

## Cabinet

A meeting of Cabinet was held on Wednesday, 11th December, 2019.

**Present:** Cllr Robert Cook (Chair), Cllr Jim Beall, , Cllr Nigel Cooke, Cllr Lisa Evans , Cllr Mrs Ann McCoy, Cllr Steve Nelson and Cllr Michael Smith.

**Officers:** Julie Danks (MD), Beccy Brown, Julie Butcher, Rachel Harman (HR&L); Garry Cummings (F&BS); Reuben Kench, Craig Taylor (CL&E), Martin Gray (CS); Emma Champley (AH); Nigel Hart (DS).

**Also in attendance:** Cllr Carol Clark

**Apologies:**

### **CAB 76/19**      **Evacuation Procedures**

The Chair welcomed everyone to the meeting and the Evacuation Procedure was noted.

### **CAB 77/19**      **Declarations of Interest**

Councillors Bob Cook and Nigel Cooke each declared a personal, non-prejudicial interest in respect of agenda item 9 - Learning & Skills Annual Report as they were Governing Body members for the Learning & Skills Service; whilst Councillor Cook was also a member of the Tees Valley Combined Authority who were referred to as working in partnership with the Learning & Skills Service. Councillor Jim Beall declared the same interest as a substitute member on the Tees Valley Combined Authority.

### **CAB 78/19**      **Minutes of the Meeting held on 14th November 2019 - For Signature & Approval**

Consideration was given to the minutes of the meeting held on 14th November 2019.

RESOLVED that the minutes of the meeting held on 14th November 2019 be confirmed and signed as a correct record.

### **CAB 79/19**      **Council Owned Companies Board Membership**

Cabinet received a report outlining a requirement to refresh the membership of the Council's wholly owned companies following changes in the senior management structure and in consequence of the hotel project moving successfully into the operational phase.

Cabinet had approved the establishment of the trading companies in May 2016 to support the business case for the new hotel. The purpose of Stockton Borough Holding Company (HoldCo) was to future proof the structure and allow for the grouping of a different companies in a tax efficient way. It was not intended for HoldCo to have any strategic or operational role to play at this time.

Whilst the business of HotelCo was to ensure the efficient management and

running of the new hotel and in particular to comply with the franchise agreement agreed with Hilton, in practice, the day-to-day management was undertaken through a service contract between HotelCo and Interstate.

As a shareholder, the Council's role was not to directly manage either the HoldCo or HotelCo, but instead to provide the structure and boundaries in which the company boards are allowed freedom to deliver the operational objectives of the Company, in line with the business case that Cabinet had previously approved. The Council through Cabinet was able to control the strategic direction of the two companies through having the right to approve any substantial changes to the business plan and having the right of appointment of directors.

The two companies each have a board of Directors and Cabinet had previously agreed that the board should be drawn from suitably competent and qualified Council officers. Initially, the then Chief Executive, along with the Director of Finance and Business Services, Director of Economic Growth and Development and Director of HR, Legal and Communications had been appointed as the first directors of both companies. Given changes in senior leadership at the Council and the fact that the hotel had now entered fully into the operational phase, there was a need to refresh the board membership.

Company directors have a duty to act in the interest of the company they are appointed to and any conflicts which may arise have to be managed within the governance and operational arrangements. Where the Council officers appointed as company directors are also Statutory Officers of the Council (Head of Paid Service, section 151 officer and the Monitoring Officer), there is greater likelihood of conflicts arising with their statutory office and their primary duties to the Council. Now that the hotel has moved into the operational stage, it was not recommended the statutory officers be members of either company board and instead the role of the statutory officers, in particular the section 151 Officer, be to provide the shareholder function with responsibility back to Cabinet and the full Council.

As the primary role of the companies at present was to provide oversight and contract management of the relationships with Interstate and Hilton, a small number of senior officers with experience in undertaking these functions were recommended for appointment as the new company directors. Amongst the proposed appointments, the Director of Economic Growth and Development would continue to be the lead officer for the project.

Whilst Cabinet would retain overall strategic oversight of both companies, in order to discharge these obligations efficiently, it was recommended that the Director of Finance and Business Services as the Council's section 151 Officer be authorised to discharge any shareholder functions on Cabinet's behalf in consultation where relevant with the appropriate Cabinet member.

RESOLVED that:-

1. The proposed appointments of the company directors to both Stockton Borough Holding Company Limited and Stockton Hotels Company Limited be approved as outlined in the Appendix to the report;

2.The Director of Finance and Business Services be authorised to exercise the shareholder functions on behalf of the Council.

