

COUNCIL

A meeting of the Council was held on Monday 18 September 2023.

PRESENT: Councillors J Rostron (Chair), Councillors J Banks, I Blades, D Branson, E Clynch, C Cooke - Elected Mayor, J Cooke, C Cooper, D Coupe, S Dean, J Ewan, T Furness, P Gavigan, TA Grainge, S Hill, L Hurst, N Hussain, D Jackson, D Jones, J Kabuye, L Lewis, L Mason, D McCabe, M McClintock, I Morrish, J Nicholson, M Nugent, J Platt, S Platt, A Romaine, J Ryles, M Saunders, M Smiles, M Storey, P Storey, J Thompson, S Tranter, Z Uddin, N Walker, G Wilson and J Young

OFFICERS: C Benjamin, S Bonner, B Carr, A Davis, C Heaphy, G Field, A Hoy, D Middleton, M Nath, J Weston, K Whitmore and A Wilson

APOLOGIES FOR ABSENCE: Councillors J Walker (Vice-Chair), D Davison, B Hubbard, T Livingstone, J McConnell and J McTigue

23/27 **DECLARATIONS OF INTEREST**

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

23/28 **MINUTES - COUNCIL - 5 JULY 2023**

The minutes of the Council meeting held on 5 July 2023 were submitted and approved as a correct record.

23/29 **ANNOUNCEMENTS/COMMUNICATIONS**

The Chair of the Council announced with sadness, the death of Chris McIntyre former Councillor for the Park Ward.

Chris was previously the Chair of the Culture and Communities Scrutiny Panel and represented the Park Ward from 2019 until 2023.

The Chair requested members to join her in a minutes' silence as a mark of respect.

The Chair welcomed Jackie Young, newly elected Councillor for Ayresome Ward, to her first Council meeting.

23/30 **SECTION 24 REPORT - STATUTORY RECOMMENDATIONS FROM THE COUNCIL'S EXTERNAL AUDITORS, EY**

Council received a Section 24 report with regard to the statutory recommendations from the Council's External Auditors, Ernst and Young (EY). which set out the statutory recommendations that had been issued to the Council, by the External Auditors, exercising their powers under Section 24, Schedule 7(2) of the Local Audit and Accountability Act 2014.

The Chief Executive presented the report.

The recommendations and the assessment upon which they were based was set out in the External Auditor's report which was attached at Appendix 1 to the report.

The Council's response and action plan in response to those recommendations was set out at Appendix 2 to the report.

The Chief Executive advised that the Council was required to comply with the statutory recommendations. He explained that if the Council did not comply with the statutory recommendations, the next stage in the process would be the issuance of a public interest report, which would be extremely serious.

The report had been issued because EY considered that there had not been sufficient progress in complying with the recommendations. A copy of the report had been sent to the Secretary of State for Levelling up, Homes and Communities, as part of the process.

There were eleven statutory recommendations, grouped around four main areas. The first was the Corporate Governance and the Improvement Plan and delivery of Phase 3 of the plan. The other three areas that had been identified, were in relation to financial sustainability, contracting and procurement and Middlesbrough Development Company.

The Chief Executive emphasised that the Action Plan needed commitment from both officers and members. Progress with compliance with the Action Plan would be continuously monitored and updates would be provided to the Corporate Affairs and Audit Committee and full Council.

The Chief Executive clarified that members would be asked to vote on approving the recommendations and the action plan as a single item.

Councillor Blades requested that a recorded vote be held.

The Monitoring Officer advised that for a recorded vote to be held, a vote would need to be conducted. If at least twelve councillors indicated that they wished to have a recorded vote, then a recorded vote would be held.

As more than twelve councillors indicated that they wished to have a recorded vote, the Monitoring Officer conducted a recorded vote on whether to approve the recommendations made by the Council's External Auditors, EY and the proposed response and action plan.

The outcome of the recorded vote was as follows:

FOR: C Cooke – Mayor, Councillors Banks, Blades, Branson, Clynych, J Cooke, Cooper, Coupe, Dean, Ewan, Furness, Gavigan, Grainge, Hill, Hurst, Hussain, Jackson, Jones, Kabuye, Lewis, Mason, McCabe, McClintock, Morrish, Nicholson, Nugent, J Platt, S Platt, Romaine, Rostron, Ryles, Saunders, Smiles, M Storey, P Storey, J Thompson, Tranter, Uddin, N Walker, Wilson, Young

AGAINST: 0

ABSTAINED: 0

Following the outcome of the recorded vote, it was **ORDERED** as follows:

That the recommendations made by the Council's External Auditors, EY and the proposed response and action plan be approved.

