

## OVERVIEW AND SCRUTINY BOARD

<b>Date:</b> Wednesday 10th January, 2024
<b>Time:</b> 4.30 pm
<b>Venue:</b> Mandela Room

### AGENDA

1. Apologies for Absence
2. Declarations of Interest
3. Minutes - Overview and Scrutiny Board - 20 December 2023 3 - 10
4. Executive Forward Work Programme 11 - 18
5. Council Budget 2024/25 and MTFP refresh - Finance and Governance 19 - 30
6. Scrutiny Chairs Update
  - Adult Social Care and Services Scrutiny Panel - Councillor J. Walker (Chair)
  - Children & Young People's Scrutiny Panel - Councillor E. Clynch (Chair)
  - Environment Scrutiny Panel - Councillor J. Ryles (Chair)
  - Health Scrutiny Panel - Councillor J. Banks (Chair)
  - Regeneration Scrutiny Panel - Councillor I. Blades (Chair)
7. Any other urgent items which, in the opinion of the Chair, may be considered.

Charlotte Benjamin  
Director of Legal and Governance Services

Town Hall  
Middlesbrough  
Tuesday 2 January 2024

**MEMBERSHIP**

Councillors M Storey (Chair), J Kabuye (Vice-Chair), J Banks, I Blades, E Clynch, S Dean, J Ewan, M McClintock, J Platt, J Ryles, M Smiles, J Walker, J Young and N Walker

**Assistance in accessing information**

**Should you have any queries on accessing the Agenda and associated information please contact Scott Bonner, 01642 729708, [scott\\_bonner@middlesbrough.gov.uk](mailto:scott_bonner@middlesbrough.gov.uk)**

**OVERVIEW AND SCRUTINY BOARD**

A meeting of the Overview and Scrutiny Board was held on Wednesday 20 December 2023.

**PRESENT:** Councillors M Storey (Chair), J Kabuye (Vice-Chair), J Banks, I Blades, E Clynych, D Coupe (Substitute for M Smiles), M McClintock, J Platt, J Walker and J Young

**PRESENT BY INVITATION:** Mayor C Cooke and Councillor N Walker

**OFFICERS:** S Bonner, A. Glover and D Middleton

**APOLOGIES FOR ABSENCE:** Councillors S Dean, J Ewan, J Ryles and M Smiles

23/37 **DECLARATIONS OF INTEREST**

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

23/38 **MINUTES - OVERVIEW AND SCRUTINY BOARD - 15 NOVEMBER 2023**

A Member sought clarification on Minute number 23/33 relating to paragraph eight on page two of the minutes. The Member stated this was a question and should be reflected as such in the minutes. As such it was agreed the Minute in question should read,

*A Member queried that, in the event a s114 notice was issued, would staff be given statutory redundancy only.*

The Executive Member for Finance and Governance also clarified that in the event a Section 114 Notice was issued the nature of redundancy packages for staff would be informed by available funding.

With the amendment above, the minutes of the Overview and Scrutiny Board meeting held on 15 November 2023 were submitted and approved as a correct record.

23/39 **EXECUTIVE FORWARD WORK PROGRAMME**

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

**NOTED**

23/40 **COUNCIL PLAN 2024 ONWARDS**

The Chair welcomed the Mayor, the Executive Member for Finance and Governance and Director of Finance to the meeting and invited the Mayor to present his information to the Board.

The Mayor outlined the need for a Council Plan stating it helped the Council deliver its priorities and to inform the budget setting process. The Residents Survey carried out in 2023 had informed the Council Plan which showed how residents viewed the town. The Council Plan was structured around four strands which included, *A Successful and Ambitious Town* and *A Health Place*. The Mayor commented the *Delivering Best Value* strand was also important as it demonstrated how the Council could deliver its services effectively. Associated with this was the need for the Council to deliver against the actions contained within the Best Value Notice. One of the main ambitions of the Council Plan was tackling poverty and improving the quality of services.

Consultation on the Council Plan had been undertaken with partners with the final version to be considered by Council at its meeting in February 2024. After approval several service level plans

would be produced that would feed into the Council Plan. The Overview and Scrutiny Board would be provided with budget and performance monitoring information on a regular basis against the Council Plan.

The Mayor commented the Council Plan provided an insight into the status of the town and that the health of residents was a major determinant in other outcomes.

Each strand of the Council Plan had several priorities associated with them. The *Healthy Place* strand was used as an example of how residents, generally, had poorer health outcomes than other areas. While the Council Plan could contribute to changing this, it would not be an easy or quick fix. The *Reducing Poverty* priority would be supported by two further strategic documents, namely the Anti-Poverty Strategy and Social Charter.

