

THE CHAIR AND ALL MEMBERS OF THE COUNCIL

Tuesday 21 November 2023

Dear Member

COUNCIL - WEDNESDAY 29TH NOVEMBER, 2023

You are hereby summoned to attend a meeting of the Council of the Borough of Middlesbrough to be held on **Wednesday 29th November, 2023** at **7.00 pm** in the Council Chamber to transact the following business, namely:-

1. Apologies for Absence
2. Declarations of Interest
3. Minutes - Council - 25 October 2023 5 - 12
4. Announcements/Communications

To receive and consider any communications from the Chair, Mayor, Executive Members or Chief Executive (if any).
5. Questions from Members of the Public (if any). 13 - 14
6. Tees Valley Combined Authority (TVCA) - Update

Verbal Update
7. Mayor's Statement and Report

Verbal Report
8. Executive Member reports 15 - 74
9. Report of the Overview and Scrutiny Board 75 - 80
10. Urgent Items

To consider and Deal with any urgent business brought before the Council by the Proper Officer (if any).
11. Members' Question Time 81 - 82

The deadline for Members Questions on Notice is three working days before the meeting. If any questions are received within the required timescales, after the agenda has been published, they will be emailed to members.

12.	Notice of Motions	83 - 84
13.	Notice of Urgent Motions (if any)	
14.	Corporate Governance Improvement Plan and Section 24 Action Plan progress report	85 - 96
15.	Member Development Strategy	97 - 116
16.	Review of the Terms of Reference and Membership of the Corporate Parenting Board	117 - 126
17.	Flexible Use of Capital Receipts Strategy Refresh 2023-24	127 - 146

Charlotte Benjamin, Director of Legal and Governance Services

PLEASE NOTE THERE IS RESTRICTED
DISABLED ACCESS TO THE COUNCIL CHAMBER

Inspection of Papers – Documents referred to on this Summons may be downloaded from the Council's Website.

Questions / Motions – Details of questions or notices of motion received and not enclosed with the Summons will be circulated prior to the meeting.

Should you have any queries in regard to the items on this agenda please contact Bernie Carr, Democratic Services on (Direct Line 01642 729714 or e-mail on: bernie_carr@middlesbrough.gov.uk).

Address: Democratic Services, Middlesbrough Council, Town Hall, Middlesbrough TS1 9FX

Website: www.middlesbrough.gov.uk

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COUNCIL

A meeting of the Council was held on Wednesday 25 October 2023.

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

OFFICERS: C Benjamin, S Bonner, M Brown, B Carr, K Dargue, G Field, C Heaphy, R Horniman, S Lightwing, M Nath, A Perriman, and J Weston

APOLOGIES FOR ABSENCE: Councillors J Walker (Vice-Chair), J Cooke, TA Grainge, D Jones, J Ryles and Z Uddin

23/46 **DECLARATIONS OF INTEREST**

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

23/47 **MINUTES - COUNCIL -18 SEPTEMBER 2023**

The minutes of the Council meeting held on 18 September 2023 were submitted and approved as a correct record.

23/48 **ANNOUNCEMENTS/COMMUNICATIONS**

The Chair reminded members, that when raising a Point of Order, they must specify which law or Council Procedure Rule had been broken and why.

23/49 **QUESTIONS FROM MEMBERS OF THE PUBLIC (IF ANY).**

There were no valid questions submitted from members of the public, within the required timescale for this meeting.

23/50 **TEES VALLEY COMBINED AUTHORITY (TVCA) - UPDATE**

The Mayor stated that he would break the Tees Valley Combined Authority update down into three parts:

Tees Valley Combined Authority Cabinet Meetings

The Mayor advised that no major decisions had been made in relation to recent meetings of the TVCA Cabinet.

Middlesbrough Development Corporation

A decision had been made not to hold any meetings of the Middlesbrough Development Corporation, until the conclusion of the Tees Works inquiry. Once the Inquiry was concluded, planning and decision-making meetings would commence.

Inward Investment Portfolio

The Mayor advised that he had been allocated the Inward Investment Portfolio. One of the tasks that he had set officers of the TVCA was to ensure that the right investment was in the right place, by trying to identify the strengths of the industries that already existed in local areas to make sure that when new businesses were attracted to the area, that they were in the right place, with the right workforce and with the appropriate education strategies in place.

The Mayor advised that further updates would be provided in due course.

The Chair requested that Members note the report.

ORDERED that the Tees Valley Combined Authority update from the Mayor be noted.

23/51

MAYOR'S STATEMENT AND REPORT

The Mayor stated that the Council was facing challenging times and it had inherited a difficult reserves position. The Council was currently working incredibly hard to make sure that this year's budget fell within the spending limit. The aim was to produce a plan not just for next year but for the consecutive three years. The plans were all starting to take shape.

The Mayor advised that there had been a need to delay some of the budgetary consultation periods. The plan was to wait until after the Autumn Statement which would provide a clearer indication of what the Council's spending allocation could look like. The Mayor stated that working on the budget had taken up a considerable amount of his and the Executive's time, including members briefings and the challenge regarding what was being spent on each portfolio.

The Mayor advised that he wished to highlight the recent SEND inspection. The results of the inspection were currently embargoed. He stated that he would like to thank the Director of Education and Partnerships and his team for their excellent work in relation to the inspection. The Mayor advised that he would send the outcome of the SEND inspection to all members once it was available. A special event would be held, where members could attend and meet the staff involved in the inspection, to thank them for their hard work.

The Mayor stated that he would like to thank those members involved in the Ward walk arounds. He encouraged any members who wished to hold a Ward walk around to contact him and he would be happy to attend.

The Chair requested members to note the statement.

ORDERED that the Mayor's statement be noted.

23/52

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).

Councillor McCabe advised that he wished to withdraw his question on the Mayor's Executive report.

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

Councillor M Storey in relation to Culture.

The Deputy Mayor and Executive Member for Education and Culture advised that more big events were planned for the town. The Council wanted to ensure that Middlesbrough remained at the heart of culture in the Tees Valley.

Question in relation to the report of the Executive Member for Community Safety

Councillor Livingstone in relation to Community Safety.

The Executive Member for Community Safety advised that she was aware of the issues with parking around and in the town centre, particularly on the Linthorpe cycle lane. The Executive Member advised that she had been sent photographic evidence of illegal parking and this had been passed on to the Enforcement Team. This issue had also been reported by a number of businesses in the area, The wardens were conducting regular patrols in the area and would continue to do so to try and address the problems. The Executive Member advised that given the issues currently being experienced in terms of illegal parking, that she agreed with the

councillor's views with regard to the removal of the cycle lanes.

Councillor Kabuye in relation to requests undertaken by the Neighbourhood Safety Team for the month of September 2023.

The Executive Member explained that the anti-social behaviour and crime figures came from a range of sources, including the police, fire authority, Thirteen and the local authority. These statistics were monitored through the Active Intelligence Mapping (AIM) meetings.

The data was used to investigate trends and patterns in crime and anti-social behaviour. Any trends were reported to the Community Safety Partnership. The Community Safety Partnership was a multi-agency forum, and they had a strategy to reduce crime and anti-social behaviour.

The town centre had been discussed at the last meeting of the Community Safety Partnership, and as a result, a multi-agency strategic Town Centre Group was being established to review the delivery plan. This approach had been used successfully, to reduce crime and anti-social behaviour in other 'hotspot' areas such as Hemlington and Berwick Hills. A strategic group was already operational in the Newport area, and they were addressing the recent spike in the data.

Since locality working had been introduced, there had been a significant reduction in crime and anti-social behaviour. Action plans would be produced and monitored and delivered by the multi-agency teams.

The Executive Member also announced that funding had been secured to employ an additional ten Street Wardens which would mean that there would be a presence on the estates as well as in the town centre, in addition to CCTV. The street lighting would also remain on.

Councillor Hubbard in relation to Netherfields.

The Executive Member advised that the Council was working with partners to respond to the issues around anti-social behaviour around 31 October. An update would be provided at the November Council meeting. In terms of fireworks being used inappropriately, the effects of fireworks could have an impact on the whole community, and consequently, the Executive Member urged members to report any illegal sales of fireworks to the Council so that they could take any appropriate action.

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

Councillor Livingstone in relation to Area Care - Lack of resources.

The Executive Member for Environment advised that lack of resources was an issue, particularly when the Council was facing budget pressures. He stated that it was imperative that resources were used wisely, to be imaginative and collaborative, to consult with and listen to external organisations. He advised that at the last Council meeting on 18 September he had invited councillors who had any ideas for transformation to meet with him. He stated that he had already had a useful meeting with Councillor McClintock, and this offer was open to all members. The Council was also keen to meet with third party organisations and businesses to look at their innovative skills to help the Council deliver a better service for residents.

The Executive Member stated that he had already had two meetings with third party organisations, and this would be pursued further. The Council was looking at transforming services in order to deliver a better service for residents. Council staff had also been consulted regarding their views on how services should be delivered. The aim was to deliver efficient services that provided value for money.

Questions in relation to the report of the Executive Member for Regeneration

Councillor Dean in relation to Opening of Tollesby Shops.

The Executive Member for Regeneration advised that the area had been blighted for a long time with anti-social behaviour. The building of the new shops, in addition to the other

commercial units that would be rented out by the Council and the twenty-four residential units above the shops, had resulted in an improvement to the area. It had also helped older people as they now had access to shops in the vicinity of their homes.

Councillor McClintock in relation to Local Plan.

In response to the question from Councillor McClintock, the Executive Member advised that a review of assets was underway because of the current financial position of the council.

The Council was starting to rethink what the authority did in the future. It was also good practice to review the assets that the Council owned. The review of assets was the reason why the consultation process on the Local Plan had been put back as some land might become available for development. The public consultation on the Local Plan would be conducted in January and February. The full Council would make a decision on the Local Plan.

The Executive Member highlighted that the Local Plan was one of the most important documents that the Council had in terms of the allocation of housing and this was the reason why it was considered to be a priority.

Councillor Ewan in relation to Asset Review November 21st.

The Executive Member advised that the Council needed to review what it did as a Council. It was good practice to review any assets that the Council had, particularly considering the current financial position. The Council would need to reprioritise how it worked in the future.

23/53

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.

A member queried with regard to scrutiny of the Mayor's priorities.

The Chair of Overview and Scrutiny Board advised that the Mayor had attended the Overview and Scrutiny Board and answered questions regarding the Middlesbrough Development Corporation, how it would operate and its future role. The Board had asked other difficult questions of the Mayor with regard to his portfolio.

The Mayor had delivered on his promise to keep the streetlights on, and other priorities would be delivered in due course.

The Chair of Overview and Scrutiny Board outlined the various topics that had been discussed at the meetings in respect of the portfolio of each Executive member that had attended. He advised that the Board was a cross party committee where members of all parties were provided with the opportunity to ask questions. However, if any member had concerns with regard to how scrutiny was operating, then they should contact him, as it was important that the scrutiny process was a success.

He stated that in his view, the current scrutiny process was collaborative and was working well.

The Chair invited members to note the report.

ORDERED that the report be noted.

23/54

URGENT ITEMS

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

23/55

MEMBERS' QUESTION TIME

There were no Members Questions submitted within the specified deadlines for this meeting.

23/56 **YOUTH JUSTICE PLAN**

Council received a report that sought approval of the Youth Justice Plan, in accordance with Regulation 4 of the 'Local Authorities (Functions and Responsibilities) (England) Regulations 2000'.

The Deputy Mayor and Executive Member for Education and Culture presented the report.

The report outlined that the Youth Justice Plan was a legally required strategic document as set down by Section 40 the Crime and Disorder Act 1998 and by National Standards for Youth Justice. Section 40 stated that it was the duty of each local authority, after consultation with partners, to formulate a youth justice plan which outlined how youth justice services in the area were to be provided and funded.

The plan provided an overview of the work of the Youth Justice Service over the previous year, including an overview of performance against the 3 main Youth Justice National Indicators:

- First Time Entrants
- Use of Custody
- Re-offending

The plan also outlined the priorities for South Tees Youth Justice Service (STYJS) in 2023/24, and how those priorities would be achieved.

In accordance with Regulation 4 of the 'Local Authorities (Functions and Responsibilities) (England) Regulations 2000', Youth Justice Plans, in England, were required to be signed off by the full Council.

Following a vote, it was **ORDERED** that the Youth Justice Plan 2023/24 be approved.

23/57 **NOTICE OF MOTIONS**

Consideration was given to Motion No. 162, moved by Councillor Hurst, and seconded by Councillor Smiles of which notice had been given in accordance with Council Procedure Rules No. 4.28 – 4.34 as follows:

“Credit Their Service” Motion

This motion seeks to amend locally administered means tested benefits regarding veterans by Middlesbrough Council where applications are made in respect of Discretionary Housing Payments and/or the Disabled Facilities Grant.

It is acknowledged that Middlesbrough Council does disregard Military Compensation and Supplementary Payments for some benefits.

This motion seeks to ensure that no member of the Armed Forces Community within Middlesbrough should have their military compensation taken into account to access the same welfare support as their civilian counterparts.

To ask the relevant executive member to amend relevant local policies to reflect this position and ensure that all payments made under military compensation schemes are disregarded.

Following discussions with the Head of Resident and Business Support, the financial implications of the proposal set out in this motion have very little financial impact to the Council.

This motion seeks to bring MBC in line with the “Credit Their Service” campaign by the RBL.

Councillor Hurst spoke in support of the motion.

The Executive Member for Finance and Governance advised members that the provisions requested within the motion would be budget neutral and consequently, the relevant local policies would be amended.

The Chair requested that the Monitoring Officer proceed to the vote on the motion.

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

23/58 **NOTICE OF URGENT MOTIONS (IF ANY)**

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

23/59 **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 Section 24 Action Plan progress report.

The Mayor presented the report. He advised of the following typographical errors in the table at Section 9 of the report:

- Balance Sheet Review - Original target date should be 30/09/2023 rather than 30/09/2024.
- Adopt and implement sensitivity analysis and scenario planning to inform required contingency and reserves, as part of budget development process - Original target date should be 30/09/2023 rather than 30/09/2024.

The Chair invited members to note the report.

ORDERED as follows:

That Council notes the progress made and the adjustments to the delivery plan dates set out at paragraph 9 of the report, in addition to the amended target dates highlighted at the meeting.

23/60 **REVIEW OF THE TERMS OF REFERENCE AND MEMBERSHIP OF THE LOCAL PLAN WORKING GROUP.**

Council received a report regarding the review of the Terms of Reference and membership of the Local Plan Working Group.

Under the provisions of the Planning and Compulsory Purchase Act 2004, the Council is required to prepare a statutory development plan for the borough that sets out the policies and land allocations to guide development in the area.

Following discussions with officers and the Mayor, it was decided to update the terms of reference of the working group as the current terms of reference were outdated and not fit for purpose. The proposed new terms of reference also included changes to the membership of the group.

The proposed new terms of reference and membership were attached at Appendix 1 to the report.

A number of members expressed concern that the Local Plan Working Group did not include representatives from all political parties. The Executive Member for Regeneration advised that individual members would be invited to attend the meetings, as and when appropriate.

The Chair requested the Monitoring Officer to conduct a vote on the new terms of reference and membership of the Local Plan Working Group.

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

That the new terms of reference and membership of the Local Plan Working Group, be approved.

23/61 **REPORT ON URGENT DECISIONS**

Council received a report containing details of decisions that had been taken under the urgency rules.

The Chair invited members to note the report.

ORDERED that the report be noted.

23/62 **APPOINTMENT OF INDEPENDENT PEOPLE (STANDARDS COMMITTEE)**

Council received a report from the Standards Committee which recommended the appointment of a further two Independent People to the Standards Committee for a period of 4 years.

Section 28 of the Localism Act 2011 and the Council's arrangements for dealing with Member Code of Conduct complaints require an Independent Persons view to be sought by the Monitoring Officer before making a decision on a Member Code of Conduct allegation.

The report on best practice published in January 2019 by the Committee on Standards in Public Life recommended that local authorities should have access to at least two Independent Persons. An Independent Person should be appointed for a term of no more than four years.

The Council had been operating with two Independent Persons; however, one had decided to move on from the role and in terms of good practice and local requirements further Independent Persons were required to provide resilience and continuity.

Following a recruitment exercise, involving a Panel consisting of the Chair of Standards Committee, Head of Legal Services (Places) and Head of Legal Services (People), the Panel decided to recommend David Wilson and Shada Mellor for appointment as Independent Persons to the Standards Committee.

The Chair invited the Monitoring Officer to conduct a vote on the appointment of the Independent Persons.

Following a vote, it was **ORDERED** that the appointment of Shada Mellor and David Wilson to serve as the Council's Independent Persons for a term of 4 years, be approved.

23/63 **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:

Overview and Scrutiny Board

1 vacancy – (open to Independent councillor)

Councillor J Young appointed.

Adult Social Care and Services Scrutiny Panel

2 vacancies (Labour)

No nominations.

Corporate Health and Safety Steering Group

1 vacancy (open to all councillors)

Councillor P Storey appointed.

Corporate Parenting Board

1 vacancy – open to all Councillors

Councillor Romaine appointed.

Licensing Committee

1 vacancy (Labour)

Councillor P Storey appointed.

Live Well Board

1 vacancy (open to all councillors)

No nominations.

Outside Bodies Vacancies

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

1 vacancy (Labour)

Councillor Blades appointed.

Hartlepool Power Station Local Liaison Committee

1 vacancy (open to all councillors)

Councillor P Storey appointed.

Nunthorpe and Marton Playing Fields Association

1 vacancy (usually open to Ward Councillors in Marton or Nunthorpe)

Councillor Smiles appointed.

**COUNCIL MEETING – 29 NOVEMBER 2023
 QUESTIONS FROM MEMBERS OF THE PUBLIC
 COUNCIL PROCEDURE RULE NO. 4.26**

QUESTION NO.	QUESTION FROM	QUESTION TO	QUESTION
2/2023	Olalekan Odedeyi	Executive Member for Children's Services	On 2 February 2023, the government published a new vision to transform children's service social care: 'Children's social care: stable homes, built on love' which was backed by £200 million of additional investment. A proactive approach of a programme with the expectation to support families and provide the right support at the right time so that children can thrive with their families, Can you confirm, when should the public of Middlesbrough expect to receive a full report on the council children's service department implementation strategy and approach?

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**Elected Mayor and
Executive Member Reports
and additional Executive
decision information**

Council Meeting: 29 November 2023

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INTRODUCTION

This document contains the Elected Mayor and Executive Member reports relevant to the Council meeting to be held on **29 November 2023**.

The booklet, in addition to containing details of Executive Member activities covering the period following the last Council meeting (section 1), also details those Executive decisions taken since the last booklet was published (section 2) together with those decisions planned to be taken from dispatch of this booklet up until the date of the Council meeting (section 3) and those decisions planned to be taken following the Council meeting (section 4).

The table at section 2 contains details of decisions taken by individual Executive Members, the full Executive, Executive Sub-Committees and Joint Archives Committee. The public reports that were considered are also available through the Modern Gov system.

The tables at section 3 and 4 contain details of the decisions to be taken by individual Executive Members, the full Executive, Executive Sub-Committees and Joint Archives Committee. Further details on key decisions that are to be taken can also be found on the Modern Gov Forward Plan.

The Elected Mayor and Executive Member reports and the additional decision-making information will hopefully assist Members when considering any questions they may have for Executive Members at Council, which can be asked within accordance of the Council's procedure rules.

Details of those decisions to be taken, as outlined in Section 3 and 4, may sometimes be subject to change (e.g., dates of meetings may alter). Members are therefore advised to check with the Democratic Services should they have an interest in specific issues.

Charlotte Benjamin
Director of Legal and Governance Services
(01642) 729024

Contact details:

Bernie Carr – Democratic and Registration Manager - (01642) 729714

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THE MAYOR AND EXECUTIVE MEMBER REPORTS AND ADDITIONAL INFORMATION

COUNCIL MEETING: 29 NOVEMBER 2023

CONTENTS

SECTION 1 - Executive Member Reports

<ul style="list-style-type: none"> • The Mayor and Executive Member for Adult Social Care and Public Health <i>Chris Cooke</i>
<ul style="list-style-type: none"> • Deputy Mayor and Executive Member for Education and Culture <i>Councillor Philippa Storey</i>
<ul style="list-style-type: none"> • Executive Member for Children’s Services <i>Councillor Zafar Uddin</i>
<ul style="list-style-type: none"> • Executive Member for Community Safety <i>Councillor Janet Thompson</i>
<ul style="list-style-type: none"> • Executive Member for Environment <i>Councillor Peter Gavigan</i>
<ul style="list-style-type: none"> • Executive Member for Finance and Governance <i>Councillor Nicky Walker</i>
<ul style="list-style-type: none"> • Executive Member for Regeneration <i>Councillor Theo Furness</i>

SECTION 2 – Table of Executive decisions taken and that have been through the Call-In period, since the last booklet, published on 17 October 2023.

SECTION 3 – Table of Executive decisions planned to be taken from dispatch of this booklet up until the date of the Council meeting.

SECTION 4 – Table of Executive decisions planned to be taken following the Council meeting.

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EXECUTIVE MEMBER REPORT TO COUNCIL

EXECUTIVE MEMBER: MAYOR CHRIS COOKE

DATE OF MEETING: 29 November 2023

The purpose of this report is to provide an update to members on areas of activity within my portfolio including performance against strategic priorities.

STRATEGIC PRIORITIES

Strategic Priority: *We will work to address the causes of vulnerability and inequalities in Middlesbrough and safeguard and support those made vulnerable.*

Health Inequalities Panel

Health inequality across Middlesbrough is a significant issue as noted in my previous Executive Report to Council on 18/09/23. The make-up of the panel is now complete with the first of the regular meetings taking place on 23/10/23. The first meeting centred upon drilling into the optics of health data for the respective wards. We are currently in the process of collating the available community groups and activities so that we can provide greater awareness to the residents of the opportunities available to enhance nutritional, physical and mental health. We also seek to invite a representative from local schools so that we can work collaboratively at tackling health inequality across young people.

Illegal vapes

There has been a worrying rise in children collapsing in schools after using vapes that are suspected to contain drugs. Several vapes have been seized from a school in Middlesbrough that is currently being tested for Class B substances. Young people are purchasing vapes through unregulated means such as Snapchat which has resulted in young people consuming vapes with little to no information in what it contains. Parents and carers are asked to be vigilant and proactive in protecting and regulating the safety and health of our young people. The police are currently collaborating with schools to share intelligence on this matter and urge anyone with information on individuals supplying illegal vapes to call Cleveland Police 101.

HIGHLIGHTS

MHA Communities Teesside 80th Birthday

An event was held at MHA Montpellier Manor Care Home to celebrate MHA turning 80. The day included a special memorial service and bench paying tribute to remember those they have lost, followed by a celebration with entertainment with drinks and nibbles. During the event, I also had an opportunity to take a tour around Montpellier Manor Care Home where I observed the small touches that made residents feel welcomed and at home.



Dementia Friends Celebration

This event celebrated organisations joining or renewing their commitment to being Dementia Friends. Dementia Friends ensures that organisations are trained to interact with people with dementia in a way in which they feel valued, understood and supported.

A powerful and emotive speech was delivered by a wife who is caring for her husband with dementia. She drew upon the daily challenges she faces and the difficulty of seeing the person you know change so significantly. Often the carer behind the person with dementia is lost so it was incredibly important, to hear her experience. The speech also reaffirmed the importance of support groups to alleviate the pressures faced by carers.



Headlight Project Workshop

The Headlight Project work to provide counselling to those bereaved by suicide and preventative and education training. They explored how grief by suicide has a different dimension to other forms of grief. The Headlight Project therefore provide specific counselling that addresses those unique feelings and needs. The North East has the highest suicide rate in England and is colloquially known as the suicide capital. In response, the Headlight Project works across the community from schools to workplaces to raise awareness. The Headlight Project are currently working closely with Middlesbrough Council to raise awareness around 'Blue Monday' which is the 3rd Monday in January which statistically is the day with the highest number of suicides.



