

## **EXECUTIVE MEMBER REPORT TO COUNCIL**

**EXECUTIVE MEMBER:** Executive Member for Finance

**DATE OF MEETING:** 26 March 2025

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

### **1. COUNCIL PLAN PRIORITIES**

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 the Director of Finance and Transformation as well as frequent additional meetings and contact with them and other officers as appropriate.

### **2. HIGHLIGHTS**

#### **2.1. Revenues and Benefits Customer Service Excellence award 2025**

Middlesbrough Councils Revenues and Benefits team has been awarded with the 'Customer Service Excellence' national quality mark once again.

The Customer Service Excellence award demonstrates that the team are "an exemplar", truly putting our residents and other customers at the heart of everything they do. The team continues to set the standard in an area that forms the basis of the Council's overall Customer Strategy.

The team also achieved 'compliance plus' in 26 areas of the assessment. Compliance plus is an elite standard which shows the service goes above and beyond the standard quality mark. This means that all of the customer services we deliver have been rated excellent, with half at 'Elite' standard. The team has been recognised for this prestigious award for almost 30 years now, operating at elite standard for the last 10 years.

I met with the assessor as part of the assessment process, as I have in previous years, who once again was clearly very impressed and explained that in order to retain this rating it is necessary to not just maintain standards, but to demonstrate improvements from one year to the next. He had nothing but praise for the entire team who I know every year work hard to demonstrate its high standards.

This is very important to the Transformation Programme as this external recognition confirms that the Council didn't need to look externally to assist in the development of the Customer Strategy, as we are already one of the best in this area.

I would like again to extend my congratulations to all involved on this excellent achievement and to the Resident and Business Support Team for winning the Team Spirit Award in the recent Staff Awards. This award recognised a team that embodies and promotes the Council's values, spreading positivity and motivation by demonstrating willingness to try new ideas and new ways of working.

## **2.2. Customer Strategy**

As Executive sponsor of the Customer Strategy, I presented a report to the Executive on 05 February 2025.

The Customer Strategy is one of a number of transformation programmes as set out in the April 2024 report to Council. The programme is cross cutting across all existing directorates and services to the community.

Customers are defined in the strategy as anyone who interacts/engages with the Council e.g. residents, visitors, businesses, vulnerable groups, council employees, service users, partners, suppliers etc and is further defined in the Customer Strategy.

It offers a brand-new approach that seeks to fundamentally review, redesign, and reshape all of the Council's customer-facing and business service solutions and complements the Neighbourhood Model.

Overall, the strategy is designed to provide customers with a significantly improved experience and address some of the fragmentation and limitations that currently exist around the Council's current customer services. Consequently, as business processes are redesigned through consolidation and streamlining of similar, duplication is removed and modern technologies are introduced, this is likely to reduce the Council's overall costs and realise financial and non-financial benefits to help achieve longer term progression and sustainability for the organisation.

The Strategy will be phased in across Council Directorates, delivered through the newly designed customer model which promotes a 'one council' approach to delivering customer services. It is underpinned by a clear set of design principles and key objectives and sets out how the Council will:

- Reorganise services to reduce the multiple 'front doors' whilst ensuring that services are accessible to all;
- Aim to get it right first time;
- Integrate systems where possible to remove the current fragmented approach across services;
- Redesign business processes to consolidate and streamline similar tasks and remove duplication and reduce costs;
- Provide a 'digital first' approach where appropriate to ensure online channels are convenient and simple to use; accessible 24/7 and user friendly for residents to use on multiple devices;
- Use modern technology and automation to improve the delivery of services and speed up processes;
- Work towards creating a 'single view' of the customer by managing data across the organisation more effectively; h) Use performance and intelligence data to

optimise service delivery capabilities and productivity; i) Utilise data insights to predict customer behaviours and trends in demand, to inform policy development and respond more effectively to emerging issues.

Interestingly in 2023/24 over 125,000 calls were made to the Council's Customer Centre. There were over 4,700 in-person visits and the website attracted over 2.9 million visitors. This is only a small proportion of the Council interactions with customers. There are many more interactions that occur directly with service departments and are managed outside of the Customer Centre telephone system, however this data is limited. Work is currently underway to explore the possibility of extending the existing telephone system corporately to ensure all calls are managed through a single solution, where appropriate. This will further assist with the monitoring of call volumes, understanding the call purpose, identifying alternative channels, better call signposting and reducing unnecessary calls.

The commitment to customers will be further formalised through the introduction of a Customer Charter. Delivery of the change programme will take place over a two-year period following approval of the Customer Strategy. There are a number of dependencies that may impact delivery and timescale, one of which is the development of the Council's new Target Operating Model approved by Executive on 13 November 2024.

I would like to thank staff in Revenues and Benefits for the huge amount of work that has gone into producing this strategy.