The *Safe and Resilient Communities* strand would inform decisions including the need to build more bungalows and investment in access services. The *Delivering Best Value* strand included the priorities *Ensuring robust and effective corporate governance* and *Set a balanced revenue budget and Medium-Term Financial Plan to restore financial resilience and sustainability*. Both priorities helped inform other strategic documents such as the Public Health Strategy. Under the *Delivering Best Value* strand there was a need to undertake transformative work that would help the Council save money, such as the Shift programme in Children's Services.

At this point the Mayor invited questions from the Board.

A Member agreed with the prospect of building bungalows on new developments and asked what guarantees there were for this. It was commented this sort of initiative could be built into the Local Plan. By 2040 it was estimated Middlesbrough would lose 5,000 people from its workforce population. There was a need to entice and retain people living and working in the town and as such there was a need for a more fluid housing stock which included single person accommodation. The Member commented they would be encouraged by seeing this in the Local Plan.

A Member referred to the budget report submitted to Overview and Scrutiny Board and commented the Council Plan and other strategic documents needed to be financially sustainable. The Member queried how Members could approve the Council Plan, and other strategic documents, if, as the budget report stated, the proposed budget could not be balanced. It was confirmed that while the Council Plan and the Budget informed one another they were different entities. The proposed budget needed to be balanced to be approved. It was asked if the budget was not approved in February could the Council Plan be approved. It was clarified this was unlikely if the budget was not approved. However, it was also clarified that most of the Council's decisions were dependent on the budget being approved.

A Member commented that more two bedroomed houses should be available, and included in the Local Plan, as this would assist with preventative care initiatives in Adult Social Care.

A Member commented that improved Broadband provision in the town would also benefit from being included in the Local Plan.

It was asked how building more bungalows could be guaranteed as previous planning applications had deviated from the Local Plan. It was commented there needed to be a level of adherence to the Local Plan and a more robust narrative about the need for a fluid housing market was required in the Local Plan.

A Member commented there was a need to retain as much green space as possible and brown field sites should be utilised for housing development. There was also a need to work with developers to ensure developments were beneficial to as many people as possible. There was also a need to have increased involvement from Members in the Local Plan. It was acknowledged that existing housing stock needed re-examination to understand if it could be used. There was also a need to change the perception of some wards to make them as appealing as possible.

A Member queried how the Council Plan priority *Promote inclusivity for all* would be achieved. It was clarified that a survivors panel, made up of people who had experienced trauma, was being explored. This panel could assist the Council and its partners develop more effective services.

The Member also asked how the Council contributed to the green agenda. It was clarified the Council had a green strategy and that the green agenda was a national initiative.

Referring to the Local Plan, a Member stated they hoped the Local Plan did not allow house building for the sake of it. It was clarified the town needed the right sort of housing that could contribute toward the Council's objectives, such as social care preventative work as previously discussed in the meeting.

Regarding Section 106 agreements, a Member commented the Council had not been able to demonstrate the benefits promised from various Section 106 agreements. It was commented there needed to be increased and improved transparency with regards to Section 106 monies and promises.

A Member asked if the creation of a retirement village had been considered. While this had been considered it would be difficult to formalise. It was also commented, from a social inclusion perspective, that it was beneficial to have older and younger people living close to one another. It was also confirmed there had not been a Local Plan since 2014 and this introduced a level of uncertainty.

**ORDERED** That:

1. Explore including more bungalows in the Local Plan as this would assist with preventative care initiatives in Adult Social Care as well as improved Broadband services.
2. The information presented be noted.

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## **2024/2025 BUDGET AND MTFP REFRESH**

The Chair advised this item afforded Members the opportunity to ask questions about the budget proposals and that service specific budget proposals would be considered by the relevant scrutiny panel in early 2024. The Chair stated it was not the Board's responsibility to set the agenda for individual panels. The Executive Member for Finance and Governance advised the Board that an all-Member briefing about the budget proposals would be taking place on the evening of Thursday 21 December.

The Chair commented the budget consultation process for 2023/2024 had been one of the most comprehensive the Council had undertaken.

The Chair invited the Mayor to present his information.

The principles behind the budget proposals were data driven, with a need to reduce demand and shape priorities. Initially the projected overspend for 2023/24 was £11.5 million but this had been reduced to approximately £7.4 million. Revenue reserves stood at £14.8 million but this was projected to fall.

Overall, even with all budget proposals taken into account and factoring in budget growth there remained a budget gap of £6.2 million.