NAME: Chris Cooke

DATE: 02/11/23

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EXECUTIVE MEMBER REPORT TO COUNCIL

EXECUTIVE MEMBER: DEPUTY MAYOR AND EXECUTIVE MEMBER FOR EDUCATION AND CULTURE – COUNCILLOR PHILIPPA STOREY

DATE OF MEETING - 29 November 2023

The purpose of this report is to provide an update to members on areas of activity within my portfolio including performance against strategic priorities.

STRATEGIC PRIORITIES

Improve outcomes for children and young people
Support Cultural assets and events and improve access to culture.

DIRECTORATE PRIORITIES

Education:

- Supporting schools to improve the attendance of all children, particularly the most vulnerable.
- increasing the number of SEND CYP in mainstream settings.
- Improve parenting support and the home learning experience to support children's learning and development and school readiness.
- Reduce the number of children and young people who are suspended or have been excluded.

Culture:

- Encouragement of grass roots participation in events and events planning.
- Increase income generation events at the town hall.
- Diversify Museum offer.

HIGHLIGHTS

EDUCATION

1. At the beginning of November, the council hosted its first ever inclusion and attendance conference. The conference was supported by the DfE. The aim of the conference was:
 - provide schools with support.
 - to create an understanding about the challenging home life many children who are absent from school face.
 - to encourage trauma informed response.

- help break down barriers for children to re-enter school life after long absences.
2. The conference was extremely well attended by schools and trusts and I thank the education team and the schools and trusts for their determination to help our most vulnerable children get the education they need to succeed.
 3. Since November further Inclusion events have also taken place with schools, settings, health, social care and parents. These conferences have had a clear focus on the local area SEND and Inclusion priorities.
 4. A young person's conference took place in May 2023 in the Town Hall. This was for young people with SEND. The event was well attended by young people who during the event developed a transitions video which can be found on the SEND Local Offer website,
 5. In September this year the DfE awarded £1m grant funding to support Middlesbrough achieve key priorities outlined within the Delivering Better Value Programme. This programme is aimed at supporting greater inclusion in mainstream settings and improving outcomes for children and young people. This funding will support the pressures on the high needs budget which is used to support children and young people with SEND and those in Alternative Provision.
 6. Separately a meeting with Baroness Baran was productive, placing the issue of Outwood Riverside School firmly on the Ministers desk and agenda.
 7. The full SEND inspection report could well be published before the council meeting in November, but after this report has been finalised. we will bring an update in our next meeting with any good news to share
 8. Following the successful launch of the Family Hubs in July, a range of services are working collaboratively to support families, primarily in the 0-2 age group but 0-25 for Special Education Needs and Disability (SEND). Four main hubs, located in West Middlesbrough, Thorntree, Hemlington and Park End are working with families offering enhanced services delivered through transformed Children Centres ensuring all families can access the support they need. We also have two outreach sites in Abingdon and North Ormesby. As part of our commitment to ensuring every child gets the best start, the service formerly known as School Readiness, has been rebranded into the Early Years and Family Hub team. As well as the additionality provided through the Family Hubs, the Early Years and Family Hub team have maintained their existing offer to families.
 9. Launched in September our Year of Literacy seeks to work with school-based colleagues across both Primary and Secondary phases to strengthen writing across all subjects and phases as well. In addition, the work also improves links between primary and secondary schools through the development of a

bespoke intervention programme for year 6 pupils transitioning into year 7 to improve reading skills.

CULTURE

10. The Museum team continue to bring expansive exhibitions to Middlesbrough, with the Lego Exhibition in place at the Dorman Museum until mid-December and is continuing to do extremely well.
11. The Dorman after Dark – Over 100 tickets sold with £2,500 of income made across the evening. It was a really inspiring event for adults with many of the attendees asking us to do it again as they enjoyed it so much! Big thank you to all the Museum and Events team.
12. The Museum of Cryptozoology, a fantastic Halloween Day imagined by Chloe. Everyone had got involved as the number of visitors we had took us by surprise. In total we welcomed 1254 people!
13. The total takings for the day across the animal handling, crafts, trails, exhibition VR, was an impressive £1,515.
14. A huge congratulations and well done to the Dorman Museum for being on the shortlist for the Northeast Culture Awards. Its British Museum in Your Classroom project has made the final shortlist in the category of Best Arts and Education Partnership. The winner will be announced at the awards ceremony on 13 December.
15. Nightfall is again at Stewart Park over 29 November – 3 December. Artist Amelia Kosminsky has been commissioned to create a safe sensory space within our temporary gallery at the Cook Museum and will create a relaxed environment with projections and sounds called 'Living Light'. Amelia is an artist specialising in light sculpture, video art and photography. Her video artwork has most recently been seen on the screens in Piccadilly Circus with 'Sparks of Nature' and accompanying the San Diego Symphony Orchestra for their concert Singing With The Devil. Her light sculptures have also been seen at Christmas at Kew, Durham Lumiere and the Mayor of London's City Lights festival.
16. The Town Hall has welcomed fantastic acts as well providing NPO (National Portfolio Organisation) space for community use, such as Andys Man Club, BandJam, Classical Café and more – please visit the town hall website! Thank you to the Town Hall Team
17. Middlesbrough Theatre is welcoming a host of Christmas performances, such as Elf the Musical, A Christmas Carol and the wonderful Cinderella Panto. – Thank you, David Lindsey and team.
18. Our Events team have been busy with Diwali and Remembrance and are now gearing up for the Christmas Lights Switch On taking place on 19 November, preceded by an afternoon of family fun in the form of

performances, workshops and street theatre. There's also Orange Pip Christmas taking place in the Town Hall on 16 December.

19. Our Archives team have partnered up with Navigator North to deliver 'Last Orders' at The Masham; an exhibition exploring Middlesbrough's lost and historic pubs.
20. Visual and Creative Arts continues to be a central force for cultural progression – with Navigator North, Pineapple Black and The Auxilliary all holding significant events. 58 artists submitted proposals for the first 8 artist commissions as part of the Most Creative Train Station programme, funded through the Cultural Development Fund. The 8 artists selected will develop work to appear in Middlesbrough Train Station in 2024. Teesside University also delivered Animex: the international festival of animation, VFX and games, which was supported by cultural venues across the town including the Town Hall.

Councillor Philippa Storey

Deputy Mayor and Executive Member for Education and Culture

EXECUTIVE MEMBER REPORT TO COUNCIL

EXECUTIVE MEMBER: CHILDREN'S SERVICES - COUNCILLOR ZAFAR UDDIN

DATE OF MEETING: 29th NOVEMBER 2023

The purpose of this report is to provide an update to members on areas of activity within my portfolio including performance against strategic priorities.

STRATEGIC PRIORITIES AND UPDATES:

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

➤ **Early Help:**

1. To ensure that there is a strong early help offer in Middlesbrough to meet needs, we have merged the Early Help Board and Family Hub Implementation Board into one strategic overarching board which reports progress directly into the Childrens Trust, to effectively co-ordinate all Early Help Services including those delivering from the Family Hubs. This new Family Help Board is well attended by a range of statutory services and voluntary and community sector partners.
2. The Early Help Service 'Stronger Families' provides support to families in Middlesbrough who have reached a threshold whereby the family are experiencing multiple and complex issues. The Family Practitioners work with the whole family to create a Family Plan, and using a strength-based approach set goals with the family to improve outcomes. Early Help also involves other services and partners, who can provide help and support to the family to prevent problems from escalating to more statutory and costly services.
3. The Early Help Service remains stable in terms of staffing and all teams are performing well. Children, young people and families are allocated into the Early Help Service on a daily basis from our Multi Agency Childrens Hub and this means that children are receiving early help services without delay, as families are contacted within 3 days of allocation to a Family Practitioner. This swift response ensures that families engage with Early Help at the time when they need it most and children are seen on a regular basis,
4. so that our work is focussed on the voice of children. There is very little turnover within Early Help, so children benefit from consistent and strong relationships with their Family Practitioners. We are supporting more children at an early help threshold in Middlesbrough, and we can see that the proportion of early help cases has increased

5. over the last 12-month period. During October 2023 we had 833 children open in Stronger Families and a further 2543 children receiving early help support from our partners which includes Health, Schools and the Voluntary and Community Sector including our Youth Services.

➤ **Multi-Agency Children's Hub (MACH) and Assessment:**

6. In the MACH the new MACH Team Manager has now commenced the role and has settled in well and Assistant Team Manager, remains in post. This is supporting stability within the team. We have only one agency position in the MACH who will continue to cover maternity leave. The team continue to provide timely responses to our children and families in terms of referrals for safeguarding and support.
7. We have regular overview of the processes to ensure oversight through Audit processes which informs any areas of development. The Team has regular Team meetings to look at team development, improvement and stability. Monthly MACH strategic Board is held with key partners to support improve and develop multi-Agency working.
8. The Assessment Team have continued to be a stable staff team and although there are some agency workers in place, there is current recruitment out to advert to replace the current agency workers with permanent members of staff. There continues to be a drive-in relation to performance and practice, with regular high support and challenge within supervision and management oversight. There will continue to be team development within Team Meeting's that are taking place regularly to support development and reflection in order to improve outcomes for our children and families.

➤ **Safeguarding & Care Planning/Children with Disabilities:**

9. Safeguarding continue to be busy with a high number of proceedings due to finalise between now and February. We have just held our first Private Fostering Panel where we talked about the children subject to private fostering arrangements and are just completing the last of the amendments on our Private Fostering Statement. There is a plan to have this promoted for awareness and also training to be rolled out, with some champions developed in the teams who will be the 'go-to' for advice and guidance where Private Fostering Arrangements are in place.
10. We hope to have all arrangements in place and measurable impact within the next 2 weeks and the carers will be entitled to all the same training as our foster carers and kinship carers. An interim head of service will be starting in post on 23.11.23 however permanent recruitment for heads of service will take place on 21.11.23.

➤ **Fostering Services:**

11. We are looking at the children in connected care arrangements who are on Care orders and how we can look at alternative orders for permanency. We will be running mandatory

training for carers to look at the benefits of other orders and vulnerabilities of children remain under care orders. We will have approved 14 new fostering households by the end of December with a further 3 to be approved by February.

12. Our new resource worker is getting excellent. Feedback from children and carers on the work she is doing with them. We are looking at combining fostering and residential training to give more opportunities to staff and carers alongside introducing trauma informed support from residential to the fostering service to undertake work with carers.

➤ **Children Looked After (CLA):**

13. Staffing recruitment and retention continues to be a factor within the CLA service but we are seeing a steady incline. We have appointed two permanent social workers and now have 2 very experienced agency Team managers that are driving the workforce. Bekki Leeman is currently appointed as interim Head of service and will be taking on the role across CLA, Pathway and Leaving care. There was some excellent multi agency working across CLA and fostering. Through their quick thinking and long hours of work, they were able to successfully keep 2 siblings together within a in house foster home when theirs had broken down.

➤ **Residential, Supported Accommodation, Resource and Care Leavers:**

14. One home has had an assurance inspection and we are awaiting the publishing of this report. Residential staff continue to work hard to keep young people within our community and residential care is currently at 93% occupancy. A recruitment campaign is under way to increase staffing at one home so that more young people can be supported in Middlesbrough. Young people have enjoyed Halloween and Bonfire night and are now planning for Christmas with staff.

HIGHLIGHTS

15. Practice Week for Children's Care was held week commencing 23 October and was a huge success with 9 virtual learning bite size sessions being delivered by internal and external partners with over 250 places being taken by our Children's Services workforce. A celebration event was held in the Town Hall on 26 October and included guest speakers and stall holders from across the service, external partners and our care experienced young people. The events have been well received by our staff. Feedback has now been collated and will be used to shape and improve this offer in the future.

Anything you wish to highlight – good work/best practice/good news stories,

THE TIME AHEAD:

16. We are continuing to review our looked after children's external placements in view of bringing children and young people locally, closer to their home and their families and friends.

17. As part of our regular discussion with various teams, recently Mayor Chris Cooke and I have chatted to Victoria Banks, Head of Virtual School about recruitment of Governors for Virtual School.

18. 16. I also continued to Liaise with Vicky Davidson-Boyd, Service Manager at Middlesbrough Adoption Team, the Adoption Tees Valley in terms of recruiting Panel members with appropriate skills, knowledge, and experiences. We are also discussing the issues around an equality, inclusion, and diversity strategy.

Upcoming issues/things on the FWP/projects involved in
See as above.

NAME: Cllr Zafar Uddin

DATE: 29th November 2023.

EXECUTIVE MEMBER REPORT TO COUNCIL

EXECUTIVE MEMBER: COMMUNITY SAFETY - COUNCILLOR JANET THOMPSON

DATE OF MEETING: 29 November 2023

The purpose of this report is to provide an update to members on areas of activity within my portfolio including performance against strategic priorities.

Warm Spaces Creative Event at Central Library



As the weather gets colder, and Libraries become warm spaces, Samantha Clark, Community Hub & Library assistant has created a 'Weaving on Wheels' craft trolley for people to come in and enjoy at Central Library.

The free to use resource is already being used by the community and is available every day for up to 4 people at a time.

Digital Transformation at Acklam Community Hub & Library



Middlesbrough Council are one of only 26 local authorities to receive funding from the first round of the Arts Council's Libraries Improvement Fund.

The funding has enabled the service to transform its digital offer. This includes the transformation of the IT suite at Acklam into a modern and vibrant space which benefits from the latest tech with new public computers. Dedicated seating is available for customers to bring their own devices to this popular venue to study which is now equipped with charging facilities to ensure that devices never run out of power. A height adjustable desk is also available, allowing customers to select the most suitable height at the touch of a button.

In the coming weeks, as we continue to improve the digital offer for customers, work will take place to refurbish the IT Suites at Newport and North Ormesby Community Hubs.

Visits



Over the past few weeks, I have visited the hubs at Easterside, Grove Hill, Hemlington, Marton and North Ormesby. I have been really impressed with the range of activities on offer to local people, I would like to thank our Neighbourhood Manager Adam Parkinson for arranging these visits.

I also attended My Place in Middlehaven which currently houses the amazing St. Hilda's model, it has previously been displayed in MIMA and Fountain Court and has now returned to its natural home.

The picture was taken during a visit to Hemlington where I was shown an example of a hedgehog which was created from the pages of a book by Gill the coordinator.

Libraries Data

Activity	September	October	Total
Main entrance footfall (MyPlace + Community Hub & Libraries)	16,712	17,904	34,616
Public Computer use (sessions)	1,884	1,751	3,635
Active Library Users	2,328	2,228	4,556
Children 0-4yrs:	282	246	528
Children 5-12yrs:	619	526	1145
Pre-Teen 11-12yrs:	18	15	33
Teen 13-15yrs:	44	53	97
Adults 16-64yrs:	677	725	1402
OAP 65yrs+:	688	663	1351
Book Loans (physical copies)	11,030	11,863	22,893
Active eBook users	372	312	684
eBook, eAudio & eMagazine loans	1,461	1,515	2,976

Black History Month

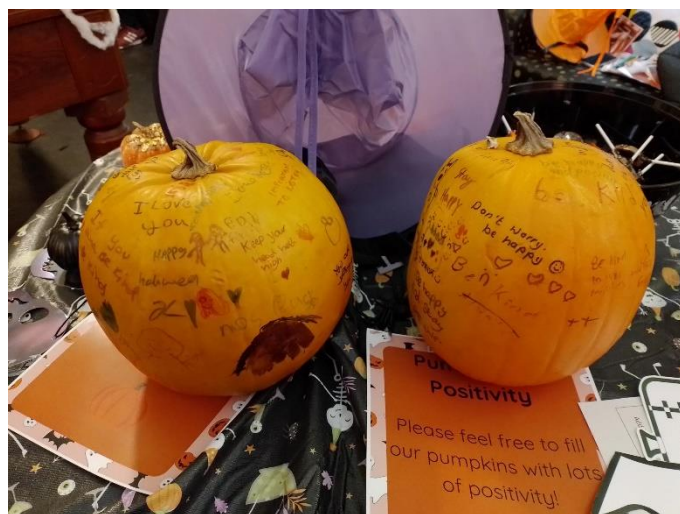
Newport Community Hub hosted a performance of the 'Island Movements' ballet. This is a short performance telling the story of the lives of a family from the Windrush generation. The audience then had the opportunity to participate in a Q&A session with the dancers and creators of the ballet.

I thoroughly enjoyed the event which was well attended.



Halloween Events

Several half-term Halloween events took place across our Libraries and Hubs, ranging from parties, creepy displays and spooky Lego.



"We Matter" Halloween Party

I attended the "We Matter" Halloween party which was open to all looked after Middlesbrough children and their families. Activities included a Halloween Haunted trail, Scary Disco and a Creepy Karaoke



Cleveland Fire Service

I attended Middlesbrough Fire station as they hosted a Halloween themed open day on the 28th October. The event was well attended with a range of activities on offer.

North Ormesby Hub

The Hub hosts Middlesbrough Amateur Boxing Club who recently achieved fantastic success with 2 National Champions and 4 champions in the Boys Club. The season only started in October! The Evening Gazette highlighted their success with an excellent article that included photos of all the winners. Their achievements have been supported from a grant from the MBC Community Development grants which helped the manager purchase 3 new boxing bags as the old ones had split.

The manager, Tony Whitby, recently received a Keystone Platinum award from the Boys & Girls Clubs Association for more than **40 years voluntary service** to young people.

Neighbourhood Action Partnerships

Dates of meetings for the new NAPs are in Councillor's diaries and will start in November, providing an opportunity for ward members to meet with key partners and raise any issues they feel need a multi-agency response. It will also be an opportunity for attendees to hear what is being done in their area.

Neighbourhood Safety Activity 01/10/2023 – 31/10/2023

To support the work of the wardens we have a team of 6 dedicated Neighbourhood Safety Officers.

During the month of October, the Neighbourhood Safety Officers investigated **120 incidents** of Anti-Social Behaviour which included supporting **25 victims**. The team have progressed several actions against perpetrators and some examples of this work can be seen in the good news stories below.

We are currently managing more than **160 perpetrators** of ASB within Middlesbrough and have carried out in excess of **600 positive actions** within communities. We are now in the process of using community protection notices to take action against individuals who blight our communities. We have made over 60 referrals with intelligence to the Police and into support services, which include adults and children's social care.

The Neighbourhood Safety Service have dealt with **1102** service requests during October with the leading category being reports of fly-tipping and waste related matters.

We dealt with **97** requests for service relating to untaxed and abandoned vehicles which resulted in **10** vehicles being removed from the streets of Middlesbrough. We also responded to **47** requests for service relating to stray dogs/ animal related issues. In the month of October, we utilised PSPO powers on **2** occasions for breaches of the order, with one fixed penalty notice issued.

Community Protection Warnings

In October, 16 Community Protection Notice Warnings were issued for those begging and drinking in and around the town centre. Three have progressed to a Community Protection Notice, with two fixed penalty notices being issued.

Collaborative Working

The Community Safety Team have assisted CID from Cleveland Police in the identification of a male who was responsible for a serious assault during the night time economy, this attack left the victim unconscious on the ground outside McDonalds. After a guilty plea the attacker has since been jailed for 27 months.

Missing People

The Community Safety Team have located 4 missing people in October to support partners and make sure our most vulnerable are safe.

Teesside Park Operation

The Community Safety Team have conducted joint patrols with police and these will continue in order to gather evidence to tackle the issues of ASB in the Teesside Park and France Street car parks. The team have linked in with security staff at Teesside Park and started to build evidence against those causing issues at the location. From here we will be taking robust enforcement action by utilising powers under the 2014 ASB Crime and Policing Act specifically the community protection notice powers.

Safer Streets 5

Following a successful bid to the Home Office, the Council will receive £330,720 of the £1 million pounds allocated to the Office of the Police and Crime Commissioner for the Safer Streets 5 scheme. This brings the total amount of Safer Streets funding in Middlesbrough to £1.8 million. This year we have focussed on anti-social behaviour and neighbourhood crime in Longlands and Beechwood and Central wards, as these were identified as having particularly high levels of such incidents. I want to thank the team for all their hard work in pulling these bids together. They provide much needed financial support to enhance our community safety offer in areas with the highest levels of issues.

The project will run over 18 months, starting this October, and will include:

- Target hardening packs for approximately 500 properties for vulnerable residents and repeat victims of burglary. Equipment will include the installation of ring doorbells, property marking kits, solar lights, window alarms, alarmed padlocks, timer switches and much more. This work will be carried out in partnership with Cleveland Police Crime Prevention
- A dedicated Safer Streets Officer will be employed to tackle town centre anti-social behaviour within both the day and night-time economy. This officer will work with local

businesses and licensed premises to improve town centre safety, with a particular focus on street drinking and persistent begging. A wide range of supportive interventions will be provided as well as civil enforcement action for those who fail to engage.

- 30 barrier rails & concrete “Lego” blocks will be installed at various locations to tackle ongoing motorbike nuisance.
- Monthly community clean-up operations will be organised and a community skip will be placed in fly-tipping hotspots every month. The Council and Thirteen Housing will work in partnership with local residents on this project.
- The Professional Witness Service which was piloted in Hemlington and Berwick Hills will be expanded into Longlands & Beechwood and Central Ward. This work involves covert surveillance operations and evidence gathering.
- 11 additional CCTV cameras will be installed in Longlands & Beechwood.
- Various publicity campaigns will be introduced regarding town centre safety, environmental anti-social behaviour, including training for private landlords and several motorbike campaigns.

Councillor Janet Thompson
Executive Member for Community Safety

EXECUTIVE MEMBER REPORT TO COUNCIL

EXECUTIVE MEMBER: ENVIRONMENT – COUNCILLOR PETER GAVIGAN

DATE OF MEETING: 29 November 2023

The purpose of this report is to provide an update to members on areas of activity within my portfolio including performance against strategic priorities.

STRATEGIC PRIORITIES

I am currently working on policy proposals for the short, medium and long term. We will continue to work closely with local communities to protect our green spaces and make sure that our roads, streets and open spaces are well-designed, clean and safe.

HIGHLIGHTS

In addition to my weekly meeting with the Director of Environment and Community Services, I have attended a meeting at Middlesbrough Environment City and a meeting of the Crustacean Deaths Working Group in Redcar. I also attended a meeting of the Environment Scrutiny Panel.

THE TIME AHEAD

Highways

Traffic Signals/UTMC (Urban Traffic Management and Control)

Traffic Signal Junction upgrades 2023/24:

- Marton Rd / Aldi (programmed in for completion in February 2024)
- Marton Rd / Corporation Rd (Programmed in for completion in February 2024)

Pedestrian crossing upgrades 2023/24:

- Ormesby Rd / Balmoral Rd (Programmed for completion November 2023)
- CFL / Alexander Terrace (Programmed for completion in December 2023)
- Wilson St / Sainsburys (Programmed for completion November 2023)
- Low Lane Shetland Close (Programmed for completion in December 2023)
- Boro / Emerald St (Programmed for completion in March 2024)

Highways

- Verge replacement and footway improvement works programmes have been developed and we are underway with implementation of the programme for 2023/24

Verge works complete so far are 9 of the planned 13 schemes.

- Footway Works complete so far are 12 of the planned 23 schemes.

Transporter Bridge

Transporter Bridge structural assessment ongoing. The Stage 1 analysis is already beginning to indicate several areas of overstress that are likely to need additional investigation. We are awaiting a revised scope of works from consultants Atkins.

A66 Column 20B

A66 Station Viaduct - Column 20B - Contractor Volker Laser have started to construct their site compound and works are imminent to replace the column head and bearing and repair the beams in the area of the future Stack development.

A66

A66 Newport Interchange Bridges which involves repairing the bridge deck waterproofing and resurfacing of the whole bridge deck to tie in with other planned resurfacing on A66 Eastbound has been completed.

- Concrete testing will be carried out on Hartington Interchange Bridges with a design phase to follow and repairs to be carried out in 2024.

Highway Infrastructure

Transport Planning and Road Safety

Workplace Travel Planning has been undertaken with various businesses and this will be further rolled out wider across the town, with the aim to it being integrated into a businesses day to day working; providing increased sustainable transport mode options for employees and organisations alike. One of the aims is to integrate this into the recruitment process for businesses, so that they're able to provide advice and information to potential new recruits and support them into employment, whereby it might have previously been an issue due to accessibility.

Longer-term sustainable transport projects are being devised, to ensure that Middlesbrough remains at the forefront of sustainable travel across the Tees Valley region. Projects will be coming forward soon and form part of the City Regional Sustainable Transport Settlement, which is led by TVCA.

