the Middlesbrough Development Company to close down the company through a Members Voluntary Liquidation required the appointment of an external liquidator, to minimise the risk to the company and the Council. The process followed by the external liquidator would include the distribution of key company assets to the Council. This distribution of assets would allow the Council to commence proactive management of Newbridge Court.

Background and relevant information

- 4. In September 2023 Executive were advised that following a decision of the Directors of the company to close down the Middlesbrough Development Company was underway, and the process and timetable for this to happen were set out.
- 5. Although the company had ceased trading at that point, there were still three major items identified at the time as requiring ongoing work or consideration:
 - a. *Construction contract for Boho Village* – although the development was completed and sold, a contractual dispute remains outstanding that means the final contract sum is unlikely to be agreed without external arbitration. Executive were advised that this contract was to be novated to the Council, to allow the company to be closed down.

- b. *Construction contract for Newbridge Court* – although the development was completed and partially occupied, a contractual dispute remains outstanding that means the final contract sum is unlikely to be agreed without external arbitration. Executive were advised that this contract was to be novated to the Council, to allow the company to be closed down.
 - c. *Newbridge Court* – the property was nearing completion but Executive were advised that this would need to be transferred over to the Council, to allow the company to be closed down.
- 6. As the three items were interrelated in terms of the Company's balance sheet, they needed to be addressed in a specific sequence to ensure the company remained solvent at the point of closure. Without adhering to the above sequence (and transferring the asset last) the company would be unable to demonstrate it was able to meet its liabilities throughout the process.
- 7. The actions that have been taken since the previous report to Executive are as follows:
 - a. The construction contracts for Boho Village and Newbridge Court (and responsibility for settling the final account) were novated from MDC over to Middlesbrough Council on 18th March 2024.
 - b. FRP were formally appointed on the 18th March 2024 as the liquidators of the company, ending the Council's involvement in the running of the company. The company was declared solvent at that date.
 - c. Newbridge Court was transferred from MDC over to the Council on 20th March 2024.
- 8. Following the completion of these three stages, the closure of the company is now being progressed by FRP and will take a period of three to four months. This allows for the appropriate notifications to be advertised and all remaining filings to be completed. The remaining net assets of the company will then be distributed to the Council.
- 9. At this stage, all loans to the company from the Council have been repaid through a mixture of cash payments or through the transfer of Newbridge Court, and the company remains solvent.
- 10. The Council will work with FRP to reflect any interest payments due on funding provided through loans as part of the final reconciliation of the company's accounts.
- 11. The responsibility for concluding the final accounts on the two novated contracts for Boho Bright Ideas and Newbridge Court now lies with the Council, and these will be settled through arbitration, supported by the appropriate external professional advisors. The outcome of these will be reported in future quarterly budget reports. The company will also remain part of the Council's group accounts for financial accounting and reporting purposes at least during 2024/25.

12. The settlement of the construction contracts and management of Newbridge Court will be handled by the Council as 'business as usual'.

Approving the Closure

13. Although the directors of the company have resolved to close the company through a members voluntary liquidation, and the Council has previously confirmed its support for the closure, it would be prudent to ensure that a recommendation is included within this report to confirm explicitly that the Council (as shareholder) formally endorses the directors decision to close the company. The company's articles do not specifically require this, but formal endorsement by the Council would reflect good governance principles.

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

14. Other options considered by the Directors of the Middlesbrough Development Company for supporting the final closure of the company have been examined, including the option to support the simple deregistering of the company. Although this option could be delivered at lower cost (£15) it does not provide the appropriate assurance that all matters have been concluded satisfactorily and all risks have been managed.

Impact(s) of the recommended decision(s)

Financial (including procurement and Social Value)

15. The company has entered liquidation in a solvent position and is expected to remain solvent throughout the closure process. This should result in the remaining cash balance within the company accounts being returned to the Council by FRP.
16. The loans provided to the company by the Council have all been repaid through a mixture of cash (from the sale of Boho Village) and assets (Newbridge Court). Both will now be reflected in the Council's accounts. The Council will work with FRP to reflect any interest payments due on funding provided through loans as part of the final reconciliation of the company's accounts.
17. Any remaining assets and liabilities held by the company will revert to the Council upon winding up.
18. Although the value of the assets, contracts and liabilities being transferred exceeds the 'key decision' threshold, the financial position of the Council is ultimately unchanged as the organisation is already responsible for the company's final balance sheet, and these movements represent the implementation of previous executive decisions towards closure.
19. The final MDC accounts will be incorporated into the Council's Group Accounts.

Legal

20. The process undertaken so far has required significant input and advice from external representation from DWF with assistance from the Council’s Legal Services team in arranging for completion of the documents, novation of the contracts and transfer of the assets. The remaining requirements of the process will be supported by FRP and their legal representatives.
21. The legal entity of the Middlesbrough Development Company will cease to exist once FRP have completed their work. No further input is expected from the Council.

Risk

22. Closure of the company would potentially impact a number of priorities set out in the Strategic Plan. Key priorities affected would include:
- a. establish the requirement for potential CPO of derelict buildings and problem sites;
 - b. St Hilda’s housing starts around Old Town Hall; and,
 - c. commercial and residential development of west and south side Middlehaven sites.
23. As the company is only one of the routes by which the Council addresses these priorities, work towards them would still continue in the event of closure.
24. The steps set out in this report will have a positive impact on a number of risks set out within the Strategic Risk Register, including:

Risk	Impact
Corporate Governance arrangements are not fit for purpose	The closure of the company removes the risk that any revisions to the governance arrangements still fall short of the recently established guidance or are misaligned with the recently adopted policy on partial or wholly owned companies.
An unlawful decision is taken by the Council.	The closure of the company removes any residual risk that the Council could potentially take future decisions with respect to the company that could be viewed as unlawful.

Human Rights, Public Sector Equality Duty and Community Cohesion

25. Not applicable.

Climate Change / Environmental

26. Not applicable.

Children and Young People Cared for by the Authority and Care Leavers

27. Not applicable.

Data Protection / GDPR

28. Not applicable.

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

29. No further actions are required in respect of the Middlesbrough Development Company.

Appendices

None

Background papers

Body	Report title	Date
Executive	Middlesbrough Development Company Update	20 th December 2023
Executive	Middlesbrough Development Company Closure	6 th September 2023
Executive Member for Finance and Governance	Wholly and Partly Owned Council Companies Policy and supporting Minimum Standard	25 July 2023
Corporate Affairs and Audit Committee	Internal Audit Report - Middlesbrough Development Company	15 August 2023

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