Each budget proposal was categorised and had been reviewed extensively. The Mayor provided the budget proposal for Levick Court as an example. While this was initially categorised as Stop, it was now seen as a transformative and categorised as T, or Transformation. Pieces of work like this could utilise monies raised from the asset review. There was a desire to reduce the number of S, or Stop, categories as much as possible.

Budget proposals that were categorised as Stop stood at £500,000 while proposals categorised as transformational or those seeking efficiency exceeded several million pounds.

In terms of long-term objectives, Middlesbrough featured prominently in metrics such as high crime rates, anti-social behaviour, and poor school attendance. This was a cumulative effect, and such Middlesbrough faced several difficult challenges. The Mayor commented consultation on the budget was crucial, especially considering responses to the Resident's Survey. Consequently, it was decided that certain budgets would be protected including those in Area Care, Community Safety and Crossing Patrols.

The Mayor also clarified the Council's core spending power. While there had been a 10% increase in core spending power this was not all available from government grant but was instead generated locally. As Members had been supplied with the individual budget proposals the Chair invited the Board to pose questions to the Mayor.

A Member thanked the Mayor for his presentation and brought his attention to Appendix one of the report, containing proposals that did not require consultation. As the proposals in appendix one would still affect residents it was suggested consideration should be given to them. The Mayor responded that some services in Middlesbrough were out of step with other Councils and sometimes operating above its own policies so needed reviewing. For those proposals requiring review this needed specific pieces of work to ensure proposals were not disadvantaging residents.

The Executive Member for Finance and Governance stated that part of Scrutiny's response to the budget consultation could be to suggest moving proposals between different appendices of the budget report.

A Member queried if the Resident's Survey was available to view. It was confirmed this was part of the papers considered by Executive on 20 December 2023 and a link to those papers would be circulated to Members of OSB.

A Member reaffirmed that the budget consultation for 2024/2025 had been extremely thorough. It was asked if the Council would receive any funding from the uplift to the Local Government Settlement. It was clarified the Council had already accounted for this as part of the budget setting process.

It was asked if there would be investment in budgets to maintain waste collection. It was clarified investments would be made when required, citing the recent fleet review of waste lorries as an example.

The Executive Member for Finance and Governance stated that just over 80% of the Council's net budget was spent on Children and Adult Services. It was important to support the intentions behind the budget proposals and potential exceptional financial support as the alternative was a Section 114 Notice. The Mayor stated if services were cut further there would be a need for significant investment to grow them back.

It was also commented that transformation programmes were required in large spending areas such as Children's Services, as this would have more of an impact than the same process in smaller spending areas. There was also a need to reduce service demand to complement any reductions in spending.

There was a need to examine practice as well as policy against statutory duties. It was explained that in the event a Section 114 Notice was issued there would be a requirement to reduce statutory services down to a safe and legal minimum rather than transforming those services as was being planned.

For Councils in challenging financial positions, advice from CIPFA was to engage with the Department for Levelling Up, Communities and Housing to formulate relevant recovery plans. The challenge of saving approximately £20 million from a budget the size of Middlesbrough's was significant. Some of budget proposals were not for consultation as it required to change practice rather than policy.

A Member queried budget proposal FIN 3456 regarding Council Tax collection and asked why it was included given the high percentage of Council Tax currently being collected. It was clarified that while collection rates were high, factors such as the Covid-19 pandemic had resulted in significant debt waiting to be collected. Therefore, investing in that area sought to speed up the collection process. It was also commented that additional resources were required in that area to tackle fraud, further increasing collection rates.

In terms of the proposal to review Legal Services, a conversation took place regarding if there was a culture of staff consulting with legal services by default and if this was necessary.

With regards to budget proposal 4109, a conversation took place regarding the proposal to reverse the deletion of a political assistant vacancy. It was confirmed that no new political assistants had been appointed. It was agreed the Executive Member for Finance and Governance would seek further information about this proposal and update the Board at its meeting of 10 January 2024.

A Member queried how transformation work would be carried out and be assured it would be robust. It was commented that work was being carried out with an external consultancy to explore opportunities to redesign services, including assessing demand management. Where applicable, business cases would be developed through the Council's governance processes for inclusion into the budget framework. By doing this it would be demonstrated the Council had a planned approach to the budget.

With regards to the Captain Cook Birthplace Museum, the Chair asked what Council support was provided to people wanting to take over venues such as this. The Mayor intended to meet Captain Cook Birthplace trust to discuss this. Based on visitor figures it cost approximately £600 per visitor to run the museum. While there was a desire to keep the museum open it needed to be ran in a different way. In terms of support offered, this was dependent on what was requested. The Chair commented that areas of best practice should be approached to understand how this had been done in other places.

