

OVERVIEW AND SCRUTINY BOARD

A meeting of the Overview and Scrutiny Board was held on Wednesday 16 November 2022.

PRESENT: Councillors M Saunders (Chair), D Davison, T Higgins (Substitute) (Substitute for J Thompson), C Hobson, B Hubbard, D Jones, D McCabe, C McIntyre and J Platt

PRESENT BY INVITATION: Councillors S Walker

OFFICERS: C Benjamin and H Seechurn

APOLOGIES FOR ABSENCE: Councillors T Mawston, C Cooke, M Storey and J Thompson

20/129 **DECLARATIONS OF INTEREST**

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

20/130 **MINUTES - OVERVIEW AND SCRUTINY BOARD - 25 OCTOBER 2022**

The minutes of the Overview and Scrutiny Board meeting held on 25 October 2022 were submitted and approved as a correct record.

20/131 **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

20/132 **EXECUTIVE MEMBER UPDATE**

The Executive Member for Finance and Governance provided an overview of his portfolio. As part of his presentation the following points were made:

- The Executive Member's portfolio covered an extensive range of issues and services and as such only a selection of those services and issues were covered in his presentation.
- The Board was advised about the continuing work initiated by the CIPFA Governance Improvement journey. Members were informed that the improvement journey was the result of CIPFA being appointed in the summer of 2022 to undertake diagnostic work. This had culminated in a report to Council in October 2022.
- That report had recommended that a Governance Improvement Board be established with four thematic Task and Finish groups reporting to it. Those themed were the Constitution; Culture and Communication; Roles and Responsibilities; and Training and Development.
- Members were advised that initial meetings of the Governance Improvement Board and its Task and Finish Groups had taken place.
- Actions arising from the groups had progress updates at 30, 60 and 90 day intervals and regular updates would be reported to full Council.
- Importantly, there was no desired outcome at the outset, instead outcomes would be established via conversation in the groups.
- The Executive Member informed OSB that some of the issues being examined were not new, but the process was an opportunity to address some of those long standing issues.
- There was a need to make sure the improvement journey moved at pace but that such pace did not inhibit meaningful dialogue.

- The first report on the improvement journey's progress will be made to Full Council on the 30th November and would outline the overall improvement plan.
- In terms of Corporate Performance; the Executive Member commented performance was monitored regularly and reported to both Executive and OSB.
- Performance was also linked to financial output and OSB was advised that, due to a forecast overspend of up to £9 million, a financial recovery plan was required. Members were also advised that if the recovery plan was successful that overspend would be reduced to approximately £2 million.
- As a consequence of such forecasted overspends, corporate performance had been effected but the Executive Member was confident that targets would be met.
- In terms of Human Resources; several initiatives were being implemented that aimed to improve employee wellbeing. Such initiatives included the "Email for All" whereby all staff members would receive the same information across the organisation and could equally access employee benefits.
- The Executive Member advised OSB that the Council needed to be seen as an attractive place to work and that he was concerned about the level of staff turnover at certain levels.
- OSB were advised that staff had been awarded approximately £1,900 as part of the NJC pay award.
- In terms of Resident and Business Support; it was noted that Middlesbrough had risen from being the 3rd worst Council for Council Tax Collection rates to 11th worst. This was a significant improvement.
- While there remained numerous challenges to Council Tax collection, the Council had implemented, or were in the process of implementing, several initiatives to maximise collection, such as Voicescape.
- With regard to Pensions; there was an actuarial review underway and there was more detail to follow. However, OSB was advised that the Pension Fund remained well funded and had increased from approximately £3 billion in 2019 to £5 billion pounds in 2022 and was funded at 116%.
- The Board was also advised that the Council had benefitted from having low contribution rates.
- The Executive Member advised the Board that higher contribution rates may be necessary.
- With regard to Valuation and Estates; the Council had launched an initiative whereby any Council assets sold for above 3% market value could have their profits re-invested into the local community.
- The Executive Member also advised Members that the Council's Commissioning and Procurement teams played a crucial role in engaging with the private sector so key services could be delivered. Examples included Adult Social Care whereby the Council had a legal duty to prevent services being affected by increased fuel prices. It was also noted that increased fuel prices for care homes was a significant risk for the future.
- In terms of financial planning and support; the Board were reminded that projected overspend for the current financial year was £9.4 million but this could be reduced to £2 million if the recovery plan was successful.
- There were many issues driving this, such as inflation and increased demand on Children's Services. It was recognised the funding mechanism for Children's Services was outdated, which did not reflect demand. It was also recognised this was a national problem.
- OSB were also made aware that the financial challenges faced by the Council was a national issue with Kent County Council having recently announced it would not be able to set a budget.
- The Executive Member commented that there was range of options to meet such cuts.