### **2.3. Household Support Fund**

In my recent reports to Council I outlined how central government funding, provided by the extension of the Household Support Fund would be used to assist those pensioners on low incomes, or liable to higher heating bills due to disability, who would not be eligible to receive the Winter Fuel Payment this winter. This includes:

- Pensioners aged 80 and over in receipt of Council Tax Reduction, but not eligible for the Winter Fuel Payment, will be entitled to receive £200.
- Pensioners aged between 66 and 79 and meeting the same criteria will be entitled to receive £150.
- Pensioners in receipt of Attendance Allowance will be entitled to £100 upon application.
- Pensioners not on benefits with incomes of less than £20,000 for a single person, or £26,000 for a couple will also be able to apply for a payment of £100.

Publicity included press releases and information on the council website as well as sharing information with partners of the Financial Inclusion Group (FIG) to relay to residents. Posters were provided at community hubs and libraries, and I have encouraged councillors to share this information in their wards, and am grateful to those who did so.

I requested that alternative means of application be provided for those who may struggle with online applications or completing forms, and a telephone number by which applications could be made over the telephone without the need to complete a form was included within the publicity

As of 25 February, 1,471 awards had been issued to pensioners (992 auto awards and 479 via application) with a further 204 to look at in the coming weeks. In order to allow time for applications to be processed, applications closed on March 14 2025. The Household Support Fund has also been used to help those not of pension age, those with children and without children, those on benefits and (unlike some authorities) those on low incomes but not on benefits.

The current scheme runs from 1 October 2024 to 31 March 2025. Funding was released in phases so we could support those most in need, when their need was the highest.

How we have helped:

- Vouchers to use in supermarket of choice; ranging from £35 - £60 depending on circumstances
- Payments to pensioners – ranging from £35 - £200
- Support to the foodbanks
- Community grants applications
- Carers – £100 vouchers
- Support to Actes (a Middlesbrough based charity)
- Crisis support
- Holiday and Food (HAF) payment

#### **2.4. Forecast Year-end Outturn position at Quarter Three 2024/25**

Following on from the Quarter Three Budget Challenge sessions which I chair, on 05 February I presented a report to the Executive, which provided the Forecast Year-end Outturn position at Quarter Three, or as at 31 December 2025.

I am pleased to report that there is now an underspend projected, with a forecast 2024/25 revenue outturn as at the end of Quarter Three of a year-end underspend of £6,000, if no further actions are successful in reducing this further.

This is a significant improvement from the £1.382million overspend reported at Quarter Two. However, of course work is still ongoing to improve this position further.

Members may recall that last year the Council application for Exceptional Financial Support (EFS) involved a total of £13.4million, broken down as follows:

- £4.7m required to balance the 2024/25 budget
- £3.5m contingency for non-delivery of savings risk
- £4.6m contingency for capital receipts delivery risk
- £0.6m general contingency

Based on the current forecast outturn position, only up to £4.7m of this will be required in 2024/25 relating to the element required to balance the 2024/25 budget and any further underspend would reduce the Council's need to draw down this EFS and avoid associated capital financing costs of borrowing or use of capital receipts.

The forecast year-end underspend of £6,000 currently takes into account spending pressures of £3.048m of net savings where there is a high risk that they will not be deliverable in 2024/25, but this is offset by £3.054m of operational underspends, giving the net £6,000 underspend.

The Council has achieved significant improvement in its financial position from that which existed at the start of the 2023/24 financial year. However, it continues to spend above its available annual income sources in 2024/25 as whilst there is a forecast year end underspend of £6,000 for 2024/25, this is after using £4.7m of EFS to balance the budget which means it is spending £4.7m above annual revenue income streams in 2024/25. This has been addressed in the 2025/26 Revenue Budget.

Members have been briefed on the further challenges of delivering a balanced budget in 2025/26 to 2028/29 and the latest position is set out in the 2025/26 Revenue Budget, Medium Term Financial 2025/26 to 2028/29 report which went to Council on 19 February 2025.

A summary of the key issues and variances, and actions being taken to address them, is included in Appendix 1 of the Quarter 3 Outturn report. Children's Services continues to account for the majority of the spending pressures and focus on this area is being maintained with monthly budget clinics involving officers, the Executive Member for Children's Services and with myself as chair.

It remains my aim that we return within budget by the end of the financial year, and as I have indicated to full council, I am confident that this will be achieved barring further unexpected pressures arising.

## **2.5. Councillor Gateway**

In my role as Member Champion for Councillor Communications. I am keen to revisit the Councillor Gateway system now that it has been operating for some months. Councillors will be invited to feed into this process but if anyone has any issues they would like to raise with me, please do send me details in an email. Individual problems or issues can of course be raised through - [councillorgateway@middlesbrough.gov.uk](mailto:councillorgateway@middlesbrough.gov.uk).