A focused campaign around parking on zig zag lines and inconsiderate driving around Schools such as Ayresome, Linthorpe, Sacred Heart, Whinney Banks and Acklam Grange was recently undertaken. This was well received by all stakeholders and drivers were also engaged in the

information, advice and guidance from the team. There is still a lot of work to be done, but the initial results are positive and everyone is seeing the role they play in and around the School community.

Road safety education continues with the team attending various venues and offering workshops, resources, lesson plans and tailoring the education to the requirements of the organisation. A recent workshop and presentation was carried out with students on the verge of exclusion from mainstream school at the Acklam Green centre; positive feedback was received from both staff and students.

Traffic Management

Major Scheme - Stainton Way / Cypress Road.

Works to improve road safety at the Stainton Way / Cypress Road junction by the installation of new traffic signals with pedestrian and cycle crossings are continuing to progress well.

The redundant access to the Brunton Arms pub, along with the slip lane coming off Stainton Way onto Cypress Road have now been removed, to help reduce vehicle speed.

The scheme, also comprising full resurfacing of the junction, is programmed to be completed before the Christmas break.

Members Small Schemes

Clevegate - Speed activated signs have now been implemented on Clevegate as part of a Members Small Scheme bid to reduce speeding and improve road safety near Chandlers Ridge Primary School. A number of 'parking buddies' are also shortly to be employed to help to prevent parking at Schools in Nunthorpe.

Roman Road - A road safety scheme, comprising new traffic calming and extension of the existing 20mph speed limit outside Linthorpe Primary School, was installed in the October half term holidays. Carriageway resurfacing was also completed at the same time, along with a new 20mph speed limit on the full length of Burlam Road nearby.

Refuse and Recycling

Waste Disposal

- From November, the Household Waste Recycling Centre (HWRC) moves to its Winter Opening Hours
- Winter Opening Hours (1 November to 31 March) 8:00am to 6:00pm
- The HWRC is open every day except Christmas Day, Boxing Day & New Year's Day
- The HWRC will close at 4:00pm on Christmas Eve & New Year's Eve.



GREEN WASTE SERVICE

The Green Waste Service will be ending at the end of November until the Spring. The service is as popular as ever. If residents wish to dispose of any green waste over the winter period, this can be taken to the Household Waste and Recycling Centre at SUEZ Haverton Hill. Residents will need to book a slot via the Councils Website.

CHRISTMAS COLLECTIONS

I would like to give prior notice for the forthcoming Christmas 2023 Recycling & Waste Collections.

NORMAL DATE	REVISED DATE
TUESDAY 26TH DECEMBER 2023	WEDNESDAY 27TH DECEMBER 2023
WEDNESDAY 27TH DECEMBER 2023	THURSDAY 28TH DECEMBER 2023
THURSDAY 28TH DECEMBER 2023	FRIDAY 29TH DECEMBER 2023
FRIDAY 29TH DECEMBER 2023	SATURDAY 30TH DECEMBER 2023

****Normal Collections will resume on Tuesday 2nd January 2024.**

REAL CHRISTMAS TREE COLLECTIONS



We will once again be supporting Teesside Hospice for Real Christmas Tree Collections. Teesside Hospice will collect Real Christmas Trees from residents for a small donation. They will then chip them and use them for flower beds and paths in the local community.

A link for residents to book a Christmas Tree Collection will be available in December.

Area Care

We are once again supporting The Diwali (Festival of lights) on Centre Square, which is planned for Saturday 11th November, and Remembrance Sunday on Sunday 12th November at the Cenotaph, by ensuring that the during/post cleansing is effective. We have also assisted our Property Services team by installing the turf around the war memorial at the Cenotaph ready for the Laying of the first Poppy on Thursday 9th November and Remembrance Sunday.

Christmas Lights switch on will take place in the town centre 19th November and Area Care will assist by ensuring that the during/post cleansing is effective.

We will assist with a joint venture with the Rotary Club assisting with the Tees tree planting works with a total of 84 trees being planted.

Newport Streets ahead volunteer litter pick will take place on 26th November, and we will assist with the removal of all rubbish collected.

The grass cutting season has come to an end and all machinery is now in the workshops waiting for the winter overhaul.

The hedge cutting and shrub pruning schedule has now commenced throughout Middlesbrough; this will be cutting by hand and with the use of the tractor side arms.

Councillor Peter Gavigan
Executive Member for Environment

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EXECUTIVE MEMBER REPORT TO COUNCIL

EXECUTIVE MEMBER: FINANCE & GOVERNANCE – COUNCILLOR NICKY WALKER

DATE OF MEETING: 29 November 2023

The purpose of this report is to provide an update to members on areas of activity within my portfolio including performance against strategic priorities.

STRATEGIC PRIORITIES

Strategic Priority: *We will ensure that we place communities at the heart of what we do, continue to deliver value for money and enhance the reputation of Middlesbrough.*

Update:

I continue to have weekly briefings with each of the two directors relevant to my portfolio as well as frequent additional meetings and contact with them and other officers as appropriate.

On 15 November 2023 I attended Overview and Scrutiny Board to give an update on my portfolio.

HIGHLIGHTS

Quarter Two Outturn

1. Following the budget challenge sessions for Quarter Two which took place w/c 23 October 2023, the forecast 2023/24 net revenue budget outturn as at Quarter Two, was published in a report that I will be presenting to the Executive on 21 November 2023. This showed an improvement of £3.006million from the projected overspend at Quarter One.
2. However, a forecast overspend remains of £8.556million or (6.8%) in relation to the 2023/24 Revenue Budget for 2023/24 of £126.354m. The overspends across directorates relate primarily to a combination of forecast demand and inflationary pressures summarised as follows:

	£m
Adult Social Care	1.676
Children’s Social care	3.173
Education & Partnerships (Integrated Transport Unit - home to school transport)	1.879
Environment and Community Services (waste disposal costs)	1.017
2023/24 local government pay award	1.451
Other variances	(0.640)
Total	8.556

3. **Adult Social Care** main pressures relate mainly to the net effect of unbudgeted demand and inflationary pressures in care packages and increased use of more expensive temporary accommodation in relation to homelessness.
4. **Children's Care** relates mainly to the increased numbers and costs of residential placements, of independent fostering and the deliverability of budget savings for 2023/24.
5. **Integrated Transport Unit** pressures relate mainly to the increased numbers of children eligible for Home to School Transport, including those with Special Educational Needs (SEN) and increased transport cost.
6. **Environment and Community Services** has seen increased costs of waste disposal over and above that budgeted together with crematorium income shortfall and increased expenditure.
7. **2023/24 Local Government Pay Award** following the recent confirmation of the amount of the pay award further work is being undertaken which may alter this figure.
8. A great deal of further work is ongoing with executive members and officers to mitigate the overspend for this year further, to address the revised projected gap identified in the Medium Term Financial Plan report of August 2023, of £14.204m, and to develop more financially sustainable solutions for this and future years.
9. It should be noted that the measures taken to control expenditure in this current year are a combination of 'one off mitigations' that have a favourable impact only in 2023/24 and plans are required that deliver 'ongoing' cost reductions or income generation that will have a favourable impact upon the calculated budget gap for 2024/25.
10. In order to return to a position of financial resilience, annual revenue expenditure must be brought back to a level whereby it is within the available annual income, and we must begin to replenish our reserves.
11. Note that the section 151 Officer has stated that risk of a s114 Notice under the provisions of the Local Government Finance Act 1988 in relation to setting a legally balanced budget for 2024/25 remains.

Reserves

12. My earlier reports have highlighted the critically low level of Usable Revenue Reserves at 31.03.23.
13. As a reminder the General Fund Reserve is the fund of last resort and should only be used in exceptional circumstances to address matters that arise due to external factors and are largely beyond the council's control. The General Fund Reserve had remained virtually the same over the 4-year period from 31.03.19-31.03.23, with just a 1% difference from £11.908m as at 31.03.2019 to £12.041m as at 31.03.2023.
14. Whereas Usable Earmarked Reserves, held to cover known specific risks internal to the Council and had been drawn on to fund overspends in recent years. had fallen by around 75% over the same period from £16m at 31.03.2109 to £4m at 31.03.2023.

15. Following some slight adjustment during the production of the annual accounts and after deducting that part Usable Earmarked Reserves of £1.171m which are restricted for a particular use, this left a total of £14.829 Unrestricted Revenue Reserves at 31.03.23.
16. The table below illustrates how our already critically low levels of reserves would be reduced even further, if the projected overspend at Quarter Two remained the same with Unrestricted Usable Earmarked Reserves being completely exhausted, leaving only a General Fund Balance of £6.273m. A table giving further detail on this is contained in the forecast 2023/24 net revenue budget outturn as at Quarter Two report available on the council website, to be presented to Executive on 21 November 2023.

	Balance 31.03.23	Use for 2023/24 overspend	Forecast balance year end 31.03.24
	£m	£m	£m
Unrestricted Usable Earmarked Reserves	2.788	2.788	0.00
General Fund	12.041	5.768	6.273
Total Usable Revenue Reserves	14.829	8.556	6.273

Budgetary Management and Control measures taken during Quarter Two 2023/24

17. The following is extracted from the Statutory Recommendations form External Auditors, Ernst Young (EY) of 21 August 2023 on Financial Recovery and Resilience
18. *“4. We recommend that the Council builds upon the steps already taken to control its expenditure to identify specific deliverable savings over the short term (next 12 months) and protect its limited remaining reserves. Where appropriate, this may need to include the Council changing how it meets its statutory responsibilities and the extent to which it delivers services which are not required to discharge its statutory responsibilities.*
19. *“5. We recommend that the Council reviews its service delivery models to ensure that they are efficient, represent value for money and achieve the outcomes required for the resources invested. Where opportunities to improve service delivery models are identified, the Council should develop detailed plans for implementation of service delivery transformation and how the up-front transformation costs will be funded.*
20. *“6. We recommend that the Council review its financial forecasting processes to understand why significant financial pressures, over and above those anticipated and reflected in the Council’s annual budget, have emerged within the first half of both the 2022/23 and 2023/24 financial years and ensure future forecasting reflects the lessons learned.”*
21. In relation to Recommendation 4 the following measures are being taken:

- Continuation of monthly budget challenge sessions and quarterly sessions involving executive members to identify opportunities to exercise further spending restraint and more cost-effective solutions within 2023/24 and future years.
- Continuation of regular Vacancy Control Panels to constrain new recruitment to only essential vacancies that are necessary to meet statutory responsibilities, are externally funded or contribute to reducing the forecast overspend and are assessed as required for future planned service provision given the need to reduce the pay bill over the medium term.
- Monthly reports are being provided to Directors detailing expenditure on travel and other expenses, purchase card activity and orders placed over £5,000 in order to ensure compliance with the s151 Officer's spending control direction issued in July 2023.
- A fundamental review and relaunch of the use of purchasing cards has been undertaken which has resulted in the reduction in approved card holders from 313 to 171 in order to strengthen controls and limit their use as part of a wider initiative to drive increased compliance with new Contract Procedure Rules (CPRs) approved by Council on 18 September.
- An in-year review of fees and charges has been undertaken to uplift for inflation since the last increase in November 2022, and a number of budget proposals considering opportunities to grow income are being developed and will be presented as part of the draft 2024/25 budget report to be considered by the Executive on 20 December 2023. In addition, as fees and charges have not been increased for a year, since November 2022, a report implementing an inflationary increase of an average of 8.6% in a range of charges from 01 December 2023 will be presented to Executive on 21 November 2023. If agreed, it is projected to generate £116,000 this financial year.

22. In relation to Recommendation 5 and 6 the following measures are being taken:

- The budget development methodology being adopted for 2024/25 is focused upon the development of proposals to:
 1. Managing/reducing service demand
 2. Service redesign
 3. Service transformation
 4. Reduction/stopping service levels.
- Reviewing and improving the robustness of demand and unit cost modelling to inform financial forecasts and budget modelling over longer time horizons has commenced and will support the 2024/25 budget development process to provide increased assurance over the robustness of future budget estimates.

23. In order to fund the transformation required in order to bring expenditure back within available resources, and due to the critically low levels of reserves left available to support this, an asset review has been undertaken to identify land and property owned by the Council that could be utilised differently (including disposal) to provide the capital receipts required to help support the Council's financial recovery and to achieve financial sustainability. A report on this Asset Review will be presented to the Executive by the Executive Member for Regeneration on 21 November 2023.

Central Government Funding for Local Government

24. In advance of the Autumn Statement of 22 November 2023, the Local Government Association (LGA) has written to the Chancellor of the Exchequer outlining the acute financial pressure councils face, and the steps they feel the Government needs to take to address this situation. They describe how councils nationally face ongoing inflationary and pay pressures alongside rising demands and market challenges in areas such as children's and adults social care and temporary accommodation provided to the homeless.
25. Their analysis shows that councils overall are facing funding gaps of £2.4 billion in 2023/24 and £1.6 billion in 2024/25. These gaps relate solely to the funding needed to maintain services at their current levels. The LGA has calculated that the funding gap in 2023/24 "is equivalent to councils stopping all spending on waste collection, library services and recreation and sports combined".
26. Middlesbrough has seen its funding from Central Government fall by 46% since 2013/14. As pointed out in Middlesbrough Council's budget report of February 2023, even though there was additional funding announced for 2023/24, Government funding for local government as a whole has fallen substantially since 2010. Since changes were made to the Local Government Finance System in 2013/14 Middlesbrough Council has suffered a significant reduction in Government funding, with a reduction of £37.7m (46%) from £81.2m received in 2013/14 to £43.5m in 2023/24.

Budget Setting and Member Briefings/Involvement

27. To date this year there have been:
- Members' Finance Training (3 sessions)
 - Members' briefings Medium Term Financial Plan (August)
 - Members' briefings Asset Review (November)
28. Prior to the budget being considered by the full Council there will be
- Members' Briefings on Budget Setting/Proposals 12 December
 - OSB will consider Budget Proposals on 20 December 2023
 - Individual Scrutiny Panels will also have the opportunity to consider/develop proposals.
29. Suggestions from staff and members on transformation of service delivery, budgetary savings or increased income are still welcome. The email address for suggestions which was circulated to all members at my request on 22 August 2023 and has also been provided to staff is:

financialplanning@middlesbrough.gov.uk

30. A frequently asked questions page is to be published by 30 November to address all staff suggestions received.

NAME: Cllr Nicky Walker
DATE: 21 November 2023

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EXECUTIVE MEMBER REPORT TO COUNCIL

EXECUTIVE MEMBER: REGENERATION – COUNCILLOR THEO FURNESS

DATE OF MEETING: 29 NOVEMBER 2023

The purpose of this report is to provide an update to members on areas of activity within my portfolio including performance against strategic priorities.

HIGHLIGHTS

Middlesbrough Council Asset Review

Introduction

1. An asset review has been undertaken to identify land and property owned by the Council that could be utilised differently (including disposal) to assist in supporting the Council's financial recovery and to achieve financial sustainability.
2. Disposal of capital assets generates capital receipts that may be used to support the Council's financial position in one of three ways:
 - 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.
 - To repay the Council's debt and reduce the annual costs of repaying principal and/or interest on such debt.
 - To invest in infrastructure through the capital programme.
3. The Council holds significant amounts of land and buildings on its balance sheet which presents opportunity for review and optimisation to support the Council's delivery of services in the future.
4. A review has been undertaken for all land and property assets, and recommendations made as to the future strategy for each. These recommendations can be summarised as:
 - The investment of £1.5m in existing Council buildings to accommodate additional staff;
 - The development of a public sector hub within the Cleveland Centre;
 - The closure and sale of Middlesbrough House, Multi Media Exchange, 3 Park Road North, Lloyd Street Depot;
 - The procurement of specialist external management arrangements for the premium assets within the commercial portfolio;

- Disposal of Tees AMP 1 and 2, the Viewley Centre; Lorne Street Industrial Estate; Howard Street Industrial Estate; Letitia Industrial Estate; Gilkes Street Industrial Estate; Carcut Road Industrial Estate; Florence/Italy Street Units;
 - Disposal of the Middlesbrough Municipal Golf Centre with the appropriate covenants in place to secure its permanent use as a golf club;
 - Disposal of Zetland Street Car Park with the appropriate covenants in place to secure its permanent use as a car park; and,
 - Disposal of sites known as Land East of Middlesbrough Municipal Golf Centre Driving Range; Acklam [Stainsby Road]; Hemlington Grange [West]; Coulby Farm Way East / West; Muirfield, Nunthorpe; Land West of Toby Carvery; Cannon Park Car Park 1; Cannon Park Car Park 2; and Corporation Quay.
5. The financial impact of the proposed sales would be an estimated net capital receipt of over £33m, with a reduction in the Council's longer term income of £1m pa, with a one off revenue cost of £0.6m in relation to TeesAMP 1.

Purpose

6. This report sets out the details of a review of land and property assets held by the Council, with a view to generating additional income and/or disposals resulting in a pipeline of capital receipts being realised to support the financial recovery and return to financial sustainability over the period of the Medium Term Financial Plan. Approval is sought for the recommended changes and disposals.

Background and relevant information

Financial Position

7. On 23 August 2023, the Executive considered the following reports:
- a. Revenue and Capital Budget – Forecast Outturn at Quarter One 2023/24 which sets out the significant financial challenges facing the Council in the current year in terms of controlling expenditure within the approved budget set within the context of critically low usable revenue reserves. Usable revenue reserves stand at £14.8m comprising the General Fund Reserve of £12.041m and the Council's unrestricted usable earmarked reserves of £2.788m at 31 March 2023.
 - b. Medium Term Financial Plan (MTFP) Refresh 2024/25 to 2026/27 which estimates the expected budget gap between projected spending levels for current policies and service delivery models compared with the estimated available resource which is a shortfall of £14.204m rising to £24.522m over the period 2024/25 to 2026/27

8. The scale of the financial challenge will require the Council to consider a range of options for reducing expenditure on its services to fall within an affordable and financially sustainable budget. This will include options for service:
 - a. transformation (doing different things to achieve improved outcomes);
 - b. redesign (doing things differently/more efficiently);
 - c. reduction/ stopping (doing less); and,
 - d. income generation.

9. The need for change has been reinforced by the Council's External Auditor. On 21 August 2023, the Council received a Value for Money Update report from its External Auditor, EY which included the issuance of 11 Statutory Recommendations under s24 Schedule 7(2) of the Local Audit and Accountability Act 2014. This included three recommendations relating to concerns about the financial sustainability of the Council. Recommendation 5 within the Auditors report is relevant context for the Executive in considering this report as the Council is required to comply with the Statutory recommendations in order to avoid an escalation of action by the External Auditor and potential further intervention by the Department for Levelling Up Homes and Communities (DLUHC). It stated that:

'We recommend that the Council reviews its service delivery models to ensure that they are efficient, represent value for money and achieve the outcomes required for the resources invested. Where opportunities to improve service delivery models are identified, the Council should develop detailed plans for implementation of service delivery transformation and how the up-front transformation costs will be funded.'

10. LMT has been working over the summer with the Mayor and Executive Members to implement measures to control expenditure and optimise income in 2023/24 whilst also developing budget proposals for the 2024/25 budget and MTFP to 2026/27 that will be brought forward to a meeting of the Executive in December 2023. This is the start of the budget consultation process that will conclude in the Council considering and approving the 2024/25 budget on 28 February 2024.

11. A significant level of change and transformation is essential to achieving financial sustainability for the Council and will require up front financial investment to develop and deliver new service solutions whilst delivering cost reduction, efficiency and/or demand management over the term of the MTFP and beyond.

12. Much of this expenditure would normally be accounted for as revenue expenditure, under legislative requirements of the Local Government Act 2003 in relation to the capitalisation of expenditure. This presents a significant constraint to the Council achieving this requirement given its critically low levels of revenue reserves. The Council will therefore need to secure alternative funding sources, the primary one being to generate a pipeline of capital receipts from asset sales that can be applied to

investment in transformation and cost reduction/ demand management projects under Government funding flexibilities explained below.

13. The Local Government Act 2003 Sections 16(2)(b) and 20: Treatment of Costs as Capital Expenditure was implemented in 2016/17 in which the Government relaxed the restrictions to allow local authorities to capitalise eligible expenditure and finance it using capital receipts under a 'Flexible Use of Capital Receipts Policy' that is subject to Council approval. The flexibility is currently applicable through to 2024/25 financial year and is subject to review and is likely to be extended to future financial years.
14. In addition to the need to generate a pipeline of capital receipts for investment, it is essential that the Council also reviews its income generating assets to challenge whether these are optimising income or whether alternative uses may present improved value for money and provide increase income to support the operational revenue budget.

Reviewing the Role of Assets

15. As with any other business or organisation, the Council must respond to the financial challenges it faces and a key element of this is to consider the land and property assets that it holds, and how they can be used most effectively to address the financial challenges. The three key areas where this could be considered are as follows:

Operational Property

- a. The Council currently has operational responsibility for 83 different buildings and facilities, at a cost of £6m pa (including items such as maintenance, rates, utilities and security). One of the solutions to reducing Council expenditure must therefore be to look at reducing the number of operational properties it uses.

Commercial Property

- b. The Council also owns a significant number of commercial properties that it uses to generate income from occupiers on a range of leasehold arrangements. This also has the potential to contribute to addressing the overall financial position through either increasing the income via positive rent reviews, or through disposals in return for capital receipts.

Land

- c. The Council regularly sells land assets identified for housing and agrees a pipeline of future disposals that aligns to the Local Plan. Alongside these agreed housing sites the Council owns a significant amount of open space, farmland, small infill sites and generic land that sits unclassified between other people's ownerships. Whilst the potential exists to accelerate disposal of the agreed housing land pipeline, there also exists an option to sell off other small plots of land held by the Council, including those suitable for self-build, small (0-10 unit) housing schemes or other commercial uses.

16. The benefits of reducing ongoing operational costs or increasing rental income are immediate and impact directly on the Council's revenue position. The benefits of securing additional capital receipt income are less direct (as set out above) but are essential to enabling investment in the transformation of the Council's service delivery models from a lower cost base.
17. Given the Council's need to undergo significant transformation to achieve financial sustainability, the Council needs to explore all possible opportunities to generate additional receipts, and provide the funding required to enable the required change to be achieved effectively and at pace.

Asset Review

18. To support the drive for financial sustainability, a review of all land and property assets has been undertaken. The terms of this review were specified as:
- a. urgently review the Council's asset holdings to identify short term (by year end) opportunities to:
 - i. Generate capital receipts through the disposal of surplus assets;
 - ii. Minimise running/holding costs to free up revenue capacity;
 - iii. Maximise revenue generation from the commercial portfolio;
 - b. set out the Council's longer term asset requirements in a revised policy and strategy framework;
 - c. 'right size' the Council's operational estate to match future strategic direction and service priorities; and,
 - d. implement appropriate future management arrangements for the Council's property assets under a corporate landlord model.
19. This report primarily considers the outcomes of objective 'a'. A further report will be brought for Executive consideration on objectives b-d.
20. The review has looked at the operational assets the Council uses, the commercial assets it owns or occupies and the plots of land it owns to conclude an appropriate future strategy for each one. A number of factors have been considered in determining the future strategy, including but not limited to:
- holding costs (the ongoing cost of owning the asset);
 - maintenance backlog (the cost of work that the asset needs to continue to function effectively); and,
 - income potential (the rental received or the commercial potential if not currently exploited).
21. In determining the future strategy for each of the commercial assets in particular there is an inbuilt tension between the need to secure receipts now to assist transformation, and retain the income that would be due in future years that would be part of securing longer term sustainability. Inevitably those that provide the most sustainable long term

income stream are also those that would generate the largest and most immediate capital receipt. A balance therefore needs to be found that reflects the Council's current financial risk profile.

22. The rationale for recommending disposal of an asset is therefore based on one of the following criteria:

- a. the asset has a negative or limited five year net benefit (i.e. the income profile is less than projected running costs and assessed maintenance liability); or,
- b. the asset is appropriate for institutional investment and realises a significant receipt.

23. The recommended strategy for each asset has also been tested against the needs identified for the Council's own evolving requirements, such as the need to identify land and properties suitable for the provision of children's homes. The future strategy for each has also been tested against the overall geographical impact to ensure that properties are not being unnecessarily retained when others around them are being sold and vice versa.