The Executive Member thanked OSB and received questions from Members.

A Member queried what the staff pay award equated to in percentage terms. It was clarified that the increase was set at £1,925 for all staff. What percentage this equated to was dependent on staff income.

The Member queried what proposals were in place to tackle food poverty. The Executive Member responded that there were already organisations working together in Middlesbrough that could work together to tackle food poverty. However, initiatives such as the Welfare Strategy hoped to bolster such relationships.

The Member also queried how Wards could be the beneficiaries of asset disposal profits. It was clarified that individual Ward Councillors would be able to make an application for such awards with those applications judged on their merits. It was also clarified that where such disposals happened there could be wider community benefits awarded, not just cash awards.

The Member also queried if central government was aware of the challenges being faced by Children's Services and if it was prudent to write to the government detailing those challenges. The Executive Member clarified the challenges faced by Children's Services were a national phenomenon and that those challenges were being expressed to government via a number of routes. The Executive Member also commented that if he were to draft a letter to government outlining the challenges he would prefer to include potential solutions to those challenges.

The Director of Finance commented there had been collective representations made to government about this issue, but it was impossible to accurately gauge their extent until the local government settlement was released in December.

A Member queried how realistic it was for Council assets to be sold above market value. It was clarified this would be dependent on the condition of the market at any given time. The Executive Member provided an example of the purchase of the Cleveland Centre as an asset bought for less than market value that allowed for commercial development.

A Member wished to support previous comments regarding the Executive Member making representations to Government so that the challenges faced by the Council were on the record. The Executive Member reaffirmed that while he would be prepared to make representations to Government, those representations would need to be accompanied by suggested solutions.

The Member also commented that proceeds from the sale of the Southlands Centre were impacted by the rate of inflation, and with inflation now increasing this would be something requiring attention. The Executive Member agreed and commented that not only was inflation an important element of the financial recovery plan, it was also important to ensure processes in this regard were as speedy as they could be.

A Member commented that, in terms of the Governance Improvement Journey, there needed to be a link between the different sub-groups as there was a significant amount of thematic cross over between them. The Member also commented that there needed to be a change to the Standards regime to make it stronger. Both the Executive Member and the Director of Legal and Governance clarified that work was being carried out as part of the Constitution CIPFA working sub group to bolster the Standards process but that wider work was required to ensure there was respect for the process from both officers and Members.

The Chair queried why Tees Amp had the prospect of being sold. The Executive Member explained valuable assets would not be sold and that he would provide further information about this to the Chair and OSB.

A Member queried if the Email to All initiative would be available to all staff, as those in manual jobs often did not have access to work emails. Such roles usually relied on information being cascaded via management. It was clarified that exploratory work was underway to establish if work emails could be installed on personal devices so that all staff received the same information.

A Member queried if the staff pay award was sustainable with existing budgets. It was clarified that the pay award was a contributory budget pressure but had been negotiated nationally and had been considered as part of the financial recovery plan.

A Member queried if Standards cases could be considered by other Councils to ensure objectivity. However, other Members commented that there would always be a political dimension to that suggestion and such cases needed an independent person to investigate them.

ORDERED that

- 1. The Executive Member for Finance and Governance provide OSB with clarity around any prospective sale of TeesAmp.**

2. That that information presented be noted.

20/133 **CHIEF EXECUTIVE'S UPDATE**

The Chair advised OSB that the Chief Executive had submitted his apologies for the meeting.

