

**OVERVIEW AND SCRUTINY BOARD**

A meeting of the Overview and Scrutiny Board was held on Thursday 18 December 2025.

**PRESENT:** Councillors L Young (Chair), J Ewan (Vice-Chair), D Coupe, J Kabuye, T Mohan, I Morrish, J Platt, Z Uddin, G Wilson, J Young and B Hubbard (Substitute for M Saunders)

**PRESENT BY INVITATION:** Mayor C Cooke and Councillors J Rostron and N Walker

**OFFICERS:** S Bonner, H Dalby, L Grabham, A Humble and S Lightwing

**APOLOGIES FOR ABSENCE:** Councillors D Branson, E Clynch, L Lewis and M Saunders

25/43 **DECLARATIONS OF INTEREST**

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

25/44 **MINUTES - OVERVIEW AND SCRUTINY BOARD - 19 NOVEMBER 2025**

The minutes of the Overview and Scrutiny Board meeting held on 19 November were submitted and approved as a correct record.

25/45 **SCRUTINY CHAIRS UPDATE**

The Chair invited Scrutiny Panel Chairs to present their updates.

The Chair of the Adult Social Care and Health Scrutiny Panel advised OSB that the Panel had met on 1 December at which it heard final evidence gathering in relation to its topic on healthy placemaking with a focus on childhood obesity. The Panel's next meeting would consider evidence relating to its next topic, Violence Against Women and Girls. The Chair of the Panel also advised that the Tees Valley Joint Health Scrutiny Committee met on 11 December where it received an information from Health Colleagues regarding an update on the University Hospital Tees Strategy, Respite Care and Palliative Care services.

The Chair of the Children's Scrutiny Panel submitted a written update which was read by the Democratic Services Officer. The update advised that the Panel had last met on 8 December where it received information from the Interim Director of Education and Partnerships and the STSCP Partnership Manager regarding the STSCP's annual report. The Panel also considered the Terms of Reference for its current review into Out of Area Specialist Provision. The Panel's next meeting was scheduled for 26 January 2026.

The Chair thanked the Panel Chairs for their updates and asked the Board to note the information.

**NOTED.**

25/46 **EXECUTIVE FORWARD WORK PROGRAMME**

The Chair introduced the report for OSB's consideration. A copy of the Executive Forward Work Programme was attached at Appendix one of the report and Members were asked to raise any issues they had in relation to any of the items listed.

The Chair commented the entry relating to the Artificial Intelligence Policy, which was to be considered by the Mayor, would be brought to January's meeting of OSB for an overview.

A Member queried if any further information was available relating to the 200 homes associated with the Forward Plan Item, "Investment in Temporary Accommodation Proposals for investment alongside a social investor to purchase properties to reduce the expenditure on

temporary accommodation.”

**ORDERED** that:

1. Further information about the 200 homes in the Temporary Accommodation Forward Plan item be circulated to the Board
2. The contents of the Forward Plan be noted.

25/47 **FORWARD PLAN ACTIONS PROGRESS**

There were no actions relating to the Executive Forward Plan following the previous meeting of OSB.

**NOTED.**

25/48 **EXECUTIVE MEMBER UPDATE - ADULT SOCIAL CARE**

The Chair welcomed the Executive Member for Adult Social Care to the meeting and invited her to provide her update.

The Executive Member had been appointed to her position in May 2025 and, as such, had not been in post for a full year. Members were advised that most of what was to be covered in the update could be found in the Executive Member's updates to Council.

Beginning with the Care Quality Commission (CQC) inspection, both the Executive Member and Adult Social Services were happy with the progress made with Adult Social Services having been taken out of monitoring.

The Adult Social Care Vision had been drafted and was scheduled to be considered at the January meeting of Executive. The Executive Member and Adult Social Care Director met regularly, who in turn, met regularly with the CEO of the Middlesbrough Voluntary Development Agency to understand how the Council and voluntary sector could work collaboratively. It was commented that some work undertaken with the voluntary sector had gone by the wayside.

The Executive Member had undertaken several site visits and spoken to Social Care staff to understand the work they were doing. A Social Work celebration day had been held in the Town Hall Crypt and the Executive Member was pleased to recognise a drama group and some service users from her previous tenure as portfolio holder for Adult Social Care.