23/31

RESERVES POLICY 2023/24

Council received a report, the purpose of which was to obtain approval from Full Council for a Reserves Policy for 2023/24. A copy of the policy was attached at Appendix 1 to the report.

The Executive Member for Finance and Governance presented the report.

The Executive Member advised that the Reserves Policy had been submitted to Executive on 23 August 2023. The adoption of a Reserves Policy was recommended good practice to enable the effective management and maintenance of reserves. It was important in addressing the risk in the current year of reserves being exhausted if expenditure was not contained within the approved 2023/24 budget.

The Council was required to set a legally balanced budget for 2024/25 and achieve a financially sustainable position through a balanced MTFP to 2026/27. Maintaining adequate financial reserves was a key part of this requirement.

Following a vote, it was **ORDERED** as follows:

That the Reserves Policy for 2023/24 be approved.

23/32

QUESTIONS FROM MEMBERS OF THE PUBLIC (IF ANY).

The Chair advised that a question from a member of the public had been received, details of which was included at Agenda Item 7.

The Chair invited Mrs Slater to ask her question.

The Mayor advised that the Council was facing a difficult financial situation and it provided many different services to many residents. What most residents were aware of was the fact that their bins were getting emptied, and the grass was cut, but these were just a small part of the range of services that the Council delivered. He advised that ideally, he would like to increase the area care budget, but the Council was struggling to meet all of its commitments on the current budget.

The Council was looking at ways of transforming services to make them more efficient and effective. As part of the transformation process, the Council was looking at the way it dealt with requests from residents and councillors in relation to area care to see if the service could be run more efficiently.

A considerable amount of the Council's budget was spent on Adult and Children's Services and in order to spend more on area care, these services and other services within the Council would need to be transformed. It was hoped that once the transformation work was completed, that more funding would be available for area care services.

23/33

MAYOR'S STATEMENT

The Mayor advised that governance and the EY report had taken up a considerable amount of time. He advised that it was important that the Council made progress against all the recommendations. Currently, all the recommendations were either completed or on track.

The Mayor advised that the process would not end this year. It would be an ongoing process to ensure that the Council was working within their means, and he stated that he was confident that improvements would be made.

With regard to the budget pressures, the Mayor advised that the Council was facing significant financial problems. To alleviate budget pressures, the Council was looking at transforming services. He advised that although there would be investment in services, there could be changes in the way the services operated. He advised that it was important that services operated efficiently to ensure that the Council was delivering value for money.

The Mayor welcomed Councillor Young to her first meeting of the full Council.

He congratulated the Chief Officer Appointments Committee on the appointment of the new Director of Children's Services. The appointment committee had held two different sets of interviews to ensure that the right person was appointed to the post. Following the interview process, Mr Joe Tynan had been appointed as Director of Children's Services. The Mayor advised that once the Director had taken up the role, he would be introduced to all members.

Members commented on the Mayor's statement.

In response to a query from Councillor Smiles regarding the situation in relation to plans to have more children's homes in Middlesbrough, the Mayor advised that the plans had previously gone adrift and none of the planned homes had come to fruition. However, Ward Members had been consulted on plans to locate a children's home in a particular location in Middlesbrough. The Mayor advised that it was essential that the plans remained on track, however it was outside the Council's control if they were outbid on a property. The Mayor advised that although the details of specific properties could not be revealed, a copy of the plan would be made available to members.

Councillor M Storey commented on the EY report and members response to the report, the Council's financial situation over the past four years, and Middlesbrough Development Company.

A number of points of order were raised by members. The Chair clarified that members were allowed to make comments or ask questions on the Mayor's statement.

ORDERED that the Mayor's statement be noted.

23/34 **UPDATE TO THE EXECUTIVE SCHEME OF DELEGATION**

In accordance with the requirements of the Constitution, the Mayor advised members of the following amendment to the Executive and Executive Scheme of Delegation:

Following the resignation of Councillor Branson as Executive Member for Environment, Councillor Gavigan had been appointed to the role of Executive Member and portfolio for Environment.