NOTED

20/134 **THE ADULT SOCIAL CARE AND SERVICES SCRUTINY PANEL - FINAL REPORT - THE ROLE OF THE VOLUNTARY AND COMMUNITY SECTOR (VCS) IN SUPPORTING ADULT SOCIAL CARE (WITH A FOCUS ON COVID-19 AND RECOVERY)**

The Chair of the Adult Social Care and Services Scrutiny Panel presented the Panel's final report on the issue of 'The Role of the Voluntary and Community Sector (VCS) in Supporting Adult Social Care (With a Focus on COVID-19 Recovery)'.

The Chair of the Panel advised OSB the review was both an interesting and worthwhile investigation and the panel commended the valuable work undertaken by Middlesbrough's vibrant and diverse VCS sector, which undoubtedly enhanced the support provided to residents.

The recommendations contained in the report were:

- a) That exploratory work be undertaken to identify opportunities for more collaborative working between the Council and the VCS, particularly in relation to the availability of meeting space. To be undertaken by Spring/Summer 2023.
- b) That the Director of Adult Social Care and Health Integration works with LMT to explore the most effective form of relationship management between the Council and the VCS. To be undertaken by Spring/Summer 2023.
- c) That a link between the VCS and the Council's Emergency Planning Team be established to assist with policy/practice statement development. To be undertaken by Spring/Summer 2023.

ORDERED: That the conclusions and recommendations of the Adult Social Care and Services Scrutiny Panel be endorsed and referred to the Executive.

20/135 **SCRUTINY CHAIRS UPDATE**

The Chair of the Adult Care and Services Scrutiny Panel

OSB was advised that at its last meeting on the 2nd November the Panel considered and approved its Final Report into the Role of the Voluntary and Community Sector (VCS) in Supporting Adult Social Care (With a Focus on Covid-19 and Recovery). The Panel also received updates from the Executive Member of Adult Social Care, Public Health, Public Protection and Digital inclusion and the Director of Social Care.

The Chair of the Children & Young People's Learning Scrutiny Panel

OSB was advised that at its last meeting the Panel would be receiving a presentation on school exclusions, which would include data and information on Middlesbrough's historic exclusion figures during the 2021/2022 academic year; suspensions during the same period as well as information about how the Council could increase support in this area.

The Panel was also expecting a response to Ofsted's finding of Outwood Academy Ormesby.

The Chair of the Children's Social Care and Services Scrutiny Panel

OSB was advised that at its last meeting on the 14th November the Panel had received information regarding young people transitioning to Adult Care and what support was

available to those young people. The Panel heard about what support was available to assist with securing employment and were keen to speak to a young person about their experiences.

Chair of Culture and Communities

OSB was advised the Panel had not met since the previous meeting of OSB and that the Panel's next meeting was scheduled for the 17th November at which Members would continue to examine the issue of dirt bikes and anti-social behaviour.

Vice Chair of Economic Development, Environment and Infrastructure Scrutiny Panel

OSB was advised that at its last meeting on the 9th November 2022 the Panel received the annual update on Flood Risk Management which also included a demonstration of the new Gully Smart Asset Management Software. The software was purchased to enable a proactive and reactive response to tackling flood risk and management of the highway drainage network.

The Vice Chair of the Panel also submitted a change to its in-year work programme to the extent that Nutrient Neutrality would be put on hold and that the issue of School Transport be examined given its statutory nature and ongoing spending and demand pressures. It was also requested that an additional investigation be added to the Panel's work programme. The investigation would be about a scheme operating in Greater Manchester whereby Business Rates were collected then redistributed according to need.

OSB were also advised that at its next meeting on 7th December the Panel had requested an update on the Linthorpe Road Cycle Lane.

Chair of the Health Scrutiny Panel

OSB was advised that the Health Scrutiny Panel had not met since the previous OSB meeting and that at its next meeting on 13th December it would continue to look at Dental Health and the impact of COVID-19.

ORDERED that:

- 1. The amendment to the Economic Development, Environment and Infrastructure Scrutiny Panel's work programme be amended to include School Transport and Business Rate collection;**
- 2. The information presented be noted.**

20/136 **ANY OTHER URGENT ITEMS WHICH, IN THE OPINION OF THE CHAIR, MAY BE CONSIDERED.**

None.

20/137 **DATE AND TIME OF NEXT MEETING - TUESDAY, 13 DECEMBER 2022 AT 10:00AM**

The Chair advised Members that the date of the next meeting of OSB was to be 13th December 2022 at 10:00am,