24. Each asset has therefore been discussed by a panel comprising Economic Growth, Capital Projects, Asset Management, Valuation and Estates and then cross checked by Finance, Planning and Highways for any technical considerations. Outcomes have then been shared with each directorate to ensure the future service delivery objectives continue to be supported. The main categories used were as follows:

- a. *retain as is* - assets that will continue to be used in the same way as they are currently;
- b. *retain but needs new strategy* - where assets are to be retained but different management arrangements would improve income and/or reduce running costs;
- c. *retain but expand capacity* - where assets could accommodate more staff to reduce the need for other buildings;
- d. *surplus* - where assets can be disposed of in the short / medium term; and,
- e. *review further* - where the future categorisation of assets is dependent upon the service delivery models emerging within the wider transformation programme.

25. An example of the assets categorised as requiring further review would be the 20 buildings located within communities for which options need to be considered as part of the Council's emerging locality working model. Although there are likely to be significant surplus assets within this category, the nature of them dictates that the benefits are likely to be solely around reducing running costs rather than generating additional capital receipts.

26. No assets currently proposed for transfer to the Mayoral Development Corporation by the Secretary of State for Local Government, Housing and Communities have been considered as part of the review.

Outcomes of the Review

27. The main recommendations of the review are as follows:

Operational Property

28. *Close and sell Middlesbrough House* - Children's Services staff within the building would primarily be relocated to Fountain Court, with the remainder moving to other Council buildings with public facing provision. The customer centre will be revised and relocated (where necessary) in line with the outcome of a review of the Council's approach to *Customer and Digital* that is due to commence. Investment will be required in both Fountain Court and other buildings to facilitate the additional staff, and Middlesbrough House would then be sold as a surplus asset.

29. *Relocate the Live Well Centre from Dundas House to the Cleveland Centre* - the Council currently leases space within Dundas House from a private sector landlord. External grant funding is available to relocate the Live Well Centre as part of a new public services hub within the Council owned Cleveland Centre. This would remove the need for the Council to pay rent to the private sector.

30. *Relocate Middlesbrough Community Learning from the Multi Media Exchange to the Cleveland Centre* - the external funding identified above to relocate the Live Well Centre is also available to establish new community learning provision within the Cleveland Centre as part of the wider public services hub. This would enable the relocation of Middlesbrough Community Learning and free the Multi Media Exchange up to be sold.

31. *Relocate Children's Services staff from 6-14 Viewley Centre to the other Council buildings* - as with the public facing elements from Middlesbrough House, the staff would be relocated alongside other public facing provision to enable continuity of service. This would free up those units within the Viewley Centre to be sold.

32. *Sell 3 Park Road North and Lloyd Street Depot* - both properties have little or no current usage and would be sold.

33. *Resolution House / Depot* - although no actions are proposed in the short term, the longer term future of Resolution House needs to be considered, and a new depot solution explored – perhaps in partnership with others.

34. *Town Hall (Municipal Buildings)* - although no actions are proposed in the short term, the longer term future of the Town Hall needs to be considered, as significant ongoing investment is required to maintain its current use.

35. *Further reviews linked to transformation* - the Council currently operates a number of properties that need to be further reviewed once the future operating models for various services are determined, such as Family Hubs, community centres and crematoria. These will be reviewed in 2024, and will consider a range of options including retention and reinvestment, alternative delivery models or community asset transfers.

36. The overall financial impact of the changes proposed above is as follows:

	2023/24	2024/25	2025/26	2026/27	Total
	£m	£m	£m		£m
Revenue					
Reduction in running costs	0.000	-0.223	-0.261	-0.035	-0.519
Total	0.000	-0.223	-0.261	-0.035	-0.519
Capital	0.000	0.000	0.000	0.000	0.000
Expenditure required	0.350	1.150	0.000	0.000	1.500
Receipts received	0.000	-1.500	-0.250	0.000	-1.750
4% cost of sales reduction	0.000	0.060	0.010	0.000	0.070
Total	0.350	-0.290	-0.240	0.000	-0.180

Commercial Property

37. The following properties have been identified as being retained in the longer term by the Council, but would require specialist external management arrangements to ensure that the role of landlord was sufficiently separated from the Council's role in sector development:

- a. Boho 1, 5, 8 and X;
- b. Centre Square 1 and 2 (leaseholding only);
- c. Captain Cook Square; and,
- d. Cleveland Centre.

38. As Captain Cook Square and the Cleveland Centre are already successfully managed externally, and generate income for the Council it is recommended that similar commercial arrangements are sought for the Boho and Centre Square properties.

39. The following properties have all been identified as either having a low or negative five year benefit to the Council (i.e. the income profile is less than the projected running costs and assessed maintenance liability) and should therefore be declared surplus and sold:

- a. Viewley Centre;
- b. Lorne Street Industrial Estate;
- c. Howard Street Industrial Estate;

- d. Letitia Industrial Estate;
- e. Gilkes Street Industrial Estate;
- f. Carcut Road Industrial Estate; and,
- g. Florence/Italy Street Units.

40. It is not intended that the tenants of these properties are disrupted, and any lease agreements already in place would transfer across to any prospective new owner.

41. Middlesbrough Municipal Golf Centre also met the definition of having a low or negative five year benefit to the Council, due to the significant amounts that are required for reinvestment in the asset. As such it is also recommended for disposal – but with the appropriate covenants in place to protect members and secure its permanent use as a golf club.

42. The Zetland Street Car Park is also recommended for disposal due to the limited income secured against significant running costs, and again this would be covenanted to secure its long term use as a car park.

Tees Advanced Manufacturing Park (TeesAMP)

43. In order to balance the disposals of low value, low return industrial space, there is a need to include assets for sale that are attractive to the market (particularly institutional investors) and could provide a significant early receipt that is essential to funding the transformation of services to return to financial sustainability. The grant conditions that are attached to many of the Council's premium assets prevent their future sale. The only premium asset the Council owns that would represent an attractive option for institutional investors and would return an early capital receipt is Tees Advanced Manufacturing Park (TeesAMP).

44. The Council developed the park in 2019, with a view to eventually selling the development to facilitate future growth. An expansion site known as TeesAMP 2 sits adjacent to the park, which was due to be developed in 2024/25 at a cost to the Council of £8.8m. By selling the completed development (TeesAMP 1) and the future development site (TeesAMP 2) the Council could realise a significant capital receipt and reduce the capital programme by £8.8m which would require debt financing at an additional long term revenue cost to the Council.

45. The annual income lost through the sale of TeesAMP 1 is significant but represents a necessary cost of releasing the early receipt.

46. The overall financial impact of the changes proposed above is as follows:

	2023/24	2024/25	2025/26	2026/27	Total
	£m	£m	£m	£m	£m
Revenue					
Lost income	0.025	1.075	0.409	0.125	1.634
Lost income (rent free periods)	0.650	0.000	0.000	0.000	0.650
Total	0.675	1.075	0.409	0.125	2.284
Capital	0.000	0.000	0.000	0.000	0.000
Receipts received	-10.600	-4.745	-0.200	-0.750	-16.295
Capital no longer required	0.000	-8.800	0.000	0.000	-8.800
4% cost of sales reduction	-0.424	-0.190	-0.008	-0.030	-0.652
Total	-10.176	-13.485	-0.190	-0.750	-24.601

Land

47. Although the future use of all of the Council's land holdings has been considered, sites have only been identified for disposal where they are not required for public open space, hold potential for commercial or residential use and are likely to secure planning and highways consent. Those identified for disposal are as follows:

Housing Sites

- a. Land East of Middlesbrough Municipal Golf Centre Driving Range;
- b. Acklam [Stainsby Road];
- c. Hemlington Grange [West];
- d. Coulby Farm Way East / West;
- e. Muirfield, Nunthorpe; and,
- f. Land West of Toby Carvery.

Commercial Sites

- g. Cannon Park Car Park 1;
- h. Cannon Park Car Park 2; and,
- i. Corporation Quay.

48. Plans of these sites are included as Appendix I.

49. Alongside the plots of land identified above, the Council also owns a significant number of smaller sites and individual plots that would be disposed of as 'business as usual' throughout the year as interest comes forward. It is noted that this process would continue as normal in addition to the disposal of those sites identified above.

50. As most of these identified sites are relatively small there is no requirement to include them specifically within the Local Plan that is currently in development in order to realise their housing potential. It is however prudent for the largest sites (a,b and c) to be included within the Preferred Options document due to go out to consultation in December.

51. Although it is normal practice to dispose of land ‘*subject to the purchaser securing planning permission*’ the delay that is caused between deals being agreed and the receipt ultimately being received can be significant. Although this remains relevant to the development of larger strategic sites, in the current financial climate it may not be prudent to attach this condition to all of the sales identified above as significant delays in receiving receipts would be problematic in terms of realising the required pipeline of capital receipts.

52. The overall financial impact of the changes proposed above is as follows:

	2023/24	2024/25	2025/26	2026/27	Total
	£m	£m	£m	£m	£m
Capital					
Receipts received	0.000	-1.167	-3.550	-4.300	-9.017
4% cost of sales reduction	0.000	0.047	0.142	0.172	0.361
Total	0.000	-1.120	-3.408	-4.128	-8.656

53. A summary of the proposed recommendations is included as Appendix II.

Disposal Strategy

54. The Council has a clear Asset Disposal Policy that has been approved as part of the overall Asset Management Plan and is included as Appendix III. Although both the Asset Management Framework and the Disposal Policy are under review as part of the wider asset work, no changes are proposed that would alter the recommendations or how they are taken forward.

55. The current disposal policy does however require that the disposal of assets over the financial threshold are subject to an Asset Disposal Business Case that requires Executive consideration. In light of the formal review undertaken to date, the balanced analysis of the business case that has already been carried out and the volume of sales proposed, it is recommended that the Executive approve the defined list of disposals set out, with the sign-off of individual Asset Disposal Business Case forms being delegated to the Director of Regeneration in consultation with the Director of Finance as they come forward. Any additional assets subsequently identified for disposal or recategorized to identify them for disposal would be brought back to Executive.

56. Although the individual sites and properties identified for disposal could all be placed on the open market at once, this may not be appropriate in terms of maximising the return to the Council. As a result it may be necessary to dispose of properties in waves to enable best value to be secured. It is therefore recommended that the responsibility for the packaging and timing of disposals identified in this report be delegated to the Director of Regeneration in consultation with the Director of Finance.

57. The general principles of open market sale will be observed in the disposals unless there is a clear and obvious reason identified for a specific asset. Departure from these principles would need to be confirmed by the Directors of Finance and Regeneration and recorded as delegated decisions. It is anticipated that the higher value disposals such as TeesAMP will be managed through external agents with the necessary expertise to maximise the return for the Council. Others will be managed through the Council's Valuation and Estates Team.

58. All operational properties identified for disposal will be vacated and mothballed at the earliest opportunity to enable savings to be made in terms of utilities and business rates.

Implementing the Rest of the Review

59. The changes identified as being required to implement the alternative strategies for properties such as Boho 1,5,8 and X will be implemented through the Council's Asset Management Team and brought forward for Executive decisions where required.

60. The additional objectives of the wider review including the move to a single corporate landlord model will also come forward for Executive consideration – including an Asset Management Plan updated to reflect the move to a Corporate Landlord model.

What decision(s) are being recommended?

That the Executive:

- a. close and sell Middlesbrough House, relocating staff to Fountain Court and other Council buildings;
- b. invest £1.5m from the Council's Capital Programme in expanding the capacity of Fountain Court and other Council buildings;
- c. relocate the Live Well Centre from Dundas House to the Cleveland Centre, subject to confirmation of external funding;
- d. relocate Middlesbrough Community Learning from the Multi Media Exchange to the Cleveland Centre, subject to confirmation of external funding;
- e. close and sell Multi Media Exchange;
- f. relocate Children's Services staff from 6-14 Viewley Centre to other Council buildings;
- g. close and sell 3 Park Road North;
- h. close and sell Lloyd Street Depot;
- i. seek specialist external management arrangements for the premium assets within the commercial portfolio;
- j. sell the following commercial properties:
 - i. Tees AMP 1 & 2;
 - ii. Viewley Centre;
 - iii. Lorne Street Industrial Estate;
 - iv. Howard Street Industrial Estate;

- v. Letitia Industrial Estate;
- vi. Gilkes Street Industrial Estate;
- vii. Carcut Road Industrial Estate;
- viii. Florence/Italy Street Units;
- k. sell the Middlesbrough Municipal Golf Centre with the appropriate covenants in place to protect members and secure its permanent use as a golf club;
- l. sell the Zetland Street Car Park with the appropriate covenants in place to secure its permanent use as a car park;
- m. sell the following sites for housing development:
 - i. Land East of Middlesbrough Municipal Golf Centre Driving Range;
 - ii. Acklam [Stainsby Road];
 - iii. Hemlington Grange [West];
 - iv. Coulby Farm Way East / West;
 - v. Muirfield, Nunthorpe;
 - vi. Land West of Toby Carvery;
- n. sell the following sites for commercial development:
 - i. Cannon Park Car Park 1;
 - ii. Cannon Park Car Park 2;
 - iii. Corporation Quay;
- o. delegate the approval of individual Asset Disposal Business Case forms for the assets listed above to the Director of Regeneration, in consultation with the Director of Finance; and,
- p. delegate the packaging and timing of disposals identified in this report to the Director of Regeneration, in consultation with the Director of Finance.

Rationale for the recommended decision(s)

61. Reducing the number of assets held by the Council will enable revenue costs to be reduced and capital receipts to be secured, and the alternative strategies proposed for others should enable the Council to reduce its revenue costs and increase commercial income. The additional income, reduced expenditure and secured capital receipts will all be essential to addressing the budget challenges that the Council faces, but comes at the cost of reducing longer term income potential.

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

62. The following options have been considered as part of the review:

Dispose of all non-operational assets

63. Although the Council's short term financial situation is challenging and would be supported by the complete disposal of all non operational assets, there is a need to balance this with the longer term view as well. If the Council sells all commercial assets and invests the receipts in reducing capital borrowing and funding transformation, there is inevitably going to be less long term reliance upon the revenue income generated by a commercial portfolio. This reliance is however unlikely to be eased to the extent that none of the commercial income is required in

future. The optimum balance can be found by taking a more incremental approach that is recommended in this report, and if the financial position improves and the long term reliance on commercial income reduces over time then there is a case to be made for further asset disposals.

Sale and leaseback of operational assets

64. Similar to the argument regarding the disposal of all non-operational assets, the Council needs to balance taking short term capital benefits at the expense of the longer term revenue position. A sale and leaseback arrangement may ultimately be determined to be necessary if the financial position does not improve, but this exchange of long term revenue for short term capital is viewed as being an unnecessary step at this stage, with such saleable commercial assets to utilise first.

Categorisation of community based properties for disposal or retention

65. The long list of community based assets identified in the report represent an opportunity to reduce running costs, rather than to raise capital receipts. The future use of community assets is as likely to be driven by Council need and the appetite for community asset transfers than it is by commercial considerations, as the properties have only a limited financial value. Determining the disposal or retention of these individually ahead of the Council determining its preferred model for locality working would potentially weaken the chances of success, and create a confused local picture.

Impact(s) of the recommended decision(s)

Legal

66. The disposal of land and property, the implementation of new commercial arrangements for retained properties and potential transfers to other organisations will all require significant contracting and legal input.

Strategic priorities and risks

67. The key strategic risk that the report addresses is *Failure to meet a balanced budget*.
68. As an organisation facing financial challenges, it is appropriate that the Council reviews its assets to determine whether they hinder the ability to meet a balanced budget, or whether they offer an opportunity to take action to reduce the overall strategic financial risk. The recommended actions balance the need to take short term action to reduce the risk, without compromising the longer term ability of the Council to balance its budget. As the disposal of assets can be done incrementally, the list of assets could be added to in future if the need to take more significant action is identified, and a revised risk profile is applied to the list of retained assets.

Human Rights, Equality and Data Protection

69. The sale of assets does not in itself specifically compromise the rights of individuals, but some of the recommendations on the movement of services may have an impact upon the accessibility of provision by individuals. These changes need to be subject to individual impact assessments by the relevant services prior to any implementation, and the necessary changes put in place to mitigate any identified impacts.

Financial

70. The case for generating capital receipts to fund service transformation and financial recovery is set out in the main body of the report and has been balanced throughout the review with reducing operating costs and maintaining the longer term supply of commercial income. The recommended disposals reflect the balancing of these factors with the Council's current risk profile.

71. The schedule of recommended disposals provides a flow of capital receipts and reduced operating costs across the next two to three years but is balanced by the need to invest in existing buildings such as Fountain Court to accommodate additional staff. The overall forecast outcome of the recommended actions is therefore as follows:

	2023/24	2024/25	2025/26	2026/27	Total
	£m	£m	£m	£m	£m
Revenue					
Reduction in running costs	0.000	-0.223	-0.261	-0.035	-0.519
Lost income	0.025	1.075	0.409	0.125	1.634
Lost income (rent free periods)	0.650	-0.650	0.000	0.000	0.650
Total	0.675	0.202	0.148	0.090	1.765
	0.000	0.000	0.000	0.000	0.000
Capital	0.000	0.000	0.000	0.000	0.000
Expenditure required	0.350	1.150	0.000	0.000	1.500
Receipts received	-10.600	-7.412	-4.000	-5.050	-27.062
Capital no longer required	0.000	-8.800	0.000	0.000	-8.800
4% cost of sales reduction	0.424	0.296	0.160	0.202	1.082
Total	-9.826	-14.765	-3.840	-4.848	-33.279

72. The financial impacts of the recommendations are based on the following assumptions:

- a. TeesAMP would be sold in 2023/24;
- b. all other properties would be sold by the end of 2026/27;
- c. the cost of selling each asset is estimated at 4% of its value; and,
- d. rent free periods in existing leases on properties being sold would be accounted for in the year of sale.

73. The current capital programme includes a plan to utilise capital receipts over the term of the 2023/24 Medium Term Financial plan. It should be noted that all commitments in the capital programme are under review and will be the subject of a further report in due course.

74. It will be necessary to review and revise the existing Transformation Programme and Flexible Use of Capital Receipts Strategy for which a report for consideration by the Executive is included elsewhere on this agenda for consideration and recommendation to Council for approval. The 2024/25 Flexible Use of Capital Receipts Strategy will be brought forward as part of the budget setting proposals for approval by Council in February 2024. It should be noted that the application of capital receipts under the Flexible Use of Capital Receipts Strategy will require capital receipts to be realised (ie cash in the bank) before expenditure that is reliant upon this funding can be incurred.

NAME Cllr Theo Furness
DATE: 29 November 2023



EXECUTIVE MEMBER REPORTS AND ADDITIONAL INFORMATION

SECTION 2 – THERE ARE NO DECISIONS TAKEN DURING THIS PERIOD

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SECTION 3 – DECISIONS TO BE TAKEN UP UNTIL THE COUNCIL MEETING

DATE	DECISION MAKER	ISSUE	PURPOSE OF REPORT	KEY DECISION
21 Nov 2023	Executive	On Street Residential Electric Vehicle Charging Points	To approve the acceptance of funding granted from On-street Residential Charge point Scheme (ORCS) for the value of £209,582 (£125,750 from ORCS, and £83,333 from Ubitricity) to provide up to 160 electric vehicle charging points, utilising existing lamp columns, in partnership with supplier Ubitricity.	Yes
21 Nov 2023	Executive	Corporate Performance Review: Quarter Two 2023/2024	This report advises the Executive of corporate performance at the end of Quarter Two 2023/2024 and where appropriate seeks approval of any changes, where these lie within the authority of the Executive.	No
21 Nov 2023	Executive	Revenue and Capital Budget - Forecast Outturn position at Quarter Two 2023/24	<p>This report:</p> <ul style="list-style-type: none"> • Sets out the Council’s forecast 2023/24 financial position at Quarter Two and highlights the areas of particular financial challenge; • Sets out the management actions taken to control expenditure within the General Fund budget approved by Council in February 2023. • Seeks Executive endorsement of the management actions that are planned in the form of Financial Recovery Plans in order to control expenditure within the approved budget and to develop more financially sustainable solutions for future years. • Seeks approval of the Executive in relation to revenue budget virements and revisions to the Capital programme 	Yes

DATE	PROPOSED DECISION MAKER	ISSUE	PURPOSE OF REPORT	KEY DECISION
21 Nov 2023	Executive	Fees and Charges Review	The purpose of the report is for Executive to approve the proposed fees and charges increases from 1 December 2023 outlined in this report following a review of fees for a range of services, and note the impact on each Directorate's forecast position. This review results in an uplift for inflation incurred since the last increase in November 2022. A full fees and charges review is being undertaken as part of the 2024/25 budget setting process.	Yes
21 Nov 2023	Executive	Asset Review	This report sets out the details of a review of land and property assets held by the Council, with a view to generating additional income and/or disposals resulting in a pipeline of capital receipts being realised to support the financial recovery and return to financial sustainability over the period of the Medium Term Financial Plan. Approval is sought for the recommended changes and disposals.	Yes
21 Nov 2023	Executive	Review of Flexible Use of Capital Receipts Strategy 2023/24	This report proposes a revision of the Flexible Use of Capital Receipts Strategy for the Council for 2023/24 that is subject to approval by Full Council. The report sets out the revisions to the Strategy that are required in order to enable a range of transformation and efficiency plans to be progressed within the 2023/24 financial year to be funded from Usable Capital Receipts which are the primary source of funding available given the Council's usable revenue reserves are critically low.	No

SECTION 4 – DECISIONS TO BE TAKEN FOLLOWING THE COUNCIL MEETING

DATE	PROPOSED DECISION MAKER	ISSUE	PURPOSE OF REPORT	KEY DECISION
20 Dec 2023	Executive	Green Strategy	To seek approval of Middlesbrough Council's Green Strategy Year Three action plan.	Yes
20 Dec 2023	Executive	Houses in Multiple Occupation Article 4 Direction	To agree that an Article 4 Direction be put in place to require smaller HMOs, that are currently part of the permitted development regime, to be subject to a planning application.	Yes
20 Dec 2023	Executive	Newham Hall - Disposal Option Update	To seek Executive approval to enter into a Collaboration Agreement with Homes England to develop the Newham Hall housing site.	Yes
20 Dec 2023	Executive	Linthorpe Road Cycle Lane	To determine the future of the cycle lane.	Yes
20 Dec 2023	Executive	Selective Landlord Licensing: Evaluation of Newport 1 scheme and approval to consult on the proposal for designation for further five years (Newport 3).	Executive approval is required as the schemes are delivered via a legislative framework that requires organisational approval to start formal consultation on the proposal for the designation of Newport 1 scheme.	Yes
20 Dec 2023	Executive	2024/25 Budget & MTFP Refresh	2024/25 Budget & MTFP Refresh	Yes

DATE	PROPOSED DECISION MAKER	ISSUE	PURPOSE OF REPORT	KEY DECISION
20 Dec 2023	Executive	ASC Non-Residential Charging Policy	The purpose of this report is to seek LMT approval for the Adult Social Care Non-Residential Charging Policy. The purpose of this new policy is to provide clear guidance for all Council Officers, partners and Middlesbrough residents on the council's approach to ensure consistency of assessment, fairness and clear and transparent charging for non-residential care. It also promotes wellbeing, social inclusion, and supports the council's vision for social care of personalisation, independence, choice and control along with the principles provided in the statutory guidance.	Yes
20 Dec 2023	Executive	EXEMPT - Public Health Strategy	The Public Health Strategy outlines the key priorities for public health over the next 3 years giving clarity to the public health outcomes that will be delivered through the programme approach. The Strategy will outline the principles and processes for the allocation of the public health grant and how each directorate can support the achievement of the public health outcomes underpinned by an SLA	Yes
20 Dec 2023	Executive	The Disposal of Land at Nunthorpe Grange for Housing	The report seeks approval for Middlesbrough Council to progress with the disposal and marketing of the land and to utilise capital reserves and Section 106 monies to undertake de-risking of the site to ensure Best Value for Money (BVM) at the point of sale. This will include a review of the adopted masterplan.	Yes
20 Dec 2023	Executive	Draft Local Plan	To seek approval of the Draft Local Plan for the purpose of public consultation.	Yes
20 Dec 2023	Executive	Middlesbrough Development Company Update	To update members on the process of closing down the company.	Yes
20 Dec 2023	Executive	Capex Municipal Buildings and Town Hall Roofs	Any matters relating to bids for funding, which are financially or strategically significant and have not been provided for within the financial and policy framework.	Yes

DATE	PROPOSED DECISION MAKER	ISSUE	PURPOSE OF REPORT	KEY DECISION
17 Jan 2024	Executive	Car Park Improvements	To seek capital funding for car park improvements.	Yes
17 Jan 2024	Executive	Annual Update: Standing Advisory Council on Religious Education (SACRE)	To provide an update to members with an update of work undertaken by Standing Advisory Council on Religious Education (SACRE)	No
17 Jan 2024	Executive	Corporate Procurement Strategy 23-25	Presentation of the refreshed and updated Middlesbrough Council Corporate Procurement Strategy 23-26.	Yes
17 Jan 2024	Executive	Tees Advanced Manufacturing Park – Phase 2 Funding Agreement	Executive to approval an additional 1.5 million pounds of capital which will be repaired through retention through business rates of the enterprise zones site.	Yes
18 Feb 2024	Executive	Tees Valley Waste Report	To seek approval for MBC to enter with seven other councils a Special Purpose Vehicle company in order to manage the Tees Valley energy recovery facility that will be responsible for the disposal of Middlesbrough municipal waste.	Yes
14 Feb 2024	Executive	Digiwise Project - Foster Care and Supported Lodgings Wifi and Internet Use Policy	Adoption of council wide policy and approval of recommendations to be agreed for all residential and foster care settings.	No
14 Feb 2024	Executive	Approval for Consultation on the Draft Statement of Licensing Policy 2023-2028 and Cumulative Impact Assessment	Approval for Consultation on the Draft Statement of Licensing Policy 2023-2028 and Cumulative Impact Assessment	Yes
TBC	Executive	Adult Social Care Reform Update (Date TBA)	To update Executive of local progress against central government's Adult Social Care reform agenda and the planned commencement of inspections of Adult Social Care by the Care Quality Commission in 2023	Yes

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MIDDLESBROUGH COUNCIL	
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Report of:	The Chair of Overview and Scrutiny Board and the Director of Legal and Governance Services
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Submitted to:	Council
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Date:	29 November 2023
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Title:	Scrutiny Progress Report
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Report for:	Information
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Status:	Public
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Strategic priority:	All
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Key decision:	No
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Why:	Not applicable
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Urgent:	No
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Why:	Not applicable
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Executive summary	
To update the position in respect of the Council’s Overview and Scrutiny Board and scrutiny panels. The current position regarding progress made by the Board and each of the panels is set out below.	

