

EXECUTIVE

A meeting of the Executive was held on Wednesday 24 July 2024.

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

PRESENT BY INVITATION: Councillors I Blades, D Branson and M Edgell

ALSO IN ATTENDANCE: B Hubbard, D Jackson, I Morrish, J Platt, S Platt and M Saunders

OFFICERS: S Bonner, R Brown, C Cunningham, A. Glover, C Heaphy, J Hedgley, R Horniman, A Johnstone, D Middleton and E Scollay

APOLOGIES FOR ABSENCE: Councillors

24/8 **WELCOME AND FIRE EVACUATION PROCEDURE**

The Mayor outlined the Fire Evacuation Procedure.

24/9 **DECLARATIONS OF INTEREST**

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

24/10 **MINUTES - EXECUTIVE - 26 JUNE 2024**

The minutes of the Executive meeting held on 26 June 2024 were submitted and approved as a correct record.

24/11 **SOUTH TEES CLEAN AIR STRATEGY**

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

The purpose of the report was to seek Executive approval of the South Tees Clean Air Strategy.

The Mayor presented the report advising Executive that exposure to air pollution could affect everyone's health. When people inhaled air pollutants, those pollutants could enter bloodstreams and contribute to coughing or cause eye irritation. They could also cause, or worsen, many breathing and lung diseases, leading to hospitalisations, cancer, or even premature death. The effects of air pollution could be severe in people that already had underlying medical conditions. It was important that air quality was monitored in our area to ensure that pollutant levels were not exceeding levels that could cause illness to our residents.

In Middlesbrough there were two air quality monitoring sites located at Breckon Hill Primary School and MacMillan College. Each site monitored air quality using real time monitoring equipment. The pollutants measured were particulate matter (PM10 and PM 2.5), nitrogen dioxides, sulphur dioxides and ozone. There were also 24 tubes located across Middlesbrough which monitored nitrogen dioxide. These tubes were changed monthly and gave an annual average result for the area. This provided an indication of nitrogen dioxide levels across the whole of the town. All the pollutants measured in Middlesbrough had the ability to impact on the health of its communities and therefore air quality monitoring was vital to ensure that Middlesbrough did not reach levels of air quality that could cause ill effects.

The South Tees Clean Air Strategy demonstrated that air quality across Middlesbrough was good and met the UK legal standards. The graphs in Appendix two of the report showed the

air quality levels for PM10 and nitrogen dioxide and how they had compared with both the national and the WHO standards over the period 2011-2022. Although air quality levels met the UK legal standards, these could change and become more stringent in the future. The World Health Organisation had their own air quality guidelines (AQG) as a global target for national, regional and city governments to work towards improving air pollution. Most local authorities within England and Wales did not meet these AQG guidelines. However, they set an aspirational target, a reminder that there was still room for improvement that should be worked towards. Therefore, through the Clean Air Strategy Middlesbrough aimed to improve its air quality in the South Tees beyond UK legal standards, to protect the health of our residents and to make our air as clean as it can be.

The Mayor commented that air quality in the town would continue to be monitored and was heading in the right direction. It was clarified that the monitoring sites in Middlesbrough were monitored monthly as standard but could be more often if required.

Members queried if the Clean Air Strategy accounted for future housing developments and the loss of trees as these contributed to air pollution.

While other sectors, such as industry and agriculture, contributed more to air pollution than house building, relevant checks would be undertaken for housing development sites.

A Member of the public commented that Middlesbrough had a high volume of traffic for its size which could be exacerbated with additional house building.

ORDERED that Executive approves the South Tees Clean Air Strategy.

OPTIONS

The UK Government, as part of the publication of the Environment Act 2021 announced that it would be mandatory for all Local Authorities who had not been required to have an Air Quality Management Area (AQMA) in place, to develop an Air Quality Strategy by 2023. As Middlesbrough had not had to declare an AQMA due to the national air quality objectives not being breached it was required to develop an Air Quality Strategy. On this basis, there was no alternative to this proposal.