ORDERED that the amendment to the Executive and Executive Scheme of Delegation be noted.

23/35 **EXECUTIVE MEMBER REPORTS**

The Chair invited Members to raise items for general discussion arising from the Information Booklet of Executive Member reports which detailed activities conducted within the respective Executive Member portfolios (Section 1), Executive decisions taken (Section 2) or to be taken where known, prior to and following the meeting (Sections 3 and 4).

Question in relation to the report of the Mayor and Executive Member for Adult Social Care and Public Health

Councillor Banks in relation to update – Health Panel.

The Mayor advised that the informal panel had been established to address health inequalities in wards. The first phase was looking at Brambles and Thorntree, Central, Berwick Hills and Pallister and Newport wards. Members had been consulted with regard to the make-up of the panel. There were indications that there was an increase in inequalities in Brambles and Thorntree and Berwick Hills and Pallister. Following the completion of Phase 1, the remainder of the wards would be examined.

Question in relation to the report of the Deputy Mayor and Executive Member for Education and Culture

Councillor Clynch in relation to Access to Education.

The Deputy Mayor and Executive Member for Education and Culture advised that she shared the concerns of Councillor Clynch with regard to Eton college attracting existing staff and students from the town's current providers, which were already ranked as good and outstanding.

The Executive Member stated that in her view, Eton college was not needed. There were serious concerns regarding the fact that Outwood Riverside was still operating in temporary accommodation. The Executive member advised that she was due to attend a meeting with the minister in Westminster with Andy McDonald MP in October, regarding these issues.

Question in relation to the report of the Executive Member for Children's Services

Councillor Blades in relation to including ward councillors in consultations regarding development of residential care within their wards.

The Executive Member for Children's Services advised that members would continue to be consulted throughout the process in relation to the development of residential care within their wards.

Councillor Kabuye in relation to paragraph 15

The Executive Member for Children's Services advised that over the past few years the

Council had relied heavily on agency social workers, but they were now looking to recruit permanent social workers. Eight agency social workers had converted to permanent staff and through the Council's recruitment drive they were encouraging other agency social workers to apply for the permanent positions. The recruitment drive was going well, and it was pleasing that agency workers were applying for managers posts. By appointing permanent staff, the Council was not only saving money, but permanent social workers would also provide stability and meet the various needs of the authority's children and young people.

In terms of ethnicity of staff, the Executive Member advised that Children's services had 31 BAME staff, four had not indicated their ethnicity and seventeen had failed to complete anything on their own backgrounds.

Councillor Kabuye in relation to paragraph 5

The Executive Member for Children's Services advised that Middlesbrough Adoption team were finding it difficult to recruit BAME panel members with the appropriate skills, knowledge and understanding required, He advised that he was currently liaising with the Adoption service manager following their request for him to support them with their recruitment drive for BAME Panel members.

The Executive Member stated that he was pleased to hear that Councillor Kabuye was volunteering to becoming a panel member. He explained that it would not be a paid job, but it would be allowance based.

The Executive Member advised that if Councillor Kabuye had an understanding of fostering and adoption issues, he was aware of a child's developmental needs with diversity and cultural issues, and he was interested in joining the Panel, the Executive Member would provide him with the details on how to apply for the position.

Councillor Wilson in relation to page 95.

The Executive Member advised that he did not have the information required to hand, but that he would respond to Councillor Wilson after the meeting with regard to the working pattern of the new Director of Children's Services.

Question in relation to the report of the Executive Member for Environment

Councillor McClintock in relation to outstanding issues.

The Executive Member for Environment advised that he agreed with the Mayor regarding the Council's financial position and the demand on services. The Environment department had faced difficulties with employing qualified mechanics and fitters as other companies offered higher wages. The Executive Member advised that he would be happy to meet with Councillor McClintock to discuss any ideas that he may have to help resolve the situation.

Question in relation to the report of the Executive Member for Finance and Governance

Councillor M Storey in relation to background to setting of budget and reserves position.

The Executive Member for Finance and Governance advised that to help members to gain a better understanding of the Council's budget position, it might be useful to explain the difference between General reserves and Usable Earmarked reserves.