Since her previous tenure Adult Social Care portfolio holder, the Executive Member had found services had changed, namely with additional activity. These included sensory loss drop-ins, which had made a big difference to people's lives. There had also been events for people with learning difficulties and autism.

Adult Social Care was facing challenges, such as efficiency requirements being made at the Integrated Care Board (ICB) and Tees, Esk and Wear Valley (TEWV) and across the Health and Social Care landscape. These changes had knock-on impacts for Adult Social Care services and its relationships with healthcare colleagues.

There was a positive driver around neighbourhood health management, with services becoming localised, rather than centralised in hospitals, which impacted positively on service users. New legislation was being introduced but there was little detail on this.

As part of the Fair Pay Fundin Agreement there had been a national consultation about social workers pay which could filter to all council staff. Members were advised that previously, all Local Authority pay awards were agreed nationally but this was replaced by Job Evaluation processes which were subjective to individual Councils.

Reforms had been introduced with regards to Mental Health Services, and a significant amount of work was being undertaken to accommodate those changes. The changes had increased demand on social care bespoke Community Support Packages, and as such there was a move to allow people to remain in their own homes.

Homelessness and Domestic Abuse services were undergoing service reviews. It was commented that many people accessing services did not want accommodation, and some services users were difficult to house due to challenging behaviours. Increasingly, the Council had to rely on private sector housing. However in cases where damage was done to properties by service users the repair bill fell to the Council. It was suggested this issue could potentially be examined by Scrutiny.

In terms of the Violence Against Women and Girls agenda, the Executive Member had taken on the role of Chair of the Domestic Abuse Strategic Partnership.

Members were also advised that Adult Social Care had achieved its savings targets which had been achieved largely through the project work on Levick Court. In the proposed budget there was some growth for Adult Social Care.

The Chair thanked the Executive Member for her update and invited questions from the Board.

A Member commented that he agreed with the localisation of healthcare services as this made it easier for people without their own transport to access those services.

It was queried if patient transport was available as part of the Adult Social Care offer. It was clarified this could be reassessed as part of the merger between North and South Tees hospitals. The Member further commented that a volunteer driver scheme had operated in this capacity some time ago. It was clarified this was no longer possible as the company that had provided this service had folded. This was being examined to see if a similar service could be reestablished.

A Member asked how the Hospital at Home service was monitored. It was stated this was a national initiative with the aim of preventing people needing to access hospitals. It was also clarified there was oversight from relevant clinicians remotely. However, this was primarily an NHS driven service with limited intervention from Adult Social Care.

A Member queried, that in terms of the budget for Adult Social Care, if there was a possibility of the service being able to operate without reliance on the social care precept which had been introduced in 2015. It was clarified that due to the complexity of services and the increasing demands placed upon them, this was unlikely. However, it was emphasised that the service was operating as efficiently as it could.

It was also discussed, and clarified, that Middlesbrough was a Dementia Friendly town as well as an Age Friendly town. It was also highlighted that many shops that identified as Dementia Friendly were no longer open.

Members were advised that the Staying Put Agency were commended in the DFG Home Adaptation Service of the Year award at the National Health Awards 2025. The Board expressed their thanks to all staff involved.

There were no other questions from the Board.

The Chair thanked the Executive Member for her update and asked the Board to note the information presented.

At this point in the meeting the Executive Member for Adult Social Care and the Director for Adult Social Care withdrew from the meeting.

**NOTED.**

25/49

## **REVENUE AND CAPITAL BUDGET – FORECAST YEAR-END OUTTURN POSITION AT QUARTER TWO 2025/26**

The Chair welcomed the Executive Member for Finance, the Director of Finance and Transformation and the Head of Financial Planning and Business Partnering to the meeting.

The Executive Member provided a brief overview of the attached report and advised OSB that the forecasted budget outturn at quarter two, without any additional mitigations, showed a

£1.8 million overspend. This was an improved position on the quarter one position which forecasted £4.5 million overspend. It was also commented that such forecasted overspends were normal at this point the financial year.

The largest budget pressure was within Children's Services however contingency planning was in place to reduce those pressures. All directorates were required to produce recovery plans.

The Council's reserves continued to forecast growth despite the projected overspend of £1.8 million. Additional funds were being allocated to capital budgets.

The Executive Member invited questions from the Board.

