

Date: Tuesday 17 December 2024 at 2.00 pm

Venue: Jim Cooke Conference Suite, Stockton Central Library, Church Road,
Stockton on Tees, TS18 1TU

Cllr Sylvia Walmsley (Chair)
Cllr Kevin Faulks (Vice-Chair)

Cllr Marc Besford
Cllr Richard Eglington
Cllr Shakeel Hussain
Cllr Sufi Mubeen
Cllr Paul Rowling
Cllr Laura Tunney

Cllr Carol Clark
Cllr Lynn Hall
Cllr Niall Innes
Cllr Tony Riordan
Cllr Marilyn Surtees

AGENDA

- 1 Evacuation Procedure** (Pages 7 - 8)
- 2 Apologies for Absence**
- 3 Declarations of Interest**
- 4 Minutes**

To approve the minutes of the meetings held on 12 November 2024 and 19 November 2024. (Pages 9 - 22)
- 5 Financial Update and Medium Term Financial Plan** (Pages 23 - 34)
- 6 Local Government and Social Care Ombudsman (LGSCO) Annual Complaints Report 2023/24** (Pages 35 - 40)
- 7 Forward Plan** (Pages 41 - 46)
- 8 Chairs' Updates**

Verbal updates will be given at the meeting.
- 9 Chair's Update and Executive Scrutiny Work Programme** (Pages 47 - 48)

Members of the Public - Rights to Attend Meeting

With the exception of any item identified above as containing exempt or confidential information under the Local Government Act 1972 Section 100A(4), members of the public are entitled to attend this meeting and/or have access to the agenda papers.

Persons wishing to obtain any further information on this meeting, including the opportunities available for any member of the public to speak at the meeting; or for details of access to the meeting for disabled people, please

Contact: Democratic Services Manager, Judy Trainer on email Judy.Trainer@stockton.gov.uk

KEY - Declarable interests are:-

- Disclosable Pecuniary Interests (DPI's)
- Other Registerable Interests (ORI's)
- Non Registerable Interests (NRI's)

Members – Declaration of Interest Guidance



Table 1 - Disclosable Pecuniary Interests

Subject	Description
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain
Sponsorship	Any payment or provision of any other financial benefit (other than from the council) made to the councillor during the previous 12-month period for expenses incurred by him/her in carrying out his/her duties as a councillor, or towards his/her election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.
Contracts	Any contract made between the councillor or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/civil partners (or a firm in which such person is a partner, or an incorporated body of which such person is a director* or a body that such person has a beneficial interest in the securities of*) and the council — (a) under which goods or services are to be provided or works are to be executed; and (b) which has not been fully discharged.
Land and property	Any beneficial interest in land which is within the area of the council. 'Land' excludes an easement, servitude, interest or right in or over land which does not give the councillor or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/ civil partners (alone or jointly with another) a right to occupy or to receive income.
Licences	Any licence (alone or jointly with others) to occupy land in the area of the council for a month or longer.
Corporate tenancies	Any tenancy where (to the councillor's knowledge)— (a) the landlord is the council; and (b) the tenant is a body that the councillor, or his/her spouse or civil partner or the person with whom the councillor is living as if they were spouses/ civil partners is a partner of or a director* of or has a beneficial interest in the securities* of.
Securities	Any beneficial interest in securities* of a body where— (a) that body (to the councillor's knowledge) has a place of business or land in the area of the council; and (b) either— (i) the total nominal value of the securities* exceeds £25,000 or one hundredth of the total issued share capital of that body; or (ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the councillor, or his/ her spouse or civil partner or the person with whom the councillor is living as if they were spouses/civil partners have a beneficial interest exceeds one hundredth of the total issued share capital of that class.

* 'director' includes a member of the committee of management of an industrial and provident society.

* 'securities' means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.