Purpose

1. To update the position in respect of the Council’s Overview and Scrutiny Board and scrutiny panels.

Background and relevant information

OVERVIEW AND SCRUTINY BOARD

2. The Overview and Scrutiny Board met on 18 October 2023.

At that meeting the Board considered / received information in respect of the following:

- Executive Member Update – Children’s Services

- Members were updated with the Executive Member for Children's Services priorities and work within his portfolio area. This included progress of the Improvement Plan, the work of the Multi Agency Children's Hub and the Virtual School.
- Executive Forward Work Programme
 - Members noted the Executive Forward Work Programme.
- Middlesbrough Local Boundary Review 2023
 - Members received the final draft submission of the Council's Ward Boundary proposal. OSB were advised that some amendments had been made since the earlier draft and should any additional issues arise before the deadline of 31 October 2023 an additional meeting of OSB would be called.
- Scrutiny Chairs Updates.
 - Members were updated about the activity within each Scrutiny Panel.

3. The Overview and Scrutiny Board met on 15 November 2023.

At that meeting the Board considered / received information in respect of the following:

- Executive Member Update – Finance and Governance
 - Members were updated with the Executive Member for Finance and Governance's priorities and work within her portfolio area. This included the work being carried out to avoid issuing a section 114 notice, implementing the actions from the recommendations of the internal audit report including improving culture and governance in the Council as well improving transparency for Members regarding the 2024/25 budget.
- Executive Forward Work Programme
 - Members noted the Executive Forward Work Programme.
- Scrutiny Chairs Updates.
 - Members were updated about the activity within each Scrutiny Panel.

SCRUTINY PANEL UPDATES

4. The updated position in respect of the work of each of the Council's scrutiny panels is shown below.

Adult Social Care and Services Scrutiny Panel

5. The Adult Social Care and Services Scrutiny Panel met on 17 October 2023 and received a setting the scene presentation in relation to Care Homes and DDA compliance and accessibility.
6. The Panel had requested information following some concerns from members that not all care homes were able to cater for individual needs.
7. Following the presentation and discussion, members felt that there was no value to investigate further the issue of DDA compliance, however it would be more beneficial to look at the Preventative side of adult social care, e.g. staying put agency. It was therefore agreed that a setting the scene presentation would be brought to the next meeting of the panel.
8. In terms of the work programme, the panel had a further discussion and it was agreed that Hospital discharge would be removed from the work programme. This was because there was already comprehensive measures in place and the investigation would add value. The Panel would continue to examine the agreed topics and ensure they receive information on performance date for the CQC.

9. The next meeting of the Panel would take place on 21 November 2023.

Children and Young People's Scrutiny Panel

10. The Children and Young People's Scrutiny Panel met on 30 October 2023. At that meeting, the Panel commenced the School Attendance review.

11. Members received a general overview / introduction to the topic by the Director of Education and Partnerships and the Executive Director of Children's Services.

12. The Panel also received an update from the South Tees Safeguarding Children Partnership's Partnership Manager, who presented the Partnership's Annual Report 2022/2023.

13. The next meeting will be held on 4 December 2023 and the Panel will continue with its current review with a presentation from the Head of Access to Education and Alternative Provision.

Environment Scrutiny Panel

14. At its meeting on 13 November 2023, Officers from Environment Services were in attendance to provide further information in relation to the Panel's current topic of 'Waste Management'. This included: details around recycling rates and how Middlesbrough compares locally and nationally; the types and amounts of materials collected; frequent contaminants; data on disposal and processing.

15. The Panel also agreed Terms of Reference for its review and received a verbal update from the Vice Chair regarding the Crustacean Deaths Collaborative Working Group.

16. The Panel's next meeting is scheduled for 11 December 2023. Community Action Group, Boro Doughnut, will be in attendance to talk about its work in supporting the town's One Planet Living strategy.

Health Scrutiny Panel

17. The Health Scrutiny Panel last met on 23 October 2023. At the meeting, the Scrutiny Panel continued to gather evidence in respect of its review of Dental Health and the Impact of Covid-19.

18. At the meeting, Mark Adams (Director of Public Health) presented evidence pertaining to Oral Health in Middlesbrough, which included:

- an overview of Public Health's responsibilities in respect of oral health;
- statistical data and information in respect of oral health in Middlesbrough and the impact of Covid-19; and
- details of any future developments and innovative practice that plan to improve the oral health of Middlesbrough's population.

19. The next meeting is scheduled to be held on 20 November 2023. At this meeting, the Panel will receive the following evidence:

- Professor Tim Thompson, from Teesside University, will provide:
 - an overview of the wide range of free dental treatments offered by the University's dental practice;
 - details of the restorative and preventive treatments offered by the University's dental practice for adults and children;
 - information on how the University works with local dental practices; and
 - details of the patient referral process.

- The Project Development Manager and Project Lead from Healthwatch South Tees will provide:
 - information on the local population's views and experiences of accessing and using NHS dental services; and
 - details of the impacts of Covid-19 on members of the public being able to see a local dentist for both regular check-ups and emergency treatments.

Regeneration Scrutiny Panel

20. The Regeneration Panel met on Wednesday 1 November and received a presentation from Pete Ford, Principal Consultant from the Planning Advisory Service (PAS) in relation to the current scrutiny investigation of Planning Capacity at Middlesbrough Council.
21. The PAS had recently undertaken a short review of Development Management in Middlesbrough Council and the results of that review were shared with the Panel at the meeting. The review identified some of the issues with the current service, highlighted the very positive work being carried out, and provided short, medium and long-term recommendations for improvement.
22. Middlesbrough was currently slightly below the threshold of 60% for the speed of decision making on major applications between October 2021 and September 2023. Designation could be applied by the Secretary of State when a planning authority was not meeting performance targets. Middlesbrough was below the thresholds on all other performance targets.
23. The Panel also received a brief verbal update on progress with the Local Plan from the Head of Planning.
24. The next meeting will be held on Wednesday 6 December 2023 and the Panel will continue with its current review with a presentation from the Royal Town Planning Institute (RPTI) in relation to new legislation in the Regeneration and Levelling Up Act 2023 and the impact on planning.

South Tees Health Scrutiny Joint Committee

25. The South Tees Health Scrutiny Joint Committee (STHSJC) met on 27 September 2023. At the meeting, the Committee considered the following items:
 - Protocol for the South Tees Health Scrutiny Joint Committee
 - An Overview of NHS Health
 - An Update on the Live Well South Tees Health and Wellbeing Board
 - Setting the Work Programme for 2023/24

Tees Valley Health Scrutiny Joint Committee

26. The Tees Valley Health Scrutiny Joint Committee (TVHSJC) met informally on 2 November 2023. At the meeting, the Committee considered the following items:
 - Presentation: North Tees and Hartlepool NHS Foundation Trust/South Tees Hospitals NHS Foundation Trust Group Model & Partnership Agreement
 - Work Programme 2023-2024

Tees Valley Combined Authority Overview and Scrutiny Committee

23. The Tees Valley Combined Authority Overview and Scrutiny Committee met on 2 March 2023.
24. At its meeting on the 2 March 2023 the Committee considered the following:-

- Martin Waters, Business Growth Manager of TVCA delivered a presentation to the committee on supporting local businesses.
- Councillor Bob Cook from Stockton Council together with Shona Duncan Head of Education & Skills at TVCA presented a report with an update on the activity and forward plan to date. The Committee sought clarity on the number of apprentices in Tees Valley and were informed that there were around 500 live vacancies at this time.
- The TVCA Monitoring Officer discussed the requirements for the Committee to either deal with presentations or reports.
- It was explained that the time of the next meeting could not be confirmed until after the May elections, when new members would have been ratified by TVCA cabinet.
- Overview & Scrutiny Annual Report 2022-2023
- UK Shared Prosperity Fund – Business Update
- EES Update

SCRUTINY REPORTS SUBMITTED TO EXECUTIVE

25. Since the last update to Council, the following Final Scrutiny report has been submitted to Executive:-

Executive – 24 January 2023 - Final Report of Adult Social Care and Services Scrutiny Panel in respect of a review of the role of the Voluntary and Community Sector (VCS) in supporting Adult Social Care (with a focus on COVID-19 and Recovery).

What decision(s) are being recommended?

26. That Council note the report.

Rationale for the recommended decision(s)

27. The Constitution requires the Council to be provided with an update with regard to the work of the Overview and Scrutiny function.

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

28. That an update on the work of the scrutiny function is not provided to full Council. This would not comply with the requirements for updates on the scrutiny function, to be reported to full Council.

Impact(s) of the recommended decision(s)

Legal

29. The Constitution requires regular updates on the scrutiny function, to be submitted to full Council.

Strategic priorities and risks

30. The relevant risks this decision would influence are cited below, with an explanation as to why they are relevant and how it would affect each risk.

Risk No	Risk Description	Impact
O8-054	Failure to adhere to Local Code of Corporate Governance and deliver governance improvements outlined in the Annual Governance Statement.	If updates on the work of the scrutiny function were not provided to Council, it would not be in accordance with the requirements of the Constitution.

Human Rights, Equality and Data Protection

31. The subject of this report is not a policy, strategy, function or service that is new or being revised. It is considered that an equality impact assessment is not required.

Financial

32. There are no financial implications arising from the recommendations within this report

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

Action	Responsible Officer	Deadline

Appendices

1	
2	
3	

Background papers

Body	Report title	Date

Contact: Charlotte Benjamin
 Email: charlotte_benjamin@middlesbrough.gov.uk

29 NOVEMBER 2023

QUESTIONS FROM MEMBERS

COUNCIL PROCEDURE RULE NO. 4.27

QUESTION NO.	QUESTION FROM	QUESTION TO	QUESTION
02/2023	Councillor McTigue	The Mayor	On the letters page of the Gazette, the Mayor has been asked many questions about his election promises by members of the public, when is he going to respond to those questions?

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**COUNCIL MEETING – 29 NOVEMBER 2023
NOTICE OF MOTION**

COUNCIL PROCEDURE RULE NOS. 4.28 – 4.34

MOTION NO.	PROPOSER	SECONDER	MOTION
163	Councillor M Storey	Councillor E Clynch	<p>Motion in support of defending the Right to Seek Safety from War and Persecution</p> <p>This council notes:</p> <ul style="list-style-type: none"> • Middlesbrough has a proud of our history of welcoming people seeking safety in Middlesbrough and that significant problems with the UK asylum system are affecting people in Middlesbrough, including a record backlog of cases awaiting a decision and a de facto ban on working for asylum seekers who have not yet had their claims decided. • This council believes that everyone has the right to seek safety, and everyone’s claim for asylum should be treated equally and fairly. <p>This council resolves to:</p> <ul style="list-style-type: none"> • Defend the right to seek safety from war and persecution in the UK and sign up to the ‘Fight the Anti-Refugee Laws’ pledge. • Without breaching any relevant legislation this council opposes the principle of any UK Government to build or repurpose facilities in our local authority area to detain or warehouse people seeking safety unless mandated by law.
164	Councillor N Walker	Councillor P Gavigan	<p>Equalise Voting Rights</p> <p>This council notes:</p> <ul style="list-style-type: none"> • That many lawfully resident foreign nationals from non-EU and non-Commonwealth countries in Middlesbrough do not currently have a right to participate in the local democratic process in Middlesbrough as they are

ineligible to vote in in local government elections.

- That foreign nationals, lawfully resident, should be allowed to vote in Middlesbrough Council and other local government elections to follow precedent set by other constituent countries of the UK, namely Wales and Scotland, whereby residents with lawful immigration status are enfranchised for local government elections.
- That EU citizens who enter the UK at any date onwards of the 1st of January 2021 and are not covered by bilateral voting rights treaties will lose voting and candidacy rights in local elections when the Elections Act 2022 is fully implemented by May 2024.
- That the Elections Act 2022 will result in an unfair situation where some foreign nationals lawfully resident in the UK will have the right to vote in local government elections in England while others will not.
- That the complexity in voting eligibility will cause confusion and will reduce voter turnout in local elections. At the last Middlesbrough Council election, only 28% of voters turned out to cast their ballot. Therefore, it is right to expand the franchise in a way that equalises voting rights of foreign-born citizens to ensure a healthy local democracy in Middlesbrough.
- That foreign nationals with lawful immigration status are able to live, work, study and pay council tax in Middlesbrough, but many do not have the right to vote in local elections.

This council resolves to:

- Ask the Directly Elected Mayor of Middlesbrough of Middlesbrough Council to write a letter to the Secretary of State for the Department for Levelling Up, Housing and Communities calling upon the government to equalise the franchise between lawfully resident foreign nationals in England.

MIDDLESBROUGH COUNCIL	
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Report of:	The Chief Executive, Director of Finance and Director of Legal and Governance Services
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Submitted to:	Council
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Date:	29 November 2023
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Title:	Corporate Governance Improvement Plan and Section 24 Action Plan progress report
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Report for:	Information
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Status:	Public
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Strategic priority:	All
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Key decision:	Not applicable
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Why:	Not applicable
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Urgent:	Not applicable
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Why:	Not applicable
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Executive summary
<p>This report sets out the key activities and progress since last reported to Council on 23 October 2023 on the Corporate Governance Improvement Plan and activity in response to the Section 24 recommendations made by the Council's External Auditors.</p> <p>Alongside the activity that has been delivered, the report also sets out the impact actions have had on the measures of success that have been identified within the Corporate Governance Improvement Plan.</p> <p>Furthermore, the report sets out a baseline of measures of success to be used to assess the impact of the Section 24 actions.</p>

Purpose

1. This report sets out the key activities and progress since an update was last provided to Council on 23 October 2023, to be noted by full Council. The report also provides an update on activity in response to the Section 24 recommendations made by the Council's External Auditors.
2. Alongside the activity that has been delivered, the report also sets out the impact actions have had on the measures of success that have been identified within the Corporate Governance Improvement Plan. Furthermore, the report sets out a baseline of measures of success to be used to assess the impact of the Section 24 actions.

Background and relevant information

3. On 18 September 2023, Council received a report that set out the activities of Phase Three of the Council's Corporate Governance Improvement Plan, alongside the governance arrangements to oversee delivery of this plan.
4. The activities in the improvement plan comprise ten workstreams, each with a milestone delivery plan which is monitored and reported monthly to the Leadership Team, the Independent Improvement Advisory Board and at each full Council.

Corporate Governance Improvement Plan: progress status

5. For the current reporting period, six of the workstreams are on target in terms of activity, as per timescales set out in the corporate Governance Improvement Plan, with four are off target.

People Strategy

6. There was a slight delay in presentation of the strategy to Constitution and Member Committee, which has had a knock-on effect to resulting implementation milestones, however the target date for completion of implementation remains unchanged..

Ensuring stable and sustainable leadership for the organisation

7. Milestones to commence and deliver a review have been delayed by a month to seek further data to inform proposals. The target date for completion of implementation remains unchanged.

Development and implementation of an improved focus on employee performance and accountability

8. Milestones to launch the new appraisal system have slipped by a month. The target date for completion of implementation remains unchanged.

Setting a balanced budget for 2024/25 to 2026/27

9. Activity within this workstream have slipped in relation to the commencement of transformation and service redesign development proposals. This work has now commenced and will be supported by external consultants over the period to mid-

February in order to develop robust proposals that will contribute towards balancing the budget in 2024/25 and over the medium term.

Theme	Cultural Transformation	Activity RAG	Prev Activity RAG	Trend	Portfolio Lead	LMT lead
	Development and implementation of a People Strategy	Red	Green	↓	N Walker	C Benjamin
	Development and implementation of a Member Development Strategy and Programme	Green	Green	↔	N Walker	C Benjamin
	Development and implementation of a corporate governance training programme	Green	Green	↔	N Walker	C Benjamin
	Ensure stable and sustainable leadership for the organisation	Red	Green	↓	C Cooke	C Heaphy
	Development and implementation of an improved focus on employee performance and accountability	Red	Green	↓	N Walker	C Heaphy
	Review the Council's approach to Member enquiries and engagement	Green	Green	↔	N Walker	C Benjamin
	Develop and implement communications and engagement plan to support cultural transformation	Green	Green	↔	C Cooke	C Heaphy
Theme	Financial Recovery and Resilience	Activity RAG	Prev Activity RAG	Trend	Portfolio Lead	LMT lead
	Controlling 2023/24 expenditure to within approved budgets	Green	Green	↔	N Walker	D Middleton
	Setting a balanced budget for 2024/25 to 2026/27	Red	Green	↓	N Walker	D Middleton
	Improvements to financial governance, spending controls and monitoring through more effective financial management, across the organisation	Green	Green	↔	N Walker	D Middleton

Measures of success

10. The Council, in identifying the data sources to measure success, has set a baseline against which it will judge ongoing performance. Frequencies in updating these measures vary and are detailed in Appendix 1.

11. Seven measures of success have seen positive movement, since initial baselining:

- The budget position has improved from a pressure of £11.562m overspend at Quarter One, to an predicted overspend of £8.556m at Quarter Two
- The staff turnover rate has reduced from 6.22% in September 2023 to 5.64% in October 2023.
- The total number of agency staff has reduced from 126 to 102, driven mainly by a reduction in the use of agency staff within Children’s services.
- Number of roles held at Head of Service and above that are vacant / occupied by an agency or interim appointment reduced by one between September and October 2023, from eight to seven.
- Number of complaints: reduced from 211 to 164. To note, the previous month’s performance included a spike in complaints, following service issues that interrupted bin collections.
- LMT, WLMT and all budget holders involved in Purchase to Pay to receive training: increased from 69.71% to 70.30%.
- The number of complaints upheld by the Central Team: reduced from 111 to 78.

12. One measure of success worsened slightly, since first baselined:

- How valued staff feel as an employee of the Council: scores dropped from 6.22 out of 10 (November 2022) to 5.9 (August 2023) when the staff survey was last conducted.

Key activities

13. The following activities within the governance improvement plan have been delivered since progress was last reported to Council, in-line with planned timescales:

Theme	Workstream	Completed activities in this reporting period
Cultural Transformation	Development and Implementation of a People Strategy	Draft strategy was presented to Leadership Management Team.
	Development / implementation of a Member Development Strategy and Programme	A draft Member Development Strategy has been consulted on during October 2023 and formally presented to Constitution and Member Development Committee.
	Development and implementation of a corporate governance programme	The programme was launched on 1 November by the Chief Executive, Director of Finance and the Director of Legal and Governance Services.
	Development and implementation of an improved focus on employee performance and accountability	While there has been some slippage in the finalisation of the programme content, background work to manage the process once it goes live has been completed in the Council's HR system.
	Review the Council's approach to Member enquiries and engagement	All member sessions have been held to understand immediate issues and longer-term requirements for a revised process. Sessions have also been held with staff on the same topic. The outputs from that session have been reviewed and support guidance and templates developed for service staff to improve quality of responses.
	Develop and implement communications and engagement plan to support cultural transformation	A plan was developed and put in place during October which will be delivered alongside the activity set out in the improvement plan.
Financial Recovery and Resilience	Setting a balanced budget for 2024/25 to 2026/27	An initial scoping exercise for an asset review has been completed and presented to Executive in November 2023.

Changes to delivery dates

14. Detailed delivery milestone plans have been developed to underpin the workstream activities within the improvement plan.

15. Where slippage occurs to individual milestones but the overarching end date for the workstream activity is not impacted, no escalation or change control will be required and it can be assumed that any required mitigated will be put in play at an operational level. Where there is impact on achieving the intended measure of success or overarching end date of workstream activity, a change control will be proposed for noting.

16. On that basis and for this reporting period, there are no change controls presented.

Independent Improvement Advisory Board

17. Since the past report, the Board has met formally on 7 November 2023 and has twice met informally. The board received further information at these meetings on delivery of the Council's Corporate Governance improvement plan at the formal meeting and considered the draft People strategy. Elements of both the informal and formal meetings have involved the whole Leadership Management Team of the organisation as well as the Executive.

18. The key focus of these meetings has been on the activity the Council is taking to address its in-year budget pressures and the steps it is taking to develop, at pace, savings proposals and the transformative plans that need to be in place to ensure a balanced budget can be set for 2024/25.

19. Action points arising out of the Board meetings, excluding admin related tasks e.g. moving a meeting room, are set out at Appendix 3, alongside a summary of information requested by the Board.