The General reserves were reserves of last resort. These reserves had not been used to fund fluctuations in spending and overspends. The level of General Reserves was recommended by the Council's Section 151 officer at budget setting time each year, taking into account, advice by CIPFA, with regard to the general levels' percentage of the Revenue Budget. The Council had £12m in General reserves and that figure had remained relatively stable. For the period 2019 – 2023 it had only changed by £137k which equated to approximately 1.5%.

Usable Earmarked reserves had been used to fund fluctuations in spending, but in a planned way, rather than a reactive way. When these reserves were used, they needed to be replenished. The key issue in the Council's financial situation was the level of Usable

Earmarked reserves. In the period 2019 – 2023 the level had reduced from £16m to £4m, a reduction of 75%, and part of the £4m was restricted, leaving a figure of £2.8m.

The Council was in a critical situation. The overspend on budgets was originally £12m, however through the work of members and staff to identify savings, the figure had been reduced to £9m.

In order to conduct transformation work, the Council needed to invest. If there was no money in the reserves to invest, the Council might need to move towards requesting the government for Exceptional Financial Support, although the Council was not currently in that situation.

23/36 **REPORT OF THE OVERVIEW AND SCRUTINY BOARD**

The Chair of the Overview and Scrutiny Board presented a report, the purpose of which was to provide an update on the current position regarding progress made by the Overview and Scrutiny Board and each of the individual Scrutiny Panels.

ORDERED that the report be noted.

23/37 **URGENT ITEMS**

There were no urgent items submitted within the specified deadlines for this meeting.

23/38 **MEMBERS' QUESTION TIME**

The Chair announced that one question had been received from a member of the Council. The detail of the specific question was included at Agenda Item 13.

Question 1/2023 - Councillor Hurst to the Mayor regarding consideration of looking at joining back of house services with neighbouring authorities as a way to streamline services and avoid unnecessary duplication and costs across not only this council, but other authorities.

The Mayor advised that work was already ongoing to look at what was possible in terms of working with other local authorities. The Council had a shared audit service with Redcar and Cleveland and public health was also a shared service. The Council was looking at all options to improve services.

23/39 **NOTICE OF MOTIONS**

Consideration was given to Motion No. 160 moved by Councillor M Storey, and seconded by Councillor P Storey of which notice had been given in accordance with Council Procedure Rules No. 53-60 as follows:

Fairtrade Motion

Middlesbrough achieved Fairtrade Town Status in 2007. The Council reaffirms its support for Fairtrade and recognises the role of the Middlesbrough Fairtrade Group in promoting Fairtrade in Middlesbrough.

Middlesbrough Council remains fully committed to using Fairtrade products, including tea, coffee, and sugar, in meetings, at events and in public Council venues. Furthermore, the Council will continue to promote and participate in the town's programmes of Fairtrade events and activities.

Middlesbrough Council also recognises the role Fairtrade plays in assisting producers in developing countries to address the impacts of climate change, for example through tree planting and water conservation schemes.

Councillor M Storey spoke in support of the motion.

Following a vote, the motion was unanimously **CARRIED**.

Consideration was given to Motion No. 161 moved by Councillor Furness, and seconded by Councillor Gavigan of which notice had been given in accordance with Council Procedure

Rules No. 53-60 as follows:

Motion against the closure of Middlesbrough train station's ticket office

Council notes with dismay the news that the Department for Transport (DfT) and the thirteen train companies have announced plans to close almost all staffed ticket offices in England, totalling nearly one thousand, following changes to the Government's guidance relating to ticket office opening hours and operation.

Council believes that ticket offices provide a vital service to residents in Middlesbrough and support passenger safety, security, and accessibility. Having a central place in the station for people requiring advice and assistance provides certainty and confidence for customers who may struggle to otherwise locate station staff and acts as a point of safety for passengers.

Not all are able to use ticket vending machines or online ticketing platforms. Many passengers require human assistance to successfully purchase the most appropriate and cheapest tickets, and do not incur penalties from mis-booked tickets which is common owing to the complex railway ticketing system. Ticket office staff have a wealth of knowledge which ensures that customers get appropriate advice and the cheapest fare for their whole journey.