REASONS

The Clean Air Strategy set the policy and process for improving the air quality standards across the South Tees, to improve the physical environment, improve the health of our populations and tackle health inequalities. It was a statutory requirement for Middlesbrough to have a Clean Air Strategy in place.

24/12

THIRD PROGRESS REPORT OF THE MIDDLESBROUGH INDEPENDENT IMPROVEMENT ADVISORY BOARD

The Mayor and Executive Member for Adult Social Care submitted a report for Executive consideration. The purpose of the report was to present the third progress report of the Middlesbrough Independent Improvement Advisory Board, which set out the background to its appointment, a summary of activity to date, an overview of progress to date and views on the approach to transition towards business-as-usual, whilst demonstrating good corporate governance.

In September 2023, the Council appointed a discretionary Independent Improvement Advisory Board the Membership for which was detailed in the report.

The Board's role was to provide oversight, support and challenge to the Council's improvement and transformation journey, with particular focus on ensuring compliance with the Council's Best Value Duty under the Local Government Act 1999, notably:

- Cultural and governance issues, including those identified through previous Chartered Institute of Public Finance and Accountancy (CIPFA) any future, external auditor reports.
- Financial sustainability, including a balanced medium-term financial strategy aligned to the Council Plan.

The Board recognised the significant amount of activity the Council had undertaken around governance, culture and financial management since it last reported to Members in its Council report in March 2024. The Board's latest report set out its views in detail as Appendix 1 of the report presented to Executive. In summary the Board felt there has been a significant improvement in fostering more positive relationships, behaviours, and organisational culture in the last 12 months as well as greater visibility of leadership and improved relationships both internally and externally.

The Board was also assessing the Council's response to the financial challenges it had faced. Both the Board and the Council's Leadership Team and Executive recognise the scale of this challenge. The Board's report contained key messages around this including the Council's significant efforts in reducing its overspend pressures within the 2023/24 budget and the securing of the Exceptional Financial Support which provided time for the Council to develop its transformation programme.

The Regional Lead for the Local Government Association address Executive and stated that while good progress had been made, there remained work to do, especially around the Council's financial position.

The Mayor thanked the Board for their efforts and commented the improvement process had been challenging and invited questions from Members. When asked about examples of best practice the Council had undertaken it was commented that examples included cross party working and the development of the Councillor Gateway. Members queried what timescales were envisaged for the improvement journey, but it was clarified this was difficult to specify. A query was raised about improved cross party working and the composition of the Executive. It was clarified that where Councils had a controlling group, as was the case with Middlesbrough, it was normal for the Executive to be comprised of one political group.

NOTED

OPTIONS

No other options were put forward as part of the report.

REASONS

The Council needed to continue responding effectively and at pace, to ensure effective delivery of the planned improvements as set out in both the Corporate Governance Improvement Plan and the Section 24 report, in order to address the concerns articulated regarding culture, governance and financial challenges.

The progress report of the Middlesbrough Independent Improvement Advisory Board provided an independent view of progress made to date, on the understanding that the expertise and advice provided would assist the Council in its improvement journey.

24/13

SOUTH TEES YOUTH JUSTICE PLAN 2024-2025

The Deputy Mayor and Executive Member for Education and Culture submitted a report for Executive's consideration.

The report was for Executive's attention and noting and would seek approval of Full Council in accordance with Regulation 4 of the 'Local Authorities (Functions and Responsibilities) (England) Regulations 2000'.

The Youth Justice Board (YJB) had issued a framework which Youth Justice Services must use when designing their plans which was detailed in the YJB document, "Youth Justice Plans: guidance for youth justice services." This would assist the YJB to gather the information and data contained within the plan to support their oversight of services, offering more consistency of structure and content. This document allowed for the Youth Justice Service to present the plan covering all key areas of the work of the service, affording the Youth Justice Service the opportunity to highlight achievements over the past year, challenges faced by the service in the delivery of services and to offer the scope for new priorities for the coming year.