Section 24: progress update

19. The table below sets out the current status of activity in response to the Section 24 recommendations:

S24 recommendations	Activity RAG	Prev Activity RAG	Trend
1. We recommend that the Council ensures the recent progress with development of the next phase of the Corporate Governance Improvement Plan is progressed without further delay, and that appropriate prioritisation is given to actions which address the cultural and governance issues of the Council within the expanded scope of the revised Corporate Governance Improvement Plan.	Blue	Blue	↔
2. We recommend that the Council develop contingency and succession governance protocols to ensure that delivery of the Corporate Governance Improvement Plan is not further disrupted by any future changes in one or more of the Council's senior leadership positions.	Red	Green	↓
3. We recommend that the Council prioritises the conclusion of its review and updating of the Constitution, drawing upon examples of best practice, and ensuring that the refreshed Constitution is clear in its language and requirements. Training on the refreshed Constitution should be provided to all officers and members to ensure that changes are appropriately understood and implemented.	Green	Green	↔
4. We recommend that the Council builds upon the steps already taken to control its expenditure to identify specific deliverable savings over the short term (next 12 months) and protect its limited remaining reserves. Where appropriate, this may need to include the Council changing how it meets its statutory responsibilities and the extent to which it delivers services which are not required to discharge its statutory responsibilities.	Green	Green	↔
5. We recommend that the Council reviews its service delivery models to ensure that they are efficient, represent value for money and achieves the outcomes required for the resources invested. Where opportunities to improve service delivery models re identified, the Council should develop detailed plans for implementation of service delivery transformation and how the up-front transformation costs will be funded.	Red	Green	↓
6. We recommend that the Council review its financial forecasting processes to understand why significant financial pressures, over and above those anticipated and reflected in the Council's annual budget, have emerged within the first half of both the 2022/2023 and 2023/2024 financial years and ensure future forecasting reflects lessons learnt.	Green	Green	↔
7. We recommend that the Council conclude its review of its Financial and Contract Procedure rules to ensure that they reflect the needs of the Council and the expectations of members and implement the revised rules without delay. This should include being explicit on how contract modifications should be assessed and managed, as the Financial and Contract Procedure rules do not currently address contract extensions.	Blue	Blue	↔
8. We recommend that, once the Financial and Contract Procedure rules are finalised, training is provided to all officers who are involved in contracting, procurement or financial decision making to ensure that the Financial and Contract Procedure rules are understood and adhered to.	Green	Green	↔
9. We recommend that the council complete their review of all ongoing contracts which were initially awarded under an exemption but have been subject to subsequent amendment (including extension) to identify whether they are compliant with The Public Contracts Regulations 2015. If further non-compliance is identified, the Council should evaluate whether any further remedial action is necessary.	Green	Green	↔
10. We recommend that the council review its oversight arrangements for Middlesbrough Development Company for the period up to the demise of the entity, so that it can satisfy itself that Middlesbrough Development Company is delivering value for money with the resources provided to it during this period.	Green	Green	↔
11. We recommend that the Council develop an action plan for the demise of Middlesbrough Development Company which sets out how the Council will realise the value which has been created through the resources provided to Middlesbrough Development Company by the Council.	Red	Green	↑

20. The reasons why the three S24 workstreams that report activity off target, set out below with proposed amends at paragraph 22:

- Recommendation 2, Contingency and succession planning: milestones relating to senior management review show slight slippage but no impact on overall end date.
- Recommendation 5, Work to commence activity in relation to planned transformation and reviews of delivery models: initially delayed, though now commenced with external expertise to support the development of robust quantified proposals by mid-February to contribute towards achieving a balanced budget by 28 February 2024 and over the medium term.
- Recommendation 11, Closure work in relation to Middlesbrough Development Company: ongoing, though taken longer than anticipated. An assurance report will be presented to Executive in December 2023 on steps being taken to ensure value for money to the Council during this period, with a view to extend the planned closure report to March 2024.

Section 24: Key activities

21. Progress against the Section 24 action plan agreed by full Council on 18 September 2023 will be reported to every meeting of Audit Committee. The first report was submitted to that committee on 5 October 2023 and set out the oversight arrangements and reported on two completed actions in-line with their target dates. Since that time, the following additional activity has been delivered:

Rec #	Activity	Supporting information
1	Development of the Corporate governance Improvement Plan	All planned actions in relation to this activity have now been delivered. Action to close.
4	S4.05: Implementation of reporting on monthly Purchase Card activity to Chief Officers	Monthly reports are now provided manually to chief officers. Work has begun to explore options to automate this.
5	S5.04 Review of the Council's asset base to identify surplus assets	A review has been completed. Outcome was presented to Executive on 21 November 2023.
8	S8.01 ensure all staff undertake mandatory e-learning procurement training	1,707 staff who are involved in procurement processes have now completed the training.

Section 24: changes to delivery dates

22. Detailed delivery milestone plans have been developed to underpin the workstream activities within the improvement plan. For this reporting period, the following change controls are presented below to workstream activities for full Council to agree:

Key tasks / milestones	Original target date	Revised target date
Develop a protocol that articulates the formal arrangements that will be put in place to ensure improved continuity across key statutory posts and protection of key governance processes	30/11/2023	31/03/2024
Chief Officers to establish management overview arrangements to ensure compliance with contract and financial procedure rules in respect of use of Purchase Cards.	31/10/2023	30/11/2023
Provision of a closure report on Middlesbrough Development Company to Executive	31/12/2023	31/03/2024

23. The protocol will be developed alongside the senior management review and as such timing has been reprofiled. The second action has been amended to align with

timescales in the Corporate Governance Improvement Plan. As set out above, it has been necessary to amend the timescales for the completion of the closure of the Middlesbrough Development Company, the change control plans for this.

What decision(s) are being recommended?

24. That Council agrees the changes to delivery dates within the Section 24 report as set out at paragraph 22.

Rationale for the recommended decision(s)

25. The Council must respond effectively and at pace to the deliver the improvements set out in both the Corporate Governance Improvement Plan and the Section 24 report if it is to effectively address the concerns around its culture, governance and financial challenges.

26. Member oversight will be a key step in both delivery of these actions and provision of assurance that they are having the intended impacts they were designed to do to address the governance weaknesses identified by the Council’s External Auditors.

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

27. Not applicable.

Impact(s) of the recommended decision(s)

Legal

28. There are no direct legal implications as a result of this report, however delivery of this plan provides evidence of compliance with a number of recommendations that have been made by the Council’s External Auditors under Section 24 of the Local Audit and Accountability Act 2014.

Strategic priorities and risks

29. If the Council fails to respond effectively to the improvement plan, this will have a negative impact on the following strategic risks:

- Failure to meet a balanced budget.
- Risk of an unlawful decision by the Council.
- Corporate governance is not fit for purpose.

Human Rights, Equality and Data Protection

30. Not applicable.

Financial

31. Not applicable.

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

Not applicable.

Appendices

Appendix no.	Appendix title
1	Corporate Governance Improvement Plan: measures of success

Background papers

Reporting body	Report title	Date
Corporate Affairs and Audit Committee	Lessons Learnt: Best Value Inspection of Liverpool City Council	5 Aug 2021
Corporate Affairs and Audit Committee	Boho X: Draft findings from internal audit and proposed management response	6 Apr 2022
Corporate Affairs and Audit Committee	Audit Results Report 2020/21	22 Jul 2022
Corporate Affairs and Audit Committee	Statement of Accounts 2020/21	22 Jul 2022
Corporate Affairs and Audit Committee	Lessons learned: Best Value and external assurance within other councils.	22 Jul 2022
Corporate Affairs and Audit Committee	Commencing a corporate governance improvement journey	22 Jul 2022
Council	Corporate Governance Improvement Journey: CIPFA findings and next steps	19 Oct 2022
Council	Corporate Governance Improvement Plan and progress update	30 Nov 2022
Corporate Affairs and Audit Committee	External Audit: Value for Money Governance Update	5 Dec 2022
Council	Corporate Governance Improvement Plan and progress update	18 Jan 2023
Corporate Affairs and Audit Committee	Statement of Accounts 2020/2021	28 Apr 2023
Corporate Affairs and Audit Committee	Auditor's Annual Report – Year Ended 31 March 2021	29 Jun 2023
Council	Corporate Governance Improvement Next Steps	5 Jul 2023
Council	Section 24 Statutory EY recommendations	18 Sep 2023
Council	Corporate Governance Improvement Plan	18 Sep 2023
Corporate Affairs and Audit Committee	Lessons Learnt: Best Value Inspection of Liverpool City Council	5 Aug 2021
Audit Committee	Section 24 Report – Delivery and oversight arrangements	5 Oct 2023
Council	Corporate Governance Improvement Plan and Section 24 Action Plan progress report	25 Oct 2023

Contact:

Ann-Marie Johnstone, Head of Governance, Policy and Information
 Gemma Cooper, Head of Strategy, Business and Customer

Appendix 1: Corporate Governance Improvement Plan: measures of success

Outcome	Measure of Success	Current performance	Frequency of data refresh	Current performance data	Current performance period	Previous performance data	Previous performance period
Improved understanding of corporate governance policies and process and improved adherence to them	Reduce the number of audits that have limited or no assurance		every 2 months	1 out of 8 complete audits	October 2023 report	n/a	
	Improve the percentage of priority One and Priority Two actions from Internal Audits that are delivered within original timescales		Quarterly			20% of P1 actions and 10% of P2 actions were complete within original timescales in 2022/23	
	Reduce / Upheld whistleblowing reports on non-compliance with corporate governance processes.		Annual	0 in 2022/23			
Improved relationships between officers and members	Staff and Member surveys to assess health of relationships and direction of travel		Ad hoc	26.6% of staff think relationships are somewhat or very positive, compared to 69% of Councillors	August 2023 Survey	n/a	
Improved retention of staff	Staff turnover rates – number of leavers	Improved	Quarterly	5.64%	Quarter 2 2023/24	6.60%	Quarter 1 2023/24
Improved staff satisfaction	1-10 Score of how valued staff feel as an employee of the Council	Worse	Ad hoc	5.9	August 2023 Survey	6.22	Nov-22
Reduced need to use agency staff	Number of agency staff working for Middlesbrough Council – total	Improved	Monthly	102	Nov-23	126	Oct-23
improved ability to recruit to key roles.	Number of roles at Head of Service and above that are vacant / occupied by Agency or interim staff	Improved	Monthly	7	Nov-23	8	Oct-23
improved outcomes for our community by ensuring that staff have the skills needed to deliver excellent services and that the behaviours increase trust in the Council	Number of complaints – total	Improved	Monthly	164	Oct-23	211	Sep-23
	Number of complaints upheld or partially upheld by the central team	Improved		78	Oct-23	111	Sep-23
Members have a Member development programme that meets their needs and is well used	Percentage of members completing all mandatory training		Annual	100%	Oct-23	100%	Oct-22
	Percentage of Members attending wider skills	n/a	Annual	98%	Oct-23	Data not available	Oct-22
	Member satisfaction with the Member development programme		Annual	87.5% this is based on 21 responses out of 24	Oct-23	71% this is based on 5 responses out of 7	Oct-22
Performance is effectively managed within the organisation	Completion of appraisal process	n/a	Annual	n/a	n/a	n/a	n/a
Improved Member behaviour	Number of member on member complaints received		Quarterly	3 complaints received member on member	Q2 2023/2024	1 complaint received member on member	Q2 2022/2023
Residents are increasingly satisfied with the way the Council is ran and with the Council overall	Questions within the 2023 Resident survey currently underway		TBD	40%	Nov-23	64%	Previous survey was in 2017
Residents increasingly agree that the Council acts on their concerns	Questions within the 2023 Resident survey currently underway		TBD	43%	Nov-23	n/a	Not previously asked

Page 93 Cultural Transformation

Outcome	Measure of Success	Current Performance	Previous Performance	Frequency of data refresh	Current performance data:	Current performance period:	Previous performance data:	Previous performance period:
Expenditure for 2023/24 is completed within the approved 2023/24 budget	Actual expenditure and Forecast revenue outturn within the approved budget	Improved		Quarterly report to Executive	£8.556m	Q2 2023/24	£11.563m (9.2%) forecast overspend	Q1 2023/24
Set a balanced budget for 2024/25 and adhered to during 2024/25	2024/25 revenue budget is balanced and maintained during 2024/25			Annual - One Time	n/a	n/a	n/a	n/a
Set a sustainable Medium Term Financial Plan in place for the period 2024/5 to 2026/27	Balanced MTFP to 2026/27			Annually	n/a	n/a	n/a	n/a
Maintain General Fund balance and usable revenue reserves at	Maintain GF balance at £12m at 31/3/24			Annually	£12.04m	31/03/2023	n/a	n/a
	Maintain usable revenue reserves at a minimum of £4m at 31/3/24.			Annually	£3.959m	01/04/2023	n/a	n/a
Establish Medium Term Plan to rebuild GF Balance and revenue reserves	Section 151 Officer assessment of adequacy of reserves			Feb-24	n/a sufficient resources in place - judgement of S151 officer	Feb 2023 report to Council	n/a	n/a
Financial Procedure Rules and Contract Procedure Rules training delivered	LMT, WLMT, all Budget Holders and all staff involved in Purchase to Pay trained by 31 December 2023	Improved	n/a baseline	31/12/2023 and monthly thereafter	70.30%	Nov-23	69.71	First week of Oct 23
corporate finance training programme established	Quarterly programme of finance training established			Quarterly	n/a	n/a	n/a	n/a
Budget management and purchase to pay dashboards developed to improve management information and compliance	Budget management dashboard available to all budget holders from Business World through Power BI reporting tools by 30 November 2023. P2P Dashboards available by 31 March 2024			n/a one off measure	n/a	n/a	n/a	n/a
Budget management training rolled out to budget holders	All Chief Officers, Heads of Service and Budget Holders Training delivered December 23 to March 24			n/a one off measure	n/a	n/a	n/a	n/a
Establish Business World as one version of the financial truth for internal and external reporting	Reduce/eliminate need for manual intervention and re-work to produce internal budget management and external statutory reporting.			Subjective measure	n/a	n/a	n/a	n/a
Develop value added finance business partnering approach	Realignment of accountancy resource from preparation of reports and more towards business partnering analysis, advice, challenge. By June 2024			Service review completed	n/a	n/a	n/a	n/a

Appendix 2 – Baseline – measures of success – Section 24 Report

Recommendation	Measure of Success	Frequency of data refresh	Current performance data:	Current performance period:	Previous performance data:
1	Delivery of the Corporate Governance improvement Plan activity	Monthly	6 out of 10 workstreams activity on target	Nov-23	10 out of 10
2	Number of roles at Head of Service and above that are vacant /occupied by Agency or interim staff	Monthly	7	Oct-23	8
3	Reduce the number of audits that have limited or no assurance	Quarterly	1 out of 8 complete audits	October 2023 report	
3	Improve the percentage of priority One and Priority Two actions from Internal Audits that are delivered within original timescales	Annual	20% of P1 actions and 10% of P2 actions were complete within original timescales in 2022/23	2022/23	
3	Percentage of members completing all mandatory training	Annual	100%	Oct-23	
3	Percentage of Members attending wider skills	Annual	98%	Oct-23	
3	Member satisfaction with the Member development programme	Annual	87.5% this is based on 21 responses out of 24	Oct-23	
4	2024/25 revenue budget is balanced and maintained during 2024/25	Annual	n/a	n/a	
5	90% of projects within the programme, once launched are on track	Quarterly once live	n/a	n/a	
5	90% of benefits from projects realised in line with benefits realisation trackers	Quarterly once live	n/a	n/a	
6	Actual expenditure and Forecast revenue outturn within the approved budget	Quarterly	£11.563m (9.2%) forecast overspend	Q1 2023/24	£2.755m (2.3%) overspend
6	Balanced MTFP to 2026/27	Annually	n/a	n/a	n/a
6	Maintain GF balance at £12m at 31/3/24	Annually	£12.04m	Apr-24	n/a
6	Maintain usable revenue reserves at a minimum of £4m at 31/3/24.	Annually	£3.959m	Apr-24	n/a
7 and 8	LMT, WLMT, all Budget Holders and all staff involved in Purchase to Pay trained by 31 December 2023	31/12/2023 and monthly thereafter	70.30%	Nov-23	69.71
9	Reduce / Upheld whistleblowing reports on non-compliance with corporate governance processes.	Annual	0 in 2022/23	2022/23	
10 and 11	provision of quarterly reports on MDC until closure	Quarterly	Report provided in September 2023	Sep-23	n/a

Appendix 3 – Summary of information requested and major action points arising from the Middlesbrough Independent Improvement Advisory Board (MIIAB)

Information requests	Status
Develop a structural diagram showing how different elements of Middlesbrough’s Improvement Programme and Strategies fit together within the Council Plan and Mayor’s priorities that are currently being developed	Complete
The following information to be circulated to Board Members: - A map of Middlesbrough’s Mayoral Development Corporation geographical boundaries. - The People Strategy. - Organisational structure chart and confirmation of number of FTEs employed by the Council.	Complete
A schedule of ‘difficult decisions’ that could be taken over the next 18 months to balance the budget for each department	Complete
Provision of draft savings proposals to inform meeting discussions for both the in-year overspend and the 2024/25 budget	Complete
Corporate Governance Plan to have Portfolio Holders added to Deliverables reporting Framework	Complete
Provide more information on planned public communications that will be undertaken as part of the budget setting process	Complete
Provide a copy of the budget timetable	Complete
Prepare presentation to set out the common challenges facing the Council that are within the remit of both the MIIAB and the current Children’s Safeguarding Improvement Board for the meeting on 1/12/2023	In progress
All member briefing session to be held on 1/12/2023 by the MIIAB	In progress

Major Action point	Meeting date
LGA support offers shared with the Council for consideration	7/11/2023
MBC to consider MIIAB’s feedback on the draft operating model principles that will form part of the Council’s Transformation Strategy	7/11/2023
Consideration of the Board’s feedback on the Council’s draft People Strategy	7/11/2023
Consideration of the Board’s feedback on financial recovery plans and ensure greater urgency and pace is applied to ongoing work to quantify them for the in-year budget gap and the 2024/25 budget proposals	7/11/2023
Council to share details of draft savings proposals, categorised by type i.e. saving, growth or transformational	15/11/2023

MIDDLESBROUGH COUNCIL	
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Report of:	Director of Legal and Governance
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Submitted to:	Council
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Date:	29 November 2023
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Title:	Member Development Strategy
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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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Urgent:	No
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Why:	N/A
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Executive summary
<p>This report sets out the proposed Member Development Strategy. The purpose of the strategy is to set out Middlesbrough Council's commitment to supporting Members with their continuous development, and details how we will equip Members with the skills and knowledge needed to fulfil their roles effectively.</p>

Purpose

1. The purpose of the strategy is to set out Middlesbrough Council's commitment to supporting Members with their continuous development, and details how we will equip Members with the skills and knowledge needed to fulfil their roles effectively. It also covers how the Council will identify development needs; the ways in which Members can participate in continuous learning and development; and how the Council will evaluate and measure the success of all learning.

Background and relevant information

2. The draft Member Development Strategy was presented to the Constitution and Members' Development Committee on 26 October 2023.
3. The Constitution and Members' Development Committee agreed to the draft Member Development Strategy and proposed that it is submitted to full Council for endorsement.
4. The Member Development Strategy aligns closely to the Corporate Plan and People Strategy to ensure all activities contribute to delivery of key commitments to meet the needs of our diverse communities.
5. To achieve this, assurance must be given in respect of compliance with mandatory training on areas such as data protection and information security. Members are part of the decision-making process and as such relevant development opportunities must ensure all key policy, procedural and legal information is provided before such decision making can take place and ensuring Members can perform any 'special responsibilities' relating to additional duties and roles they may undertake.
6. It is therefore important to ensure that the offer of opportunities for members to participate in continuous development through a variety of learning methods is achieved to ensure that the aims and objectives of any such strategy can be met.

What decision(s) are being recommended?

That the Council: Endorse the Member Development Strategy

Rationale for the recommended decision(s)

7. The Member Development Strategy sets out Middlesbrough Council's commitment to continuous Councillor development, the approach, and the opportunities that are available to all elected representatives. As a Council, we recognise that the learning and development of Members is crucial to our success and will bring wider benefits to both the organisation and our citizens.

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

8. Continue with our programme of member briefings, induction, role specific and mandatory training, unguided by a Member Development Strategy. This is not recommended. Our current package of training only partially addresses the skills and training our members require. Putting in place a Member Development Strategy provides a clear framework and commitment to investing in members' ongoing professional development.

Impact(s) of the recommended decision(s)

Legal

9. There are no legal implications in the adoption of the Member Development Strategy.

Strategic priorities and risks

10. The Member Development Strategy aligns closely to the Corporate Plan and People and Cultural Transformation Strategy to ensure all activities contribute to delivery of key commitments to meet the needs of our diverse communities.

Human Rights, Equality and Data Protection

11. N/A

Financial

12. N/A

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

Action	Responsible Officer	Deadline
Member Development Strategy to be published on Middlesbrough Council Website	Joanne McNally	November 2023

Appendices

1	Member Development Strategy
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Background papers

Body	Report title	Date

Contact: Charlotte Benjamin

Email: charlotte_benjamin@middlesbrough.gov.uk

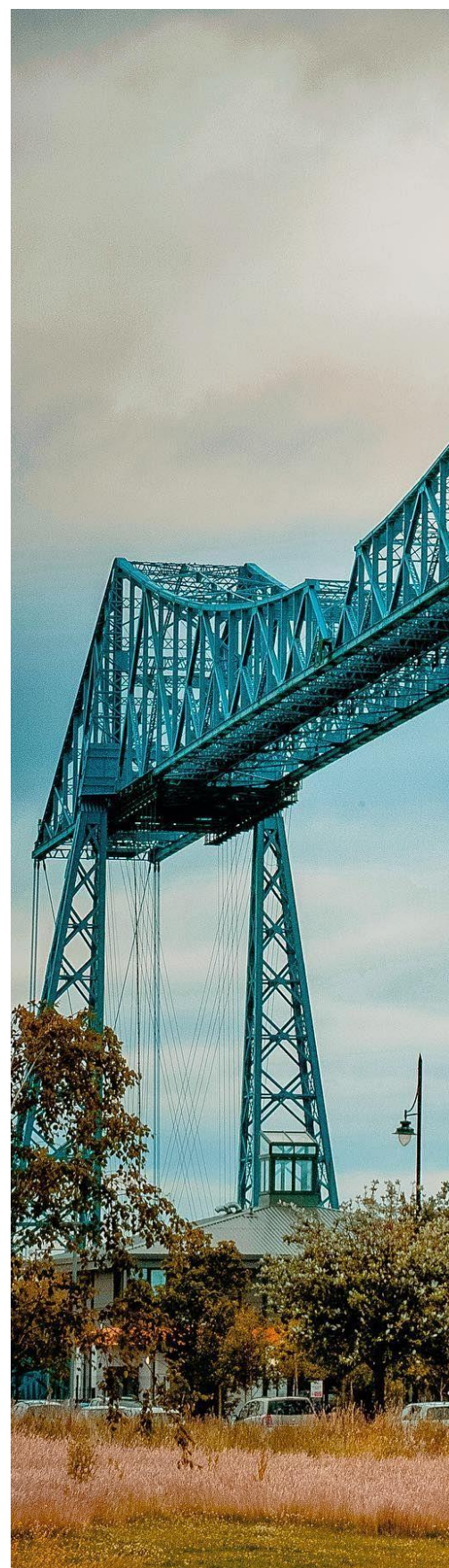
Member Development Strategy 2023-2027



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Foreword

Introduction from the Chief Executive

As Councillors undertake their responsibilities as community leaders, in strategic functions and regulatory roles, we will work to ensure that learning and development is appropriately focused, well delivered and that resources are used effectively to achieve maximum benefit.

This will help to ensure that we can all play a leading role in driving forward our plans in a town of hope and aspiration.

The Member Development Strategy sets out our commitment to continuous Councillor development, our approach, and the opportunities that are available to all elected representatives.

As a Council, we recognise that the learning and development of Members is crucial to our success and will bring wider benefits to both the organisation and our citizens.



Clive Heaphy,
Chief Executive



Introduction from the Constitution and Members' Development Committee

Our Constitution and Members' Development Committee helps oversee and shape the Member Development programme. As Councillors with a broad range of skills and experience, we understand the challenges faced by the modern-day Councillor, including in the period shortly after election when considerable learning is required during a condensed period. One of our key pledges is to ensure that all Councillors receive the support and help that they need to succeed in their roles, and we will ensure that equality of access to development and training remains a guiding principle, as outlined in this Strategy.

All committee members have really valued the diverse training and development opportunities we have accessed to date, helping us to develop a wide range of knowledge and skills to enable us to fulfil our roles as community leaders.

The Member Induction and Development programme offers a diverse, blended learning approach aimed to meet the different needs of all members. Learning never stops and we strongly encourage you all to engage with continuous development throughout your time in office.

Councillor Julia Rostron



Purpose and Aims

This Strategy sets out our commitment to supporting Members with their continuous development, and details how we will equip Members with the skills and knowledge needed to fulfil their roles effectively. It also covers how we will identify development needs; the ways in which Members can participate in continuous learning and development; and how we will evaluate and measure the success of all learning.

The Member Development Strategy aligns closely to the Corporate Plan and People Strategy to ensure all activities contribute to delivery of key commitments to meet the needs of our diverse communities.

The Strategy will ensure that Members have appropriate training and support to assist them with every aspect of their roles.