A Member commented that visitor numbers were not recorded on an individual, per visit, basis so actual costs per visitor could be different. A discussion took place regarding the number of school children visiting the museum and if they had been captured as part of the visitor numbers. It was commented that several budget proposals were focussed on cultural activities which required a transformative approach.

The Chair queried if other Councils who had applied for exceptional financial support were being contacted in the interests of best practice. It was clarified the government website showed which Councils had received support but not the circumstances surrounding the support. Councils receiving support were required to create a recovery plan, but each plan would be slightly different. The nature of financial support could also change, for example the government may only offer additional support provided the Council increased its Council Tax rate.

The Chair asked if Councils in that position could be seen as areas of best practice. It was commented Councils in such positions should not be seen as best practice examples. The Mayor stated that different Councils handled their circumstances differently, but the options being proposed would be challenging but potentially lead to a better Middlesbrough in future years.

The Chair also asked for those protected budget areas would they be reviewed to ensure they were working as efficiently as possible. This was confirmed and it was commented services needed to be closer to the community. Once services were located into locality patches, they would become more efficient by default. The Mayor commented that the budget proposals may move but that it would be preferable to seek exceptional financial assistance rather than lose front line services.

The Executive Member for Finance and Governance stated that transformation programmes took time and that some savings would be realised in the 2025/26 financial year. It was also stated that requests for exceptional financial support may be less than what was requested. It would be at that point a Section 114 Notice would be considered. If this were to happen all Members would be notified and a balanced budget would need to be set. The time scale for this would be 20 days.

**ORDERED That:**

1. Further information be brought back to OSB regarding budget proposal to reverse the deletion a political assistant post.
2. The information presented by noted.

The Chair of the Health Scrutiny Panel presented the Panel's Final Report and draft recommendations in relation to its review of Dental Health and the Impact of Covid-19.

The Board was asked to consider the following recommendations:

- a) That a further census survey of 5-year-old children is undertaken to enable analysis of data at a ward-level to identify health inequalities and enable the delivery of more targeted support.
- b) That a locally tailored oral health strategy is developed, which is based on an oral health needs assessment.
- c) That the Local Authority works with the relevant local authorities in the North East, the Office for Health Improvement and Disparities (OHID), NHS partners and the relevant water companies to support and delegate responsibility to respond to the OHID national water fluoridation public consultation (due in early 2024) to the Director of Public Health.
- d) That the Health Scrutiny Panel receives regular updates on progress made with implementing a water fluoridation scheme for the region, including the outcome of the public consultation.
- e) That targeted work is undertaken to increase uptake of the supervised tooth brushing programme and ensure engagement of the early years settings and primary schools located in town's most deprived areas.
- f) That, for those families who choose not to engage with the health visiting service, free toothbrushes and toothpaste are sent via postal delivery to encourage parents to adopt good oral health practices.
- g) That a targeted community fluoride varnish programme is commissioned to reduce health inequalities across Middlesbrough's population.
- h) That, to influence the national reform of NHS dentistry, the Chair of the Health Scrutiny Panel writes to the Secretary of State and the NHS England regional team undertake work, to make access to NHS dental services equal and affordable for everyone in the region.
- i) That an update is submitted to the Health Scrutiny Panel in 6 months' time in respect of:
  - the North East and North Cumbria Integrated Care Board's (ICB) recovery plan to improve access to NHS dental services; and
  - how feedback from the local population has been utilised to formulate solutions and determine future plans.
- j) That Teesside University, the Local Authority and the North East and North Cumbria ICB work collectively to overcome and address current referral restrictions associated with the Student Dental Facility, with an aim to improving accessibility for those experiencing problems with accessing NHS dental care.

A discussion took place regarding the report's recommendation to create a School of Dentistry on Teesside and the lack of dentists nationally. It was commented the availability of dentists was dependent on current funding models and an increase in the number of dentists was unlikely to change until this changed.

Members agreed the report was interesting and expressed their thanks to all involved in its creation. Given the Council's challenging financial position it was agreed any recommendations the Council was directly responsible for should identify potential cost implications. It was commented that while many of the recommendations would be delivered by Health partners identifying potential cost implications would be beneficial.

**ORDERED** That:

1. The report be amended to identify potential cost implications where appropriate.
2. The findings and recommendations of the Health Scrutiny Panel be endorsed and referred to the Executive.

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#### **SCRUTINY CHAIRS UPDATE**

The Chair of the Overview and Scrutiny Board invited Scrutiny Panel Chairs to provide their updates.

Chair of the Children and Young People's Scrutiny Panel.