Youth Justice Services Management Boards should govern and own the process of producing the local youth justice plan; it was their opportunity to collectively shape the direction of the delivery of youth justice so that it best met the needs of the locality, children, families, victims and communities. Opportunities for wider participation, significantly where children and their families can themselves shape and influence the delivery of your service, are also strongly encouraged. South Tees Youth Justice Service Management Board had overseen the production of this plan and approved its content. The plan would be governed by the South Tees Youth Justice Service Management Board which met on a quarterly basis. The South Tees Youth Justice Board Regional Advisor was a member of the South Tees Youth Justice Service Management Board and therefore had oversight of the progress against priority areas.

NOTED

OPTIONS

Do nothing. 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. Not having a plan would result in the Youth Justice Board withholding all of the grant and therefore this was not a viable option.

Service priorities for 2024/25 were carefully considered by key stakeholders, staff and partners and had been included in the current document. There were no other priorities put forward for consideration. The council could be assured that progress against priorities are monitored by the STYJS Management Board on a quarterly basis as is progress of the delivery plan.

REASONS

In preparing this Youth Justice Plan a comprehensive consultation process was entered into and this included consultation with staff, partners, and young people. The purpose of the consultation was to share the plans and service priorities, as proposed by the South Tees Youth Justice Service management team and to secure the views of staff and partners on these proposals. This consultation ensured that all key stakeholders had a voice in the plan, and the actions detailed in this plan are owned by all.

The Youth Justice Board required approval of the document as part of the grant terms and conditions. Failure to approve this plan would result in the council not fulfilling its statutory obligations and the service not receiving funds from the YJB to provide a statutory service.

24/14

COMMUNITY SAFETY PARTNERSHIP PLAN

The Executive Member for Community Safety submitted a report for Executive's consideration. The report summarised the Community Safety Plan for Middlesbrough 2024-26.

The Crime and Disorder Act 1998 placed statutory obligations on Local Authorities and the Police to work together with Health Authorities and other relevant agencies to prevent crime and disorder.

Section 97 of the Police Reform Act 2002 amended the above Act and included the Fire Service and Clinical Commissioning Groups (now Integrated Care Board) as responsible authorities. Further reforms now included Probation Services as a responsible authority as well as the Environment Agency and Registered Social Landlords as 'participatory bodies' within a Community Safety Partnership.

This legislation required the Partnership to produce a three-year plan detailing how it intended to tackle crime and disorder. This allowed for the development of strategies to tackle short, medium and long-term priorities.

Middlesbrough's latest Community Safety Plan would run until the end of March 2026.

Earlier this year the Community Safety Partnership held a series of multi-agency meetings and identified several overarching priorities which were detailed in the report.

ORDERED That:

- 1. Executive approve the proposed priorities and contents of the Community Safety Plan 2024-2026.**
- 2. An update on the Neighbourhood Safety Fund be provided to Executive.**

OPTIONS

As the plan was a statutory requirement no other alternatives were proposed as part of the report.

REASONS

It was a statutory requirement for the Local Authority's Community Safety Partnership to develop and produce a Community Safety Plan under the Crime and Disorder Act 1998.

The key objectives set out in the plan were based upon assessment of crime and disorder issues across the town and reflect the views of the community and the Council's partners.

24/15

CIPFA REVIEW OF COUNCIL'S FINANCIAL MANAGEMENT ARRANGEMENTS

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

The purpose of the report was for Executive to consider the independent assessment and recommendations of the Council's financial management arrangements undertaken by the Chartered Institute of Public Finance and Accountancy (CIPFA).

Executive was advised that strong financial management was essential to the organisation's ability to deliver Best Value. It ensured that public money was used well and provided leaders and managers with the information that they need to make robust, evidence-based decisions, manage performance and resources effectively, whilst delivering the organisations objectives.

