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OVERVIEW AND SCRUTINY BOARD

A meeting of the Overview and Scrutiny Board was held on Tuesday 7 July 2026.

PRESENT: Councillors L Young (Chair), T Mohan (Vice-Chair), E Clynch, J Ewan, J Kabuye, L Lewis, I Morrish, J Rush, M Saunders, Z Uddin, G Wilson and J Young

ALSO IN ATTENDANCE: D. Hodgson (Local Democracy Reporting Service)

OFFICERS: S Bonner, T Harrison, A Humble, A Johnstone and E Scollay

APOLOGIES FOR ABSENCE: Councillors D Branson, D Coupe and J McTigue

26/91 **WELCOME, FIRE EVACUATION AND RECORDING OF MEETINGS**

The Chair welcomed all those present to the meeting and described the fire evacuation procedure.

The Chair also welcomed T. Harrison to the meeting and advised she would also be providing support to the Board as a Democratic Services Officer.

The Chair proposed to defer items nine and 10, namely the service overview of Legal and Corporate Services and the Overview and Scrutiny Board Work Programme 2026/27.

The Board was advised the deferral was necessary to allow the Mayor to be present during those items.

ORDERED that agenda items nine and 10 be deferred to OSB's meeting of 29 July 2026.

26/92 **DECLARATIONS OF INTEREST**

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

26/93 **MINUTES - OVERVIEW AND SCRUTINY BOARD - 15 APRIL 2026**

The minutes of the Overview and Scrutiny Board meeting held on 15 April 2026 were submitted and approved as a correct record.

26/94 **EXECUTIVE FORWARD WORK PROGRAMME**

The Chair presented the Executive Forward Plan as detailed at Appendix one of the report and invited questions from Members. A Member queried whether, going forward, the Executive Forward Work Programme could identify which items had been decided and which items had yet to be decided.

The Democratic Services Officer agreed to review the report in time for the next meeting of OSB.

ORDERED that the Executive Forward Plan be reviewed to include item decision status.

26/95 **FORWARD PLAN ACTIONS PROGRESS**

The Democratic Services Officer advised Members that a service response relating to the Corporate Food Poverty Policy had been emailed to the Board.

The Board was also advised that, in relation to a query about Commercial Waste Collection, this would not be explored until the implementation of the domestic waste processes.

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In relation to a query about a reduction in prices for green waste, the service area had advised this was scheduled to be considered by Executive in the near future.

NOTED.

26/96

SCRUTINY CHAIRS UPDATE

The Chair invited each Scrutiny Panel Chair to provide their Chair's update.

The Chair of OSB presented the Place Scrutiny Panel's update. At the Panel's last meeting the Corporate Director of Regeneration and Housing presented an overview of the Regeneration and Housing directorate along with an overview of the Environment, Communities and Culture directorate. As part of its discussions around its 2026/27 work programme, the Panel was advised to select two topics. One topic addressed housing issues, with a focus on Selective Landlord Licensing and Houses in Multiple Occupation (HMO's), with the other topic looking at future plans for transforming the town centre. It was also agreed that a short review into fly tipping would be undertaken. The Panel agreed to continue its review into Middlesbrough's plans for its bicentenary.

The Chair of the Adult Social Care and Health Scrutiny Panel advised Members that the Panel's first meeting had taken place on 23 June. At that meeting an overview had been provided by representatives from the North East and Cumbria Integrated Care Board as well as from Adult Social Care and Public Health services. The Panel agreed to undertake one review from a Public Health remit and one from an Adult Social Care remit. Several topics were shortlisted, and further information had been requested to enable the work programme to be decided. At its next meeting on 21 July the Panel planned to agree its work programme and consider its draft final report into Violence Against Women and Girls. It would also receive information relating to how Adult Social Care was utilising Artificial Intelligence.

The Chair of the Children's Scrutiny Panel advised Members the initial meeting of the Panel had been delayed due to the recent Ofsted inspection. It was confirmed that the Council expected to have sight of the inspection report on 21 July.

NOTED

26/97

FINAL REPORT OF THE CHILDREN'S SCRUTINY PANEL - OUT OF AREA SPECIALIST PROVISION

The Chair of the Children's Scrutiny Panel was invited to present the Panel's Final Report into Out of Area Specialist Provision.

The Board was advised the investigation sought to understand why the Council used out of area specialist provision both from a special educational needs (SEND) and complex needs social care perspective.