The Panel met in late November where it received information about its ongoing review into school attendance. It was agreed that Member working groups would visit schools to understand what support could be provided to them with regards to school attendance.

Chair of the Adult Social Care and Service Scrutiny Panel.

The Panel met on 19 December 2023 and received a presentation from the Teeswide Safeguarding Adults Board. Members also received information from the Public Health Team regarding the relatively poor health outcomes for the town. The Panel was also examining preventative services and how people could be supported to remain in their own homes. The Panel's next meeting was 9 January 2024.

Chair of the Regeneration Scrutiny Panel.

The Panel met on 6 December and received information relating to its continuing review into planning capacity in Middlesbrough. Members received a presentation from the head of Policy Practice at the Royal Town Planning Institute. The Panel also received an update from the Council's Head of Development Control. The Panel was scheduled to meet on the 17 January where it would continue with its review into planning capacity in Middlesbrough.

Chair of the Health Scrutiny Panel.

The Panel last met on 11 December where it discussed its final report into dental care and looked at its future topics.

**NOTED**

23/44

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

None.

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<b>Report of:</b>	Chief Executive
<b>Submitted to:</b>	Overview and Scrutiny Board – 10 January 2024
<b>Subject:</b>	Executive Forward Work Programme

**Summary**

<b>Proposed decision(s)</b>
It is recommended that the Overview and Scrutiny Board consider the content of the Executive Forward Work Programme.

Report for:	Key decision:	Confidential:	Is the report urgent?
Information	No	N/A	N/A

Contribution to delivery of the 2021-24 Strategic Plan		
People	Place	Business
Open and transparent scrutiny supports all elements of the Mayor’s Vision.	Open and transparent scrutiny supports all elements of the Mayor’s Vision.	Open and transparent scrutiny supports all elements of the Mayor’s Vision.

Ward(s) affected
All Wards affected equally

**What is the purpose of this report?**

To make OSB aware of items on the Executive Forward Work Programme.

**Why does this report require a Member decision?**

The OSB has delegated powers to manage the work of Scrutiny and, if appropriate, it can either undertake the work itself or delegate to individual Scrutiny Panels.

One of the main duties of OSB is to hold the Executive to account by considering the forthcoming decisions of the Executive and decide whether value can be added by Scrutiny considering the matter in advance of any decision being made.

This would not negate a Non-Executive Member’s ability to call-in a decision after it has been made.

## **What decision(s) are being asked for?**

It is recommended that the Overview and Scrutiny Board consider the content of the Executive Forward Work Programme.

## **Other potential decisions and why these have not been recommended**

No other options were considered.

## **Impact(s) of recommended decision(s)**

### ***Legal***

Not Applicable

### ***Financial***

Not Applicable

### ***Policy Framework***

The report does not impact on the overall budget and policy framework.

### ***Equality and Diversity***

Not Applicable

### ***Risk***

Not Applicable

## **Actions to be taken to implement the decision(s)**

Implement any decision of the Overview and Scrutiny Board with regard to the Executive Forward Work Plan.

## **Appendices**

The most recent copy of the Executive Forward Work Programme (FWP) schedule is attached as Appendix A for the Board's information.

## **Background papers**

Executive Forward Work Plan

**Contact:** Scott Bonner  
**Email:** scott\_bonner@middlesbrough.gov.uk



## Forward Plan 1 January 2024 - 31 December 2024

FOR THE PERIOD 1 JANUARY 2024 TO 31 DECEMBER 2024

Ref No. / Ward	Subject / Decision	Decision Maker and Decision Due Date	Council Strategy	Key / PFP	Likely Exemption	Background documents	Member / Officer Contact
<b>The Mayor and Executive Member for Adult Social Care and Public Health</b>							
1018026	First Quarterly Report of the Middlesbrough Independent Improvement Advisory Board	Executive 17 Jan 2024		KEY	Public		Chris Cooke - Elected Mayor, Elected Mayor and Executive Member for Adult Social Care & Public Health
<b>Deputy Mayor and Executive Member for Education and Culture</b>							
<b>Executive Member for Children's Services</b>							
1015473	Approval for Consultation on the Draft Statement of Licensing Policy	Executive 14 Feb 2024		KEY	Public		The Mayor and Executive Member for Adult Social Care & Public Health