The Council remained subject to a Best Value Notice issued by the Secretary of State for Local Government that commenced in January 2023 in relation to its inability to secure best value in its operations and decision making. The Notice was extended for 6 months in January 2024 and was due to be reviewed by MHCLG following a review of the Council's progress in July 2024 which would report to the Secretary of State subsequently.

The possible outcomes of the Best Value review ranged from allowing the Council to exit formal Government intervention, through to an escalation of intervention measures if it is considered that insufficient progress in delivering the required improvement has been made. MHCLG officials have confirmed that they will consider the CIPFA FM report as evidence to inform their Best Value assessment of the Council's progress in relation to delivering its financial recovery and achieving financial sustainability.

The Council was also subject to a further independent review by Grant Thornton LLP (GT) who had recently been commissioned by MHCLG to assess the Council's financial position and arrangements for recovery as part of their due diligence in progressing the Council's application for Exceptional Financial Support (EFS) in 2024/25. The review commenced on 2 July for a period of approximately eight weeks and would make recommendations for improvement and report back to the Secretary of State to enable a firm decision on EFS to be made and published in due course.

The Executive Member highlighted that Middlesbrough's current rating of two out of a possible five stars was deemed reasonable. It was also commented that the improvement journey would be challenging.

NOTED

1. Findings and recommendations of the CIPFA Financial Management report
2. Intention to develop an action plan in response to the CIPFA recommendations.

OPTIONS

Executive could reject the findings and recommendations of the CIPFA FM review. This, however, would be counterproductive to the achievement of the Council's financial recovery and would likely to be assessed unfavourably by MHCLG and the External Auditor.

REASONS

To enable the Council to secure effective management of its finances in accordance with recognised professional standards of good practice.

24/16

FINAL REPORT OF THE REGENERATION SCRUTINY PANEL - PLANNING CAPACITY

The former Regeneration Scrutiny Panel had undertaken a review entitled Planning Capacity. A copy of the full report was attached. The Scrutiny Panel had made nine recommendations upon which a response was sought from the relevant service area.

The Executive Member for Regeneration and the Director for Regeneration submitted a service response to the recommendations of the Scrutiny Panel. A copy of the action plan was appended to the report.

The Chair of the Overview and Scrutiny Board introduced the report and advised the review had been undertaken by the previous Regeneration Scrutiny Panel, whose remit now came with in the Place Scrutiny Panel.

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

The Executive Member for Regeneration provided a response to the Scrutiny report and presented the Service Response.

ORDERED That:

1. **The content of the Regeneration Scrutiny Panel's final report on Planning capacity (Appendix one) be noted; and**
2. **The action plan (Appendix two), developed in response to the Scrutiny Panel's recommendations, be approved.**

REASON

It was a requirement that Executive formally considered the scrutiny panel's report and confirmed the service area's response to the accompanying plan.

24/17

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

None.

24/18

EXCLUSION OF PRESS AND PUBLIC

SUSPENSION OF COUNCIL PROCEDURE RULE NO. 4.13.2 – ORDER OF BUSINESS

In accordance with Council Procedure Rule No. 4.57, Executive agreed to vary the order of business to deal with the items in the following order: 12, 13,14 and 11.

ORDERED that the press and public be excluded from the meeting for the following items on the grounds that, if present, there would be disclosure to them of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 and that the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

24/19 **THE DISPOSAL OF LAND AT HEMLINGTON GRANGE WEST - APPENDIX 3**

The Executive Member for Regeneration submitted and presented Appendix three of the report listed at agenda item 11 for Executive's consideration.

AGREED That the information in the Appendix be noted.

REASONS

For Executive to have considered all relevant information in relation to the decision sought in the report listed at agenda item 11.

24/20 **THE DISPOSAL OF LAND AT HEMLINGTON GRANGE WEST**

At this point in the meeting the Press and Public were invited to rejoin the meeting.