Council is particularly concerned the closure of ticket offices will disproportionately affect older passengers and those with disabilities who use Middlesbrough train station, as well as those with poor IT skills and those whose first language is not English. Council also notes the possible implications for employment, believing that the closure of ticket offices could lead to a de-staffing of rail stations, thus raising unemployment in Middlesbrough.

Council believes the staffed ticket office at Middlesbrough station positively contributes to the appeal of travelling by train in and out of Middlesbrough. Therefore, the loss of the ticket office will make train travel in and out of Middlesbrough less appealing, which may push people towards travelling by high-pollution methods such as private road vehicle and negatively hurt our local economy if people chose not to travel at all as a result.

Council therefore resolves to:

- Requests the Chief Executive writes to the Secretary of State for Transport, expressing Middlesbrough Council's opposition to the closure of the staffed rail ticket office at Middlesbrough train station.
- Requests the Chief Executive writes to Transpennine Express, who manage Middlesbrough Station, expressing Middlesbrough Council's opposition to the closure of the staffed ticket office at Middlesbrough train station.

Councillors Furness and Branson spoke in support of the motion.

Councillor Smiles advised that she recognised much of what Councillor Furness had stated with regard to the ticket office, however she queried whether it was possible to find out how well used the ticket office was, and whether the public would be best served by having staff on the concourse to deal with any customers queries.

The Monitoring Officer clarified that if Councillor was suggesting an amendment to the Motion, then members were required to give two clear days' notice of any amendments to ordinary motions.

Following a vote, the motion was unanimously **CARRIED**.

23/40 **NOTICE OF URGENT MOTIONS (IF ANY)**

There were no Notice of Urgent Motions submitted within the specified deadlines for this meeting.

23/41 **REVIEW OF COUNCIL CONSTITUTION**

Council received a report from the Director of Legal and Governance Services with regard to a refresh of the Council's Constitution.

The purpose of the report was to approve the revised Constitution, which was attached to the report at Appendix 1 and the supporting documentation at appendices 2 to 5.

The report provided a summary of the key changes that had been made to the draft Constitution. The draft Constitution had been through a fundamental review to ensure that it would ensure good corporate governance was in place. The focus of the review had been to address concerns expressed by internal and external stakeholders and to reflect on feedback from Members and Officers that had been gathered as part of the Corporate Governance Improvement Plan work and feedback from the Constitution and Member Development committee.

The changes were endorsed by the Constitution and Members' Development Committee on 16 August 2023 and following this meeting, the draft Constitution was shared with Members and officers through a series of briefings, prior to submission to Council. Any feedback gathered through the briefing process had been taken into account. A number of minor amendments to Financial Procedure Rules and the Executive Procedure Rules had been circulated to members, prior to the meeting.

Following a vote, it was **ORDERED** as follows:

That the revised Constitution and supporting documentation and the amendments in respect of Financial Procedure Rules and Executive Procedure Rules, circulated prior to the meeting, be approved.

23/42

MEMBERS' SCHEME OF ALLOWANCES

Council received a report with regard to Members Scheme of Allowances submitted by the Director of Legal & Governance Services on behalf of the Independent Panel on Members' Remuneration.

Following its 2023 review of Members' allowances, the Independent Panel on Members' Remuneration had recommended an increase to the Basic Allowance from £7,608 to the Teesside average (£8,773). The Panel recommended this increase should be made in increments over four years. The Panel also recommended freezing Special Responsibility Allowances at their current levels.

The Council was asked to consider the Panel's recommendations and either accept or reject them. If, after having due regard of the Panel's recommendations, the Council rejected the Panel's proposals it would need to create its own Scheme of Allowances.

Councillor McClintock stated that he would support Middlesbrough councillors having similar allowances to other councillors in the Tees Valley area, and the phased introduction of the increase, however the Liberal Democrats were opposed to any changes at the current time, given the Council's financial situation.

Councillor Smiles indicated that the Conservative group would be voting against the proposal to increase members allowances. Councillor Smiles stated that she was aware that the Independent Remuneration Panel had prepared the report, however she queried with regard to their role and whether councillors would ever vote to give themselves an increase in allowances.

The Monitoring Officer advised that the setting of a members allowances scheme was a process set out in regulations. The Remuneration Panel were independent of the Council and the purpose of the Panel was to recommend a level of allowances for members to consider. Members had the opportunity to consider other alternatives such as retaining the existing level of allowances or proposing a new scheme of allowances.