The Chair stated the report had derived several conclusions, which included the Panel's satisfaction there were sound processes in place where out of area provision was required and that Middlesbrough had the lowest use of independent special schools in the Tees Valley.

The recommendations contained in the report were outlined for the Panel:

- a) That the Panel be provided with regular updates (every six months) on Children's Residential Placements using key performance indicators to benchmark and monitor improvements in reducing the use of out of area provision – including distance of placement from home, length of time in placement, cost of placement and the long-term solution plans together with targets to achieve this.
- b) That the revised SEND and Inclusion Strategy 2026-2030, which should align with the Government's SEND reforms, be presented to a future meeting of the Children's Scrutiny Panel, within the 2026/27 Municipal Year, setting out how this would impact on Middlesbrough.
- c) That Children's Services introduced a structured Workforce Development Programme across Children's Social Care Teams, aligned to the SEND and inclusion model, and that this be presented to a future meeting of the Children's Scrutiny Panel within the 2026/27 Municipal Year.

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- d) That the Panel be provided with an update, within the next six months, on the Regional Care Co-operative pilots, setting out how this would shape Middlesbrough's transitional arrangements to a Regional Care Co-operative.
- e) That, in the shorter term, Children's Services continued to develop a regionalised approach, working with relevant partners in the region, to attract new foster carers and enhance training opportunities for new and current carers to improve local sufficiency, and that the Children's Scrutiny Panel be provided with an update on activity within the next six months.

The Chair thanked all those who participated in the review and invited questions from the Board.

A question was raised about why Middlesbrough had a higher percentage of children with an Educational Health Care Plan (EHCP) (6%) than the national average (5.3%). It was clarified the Panel had not explored this issue and it was agreed that a response from the service area would be sought.

A Member queried what action was being taken to bring down the number of children classed as looked after. It was, again, clarified that the Panel did not explore this issue as part of its review and that the service area would be approached for a response.

Following a query about the nature of EHCP's the Chair of the Panel clarified they were issued to pupils who required additional support than that available through Special Educational Needs support. It was also clarified there was an assessment process that needed to be followed to issue an EHCP.

A Member drew the Board's attention to page 44, paragraph 37, of the report and references to 84 children looked after outside Middlesbrough. The Member queried what the total cost was for placing children outside of the area and whether the Council had an open budget for this activity. The Director of Finance clarified budgets in this area were not broken down for out of area placements. The Chief Executive further clarified that processes in place to understand young people's position in the care system were as sophisticated as they could be and that there were times the Council had no option but to take a young person into the care system. It was also clarified that while budgets for this area had growth built into them this was not unlimited. Instead, budgets were set which included forecasting between three to five years. Budgeting for care was made more complicated if external providers were required. It was stated the most effective way to reduce some care costs was to change the provider-based market. The Chief Executive stated that the introduction of the Regional Care Co-Operative was a benefit in this regard.

It was also queried whether Artificial Intelligence tools were used to predict young people's entry into the care system. It was clarified that demand modelling was used rather than Artificial Intelligence tools. It was also noted the Council's Data Team had received training on the relevant data modelling tools used for this purpose.

The Chair of OSB asked whether the Panel had received sufficient input from relevant Executive Members and Senior Management. The Chair of the Children's Scrutiny Panel commented that officers had provided a great deal of information and that the Panel would always welcome further input from Executive Members.

ORDERED that:

1. Children's Services be approached for a response to the query regarding Middlesbrough having a higher percentage of children requiring an EHCP than the national average.
2. Children's Services be approached for a response to the query in relation to what actions were being taken to reduce the number of children looked after in Middlesbrough.
3. That the recommendations contained in the Final Report be endorsed and referred to Executive.

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The Chair advised Members that the Terms of Reference for the Board's short review into the role of Faith and Belief groups in civic life had been agreed by OSB at its meeting on 15 April 2026.

However, following discussions with Democratic Services, the Terms of Reference had been refined to ensure the review was focussed and addressed the issue of how Council services engaged with Faith and Belief groups in Middlesbrough.

The revised Terms of Reference were submitted to the Board:

1. To understand how faith and belief groups interact with Council services, partnerships, and community cohesion.
2. To examine how Middlesbrough Council considers religion or belief in decision-making and service delivery, including governance and engagement.
3. To identify strengths, gaps, and risks in current approaches, including issues of inclusion, fairness, safeguarding, and any barriers faced by different faith and belief communities in engaging with the Council.