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

The report sought approval for the disposal of Hemlington Grange West, which was allocated in the Housing Local Plan (2014) and Draft Housing Local Plan (2024), in accordance with the Council's Asset Disposal Process, and to inform Executive of the next steps to take the site to market.

Hemlington Grange West was a Council owned site of circa 20.05 acres (8.11 ha) and was currently identified in the Housing Local Plan (2014) as part of the Hemlington Grange mixed use allocation. A site plan was attached as Appendix one of the report.

The site was originally envisaged as being a potential location for business use, but the outcome of an Employment Land Review had been determined that there was no demand in this location.

The site had subsequently been allocated in the Draft Local Plan 2024 for the development of approximately 170 dwellings and an appropriately scaled Local Centre.

The site would provide a mix of dwelling types and sizes, including bungalows, that complemented and enhanced the choice and quality of housing in the local area.

Vehicular access for the site would be taken from Hemlington Grange Way, whilst incorporating access to the adjacent Holme Farm allocation for vehicles, pedestrians, and cyclists. Footpaths would also be provided to link into the wider network.

Hemlington Grange West had been formally established as a Level one project, identifying the strategic importance to the Council. The Council's Programme and Project Management Framework (PPMF), underpins the achievement of its strategic objectives.

Demand for new homes continued to strengthen and the town required a significant supply of new housing developments over the next decade to allow the town to keep pace with local demand and national demographic trends. Middlesbrough's Draft Local Plan, which had been informed by a Local Housing Needs Assessment (LHNA), identified a requirement for the delivery of 400 net additional dwellings per annum between 2022 and 2041.

The Executive Member for Finance and Governance expressed concern regarding the proposed local centre as the Member for an adjoining ward.

The Mayor proposed an amendment to the report to reflect that Executive had considered all relevant information in reaching its decision.

ORDERED That Executive:

- 1. Approve the de-risking, marketing and disposal of the Hemlington Grange West housing site;**
- 2. Provides Delegated Authority for the Director of Regeneration and the Director of Finance, following consultation with the respective Executive Members, to approve the Public Open Space (POS) and Land Appropriation process.**

3. Confirms it considered all the relevant information in reaching its decision.

OPTIONS

Don't sell the land

This would have resulted in an inability to realise a planned capital receipt and in ability to grow the council tax income base. Failure to dispose of the land would be contrary to the current and draft Local Plans.

Sell the land prior to de-risking the site.

Previous market and disposal advice for other sites indicated this approach did not demonstrate Best Value for the Council. The approach would realise a reduced capital receipt and there would have been significant uncertainties around the timescales for delivery as the land did not have an outline planning approval.

Sell the land without outline planning permission.

It is known that developers will pay for the benefit of a de-risked site. Disposal without outline planning consent would increase the risk for developers, potentially leading to fewer than normal offers and at a reduced financial return.

Sell the land without undertaking Due Diligence or adopting Design Guidance.

The Council's proven financial approach to housing site disposals was based on maximising capital receipts by 'de-risking' sites. This involved undertaking site investigation works, producing design guidance and gaining outline planning approval to competitively marketing sites.

Enter a Joint Venture

As the Council was the sole owner of the site and had the capital budget to fund the due diligence and outline planning application, professional analysis concluded that collaboration with external partners on the disposal did not represent Best Value.

REASONS

The development of Hemlington Grange West would bring a surplus, vacant and underutilised Council held asset into far more beneficial use in the future, creating a new community and a high-quality place.

With interest in Middlesbrough's housing sites continuing to be strong, the disposal of the subject land was recommended in order to meet the Council's requirements to generate capital receipts and increase annually recurring streams from Council Tax.

Middlesbrough's housing offer needed to keep pace with the demands of the market. The release and development of this site would allow that to be achieved; stemming outward migration and making Middlesbrough a desirable place to live, with a quantity of residential properties that would address the requirements of a changing, growing, and evolving population.