Ref No. / Ward	Subject / Decision	Decision Maker and Decision Due Date	Council Strategy	Key / PFP	Likely Exemption	Background documents	Member / Officer Contact
	2023-2028 and Cumulative Impact Assessment						<i>Judith Hedgley, Head of Service - Public Protection judith_hedgley@middlesbrough.gov.uk</i>
I018045 All Wards	Residential and Supported Accommodation for Children in Care and Care Leavers Inform Executive of the plans for achieving key savings by reducing high-cost placements, increasing in house placements and partnering with commissioned providers.	Executive 14 Feb 2024		KEY	Public		Executive Member for Children's Services <i>Dawn Alaszewski dawn_almazewski@middlesbrough.gov.uk</i>
<b>Executive Member for Community Safety</b>							
<b>Executive Member for Environment</b>							
I017831 All Wards	Tree Policy That the Executive agrees to adopt the amended Tree Policy.	Executive 17 Jan 2024		KEY	Public		Executive Member for Environment <i>Andrew Mace, Head of Environment Service Andrew_Mace@middlesbrough.gov.uk</i>

Ref No. / Ward	Subject / Decision	Decision Maker and Decision Due Date	Council Strategy	Key / PFP	Likely Exemption	Background documents	Member / Officer Contact
I017724 All Wards	Gambling Policy 2024-2029 Statutory requirement to have gambling policy to place.	Executive 14 Feb 2024		KEY	Public		Executive Member for Community Safety <i>Judith Hedgley, Head of Service - Public Protection</i> <i>judith_hedgley@middlesbrough.gov.uk</i>
I017712 All Wards	Statement of Licencing Policy 2024-2029 Statutory requirement that this policy is approved by full Council.	Council 10 Apr 2024		KEY	Public		Executive Member for Community Safety <i>Judith Hedgley, Head of Service - Public Protection</i> <i>judith_hedgley@middlesbrough.gov.uk</i>
<b>Executive Member for Finance and Governance</b>							
I016768 All Wards	Council Tax Reduction Scheme TBC	Executive 4 Oct 2023		KEY	Public		Executive Member for Finance and Governance <i>Keely Trainor</i> <i>Keely_Trainor@middlesbrough.gov.uk</i>
I017605 All Wards	CTR Scheme 2024-25 2024-25 Council Tax Reduction scheme	Executive 17 Jan 2024			Public		Executive Member for Finance and Governance <i>Janette Savage, Head of Resident and Business Support</i>

Ref No. / Ward	Subject / Decision	Decision Maker and Decision Due Date	Council Strategy	Key / PFP	Likely Exemption	Background documents	Member / Officer Contact
							<i>Janette_Savage@middlesbrough.gov.uk</i>
I016676 All Wards	Corporate Procurement Strategy 23-25 Presentation of the refreshed and updated Middlesbrough Council Corporate Procurement Strategy 23-26.	Executive 14 Feb 2024		KEY	Public		Executive Member for Finance and Governance <i>Keely Trainor</i> <i>Keely_Trainor@middlesbrough.gov.uk</i>
<b>Executive Member for Regeneration</b>							
I016906 All Wards	Draft Local Plan To seek approval of the Draft Local Plan for the purpose of public consultation.	Executive 17 Jan 2024		KEY	Public		Executive Member for Regeneration <i>Alex Conti</i> <i>Alex_Conti@middlesbrough.gov.uk</i>
I017156 All Wards	Levelling Up Partnership Executive consideration of a funding package to address deprivation indicators and improve services for residents of Middlesbrough.	Executive 17 Jan 2024		KEY	Public		Executive Member for Regeneration, The Mayor and Executive Member for Adult Social Care & Public Health <i>Sam Gilmore, Head of Economic Growth</i> <i>Sam_Gilmore@middlesbrough.gov.uk</i>



Ref No. / Ward	Subject / Decision	Decision Maker and Decision Due Date	Council Strategy	Key / PFP	Likely Exemption	Background documents	Member / Officer Contact
I014849 Coulby Newham	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.	Executive 17 Jan 2024		KEY	Public		Executive Member for Finance and Governance, Executive Member for Regeneration <i>Andrew Carr</i> <i>Andrew_Carr@middlesbrough.gov.uk</i>
I017049 All Wards	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.	Executive 14 Feb 2024		KEY	Public		Executive Member for Regeneration <i>Teresa Garret</i> <i>teresa_garret@middlesbrough.gov.uk</i>

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# 2024/25 Budget & MTFP Scrutiny Consultation

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January 2024

Agenda Item 5

# Agenda

- Introduction
- Budget gap reminder
- Finance – context
- Questions: Finance – Budget savings proposals
- Legal and Governance – context
- Questions: Legal and Governance – Budget savings proposals
- Next Steps and Close

# Introduction

On 20<sup>th</sup> December 2023, the Budget 2024/25 and MTFP Refresh was presented to Executive which included a range of budget proposals aimed to balance the budget.