**CAB 80/19      Financial Update & Medium Term Financial Plan**

Consideration was given to a report that summarised the Council's financial performance and position at the end of the second quarter of the 2019/20 financial year and updated the Medium Term Financial Plan (MTFP) accordingly.

The financial position had shown an overall improvement from the previous reported position. There were still pressures in Children in our Care but early indications were that work in this area was starting to improve the position.

An update on the Capital Programme was also provided setting out a number of programme revisions.

The report also presented the outline plans for the 2020/21 budget and the MTFP. This was however, in the context of significant uncertainty around Government funding:

-The 2020/21 funding was not confirmed at present as the Authority had not received a Provisional/Final Local Government Finance Settlement. The Provisional Settlement should have been in early December but had been delayed due to the calling of the General Election.

-The 2021/22 financial position was even more uncertain as it was likely to be affected by a Government Spending Review, a Fair Funding Review and proposals around increased Business Rates Retention.

Based on the assumptions outlined in the report and subject to decisions on Council Tax levels, it was anticipated that the Council would have a balanced Medium Term Financial Plan, although this would need to be reassessed once further funding announcements were made.

RESOLVED that:-

1.The Medium Term Financial Plan and the current level of General Fund balances be noted.

2.The emerging issues for the MTFP be noted.

3.The revised Capital Programme attached at Appendix A to the report, be noted.

**CAB 81/19      Stockton-On-Tees Electoral Review 2019 - Local Government Boundary Commission**

Cabinet noted that the Local Government Boundary Commission for England

intended to carry out an electoral review of all local authorities that have not been reviewed in the last twelve years. This process would include Stockton-on-Tees Borough Council as we last took part in a review in 2003. The report presented arrangements for the review and associated timescale.

The purpose of an electoral review is to consider the total number of Councillors elected to the Council, the names, number and boundaries of the wards, and the number of Councillors to be elected to each ward. Taking around a year and a half to complete, the review was a consultative process and the Commission's aim was to work closely with the council, local people and organisations throughout. The review aimed not just to deliver boundaries that were fair for voters and reflected community ties, but could also help Councils align their local leadership ambitions with their decision-making arrangements.

At the start of the review process, the Commission would gather initial information from the local authority, including electoral forecasts and other electoral data. They would meet with all Councillors, officers, group leaders and, where applicable, parish and town councils.

The next stage would see the Commission decide how many Councillors should be elected to the local authority in the future. This decision would be based on the evidence received from the local authority itself and political groups in the area. They would take a view on the Council size for a local authority by considering four factors:

- The governance arrangements of the council;
- The council's scrutiny functions;
- The representational role of councillors;
- Future trends and plans for the council.

In some cases, at the Commission's discretion, the Commission might ask the public for their views on Councillor numbers, and political or other groups were allowed to make their own submission providing it was in accordance with the submission template. The Commission would always recommend a Council size that, in its judgement, enables the Council to take its decisions effectively, to discharge the business and responsibilities of the council successfully, and to provide for effective community leadership and representation. The Commission's decision on size would be final but would be informed by our proposals.

The Commission would seek to understand elected member requirements across three aspects:

- Strategic Leadership – how many councillors are needed to give strategic leadership and direction to the authority?
- Accountability • Scrutiny – how many councillors are needed to provide scrutiny to the authority?
- Regulatory – how many councillors are needed to meet the regulatory requirements of the authority?
- Partnerships – how many councillors are required to manage partnerships between the local authority and other organisations?
- Community Leadership – how the representational role of councillors in the local community is discharged and how they engage with people and conduct

casework.

The Commission's decision about an authority's council size would mark the formal start to the review process, however, their decision on council size would not be formalised until the Final Recommendations were agreed and published. This was because the number of councillors may change marginally (generally 1) from the initial decision if it was felt that modifying the number of councillors may provide for a pattern of wards that better reflects the three statutory criteria.

The Final Recommendations would describe the complete set of electoral arrangements, including ward names and locations as well as the number of elected members, alongside parish warding arrangements. These recommendations would be implemented at the next election by means of an Order laid before Parliament.

It was noted that this review was different to a review of Parliamentary boundaries; and was not a review of the boundaries between local authorities and was only confined to the total number of Councillors elected to tis Council, the names, number and boundaries of the wards, and the number of Councillors to be elected to each ward.

RESOLVED that Cabinet note the process and timescale for the electoral review of Stockton.