It was reaffirmed that the Council's reserves were growing, and Members' attention was drawn to a graph located at figure one on page 48 of the report pack, which illustrated this. It was projected that by 2029 the Council's reserves could reach approximately £40 million. It was also commented there had been improvements in the resilience index, and it was hoped the Council would emerge as average in this regard. Previously, the only Councils with lower reserves than Middlesbrough were those that sought financial assistance.

A conversation took place during which it was commented that a report seen by the Audit Committee had given a different impression of reserves than those identified by the Executive Member. It was clarified that Audit reports were retrospective in nature which may have given a different impression of the reserves status.

It was also stated that having sufficient reserves was beneficial for the Council, as it determined what the Council could and could not afford. Having low reserves often led to applications for additional financial assistance from government. It was also clarified that there was no ideal level of reserves that a Council should have.

A conversation took place about the government settlement which had been announced prior to the meeting starting. It was stated that indications were Middlesbrough was a beneficiary of the settlement and that in such a process there would always be those Councils that gained and those that lost.

A Member queried that, for Council services projecting an overspend, would reserves be used to cover the shortfall. It was clarified the actual budget outturn was unknown, but it was known that the reserves would be higher than they were in previous years. It was also clarified that overspending would need to exceed £6 million to prevent additional funding placed in the reserves.

A Member referred to the graph at figure one in the report and commented that approximately £8.3 million of this total was from bad debt provision. This was acknowledged. It was clarified that the Council was satisfied with the levels it had for bad debt. It was also stated the collection fund process was doing well.

A Member drew OSB's attention to paragraph 4.31 of the report which referenced a £700,000 saving relating to contractual spending reviews and how this was a double count of a 2024/25 saving.

It was clarified that this was a further expansion of the £700,000 saving which was too ambitious. One of the issues under examination was looking at contracts against revenue budgets rather than capital budgets. It was commented that it would be preferable to remove the saving to prevent missing that target the following year.

The Chair thanked the Executive Member and Officers for their information and asked the Board to note the information presented.

**NOTED.**

The Chair welcomed the Mayor to the meeting and invited him to present his report.

The Board was advised the report was submitted as read and informed Members that the Council Plan was being reevaluated to ensure performance measures were more closely aligned to the Council's objectives. The Mayor also stated that 97% of the objectives in the Council Plan Workplan had been completed.

There were no questions from the Board on the report.

The Chair thanked the Mayor for his presentation and asked that the information presented be noted.

**NOTED.**

25/51

**2026/27 DRAFT BUDGET AND MEDIUM TERM FINANCIAL PLAN 2026/27 AND 2029/30**

The Chair invited the Executive Member for Finance and the Mayor to deliver their presentations relating to the draft budget 2026/2027.

The Executive Member for Finance delivered her presentation which included the following points:

- During the 2024/25 financial year the Council had been required to save £14 million.
- There had been a requirement to seek Exceptional Financial Support totalling £4.7 million. The Council did not draw down on all of this, however.
- During the same period there had also been reversals to savings required in Area Care, Welfare Rights and Street Warden provision.
- For the 2025/26 financial year, savings requirements and income generation was £7 million.
- There was £2.5 million available for service growth which included 20% increase for Area Care expenditure, as well as an increase in pest control staffing from one to four members of staff.
- A priorities fund was established which totalled £4.4 million and was split across childhood enrichment, shop front improvements and Councillor ward allocation.
- In terms of additional funding being made by the government, there was a total of approximately £21 million in additional funding from central government. This was based on the best information when the draft budget report was written. However, a cursory review of the government's announcement showed the Council's projections were largely accurate.
- This funding would be allocated across several initiatives including service demand pressures and inflationary changes.
- After required spending, the remaining addition funding totalled approximately £6.4 million.
- Reserves were rising and were predicted to total approximately £40 million.
- The planned spending in the draft budget was affordable due to the Council's improved financial position as well as improved governance and budget spending controls.
- The draft 2026/27 budget proposed no cuts to services; no increase in core council tax; a 2% increase on the Adult Social Care precept which would cover increased costs of statutory services and £6million worth of investment in front line services.

The Chair thanked the Executive Member for Finance for her presentation and invited questions from the Board.

A discussion took place about the monetary value of the 2% Adult Social Care Precept. It was clarified that the Adult Social Care Precept would cost 53p per week for a Council Tax Band A property where it was the equivalent of 80p per week for a Council Tax Band D property. The amounts would change depending on the household type. It was clarified this was for the Middlesbrough element of the Council Tax liability.