The Mayor and the Executive Member for Finance and Governance also both attended OSB on 20<sup>th</sup> December 2023 in relation to the 2024/25 budget proposals and refresh of the Medium-Term Financial Plan

The budget proposals aim to balance the budget are out to public consultation.

In this session, OSB have the opportunity to consider the Finance Services and Legal and Governance Services and their budget proposals.

# Reminder: remaining Budget Gap after all current budget proposals and Council tax assumptions

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Item	2024/25 £m	2025/26 £m	2026/27 £m	Cumulative £m
Revised gap before new budget savings proposals	18.098	6.552	2.272	26.922
New savings proposals	(14.038)	(5.083)	(1.967)	(21.088)
Revised gap after new savings proposals	4.060	1.469	0.305	5.834
New growth to support transformation	0.000	0.127	0.000	0.127
Reversal of savings approved by Council in 2023/24 Budget Report	1.158	-	-	1.158
Proposed unachievable previously approved savings	1.061	-	-	1.061
New growth/amend previous years' savings	2.219	0.127	0.000	2.346
Refreshed Budget Gap + / Surplus ( )	6.279	1.596	0.305	8.180

Note: Initial assessment – the recent settlement is in line with officer expectations and **does not close the 2024/25 budget gap**

# Finance – Context

## Key messages from Finance Executive

- The Finance Service is at the heart of delivering the Council’s financial recovery that require the Council to achieve financial sustainability and to drive compliant procurement and strengthened internal financial controls as set out in the Council’s Culture and Governance Improvement Plan and leading the delivery of 6 of the 11 statutory recommendations made by the External Auditor.
- The service delivers a broad range of support functions that deliver the statutory responsibilities of the s151 Officer, including financial planning and forecasting, advice, management accounting, financial reporting, commissioning and procurement, accounts payable, insurance and treasury management.
- In addition, Finance provides a range of customer facing services including council tax and business rates billing, income collection, council-wide debt recovery, administering housing benefits and Council Tax Reduction, the Community Support Scheme, the Household Support Fund and Discretionary Housing Payments. Also included is the Welfare Rights advice service to the public and administering grants to community groups and third parties.
- Having incurred substantial budget reductions in previous years, there is a need to reinvest in capacity that will deliver improvements in the Council’s financial management arrangements and strengthen the internal financial control environment which are reflected in a number of its budget proposals.

# Savings Summary – Finance

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

Ref:	Categorisation	Budget savings proposal	24/25 (£m)	25/26 (£m)	26/27 (£m)	Total (£m)	Proposed reduction in Staff over 2024/25 to 2025/26 FTE	Current Vacant Posts FTE
FIN08	S	<p><b>Reduction in the allocation of resource for voluntary and community sector grants from the local authority.</b></p> <p>To reduce the allocation of funding available for the voluntary and community sector grants programme. The small grants programme, of £0.127m which is for one-off grants for residents and small community groups will cease. There will be a 20% reduction in remaining funding of £0.195m to £0.156m. This will mean the available funding for Community Chest and Development Grants will significantly reduce and there will be a review undertaken regarding the allocation of core grants. Support will be offered to enable organisations to access external grant funding opportunities.</p>	(0.166)			(0.166)		
FIN11	E	<p><b>Closure of Cashiers at Middlesbrough House.</b></p> <p>Alternative ways to pay such as direct debit, online, telephone or if in person at a Post Office or one of the many local paypoint outlets will be offered. Where the Council provides an 'estate' function for vulnerable residents, local town centre arrangements will be introduced to provide cash payments.</p>		(0.020)		(0.020)		

Note: Local PayPoint outlets can be found by following this link:

[consumer.paypoint.com/cashout](https://consumer.paypoint.com/cashout)