Following a vote, it was **ORDERED** as follows:

That following consideration of the recommendations proposed by the Independent Panel on Members' Remuneration that Council unanimously reject the proposed Members Scheme of Allowances for 2023/24, and that the current Members Scheme of Allowances remain in place until 2024.

23/43

LOCALISM ACT 2011 - GENERAL DISPENSATIONS

The Monitoring Officer presented a report, the purpose of which was to enable a general dispensation to be granted to those members who had applied for a dispensation in respect of matters that may affect so many Councillors that the Council or Committee would be inquorate.

All members of the Council had requested a dispensation. The dispensation would allow Members to participate fully in a meeting whenever the following matters were discussed:

- a) Housing; where the member (or spouse or partner) holds a tenancy or lease with the Council as long as the matter does not relate to the member's particular tenancy or lease;
- b) Housing Benefit; where the member (or spouse or partner) receives Housing Benefit;
- c) Statutory sick pay; if a Councillor receives this or is entitled to receive it;
- d) An allowance, travelling expense, payment or indemnity for Councillors;
- e) Any ceremonial honour given to members.

Following a vote, it was **ORDERED** as follows:

That the Council:

Grant a general dispensation to all councillors in respect of matters that may affect so many Councillors that the Council or Committee would be inquorate.

That the general dispensation be applied for the maximum permitted period of 4 years from the date of this decision.

23/44

CORPORATE GOVERNANCE IMPROVEMENT PLAN UPDATE

Council received a report from the Mayor and the Chief Executive with regard to the Corporate Governance Improvement Plan and Delivery Arrangements (Phase 3).

The Mayor presented the report.

Councillor Saunders queried whether members could attend the Improvement Advisory Board as observers and whether the agendas, reports and minutes would be circulated to all members.

The Mayor advised that to begin with members would not be allowed to attend the Board. However, there would be more engagement with members once the Board became more established, councillors would receive reports at every Council meeting, quarterly summary reports and six-monthly reports. The minutes would be published, and there would be an opportunity for members to feed into the process.

ORDERED as follows:

That Council notes the progress made to date and endorses the refined focus of Phase Three plan.

23/45

VACANCIES ON COMMITTEES AND OUTSIDE BODIES

Council received a report which sought nominations for appointment, following resignations from Committees and Outside Bodies and vacancies that remained outstanding following the Annual meeting.

The report included a list of current vacancies on various committees and outside bodies and nominations were put forward at the meeting by individual members.

ORDERED that the following vacancies allocated in accordance with the wishes of the political groups, be approved by Council:

Adult Social Care and Services Scrutiny Panel

1 vacancy (Labour)

No nominations.

Adult Social Care and Services Scrutiny Panel

Vice - Chair appointment (open to all members of the Panel)

Councillor Jackson appointed.

Corporate Health and Safety Steering Group

1 vacancy (open to all councillors)

No nominations.

Corporate Parenting Board

1 vacancy – open to all Councillors

No nominations.

Environment Scrutiny Panel

Vice - Chair appointment (open to all members of the Panel)

Councillor D Branson appointed.

Health Scrutiny Panel

1 vacancy (Labour)

No nominations.

Licensing Committee

1 vacancy (Labour)

No nominations.

Licensing Committee

Vice Chair appointment (open to all members of the Committee)

Councillor Hill appointed.

Live Well Board

1 vacancy (open to all councillors)

No nominations.

South Tees Health Scrutiny Joint Committee

1 vacancy (Labour)

Councillor M Storey appointed.

Standards Committee

1 vacancy (Independent)

Councillor D Davison appointed.

Works Council

2 vacancies (open to all councillors)

Councillor D Branson and Councillor S Dean appointed.

Outside Bodies Vacancies

Durham, Darlington, Teesside, Hambleton, Richmondshire and Whitby STP Joint Committee

2 vacancies (Labour)

Councillor M Storey appointed – still 1 vacancy.

Hartlepool Power Station Local Liaison Committee

1 vacancy (open to all councillors)

No nominations

River Tees Port Health Authority

1 vacancy (open to MICA councillors initially)

Councillor Hurst appointed.