AGREED that the revised Terms of Reference for the Board's short review into Council engagement with Faith and Belief Groups be accepted.

26/99 **SERVICE OVERVIEW PRESENTATION**

DEFERRED.

26/100 **OVERVIEW AND SCRUTINY BOARD WORK PROGRAMME 2026/2027**

DEFERRED

26/101 **CORPORATE PERFORMANCE YEAR-END 2025/26**

The Chair invited the Head of the Chief Executive's Office to present the report.

The Board heard the report had been considered by Executive at its meeting on 10th June 2026. The report set out how effectively the Council was delivering activity against each of the current Council Plan priorities and its underpinning work plan activities.

Members were also advised the report would be the last in its current format. Going forward, performance information and financial information would be presented in a single report.

The report contained four appendices which included proposed amendments to Executive actions at year end 2025-2026, Council Plan Workplan progress at year end 2025/26 and the Strategic Risk Register progress at year end 2025/26.

The appendices were summarised for the Board and questions were invited.

A Member drew the Board's attention to p127 of the agenda pack (appendix 1 – Executive Action proposed amendments at year-end 2025/26). In relation to the entry entitled "disposal options for Newham Hall", it was queried if there was any further information on this matter.

It was clarified that queries on this matter should be directed to the relevant service area.

ORDERED that:

1. The relevant service area be approached for further information regarding the disposal of Newham Hall action referenced in appendix 1 of the report.
2. That the information presented be noted.

26/102 **2025/26 REVENUE & CAPITAL YEAR END OUTTURN**

The Chair invited the Director of Finance to present the report.

Members were advised quarterly update reports were always considered by Executive prior to being submitted to OSB. There had been minor updates in the intervening period between

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Executive and OSB, which did not have any substantive impact on the report, its conclusions or decisions.

The report submitted to OSB had been considered and approved by Executive on 10 June 2026. The report had shown an overspend of £1.793million after the application of contingencies and that reserves had improved. While overspent, the position was a significant improvement on the 2025/26 quarter one forecast of an overspend of £4.5 million.

The reported overspend was largely attributed to demand led services, notably children's social care, which had experienced an overspend of £7.45 million. However, there had been underspending in central budgets.

The dedicated schools grant showed a cumulative deficit of £29million following an in-year deficit of £7.1million. While 90% of the Dedicated Schools Grant commitment was provided by government, the Council had budgeted for 10%.

Members were also advised of an underspend in the Capital programme of approximately £30m and that work was being carried out to prevent further slippage in this area.

The Director of Finance invited questions from the Board.

A Member queried how much the Council owed in loans. It was clarified that information would be contained in the Statement of Accounts and the Treasury Management report which was due to be considered by Executive on 8 July 2026. Overall, the Council was not overborrowing. It was agreed that the Director of Finance would bring the Treasury Management report to the next meeting of OSB to provide answers to the question posed.

The Member further queried how much the Council was spending on interest associated with Council loans. It was clarified that approximately £13 million had been budgeted for capital costs. For 2025/26 the Council was spending approximately 8% against this budget and the Director of Finance stated this would not go above 10%. It was also commented this was a large budget that needed effective management.

The Chief Executive stated that, while the numbers being discussed were large, there were established prudential indicators, scrutinised by CIPFA, which dictated sensible levels of borrowing. It was stated that Middlesbrough was comparatively comfortable in this regard as other authorities had run into difficulty with external agencies.

A conversation took place during which comments were made that the Council needed to maintain its payments on borrowing.

A Member drew the Board's attention to page three of appendix seven (Revised Capital Programme Forecasts) and the entry relating to Section 106 Marton West Beck. It was agreed that the Director of Finance would provide the Member with detailed costs on the project.

A question was posed about the costs to the Council following changes to the Local Government Pension Scheme regulations which allowed elected Members to join the pension scheme. It was clarified this was difficult to quantify as it was unknown how many Members had joined the scheme.

When this figure was known the cost to the Council would be more accurate. However, it was commented that the cost to the Council would be minimal and was not a concern for the Council financially.

ORDERED that

1. The Director of Finance present the Treasury Management Report to the next meeting of OSB on 29 July 2026 to address questions of Council borrowing.
2. The Director of Finance provide detailed costs associated with the entry Section 106 Marton West Beck in Appendix seven (Revised Capital Programme).
3. That the information presented be noted.

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None.