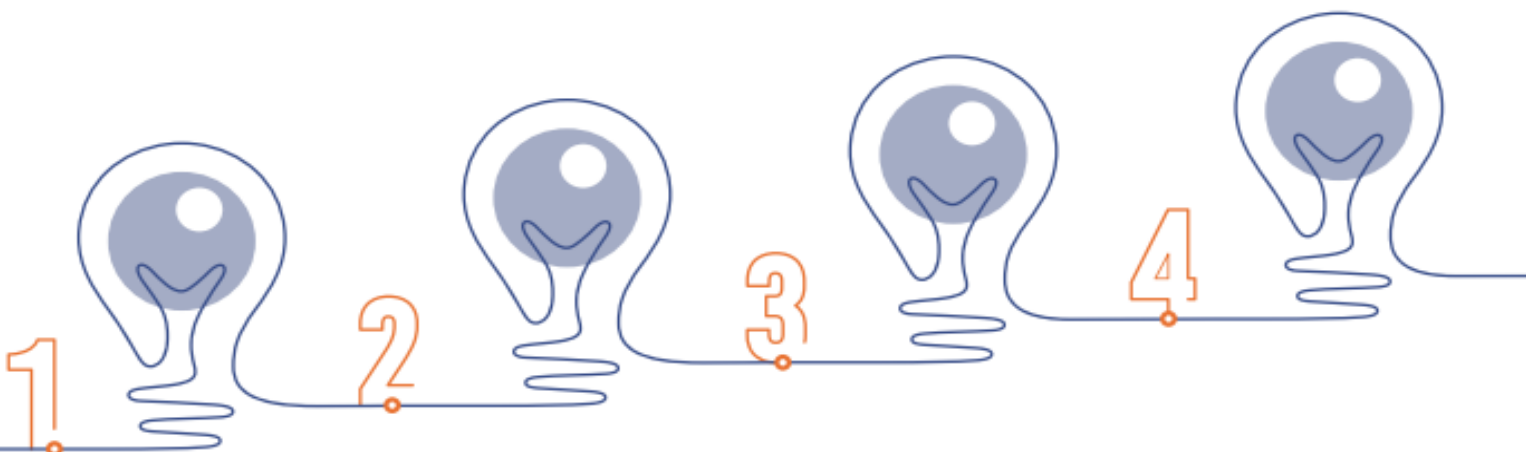
This will include: -

Ensuring compliance with mandatory training on areas such as data protection and information security.

Providing all key policy, procedural and legal information before Members are required to participate in decision making.

Ensuring Members can perform any 'special responsibilities' relating to additional duties and roles they may undertake.

Offering the opportunity to participate in continuous development through a variety of learning methods.



Aims and Key Performance Measures

Our Aims and Key Performance Measures are:

To ensure that all Members have consistent and equal access to training and development opportunities, providing the resources required to support those with access needs. We will monitor this with an annual survey as well as ongoing feedback on attendance, non-attendance, and potential barriers

We will measure success by achieving the following three targets at the end of each Municipal Year: -

- 1** 100% of Members complete all mandatory training
- 2** 60% of Members attend wider skills courses
- 3** 70% of evaluation survey respondents express overall satisfaction with the development programme

Equalities and Inclusion

As a public body we are bound by the Public Sector Equality Duty, which is defined within the Equality Act as: -

- 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.
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The Councils [Equality and Inclusion Policy 2021-2024](#) underpins how we design and deliver the Member Development programme but in particular we will: -

- Ensure all Councillors have equal access to training and development opportunities i.e., by providing multiple sessions in accessible formats and at various times of the day.
- Offer strongly recommended training on equalities and inclusion to all Councillors on an annual basis. This will provide Members with the skills necessary to comply with the Public Sector Equalities Duties.
- Provide advice and guidance to Members setting out how to interpret and evaluate the Equalities Impact Assessments completed for formal reports.



Equality, Diversity and Inclusion
Middlesbrough Council






Our Values

Our Values are at the heart of everything we do at Middlesbrough Council. They are a critical element in our strategy to create a brighter future for Middlesbrough, and the foundation for how we operate, interact, and make decisions

From sharing creative ideas, to Members and Officers working collaboratively within the organisation and external agencies, to being passionate about doing things better whilst focusing on the things that matter - we can make a real difference to the people and place we are all proud to serve.

All Members, along with Council Officers, will have access to a Values Based Blended Learning Programme as shown below. These courses support development of a range of knowledge, skills, and behaviors to help drive the culture we all want at Middlesbrough Council.

 Passion	Leadership & Management Fundamentals Leading in a Blended World
 Integrity	Authentic Leadership Let's Talk and Be Rich in Feedback
 Creativity	What is Creativity and how can we use it? Models and Tools to Generate Creativity
 Collaboration	Together we achieve more A Partner Mindset
 Focus	Gold Standard Goal Setting Keeping on Track through Times of Change

 Passion We believe in Middlesbrough and are proud to work for the town	 Integrity We are open and transparent and treat everyone with respect	 Creativity We have the courage to try new ideas and new ways of working	 Collaboration We work with others to make Middlesbrough better	 Focus We are clear about what we will deliver to meet the needs of the town
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Ethical Standards

Members sign up to the Council's **Code of Conduct** upon accepting their term of office, which includes a commitment to upholding the Seven Principles of Public Life, known as the Nolan Principles, which outline the requirements around ethical standards. Details of each of the seven Nolan Principles are shown below: -

Selflessness

Holders of public office should act solely in terms of the public interest.

Integrity

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.

Objectivity

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

Accountability

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

Openness

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

Honesty

Holders of public office should be truthful.

Leadership

Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and values and be willing to challenge poor behaviour wherever it occurs.

We will support Members to uphold the ethical framework set out above, by doing the following: -

- Ensure that Members are fully briefed about their roles and responsibilities and that all essential requirements regarding compliance with Codes, Protocols and Declarations are met.
- Providing ongoing training, guidance and help to Members, in respect of ethical matters, as and when required.
- Facilitate a range of training and support to assist Members to conduct their roles as effective community leaders.



Member Development Programme

The Member Development offer will be delivered via an induction and refresher programme of intense activity over the first 6 months, followed by ongoing targeted training and support for the remainder of the 4-year term. The Programme will be flexible in order to adapt to changing needs in the event of challenging times or disruption to 'business as usual.' Examples shown below;



Corporate Governance Knowledge and Skills Programme

The Corporate Governance Training Programme offers a suite of training to ensure both Members and Officers have the skills and knowledge needed to ensure we all operate effectively within the Council, understanding the roles and responsibilities we have in the key processes we undertake when delivering services, making recommendations or decisions on issues, or spending Council money.

The blended learning programme will consist of bitesize introductory eLearning modules followed by practical face to face workshops, all delivered by internal professional leads to ensure we understand the relevant policies and procedures and have the necessary skills to apply them effectively. This training programme is vital to ensure we are fully compliant with all governance processes, therefore completion of this training should be appropriately prioritised by all.

Course modules are –

- Principles, Values and Council Constitution
- Procurement and Contract Management
- Financial Procedure Rules and Budget Management
- Consultation, Engagement, and Impact Assessments
- Risk Management
- Programme and Project Management
- Information Governance and GDPR
- Decision Making Routes and Report Writing

Corporate Governance Skills Programme
Transparency and accountability for all

Personal Development Plans

If Members wish to be supported with a Personal Development Plan to identify their individual learning and development needs, we can offer support to complete this and in accessing any relevant learning and development required.

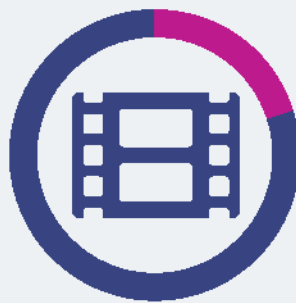


Training Delivery Methods

We will use a wide variety of in person and/or virtual formats to deliver training in an inclusive and accessible way for all members, such as:



**E-Learning
courses**



**Demonstration
videos**



**Internal training
courses**



**Internal briefings –
emerging topics**



**Case studies –
examples of
best practice**



**External
conferences,
seminars and
training courses**



**Personal
development
planning
discussions**



**Peer to peer
learning between
Councillors and
information sharing
including with key
external partners**

Feedback and Evaluation

Regular evaluation of the Member Development offer will be undertaken by officers in conjunction with the Constitution and Members' Development Committee.

The following methods will be used: -



**Training evaluation forms
and other feedback
received**



1-1 meetings



**Feedback through
Committee groups
and Member
meetings**



**Statistics on Councillor
participation**



Annual Survey

This Strategy will be reviewed annually or earlier where necessary.

The Constitution and Members' Development Committee, in partnership with Democratic Services, has responsibility for oversight of the Member Development Programme and will be regularly consulted on progress.



Resources and Support

An annual budget is allocated for Member development, and to provide administrative support and resources for the delivery of training, development, and ongoing feedback processes

The resources available to support Member development are available to all Councillors and do not fund activity specific to a political group.

Cost benefit analysis will be conducted to monitor investment in Member Development.



Key Contacts

Bernie Carr, Democratic and Registration Manager

bernie_carr@middlesbrough.gov.uk

01642 729714

Nicky Spencer, Organisation Development Manager

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01642 727428

Ann-Marie Wilson, Head of Legal (People)

ann-marie_wilson@middlesbrough.gov.uk

01642 729760

MIDDLESBROUGH COUNCIL	
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Report of:	The Mayor and Executive Member for Adult Social Care and Public Health
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Submitted to:	Council
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Date:	29 November 2023
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Title:	Review of the Terms of Reference and Membership of the Corporate Parenting Board.
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Report for:	Decision
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Status:	Public
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Strategic priority:	Children and young people
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Key decision:	No
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Why:	Not applicable
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Urgent:	No
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Why:	Not urgent
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Executive summary
<p>This report recommends that the Council formally agrees the terms of reference and name change of the Corporate Parenting Board.</p> <p>The key reasons for this are:</p> <ul style="list-style-type: none"> - Corporate Parenting Board was reconstituted as a Council Committee on 16 January 2019, therefore any changes need to be formally approved by Council. - Development of the Corporate Parenting Board means that the existing terms of reference do not align with the priorities set. - The name of the Board is not child / young person friendly.

Purpose

1. To request members to approve the change of name and terms of reference to the Corporate Parenting Board.

Background and relevant information

2. Middlesbrough's Corporate Parenting Strategy sets out our vision and action for supporting children and young people in care. Our strategy is one important element of Children's Services wider Improvement Plan for our whole-system of support for children and young people in Middlesbrough.
3. Whilst Middlesbrough is doing some things well, we still need to do more to improve our support for children and young people in our care. The views and ideas of our staff, our partners and local people are critical to ensuring we have a strong and effective strategy in place. We are proud to say that our children and young people are making a significant contribution to making Middlesbrough Strategy work.
4. The development of our Corporate Parenting strategy has included a programme of work to capture the most up-to-date voices, views and ideas of our children and young people. As well as influencing the content of our strategy, children and young people have shaped our decisions about how we will deliver our Corporate Parenting responsibilities.

We have six guiding principles:

Your home

Your family and friends

Your Education

Your Adult life

Your health and wellbeing

Your voice and influence

5. Middlesbrough's mission throughout is to show Middlesbrough children that they matter.
6. 'We matter' Children in Care Council meet every fortnight at Easterside Hub and is open to all care experienced young people between the ages of 11-16 years.
7. The purpose of the group is to have fun, have a voice and create events to hear from their care experienced peers. The group share their views with key decision makers who act on what they say and positively change services to meet their needs.

8. The young people changed the name of their group from the Children in Care Council (CICC) to 'We matter' as they felt it was more reflective.
9. After some discussion with the young people, officers and the Mayor, a decision was made to recommend that the name of the Corporate Parenting be changed to 'You Matter to Us - The Corporate Parenting Board,' to align with the Children in Care Council name change and to reflect the young peoples' wishes.
10. The terms of reference of the Corporate Parenting Board were also asked to be developed, as the current ones are outdated. The terms of reference, also includes changes to the name of the Board.
11. The proposed terms of reference and membership is attached at Appendix 1.
12. The proposed name change and terms of reference were agreed by the Corporate Parenting Board on 13 September 2023. The report asks Council to formally agree the changes proposed.

What decision(s) are being recommended?

13. That Council approve the new name and terms of reference of the Corporate Parenting Board.

Rationale for the recommended decision(s)

14. As the Corporate Parenting Board is developing, the new terms of reference will align to the scope and strategic direction of the Board.

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

15. **Continue with the existing terms of reference.** As detailed above, there have been significant changes to the Board and the existing terms of reference do not align with Priorities.

Impact(s) of the recommended decision(s)

Legal

16. There are no legal implications arising from the contents of this report.

Strategic priorities and risks

17. Changing the name of the Board and remit positively contributes to the delivery of the below strategic objective:

Children and Young People	We will show Middlesbrough's children that they matter and work to make our town safe and welcoming and to improve outcomes for all children and young people.
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Human Rights, Equality and Data Protection

18. Children in Care and Care experienced young people would positively be affected by the decision.

Financial

19. There are no financial implications arising from the content of this report.

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

Action	Responsible Officer	Deadline
Amend the Terms of Reference on Modern Gov	Susie Blood	30 November 2023

Appendices

1	Proposed Terms of reference: Corporate Parenting Board.
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Background papers

1	Review of Constitution- Council- 16 January 2019.
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Contact Officer- Susie Blood, Democratic Services Officer.

You Matter to Us- Corporate Parenting Board
Terms of reference



**Our mission is to show
Middlesbrough children
that they matter.**

middlesbroughchildrenmatter.co.uk

Middlesbrough House, Elm Street, Middlesbrough, TS1 2DA
Tel: 01642 000000 • info@middlesbroughchildrenmatter.co.uk

You Matter to Us- Corporate Parenting Board

Terms of reference

Middlesbrough Council's Corporate Parenting Strategy

Middlesbrough's Corporate Parenting strategy sets out our vision and action for supporting children & young people in our care. Our strategy is one important element of Children's Services wider Improvement Plan for our whole- system of support for children and young people in Middlesbrough. We are doing some things well, but we still need to do more to improve our support for children and young people in our care. The views and ideas of our staff, our partners and local people are critical to ensuring we have a strong and effective strategy in place. We're proud to say that our children and young people are making a significant contribution to making our strategy work.

The development of our Corporate Parenting strategy has included a programme of work to capture the most up-to-date voices, views and ideas of our children and young people. As well as influencing the content of our strategy, children and young people have shaped our decisions about how we will deliver our Corporate Parenting responsibilities.

We have six guiding principles:

Your home

Your family and friends

Your Education

Your Adult life

Your health and wellbeing

Your voice and influence

Our mission throughout is to show Middlesbrough children that they matter.

Name of Board- You Matter to Us – Corporate Parenting Board

(Name change formally agreed on 13 September 2023)

Purpose of the Board

- To raise awareness of the Council's corporate parenting responsibilities and develop expertise and knowledge among elected Members and officers.
- To provide a forum for elected members to oversee the progress of all looked after children, and care leavers (Care experienced children and young people) through the implementation of the Corporate parenting strategy 2020-2023.
- To encourage all partners, whether they work for health or social care services or the voluntary sector, to work in an integrated manner in the best interests of children looked after and care leavers.
- To lead cultural and behavioural change to promote better outcomes for our care experienced children and young people and Care leavers.
- To hold all partners to account for their role in the delivery of services to our care experienced children and young people and Care leavers.

You Matter to Us- Corporate Parenting Board

Terms of reference

The Board wants to ensure that the Council acts as a good corporate parent to children and young people in care and care leavers, including:

- Young people in residential care
- Children and young people in foster care
- Children placed for adoption
- Children placed at home under Placement with Parents Regulations
- Young people who are living in supported lodgings
- Young people in secure services
- Young people in custody

The Board also want to ensure that we engage and listen to the views of children, young people, and their carers for whom the Council is the parent and, support the Virtual School for looked after children and young people.

Remit of the You Matter to Us- Corporate Parenting Board

You Matter to Us- Corporate Parenting Board will:

- Provide leadership across Middlesbrough to create a more effective and efficient health and wellbeing for care experienced children and young people and Care leavers.
- Take responsibility for the quality of services for looked after children.
 - Work effectively with and through partnership bodies, with clear lines of accountability and communication.
- Agree the strategic priorities for services for children looked after, as a Board
- Make a positive difference, improving the outcomes for all children looked after and those who use our services.

You Matter to Us- Corporate Parenting Board will not:

- Manage work programmes or oversee specific pieces of work – acknowledging that operational management needs to be given the freedom to manage.
- Be focused on the delivery of specific services – the Board will concentrate on the “big picture”.
- Take responsibility for the outputs and outcomes of specific services – these are best monitored at the level of the specific organisations responsible for them.

You Matter to Us- Corporate Parenting Board

Terms of reference

- Be the main vehicle for the voice of looked after children – this will be the responsibility of young people (the children in care council and care leavers forum). The Board will however regularly listen to and respect the views of individuals and the wider looked after children's community.

Support to the Board

- Administrative and governance support to You Matter to Us- Corporate Parenting Board will be provided by Democratic Services.

A Democratic services Officer will be responsible for organising meetings, publishing agenda papers, attending meetings and publishing minutes of each meeting. This officer will also advise the Board on constitutional procedures where necessary.

- Technical support in preparing reports for the Board and giving advice to the Board in relation to looked after children and care leavers will be provided by the Directorate of Children's Services.

Details:

YOU MATTER TO US - CORPORATE PARENTING BOARD (9) plus Ex-Officio Members and Ex-Officio Officers and 4 co-opted representatives

5 LAB: 1 CON: 2 MICA: 1 IND

Membership/Restrictions: Nil

Chair: Mayor – C Cooke

Vice-Chair: Councillor J Walker

Members: Councillors Jackson, Kabuye, Livingstone, Nugent, Uddin, and Wilson

1 vacancy

Ex-Officio Members: Deputy Mayor and Executive Member for Education and Culture

Chair of Overview and Scrutiny Board

Ex-Officio Officers: Head of Paid Service

Director of Children's Services

Director of Children's Care

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MIDDLESBROUGH COUNCIL

Report of:	Executive Member for Finance and Governance Interim Director of Finance (s151 Officer)
Submitted to:	Council
Date:	29 November 2023
Title:	Flexible Use of Capital Receipts Strategy – 2023/24 Refresh
Report for:	Decision
Status:	Public
Strategic priority:	All
Key decision:	Yes
Why:	Decision(s) will incur expenditure or savings above £250,000
Urgent:	No
Why:	

Executive summary

Local authorities are ordinarily limited in their ability to utilise capital receipts from the sale of fixed assets for specific purposes which precludes financing of revenue expenditure under s15(1) of the Local Government Act 2003 (as amended).

In 2016/17, the Department of Levelling up Housing and Communities) (DLUHC) implemented a time limited relaxation to the regulations under the Local Government Act 2003 Sections 16(2)(b) and 20: Treatment of Costs as Capital Expenditure. This allows capital receipts to be used to finance revenue expenditure in specific circumstances and subject to certain conditions. The current statutory direction applies to financial years from 1 April 2022 up to and including 31 March 2025 and it is expected that the scheme will continue into future years as a tool that brings flexibility to local authorities pursuing transformation and modernisation to improve value for money.

Eligible expenditure under the regulations relates to:

- revenue expenditure which is designed to generate ongoing expenditure savings, income generation, and/or more efficient delivery of services, and/or
- transforms service delivery to reduce costs/ reduce demand; and/or
- improves the quality-of-service delivery in future years.

The annual Flexible Use of Capital Receipts (FUoCR) Strategy for 2023/24 was approved by Full Council in February 2023 as part of the approval of the budget and Medium-Term Financial Plan (MTFP). The Strategy set out plans of up to £3m of eligible revenue expenditure to be incurred during 2023/24 to be funded by capital receipts in accordance with statutory regulations.

The Council is not allowed to apply flexible capital receipts to fund expenditure in excess of the sum set out in the approved FUoCR Strategy. However, the regulations enable the revision of the FUoCR Strategy to reflect an increase in the plan during the financial year provided that it is approved by Council and notified to the Department of Levelling Up Housing and Communities (DLUHC).

Chief Officers have worked over the course of the year to develop financial recovery plans that will deliver cost reductions in 2023/24 and into 2024/25 and future years. Some of these plans require the investment in additional capable capacity on a short-term basis in order to develop and implement projects and initiatives that will deliver cost efficiency and/or improved outcomes going forward. The value of the planned expenditure to be funded from FUoCR within 2023/24 has therefore increased by £1.299m from £3m to £4.299m for the 2023/24 financial year.

Given the critical level of Council revenue reserves, the primary source of funding such investment is further utilisation of capital receipts in accordance with the FUoCR Strategy. As part of the review of the Strategy, the opportunity has been taken to optimise the use of capital receipts to fund in year transformation expenditure. The revised Strategy was endorsed by the Executive on 21 November 2023 and is now submitted for consideration and approval by Full Council.

That the Council:

- Approve the proposed revisions to the FUoCR Strategy increasing the planned expenditure in 2023/24 from £3m to £4.299m.
- Note the interim revenue financing arrangements from the Change Fund pending receipt of cash from asset disposals enabling the application of capital receipts in line with the regulations.

Purpose

1. This report proposes a revision of the FUoCR Strategy for the Council for 2023/24 that is subject to approval by Full Council. The report sets out the revisions to the Strategy that are required in order to enable a range of transformation and efficiency plans to be progressed within the 2023/24 financial year to be funded from Usable Capital Receipts which are the primary source of funding available given the Council's usable revenue reserves are critically low.
2. The report sets out the approach that will be taken to optimise the Flexible Use of Capital Receipts during 2023/24 in accordance with Statutory Guidance within the context of the Council realising a pipeline of cash receipts from the disposal of capital assets which was approved by Executive on 21 November 2023 as part of the recommendations of the Asset Review report.

Background and relevant information

3. Local authorities are limited in their ability to utilise capital receipts (the disposal proceeds from the sale of fixed assets or repayment of loans for capital purposes). Statutory guidance issued under section 15(1) of the Local Government Act 2003 (as amended) by the Ministry of Housing, Communities and Local Government (now Department of Levelling Up Housing and Communities – DLUHC) generally precludes capital receipts being used to fund revenue expenditure and requires them to be applied to either fund capital expenditure or repay debt. The Act also requires local authorities to have regard to other guidance as issued or directed by the Secretary of State – this currently includes the following guidance issued by the Chartered Institute of Public Finance and Accountancy [CIPFA]:
 - The Prudential Code for Capital Finance in Local Authorities; and
 - The Code of Practice on Local Authority Accounting.
4. The Spending Review 2015 included a relaxation to the above regulations allowing the use of capital receipts for a limited period, initially between 2016/17 and 2018/19, to fund revenue expenditure:
 - a. that is designed to generate ongoing revenue savings in the delivery of public services and/or
 - b. transform service delivery to reduce costs and/or
 - c. improve the quality of service delivery in future years”.

Further revisions to the regulations have been implemented, refining, and extending the scheme, the latest of which was issued on 2 August 2022 to apply to financial years 2022/23, 2023/24 and 2024/25.

5. A summary of the key points of the current direction and the Statutory Guidance are set out below and a link to the detailed Statutory Guidance is included in the Background Papers section to this report.
 - a. Capital receipts are the money that councils receive from asset sales, the use of which is normally restricted to either funding capital expenditure or repaying debt. The receipts cannot usually be used to fund revenue expenditure.

- b. The direction allows authorities to use the proceeds from asset sales to fund the revenue costs in specific circumstances where projects:
 - i. will reduce costs, or
 - ii. increase revenue income, or
 - iii. support a more efficient provision of services.
- c. Local authorities can only use capital receipts from a 'qualifying disposal' of property, plant and equipment assets received in the years in which this flexibility is offered under the direction (i.e. currently 2021/22 to 2024/25).
- d. In 2022 a new restriction was introduced to ensure that capital receipts obtained must be from disposals by the local authority to an entity outside the local authority's group structure. The intent of this condition is that capital receipts which are to be used by authorities under the flexibilities afforded by the direction, should be from genuine disposals of assets by the authority. Where an authority retains some control of the assets, directly or indirectly, and retains exposure to the risks and rewards from those assets, the disposal does not give rise to a capital receipt that can be used in accordance with the direction.
- e. 'Qualifying expenditure' is defined as 'expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners. The Statutory Guidance provides some examples of qualifying expenditure.
- f. In 2022 a new restriction was introduced to prevent authorities from funding discretionary redundancy payments, i.e., those not necessarily incurred under statute. This does not affect other types of severance payments, and to be clear, does not restrict including pension strain costs, which may still be qualifying expenditure.