**CAB  
82/19**      **Minutes of Various Bodies**

In accordance with the Council's Constitution or previous practice the minutes of the meeting of the bodies indicated below were submitted to members for consideration:-

Safer Stockton Partnership – 15 October 2019  
Teeswide Safeguarding Adults Board – 25 October 2019

RESOLVED that the minutes detailed in the appendices of the report be received.

**CAB  
83/19**      **2019 Major Event Success & 2020 Lighting Calendar**

Cabinet received a presentation providing an outline of the impact and visitor responses to the Cycling Festival, City Games and SIRF 2019. This included a short two minute video capturing some of the highlights from these events, which would be added to the Council's website.

Members made reference to the exceptional public satisfaction rates from each of these events.

The report also set out the proposed 2020 memorial lighting calendar for approval.

RESOLVED that:-

1.The success of the Stockton Cycling Festival, Great North City Games and SIRF 2019 be noted.

2.The proposed 2020 memorial lighting calendar be approved as outlined in the Appendix to the report.

**CAB 84/19 Children's Services Progress Update: 2018/19 - Quarters 1 and 2 (April - September 2019)**

Cabinet received an update on performance across Children's Services for Quarters 1 & 2 to September 2019.

The update included:-

- Take up of the existing free entitlement to 15 hours of education remains at 100%;
- The take up of the free offer for disadvantaged 2 year olds is now at 94%;
- The role and remit of the Family Hubs continues to evolve as part of the 0-19 service.

Schools that had been the subject of Ofsted inspections were noted - the current rate of schools judged as good or better was currently 93% primary; 77% secondary. Overall, 94% of primary and 86% of secondary pupils attended good or better schools, both up from 31st March 2019.

Regards Safeguarding and protecting vulnerable children and young people, key performance data collected and analysed in Children's Services was noted as follows:

- a.The rate of contacts to children's social care (i.e. into the Children's Hub) had reduced in 2018/19 and was now at a similar level to 2015/16;
- b.Rates of referrals had increased in this period;
- c.There was a slight reduction in the rate of assessments being undertaken;
- d.99% of single assessments continue to be undertaken within the statutory deadline of 45 days, significantly higher than the national average;
- e.The rate at which children are classed as being 'in need' had increased in this period to 485/10000;
- f.The rate of children on a child protection plan increased in this period to 61 / 10,000, though this is still considerably below the regional rate and below the highest rate in recent years of 87 / 10,000 in 2012/13;
- g.96% of initial child protection conferences were held within 15 working days of the Section 47 enquiry, significantly higher than the national average of 77%.

As of the end of September 2019, there were 560 children in our care, a rate of 128/10,000 children and young people. This represents a significant increase in the number of children in our care in the first 6 months of this year.

From analysis of the key performance data submitted, it could be noted that:-

- a. Our rate of children in care remained high, was increasing and continued to be a significant area of focus;

- b. We remain efficient and effective in terms of timeliness;
- c. Despite the high rate of children in our care, we remained high performing around placement stability, and performed close to the national averages for care leavers.
- d. There are improvements in our performance around adoption.

**CAB 85/19 School Performance 2018-2019 for Vulnerable Pupils**

Cabinet received a summary analysis of vulnerable pupil performance in the academic year 2018 – 2019 for all key stages and all providers in the Borough. This was informed by the latest available data, some of which remained unvalidated and compared to national averages where they existed. The data included performance outcomes for:

1. Pupils in receipt of Pupil Premium Funding;
2. Performance by gender;
3. Black and Minority Ethnic children;
4. Children and Young People in Our Care ;
5. Children with Special Needs;
6. Attendance and exclusion figures for Stockton.

Members made reference to the fact that overall absence and persistent absence in Stockton primary schools was better than the national average. In contrast, there had been a further increase of 40% in permanent exclusions in secondary schools/academies, although there had been a 31.7% decrease in fixed term exclusions. It was suggested that future reports could include comparison against other authorities within our benchmarking 'cluster' group.

**CAB 86/19 Annual Report of the Governing Body for the Learning & Skills Service**

Cabinet received an update on the work of the Learning and Skills Service in supporting residents, employers and community partners with learning opportunities and employment initiatives to meet local social and economic priorities.

The governance structure, management and performance of the service was noted, with over 4,500 enrolments having been received during the 18/19 academic year. Learner achievement was also higher than ever before and performance significantly higher than national and local benchmarks.

Cabinet also noted that the service had also been the subject of a 3 day Matrix Award assessment, which was the quality standard for organisations in this field, and were successful again in attaining the award.