A Member sought, and was provided with reassurance, that the Council would have sufficient funds to deal with unexpected financial shocks. It was also clarified that increasing Council Tax to the maximum 4.99% would generate a little more than £2 million.

A Member stated that in previous years the Council had been told to increase its Council Tax

by the maximum permitted. However, given the additional funds available was there an opportunity to keep the increase at zero. The Mayor stated that the Fair Funding process did not happen in year one, but was phased in over three years. As such the Council was taking the most reasonable approach to ensure that all aspirations were being covered. It was commented that it was possible such a freeze could happen in year two, but this was dependent on the status of Fair Funding process. The Council would have a better idea where the end settlement was going to be as time progressed.

The S.151 officer stated that that they would always recommend the maximum increase to Council Tax. However, increases needed to be placed in the context of government settlement which was intended to equalise Council Tax. It was stated that while the settlement from government seemed favourable for Middlesbrough there were still unknowns.

It was stated that the government settlement had taken into consideration not only levels of deprivation in the town but also the ability for the Council to raise Council Tax. When Middlesbrough's average Council Tax level was correlated against its dwellings it meant Middlesbrough had a low ability to raise Council Tax.

In terms of green waste, a Member queried if there was a profit as result of charging for this. It was clarified there was a larger income than was planned for and would still be in profit when taking the service costs into account. The Member further queried if a reduction could be provided to users of that service. It was stated that when the service was introduced the fees were based on what other Councils charged for a similar service. It was stated the service was still quite new and that additional data was needed to fully evaluate its financial performance. The Member was also advised that as the budget was out to consultation, their suggestion could also be put forward as part of that process.

A discussion took place about the make-up of the Council Tax bill during which it was clarified that, while Council Tax bills contain amounts relating to the Police and Fire authorities this did not impact on Middlesbrough Council. Those amounts were only included on the Council Tax bill as Middlesbrough administered the Council Tax process.

The Chair thanked the Executive Member for Finance for her presentation and invited the Mayor to deliver his presentation.

The presentation included the following points:

- Services were provided with more realistic budgets which would give them an opportunity to achieve their targets.
- These areas included investing £1.7 million into Environment Services and roles including Neighbourhood Caretakers.
- There were areas of growth in the Council which included childhood enrichment programmes such as £300,000 investment in every ward to ensure that young people had access to a youth club or youth service.
- There was also £200,000 investment in the 10x10 programme.
- In terms of jobs and growth, this included investment of £580,000 in the tech sector, while culture and events would see a £200,000 investment in the Council's museums offer and £300,000 for cultural events. In this area there was a push to holding cultural events across the town and not just in the Town Centre, as well as holding organised fireworks events.
- To make the town safer there was a planned investment of £650,000 to reduce crime and anti-social behaviour which included additional resources in CCTV operators. On this matter, consultation with the police suggested the Council needed to do more to tackle the issue of missing children.
- In terms of improving housing standards, a £300,000 investment was planned for the creation of an empty properties team.
- Play parks would receive a £700,000 investment, both in terms of revenue and capital budgets, that would see the appointment for a Play Park Fitter as this area had suffered over recent years.
- To support communities there would be £600,000 available for areas with higher levels of deprivation in the north, east, south and west of the town. It was highlighted there were 11 areas in the town that fit the relevant criteria with Newport ward being used as an example. This work would involve both working with the recipient communities as well as elected Members. councillors.

A Member queried if the £600,000 would be split equally across the town. It was clarified that £150,000 would be spent in each area but would be spent in relevant Lower Super Output Areas (LSOA). There were several areas in each part of the town that could receive such funding. Targeting investment, in this way was more effective at resolving problems in those areas.

A Member queried if any of the deprived areas identified fell within the South of the Town, specifically in Wards such as Marton and Stainton. It was stated that southern wards likely to receive some of the investment were within Hemlington and Coulby Newham wards.

It was reaffirmed that funding for this initiative would be based on small areas in each North, South, East and West area of the town should those areas meet set criteria.

The Mayor continued with his presentation which included the following points:

- In terms of supporting and protecting vulnerable residents, a £210,000 investment would be made to remodel access to Adult Social Care. £600,000 would be provided for those with additional and complex needs.
- Any shortfall in Cleveland Police's victims of crime services would be covered by the Council, which would be approximately £200,000.
- Additional support would be made available for homelessness services.