# Savings Summary – Finance

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

Ref:	Categorisation	Budget savings proposal	24/25 (£m)	25/26 (£m)	26/27 (£m)	Total (£m)	Proposed reduction in Staff over 2024/25 to 2025/26 FTE	Current Vacant Posts FTE
FIN01	I	<b>Collection of Housing Benefit Overpayments.</b> Invest additional staff resources to increase the recovery of old debt from overpaid Housing Benefit.	(0.105)	(0.035)		(0.140)	1.0	
FIN02	I	<b>Review of Single Person Discounts and Student Exemption for Council Tax.</b> Undertake a review of all current awards, if not entitled, remove and rebill to ensure all households are paying the correct amount of Council Tax	(0.198)	(0.066)		(0.264)	3.0	
FIN03	I	<b>Collection of Council Tax.</b> Invest additional staff resources to increase the recovery of old debt whilst also ensuring that Households are in receipt of the relevant DWP benefits / financial support.		(0.110)	(0.037)	(0.147)	2.0	
FIN04	I	<b>Collection of Council Tax.</b> Invest additional staff resource to increase the recovery of debt through the use of charging orders. If Council Tax is owed this can be secured against the homeowner's property, upon sale or forced sale the debt will then be discharged.		(0.504)	(0.103)	(0.607)	1.0	
FIN05	I	<b>Collection of Business Rates</b> Invest additional staff resource to increase the recovery of old debt.		(0.126)	(0.042)	(0.168)	1.0	
FIN06	I	<b>Collection of Council Debt</b> Invest additional staff resource to increase the recovery of general debt relating to provision of Council 'paid for' services.	(0.188)	(0.070)		(0.258)	2.0	
FIN07	E	<b>Reduction in Contractual Spend</b> Undertake a review to increase on-contract spend and improve contract management standards based on 2% reduction in current spend linked to supplies and services.	(0.700)			(0.700)		
FIN09	E	<b>Invoice Reconciliation</b> To develop a system for automatic checks on delivered hours against commissioned hours within Adult Social care	(0.080)			(0.080)	2.0	
FIN10	I	<b>Centralisation of grants administration and maximisation of opportunities for grant income across the authority</b> To develop a process and centralised resource for the horizon scanning of grant opportunities across the authority and to ensure central co-ordination of all grant income, this will include ensuring the costs of any support and overheads are fully met by any grants received.	(0.050)			(0.050)	1.0	

# Questions

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# Legal and Governance – Context

## Key messages from Legal and Governance Executive

- The corporate centre directorate includes legal and democratic services, HR, the Customer Centre, ICT, strategy, the Programme Office, performance, risk, health and safety, information governance and the coroner's service
- The directorate budget is largely staffing; it is a budget which has been heavily reduced through cuts during the last decade
- The directorate and its functions is a key enabler for everything that the council does: we need HR, ICT, legal and data analytics colleagues to ensure that we can function efficiently, safely and lawfully
- There is, however, scope for some savings to be made in discrete areas and for transformation, which is reflected in the savings proposals that have been proposed on behalf of the directorate. Some of these are directorate specific, some of them cut across the whole council.

# Savings Summary – Legal and Governance

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

Ref:	Category	Budget savings proposal	24/25 (£m)	25/26 (£m)	26/27 (£m)	Total (£m)	Proposed reduction in Staff over 2024/25 to 2025/26 FTE	Current Vacant Posts FTE
LGS01	E	<b>Reduce car mileage rate paid to staff from current 60p per mile for petrol/diesel/hybrid cars to HMRC rate of 45p per mile.</b> This will involve issuing notice of the introduction of the new rate and adjusting in the Council's HR system. Staff communication will be required. Saving will be across all directorates.	(0.116)			(0.116)		
LGS02	S	<b>DBS Renewals - staff to self declare at renewal stage.</b> This will involve the introduction of a self declaration model which can be built into appraisal/supervision meetings and recorded. The HR System will need to be adjusted to allow recording of information and services will need to keep information securely.	(0.012)			(0.012)		
LGS03	E	<b>A Cross-Council review of administrative roles and functions.</b> This saving will be achieved through a Council-wide review of all customer-facing and administrative roles, with a view to reducing net budget by 2.5%	(0.136)			(0.136)	(6.0)	0.0
LGS04	E	<b>Review corporate mobile telephone contract.</b> A review of the corporate mobile phone contract and the move to a new provider, to realise savings	(0.050)			(0.050)		
LGS05	E	<b>Centralisation of Data Analytics (Cross Council)</b> A review of resources, systems and processes in relation to the data analytics function to enable standardisation, providing data analytic services to the Council at a reduced cost base.	(0.058)			(0.058)	(1.5)	1.5
LGS06	E	<b>Legal Services Service Review</b> Exploration of a shared Legal Service and potential for commercialisation, improving efficiency, service delivery and enhancing resilience		(0.045)		(0.045)		
LGS07	S	<b>Review of Subscription spend</b> Standardise the corporate approach to professional subscriptions fees.	(0.006)			(0.006)		

Appendix 2: There are no Budget savings proposals considered to potentially affect front line service delivery levels

# Questions

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# Next Steps & Close

- Individual Panel's views/ comments will be compiled in a “consolidation briefing note“ and discussed at the OSB Special meeting on the 18<sup>th</sup> Jan.
- Once agreed at OSB this will be submitted to the Mayor/ Exec by the Chair of OSB.
- If any answers are provided outside of the Panel these may need to be fed into the “consolidation note.”