To clarify the statutory payments that can be claimed through the flexible use of capital receipts are:

- Redundancy pay – based on the capped weekly wage for statutory payments of £643 and a maximum 30 weeks as per the statutory guidance (therefore the maximum statutory redundancy pay claimable under flexible use of capital receipts is £19,290)
 - Pension strain costs – not including any discretions, added years etc.
- g. There is a requirement to annually prepare a "Flexible Use of Capital Receipts Strategy" to be approved by Full Council. This Strategy does not need to be a separate document, and the requirement can be satisfied by including relevant documents within the Annual Budget documents or as part of the Mid-Term Financial Plan (or equivalent).
 - h. As a minimum, the Strategy should list each project that plans to make use of the capital receipts flexibility and that on a project-by-project basis details of the expected savings/service transformation are provided. The Strategy should report the impact on the local authority's Prudential Indicators for the forthcoming year and subsequent years.
 - i. Since 2022 local authorities must send details setting out their planned use of the flexibility in advance of use for each financial year to DLUHC. This condition can

be met by sending the authority's own strategy documents, provided they contain the detail asked for in the direction. The form to cover this requirement and for submitting the strategy for the Flexible Use of Capital Receipts for 2023/24 is to be submitted via DLUHC's DELTA system by 30 September 2023. This is not an approval process, but the information must be sent to ensure transparency and allow proper monitoring by central government.

- j. Since 2022/23 the Strategy is required to contain details on projects approved in previous years, including a commentary on whether the planned savings or service transformation have been/are being realised in line with the initial analysis.
 - k. The Statutory Guidance allows local authorities to update their Strategy during the year and must notify DLUHC to enable central Government to keep track of planned and actual use of the flexibility. Full Council must approve the revised plan.
 - l. The amount of expenditure capitalised in the financial year must not exceed the amount set out in the plan, including any updated plans, provided to the DLUHC. This is to allow central Government to keep track of planned use of the flexibility for national accounts purposes.
6. The revised Flexible Use of Receipts Strategy is set out in Appendix 1. In accordance with the Statutory Guidance, this includes details of:
- a. Previous year projects including a commentary on whether the planned savings or service transformation have been/ are realised in line with the initial analysis
 - b. The original plan for 2023/24
 - c. The revised plan for 2023/24
 - d. The forecast of capital receipts from approved asset sales, together with forecast receipts from asset disposals that were approved by the Executive on 21 November 2023 as set out in the Asset Review report
7. Given that the application of capital receipts is dependent upon the receipt of cash from asset disposal by 31 March 2024, arrangements have been made to provide revenue budget cover to fund the expenditure on financial recovery plan initiatives to enable them to progress quickly. An exercise will be undertaken at the year end to apply capital receipts to replace the committed revenue expenditure as explained in financial implications at paragraphs 15 to 20.

What decision(s) are being recommended?

That the Council:

- Approve the proposed revisions to the FUoCR Strategy increasing the planned expenditure in 2023/24 from £3m to £4.299m.
- Note the interim revenue financing arrangements from the Change Fund pending receipt of cash from asset disposals enabling the application of capital receipts in line with the regulations.

Rationale for the recommended decision(s)

8. The revised FUoCR Strategy will enable the progression of Financial Recovery Plans to deliver cost reduction, income generation, and/or income generation that will contribute to reducing the in-year overspend and the Council's ability to balance the 2024/25 budget and MTFP to 2026/27.

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

9. If the revised FUoCR Strategy is not approved, then projects and initiatives to deliver cost reduction and income growth will either not be able to progress at all, or will be constrained by limited revenue resources in the Change Fund.

Impact(s) of the recommended decision(s)

Legal

10. Local authorities are ordinarily limited in their ability to utilise capital receipts from the sale of fixed assets for specific purposes which precludes financing of revenue expenditure under s15(1) of the Local Government Act 2003 (as amended).
11. The Department of Levelling up Housing and Communities (DLUHC) implemented a time limited relaxation to the regulations under the Local Government Act 2003 Sections 16(2)(b) and 20: Treatment of Costs as Capital Expenditure. This allows capital receipts to be used to finance revenue expenditure in specific circumstances and subject to certain conditions. The current statutory direction applies to financial years from 1 April 2022 up to and including 31 March 2025.
12. As this is a budget and policy framework matter it is for Full Council to approve, following the recommendation of the Executive to it in accordance with s.1.9(a) Financial Procedure Rules.

Strategic priorities and risks

13. This report forms an element of the Council's budget and policy framework which underpins the priority to deliver a legally balanced budget and sustainable medium term financial plan.

Human Rights, Equality and Data Protection

14. There are no human rights, equality or data protection issues arising as a result of the recommendations in this report.

Financial

15. The Flexible Use of Capital Receipts Strategy is a core element of the Council's budget and policy framework that is approved by Council annually. The ability to capitalise eligible revenue expenditure in accordance with the regulations set out in the main body of the report, provides a mechanism through which the Council is able to invest in transformation and efficiency initiatives to achieve financial recovery and resilience over the short to medium term.

16. As noted in the strategy at Appendix 1, additional capital receipts realised from both approved disposals and new disposals that were approved by Executive on 21 November 2023 are expected to be realised before 31 March 2024. In order to apply the receipts to qualifying expenditure, the cash from disposal will need to be received by the Council by 31 March 2024. Whilst there is no guarantee that the capital receipts will be realised, officers are working hard to ensure that the forecast receipts are realised by the end of the financial year. Provided that they are, there is potential for qualifying expenditure during 2023/24 to be capitalised under the revised FUoCR Strategy in order to fund investment in transformation and efficiency, whilst also improving the 2023/24 forecast outturn position as explained below.
17. Over the course of the year to 30 September, a total of £0.594m has been approved to be committed/ spent from the Central Contingency revenue budget. Of this sum, £0.373m is in relation to expenditure enabling transformation and efficiency measures to deliver reduced expenditure in future years. This is qualifying expenditure and is incorporated into the revised strategy at Appendix 1.
18. Subject to approval of the revised FUoCR Strategy and receipt of sufficient capital receipts by 31 March 2024, this would enable £0.373m of revenue expenditure to be capitalised, therefore reducing the revenue outturn position by the £0.373m and improving the 2023/24 outturn position as summarised in table 1 below.

Table 1	Budget	Budget at 1/4/23 £m	Committed/ Spent at 30/9/23 £m	Uncommitted Budget £m
Central Contingency		1.300	(0.594)	0.706
Potential to capitalise revenue expenditure under revised FUoCR subject to realisation of capital receipts and decommit from revenue budget			0.373	0.373
Potential revised position on the Central Contingency budget		1.300	(0.221)	1.079

19. In addition to the expenditure incurred to date, Chief Officers have identified opportunities to develop and deliver Financial Recovery Plans some of aspects which require investment of £0.984m within 2023/24 which is qualifying expenditure under FUoCR and is incorporated within the revised strategy at Appendix 1. Provided that sufficient capital receipts are realised by 31 March 2024, this expenditure will be capitalised in accordance with the revised strategy.
20. In the interim period until capital receipts are realised, revenue budget cover on the planned management interventions is required to enable expenditure to be incurred and the interventions to progress promptly. The s151 Officer has approved that this revenue funding will be provided by the Change Fund, subject to review and capitalisation of the expenditure upon realisation of capital receipts. The position on the Change Fund following the balance sheet review and provision of revenue budget cover, is summarised in Table 2.

Table 2 Budget/Reserve	Budget/ Balance at 1/4/23 £m	Committed at 30/9/23 £m	Balance available to fund transformation £m
Change Fund Reserve (top up from balance sheet review)	0.758	0.000	0.758
Change Fund – central budget	0.730	0.040	0.690
Total available for transformation pending realisation of capital receipts	1.488	0.040	1.448
Planned qualifying expenditure under revised FUoCR			(0.984)
Uncommitted balance on Change Fund pending realisation of capital receipts			0.464

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

Action	Responsible Officer	Deadline
If approved by Council on 29 November 2023 the revised Flexible Use of Capital Receipts Strategy for 2023/24 will be adopted and notified to DLUHC	If approved by Council on 29 November 2023 the revised Flexible Use of Capital Receipts Strategy for 2023/24 will be adopted and notified to DLUHC	If approved by Council on 29 November 2023 the revised Flexible Use of Capital Receipts Strategy for 2023/24 will be adopted and notified to DLUHC
The capital expenditure prudential indicators will be amended and approved as appropriate.	Head of Financial Planning & Support	31/3/24
Regular monitoring of the Flexible Use of Capital Receipts Strategy for 2023/24 will take place throughout 2023/24 as part of the current quarterly budget monitoring reports to Executive, with any amendments required to the plans contained in the Strategy as proposals are developed and expenditure is incurred being reported to Executive and approved by Council and notified to DLUHC as appropriate.	Head of Financial Planning & Support	30/6/24

Appendices

1	Revised Flexible Use of Capital Receipts Strategy 2023/24
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Background papers

Body	Report title	Date
Department for Levelling Up, Housing & Communities (DLUHC)	Flexible use of capital receipts direction: local authorities Direction - Flexible use of capital assets (publishing.service.gov.uk)	2/8/22
Department for Levelling Up, Housing & Communities (DLUHC)	Statutory Guidance on the Flexible Use of Capital Receipts (updated August 2022) Guidance on the flexible use of capital receipts (updated August 2022) - GOV.UK (www.gov.uk)	2/8/22
Council	Flexible Use of Capital Receipts Strategy 2021/22	20/10/21
Council	Revenue Budget, Council Tax, Medium Term Financial Plan and Capital Strategy 2022/23	23/2/22
Executive	Revenue and Capital Budget – Year-End Outturn position 2021/22 report	14/6/22
Council	Flexible Use of Capital Receipts Strategy 2022/23	7/9/22
Executive	Children’s Services Financial Improvement Plan	14/2/23
Council	Revenue Budget, Council Tax, Medium Term Financial Plan and Capital Strategy 2023/24	27/2/23
Executive	Revenue and Capital Budget – Year-End Outturn position 2022/23 report	20/6/23
Executive	Revenue and Capital Budget – Forecast Outturn position at Quarter One 2023/24	23/8/23
Executive	Revenue and Capital Budget Forecast Outturn position at Quarter Two 2023/24	21/11/23
Executive	Asset Review	21/11/23
Executive	Flexible Use of Capital Receipts Strategy – 2023/24 Refresh	21/11/23

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Appendix 1

REVISED FLEXIBLE USE OF CAPITAL RECEIPTS STRATEGY 2023/24

Use of Flexible Capital Receipts in previous years

1. As per the Statutory Guidance, there is a need to include details on projects approved in previous years, including a commentary on whether the planned savings or service transformation have been/are being realised in line with the initial analysis.
2. Middlesbrough Council implemented a Flexible Use of Capital Receipts Strategy for the first time in 2021/22 under the Statutory Guidance and a report was approved by Council on 20 October 2021.

2021/22

3. The Flexible Use of Capital Receipts Strategy for 2021/22 approved by Council on 20 October 2021 included proposed projects along with estimated costs and potential savings. Progress against the approved Strategy for 2021/22 was monitored throughout the financial year as part of regular budget monitoring arrangements and reported accordingly as part of the current quarterly budget monitoring reports to Executive, along with any updates to the Strategy as proposals were developed and expenditure was incurred. The final schedule of expenditure on projects to transform services that were funded through flexible use of capital receipts for 2021/22 and the associated estimated annual revenue savings or future cost avoidance, was reported as part of the Revenue and Capital Budget – Year-End Outturn position 2021/22 report to Executive on 14 June 2022, and was also shown in the Strategy for 2022/23.
4. Entries were made in the Council's accounts in 2021/22 for these having due regard to the Local Authority Accounting Code of Practice, including the effect on the Council's Investment Strategy.

2022/23

5. The Strategy for 2022/23 was approved by Council on 7 September 2022. Table 1 summarises the projects to transform services that were proposed to be funded through flexible use of capital receipts for 2022/23 which totalled approximately £2.7m, along with the estimated projected costs, and the associated estimated annual revenue savings or future cost avoidance. In some cases, there is a direct link between a project and the realisable financial benefit, however in others it is difficult to quantify and the project contributes to enabling savings or costs avoidance in other areas or provides a wider benefit, which would not otherwise be realised.
6. Delivery against the 2022/23 Strategy was reported through quarterly monitoring reports and the final year-end position against the Strategy was reported as part of the Revenue and Capital Budget – Year-End Outturn position 2022/23 report to Executive on 20 June 2023.

Table 1 Flexible Use of Capital Receipts 2022/23 Proposed

Project	Further Details	Estimated Investment Required 2022/23 £000	Estimated ongoing annual savings £000
Children's Services	Funding for transformation of Service and Children's Services Ofsted Improvement Plan to improve services and outcomes		
	Specialist agency teams in Referrals & Assessments to improve the "front door model"	1,100	Cost avoidance
	Workforce Development - set up costs for the creation of a Social Worker Academy to reduce the requirement for agency staff	349	420
	Workforce Development - specialist training to reduce the requirement for agency staff	105	
	Children's Services Ofsted Improvement Plan - Additional posts linked to compliance and support to drive improvement and transformation	265	Enabling & Cost Avoidance
Children's Services Ofsted Improvement Plan - Additional posts to improve and embed good practice	875	Enabling	
TOTAL		2,694	420

7. At year-end only £755,000 of capital receipts were received and for which transformation expenditure qualified under the Government regulations, i.e. that future ongoing cost/demand savings could be identified. Table 2 provides the projects to transform services that were funded through the Flexible Use of Capital Receipts for 2022/23 along with the final costs for 2022/23, and the associated estimated annual revenue cashable savings or future cost avoidance. Entries were made in the Council's accounts for these having due regard to the Local Authority Accounting Code of Practice, including the effect on the Council's Investment Strategy.

Table 2 – Flexible Use of Capital Receipts 2022/23 Actual

Project	Further Details	Investment Required 2022/23 £000	Estimated ongoing annual savings £000
Children's Services	Funding for transformation of Service and Children's Services Ofsted Improvement Plan to improve services and outcomes		
	Workforce Development - set up costs for the creation of a Social Worker Academy to reduce the requirement for agency staff	451	641
	Children's Services Ofsted Improvement Plan - Additional posts to improve and embed good practice	304	Enabling
TOTAL		755	641

2023/24 Original Planned Use of Flexible Capital Receipts

8. The planned use of flexible capital receipts in 2023/24 was set out in the budget and MTFP report approved by Council on 27 February 2023. The plan incorporated £3m of expenditure on transformation and other eligible expenditure within an overall MTFP strategy that forecast flexible receipts in year in excess of £9m, the balance of receipts assumed to be used to finance the capital programme.
9. The main emphasis of the Flexible Use of Capital Receipts Strategy in 2023/24 is within Children's Services associated with expenditure within the Children's Financial Improvement Plan targeted to realise savings in expenditure and cost avoidance arising from a range of projects.
10. Table 3 summarises the planned projects to transform services, achieve cost avoidance that were proposed to be funded through flexible use of capital receipts for 2023/24 totalling approximately £3m, including the estimated projected costs, and the associated estimated annual full year revenue savings or future cost avoidance. In some cases, there is a direct link between a project and the realisable financial benefit, however in others it is difficult to quantify and the project contributes to enabling savings or costs avoidance in other areas or provide a wider benefit, which would not otherwise be realised.
11. The estimates of transformational expenditure were made on a prudent basis, and it was noted that there may be a need to review and revise the original plan dependent upon whether the initial planned projects were delivered given the significant transformation work required within Children's Services which presents the single biggest risk to the Council's financial sustainability.
12. It was noted that if it was necessary to increase the use of capital receipts on a flexible basis during 2023/24 above that contained in the Strategy, that an amended plan and strategy would be submitted for approval by Council, and notified to DLUHC as required by the statutory guidance.

Table 3 - Original Planned Use of Flexible Capital Receipts 2023/24 (as approved by Council in February 2023)

Project	Further Details	Estimated Investment Required 2023/24 £000	Estimated ongoing full year net savings £000
Children's Services	Children's Services Financial Improvement Plan		
	Support to deliver Children's Financial improvement Plan	300	4,722
	Family Support - set up and lead in costs for the creation of in-house team and reduction in the use of high cost external provision	200	included in above
	Integration of specialist agency team required in Safeguarding & Care Planning to improve "Children in Need and Child Protection", and transition into business as usual. This will also led to the removal of 2 other managed Teams by using current staff to provide the service	800	included in above
	Set up and lead in costs for the implementation of various projects to Increase the in-house residential offer to reduce expenditure on external placements by purchase and/or refurbishment of additional properties to develop additional bedspaces.	500	included in above
	Creation of new Children's Services Assistant Director post to drive transformation and cost reductions	100	enabling
Corporate	Support to deliver corporate savings programme	400	8,824
	Service reconfiguration, restructuring or rationalisation of management and staff (only statutory elements included) associated with achieving the ongoing savings	500	included in above
	Support required to respond to Best Value Improvement Notice	100	enabling
Adult Social Care	Adult Social Care - implementation of improvement plan and transformation in readiness for CQC inspection	100	enabling
TOTAL		3,000	13,546

Revised Planned Use of Flexible Capital Receipts 2023/24

13. A number of schemes within the original plan for 2023/24 for £3m approved by Council in February 2023 have not progressed as originally intended and a number of new projects have been added for which the expenditure qualifies under the regulations for flexible use of capital receipts funding.
14. As reported in the Quarter One Revenue and Capital Budget Forecast Outturn considered by the Executive on 23 August 2023, the Council's level of forecast annual revenue expenditure materially exceeds its income resulting in a forecast overspend of £11.563m. Over the year to the end of Quarter Two, a range of measures have been taken to reduce expenditure through the development of Financial Recovery Plans to contain expenditure within the 2023/24 approved budget. The Quarter Two financial forecast is an overspend of £8.556m as set out in the Quarter Two Revenue and Capital Budget Forecast Outturn report to Executive on 21 November 2023, and work will continue to manage the overspend down further.
15. However, in order to achieve financial sustainability, it is necessary for the Council to develop implement a further range of transformational and efficiency plans to secure cost reduction and income growth within 2023/24 and into 2024/25 and future years.
16. In addition, a number of proposed transformation projects are in development which will be brought forward to the Executive in December as part of the 2024/25 budget development process, which will be considered for approval by Council in February 2024 along with the annual FUoCR Strategy for 2024/25.
17. In order for expenditure within the 2023/24 revised plan to be funded from flexible use of capital receipts, assets must be sold and cash received by the Council before 31 March 2024. The capital receipts forecast for 2023/24 prior to any Executive decisions regarding the Asset Review is set out in the revised Capital Programme for 2023/24 to 2025/26 contained in the Revenue and Capital Budget – Forecast Outturn position at Quarter Two 2023/24 report to Executive on 21 November 2023 and is shown in Table 4 below. Table 4 also shows the additional capital receipts approved by Executive on 21 November 2023 as set out in the Asset Review report.

Table 4 – Analysis of Forecast Capital receipts

<i>Forecast capital receipts</i>	2023/24	2024/25	2025/26	2026/27	Total
	£m	£m	£m	£m	£m
Receipts from approved asset disposals	3.155	5.469	4.811	-	13.435
Additional Receipts proposed in Asset Review report	10.600	7.412	4.000	5.050	27.062
Total Available Receipts subject to Executive approval	13.755	12.881	8.811	5.050	40.497

18. This will provide the opportunity to fund a number of new management interventions set out in the revised plan at Table 5 below within 2023/24 from flexible use of capital receipts. Where expenditure that qualifies for inclusion in the revised FUoCR strategy has previously been approved from revenue resources, finance officers will seek to optimise the application of flexible capital to ease financial pressures upon the revenue budget and limited reserves.

Finance				
Transformation	Financial improvement - Interim finance lead - financial strategy, business partnering to improve VFM and support transformation programme	Corporate Contingency	0.103	Enabling
Transformation	Finance specialist finance improvement to support transformation	Change Fund	0.064	Enabling
Procurement compliance	Additional resource to support the enforcement of compliance in procurement to achieve cost efficiency in supplies and services	Change Fund	0.025	Enabling
Debt Review	Additional resource in Resident and Business Support to target reduction in aged debt and increase income of Council Tax, Business Rates and Sundry Debt	Change Fund	0.169	1.584
Children's Services				
Family Support	Family Support - set up and lead in costs for the creation of in-house team and reduction in the use of high cost external provision	Children's Care	0.300	0.727
Internal residential	Set up costs for the implementation of various projects to Increase the in-house residential offer to reduce expenditure on external placements by purchase and/or refurbishment of additional properties to develop additional bedspaces.	Children's Care	0.100	enabling
Staffing	Integration of specialist agency team required in Safeguarding & Care Planning to improve "Children in Need and Child Protection", and transition into business as usual. This has led to the removal of 2 of 3 managed teams and will lead to the eventual removal of the remaining managed team by May 2024 using current staff to provide the service	Children's Care	0.800	1.200
	Review of staffing establishment	Change Fund	0.070	Cost reduction
	Use of market weighted allowances to attract permanent staff to reduce use of agency staff.	Children's Care	0.813	enabling
	Recruitment costs to attract permanent staff to reduce use of agency staff	Children's Care	0.007	enabling
Transformational Support	Specialist Children's Services Financial Consultant drive transformation and cost reductions	Corporate Contingency	0.098	enabling

	Specialist Children's Services manager to drive service improvement	Children's Care	0.080	enabling
Placements	Dedicated Placement Manager to drive transformation in placements	Children's Care	0.052	enabling
	Improvement Lead for Review of Placements	Change Fund	0.060	1.500
Internal fostering	Increase capacity by increase in fees to internal carers to allow for existing carers to increase places and attract more to take up as a carer, in order to reduce need for Independent Fostering Agency (IFA) placements and any subsequent External residential placements	Children's Care	0.750	0.460
Education & Partnerships				
Integrated Transport Unit	Integrated Transport Unit - external resource for review	Change Fund	TBC	TBC
Adult Social Care				
Transformation review	Transformation Lead and 5 reviewing staff to undertake reviews and transformation project including activity identified in Assistive Technology Transformation, developing the prevention hub, and review of the Connect Service	Change Fund	0.201	1.900
TOTAL			4.299	7.371

Monitoring the Strategy

19. Delivery against the updated strategy will be monitored throughout the remainder of the financial year as part of regular budget monitoring arrangements and be reported accordingly as part of the current quarterly budget monitoring reports to Executive including the realisation of cashable capital receipts that will enable the release of committed revenue funding that will enable projects to commence prior to receipt of cashable receipts.
20. It should be noted that the final financing position on the strategy will be determined as part of the accounts closure process at 31 March 2024.
21. The legitimacy of the use of the Strategy has been determined by the Council's s151 Officer to be in accordance with the statutory regulations.

The Prudential Code

22. The Council will have due regard to the requirements of the Prudential Code and the impact on its prudential indicators from implementing the proposed Strategy. The capital expenditure prudential indicators will be amended and approved as appropriate.

23. The indicators that will be impacted by this Strategy are set out below:

- Capital financing requirement will be increased by an estimated £4.299m in 2023/24 as these capital receipts were intended to support schemes within the existing Investment Strategy that are now budgeted to be financed by prudential borrowing. Schemes financed by prudential borrowing are reflected within the prudential indicators as set out within the Treasury Management Strategy and included as part of the budget.
- Financing costs as a percentage of net revenue stream (%), noting that the savings generated from these projects will meet the debt financing costs arising from the additional borrowing. The current indicative cost of borrowing the estimated £4.299m in 2023/24 is approximately £0.400m p.a.

24. The prudential indicators show that this Strategy is affordable and will not impact on the Council's operational boundary and authorised borrowing limit set by the Council for 2023/24. However, this will need to be closely monitored as part of the current quarterly budget monitoring reports to Executive.

25. The Council will also have due regard to the Local Authority Accounting Code of Practice when determining and including the entries required from undertaking and funding the projects within the Council's Statement of Accounts.

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