A Member queried what additional support for homelessness would look like. It was clarified there would be a mix of sheltered and standard temporary accommodation. An example was provided whereby if a house had been classed as an empty property but was brought back into use, and it was appropriate, this could be used for a family.

The Member further queried if this initiative would primarily be for those near homelessness. It was clarified there would be cases for both. A discussion took place during which it was commented there was a need to move away from existing practices and providers of homelessness accommodation to a more effective method of providing accommodation.

A Member commented that while the points raised by the Mayor were good, they asked what the benefits were to areas that did not have high levels of deprivation. It was commented the investments would not just be available for areas with high levels of deprivation. An example of youth provision and area care improvements would benefit all areas of the town was provided.

In terms of temporary accommodation, a Member commented it may be a better improve properties to a standard whereby residents would stay in the property for longer. It was stated that while permanency was an ambition, the current pressures facing services meant this was not possible. There was also a need to reduce the number of empty properties and that improved properties would be to the same standard as for a private landlord.

A discussion took place around allocation of investment to areas with higher levels of deprivation. It was stated that targeting investment in areas of high deprivation areas was sometimes the right thing to do and that resistance to this approach sometimes occurred within the same ward. It was also stated that such an approach could be perceived as wasteful, but that such areas had not had the investment they should have received previously.

A Member sought clarification on the amount of money available to improve properties as £300,000 did not seem sufficient. It was clarified that £300,000 would employ staff to carry out the work, however there was approximately £6million available from capital funds to improve properties. The Mayor stated that, were the Council improve an empty property, it would expect any debts owed to the Council to be paid before that work began or the debt would be written off should the property be transferred to the Council.

The Mayor continued with his presentation and made the following points:

- £110,000 was to be available to support the work of Foster workers and Kinship carers.
- There would be no cuts to services in the proposed budget which would see £6million

worth of investment for the Council.

A Member queried how 'parent officers' would work in practice. It was clarified those officers would be tasked to families rather than just parents or young people to try and reduce the number of missing child episodes.

A Member commented that it was sometimes difficult to secure the time of Neighbourhood Caretakers and it was important for communities that this happen.

Overall, the Mayor stated that with increased investment and planned to spend the Council was making progress on planned outcomes. It was also stated it was important for Middlesbrough to receive its fair share of funding. From an Area Care perspective, there was a need to increase this work as a matter of routine as the Neighbourhood Caretakers were undertaking this work on an as-needed basis.

Members expressed thanks to the Neighbourhood Caretakers and the work they undertook. It was also stated that planned work should be carried out with all elected Members being advised to ensure priorities were addressed. The Mayor had requested that a forward plan be created to capture this work.

A Member commented that investment in cultural events, which included a Fireworks display, may not deter the creation of local bonfires which often led to Anti-Social Behaviour. Reference was made to an initiative whereby the Council could hire skips to improve clean up activity. The Mayor stated that a different approach had been used for this year's bonfire activity which included placing a bonfire on Homerton Road boulder rings. It was acknowledged that, in some areas, it was better to manage bonfire activity rather than enforce it. Other similar initiatives included creating murals on walls where graffiti was common.

A Member queried the status of the Civic Centre building. It was clarified that it was currently vacant but that opportunities were being explored with the Arts Council.

Members discussed the use of youth clubs and youth provisions, during which it was stated that youth clubs would be reinvigorated from existing clubs and not Council ran. This approach would feature as part of a Youth Strategy as this would allow connections with young people.

A discussion took place, during which Members commented that events for young people needed to act as outreach activities as well.

In terms of bonfires, it was clarified that, from a liability perspective, the Council was mitigating risk in its approaches to manage bonfire activity.

Members also discussed the benefits of encouraging greater youth participation.

The Chair thanked the Mayor and Executive Member for Finance for their presentations and asked the Board to note the information presented.

**NOTED.**

25/52

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

The Chair invited the Democratic Services Officer to provide an update on the Community Cohesion Task and Finish report.

Members were advised that Democratic Services had been working with the relevant Service Area to complete the report started by the Task and Finish Group.

It was intended that a final draft of the report be presented to OSB at its January 2026 meeting.

**NOTED.**