Table 2 – Other Registerable Interest

You must register as an Other Registrable Interest:

- a) any unpaid directorships
- b) any body of which you are a member or are in a position of general control or management and to which you are nominated or appointed by your authority
- c) any body
 - (i) exercising functions of a public nature
 - (ii) directed to charitable purposes or
 - (iii) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union) of which you are a member or in a position of general control or management

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Jim Cooke Conference Suite, Stockton Central Library **Evacuation Procedure & Housekeeping**

If the fire or bomb alarm should sound please exit by the nearest emergency exit. The Fire alarm is a continuous ring and the Bomb alarm is the same as the fire alarm however it is an intermittent ring.

If the Fire Alarm rings exit through the nearest available emergency exit and form up in Municipal Buildings Car Park.

The assembly point for everyone if the Bomb alarm is sounded is the car park at the rear of Splash on Church Road.

The emergency exits are located via the doors between the 2 projector screens. The key coded emergency exit door will automatically disengage when the alarm sounds.

The Toilets are located at the front of the Library where a security code will be required to access them. Please ask a Member of Library staff for the security code.

Microphones

During the meeting, members of the Committee, and officers in attendance, will have access to a microphone. Please use the microphones, when directed to speak by the Chair, to ensure you are heard by the Committee.

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EXECUTIVE SCRUTINY COMMITTEE

A meeting of Executive Scrutiny Committee was held on Tuesday 12 November 2024.

Present: Cllr Sylvia Walmsley (Chair), Cllr Kevin Faulks (Vice-Chair), Cllr Marc Besford, Cllr Carol Clark, Cllr Richard Eglington, Cllr Lynn Hall, Cllr Shakeel Hussain, Cllr Niall Innes, Cllr Sufi Mubeen, Cllr Tony Riordan, Cllr Paul Rowling, Cllr Andrew Sherris (sub for Cllr Laura Tunney) and Cllr Marilyn Surtees.

Officers: Garry Cummings, Clare Harper, Neil Brama, Lisa Tague (DCE & F,T&P); Ged Morton, Julie Butcher, Kirsty Grundy, Jonathan Nertney, Judy Trainer, Gary Woods (CS); Carolyn Nice, Angela Connor, Marc Stephenson (A,H&W); Reuben Kench, Craig Willows, Andrew Corcoran (CS,E&C) and Iain Robinson (R&IG).

Also in attendance: Cllr Pauline Beall (SBC Cabinet Member for Adult Social Care), Cllr Clare Besford (SBC Cabinet Member for Environment and Transport), Cllr Diane Clarke OBE, Cllr Robert Cook (SBC Leader of the Council), Cllr John Coulson, Cllr Eileen Johnson, Cllr Mick Moore, Cllr Norma Stephenson OBE, Cllr Hugo Stratton, Cllr Hilary Vickers and Cllr Barry Woodhouse.

Apologies: Cllr Laura Tunney.

ESC/24/24 Evacuation Procedure

The Committee noted the evacuation procedure.

ESC/25/24 Declarations of Interest

There were no declarations of interest.

ESC/26/24 Meeting Procedure

The Committee noted the meeting procedure.

ESC/27/24 Powering our Future - Call-In

The Head of Democratic Services presented a report setting out the background to the call-in and supporting documents.

The decisions of Cabinet, taken on 17 October 2024 in relation to the Powering Our Future Programme had been subject to a valid call-in. The call-in applied to the following decisions:

RESOLVED

1. The recommended options set out in the report in respect of the Waste and Recycling Reviews be approved:

- Introduction of charging for green waste from 1st April 2025

- Introduction of weekly food waste and recycling service from 1st April 2026 with the acquisition of associated vehicles and the development of a Waste Transfer Station
- Cease the provision of the Community Recycling Centres with immediate effect.

2. The removal of the maximum charge for non-residential care be approved.

5. The changes to car parking charges in Stockton and Yarm Town centres be approved; including the removal of the first hour free parking and introduction of the rate of £1.50 for three hours stay in short stay car parks, alongside an uplift to long stay car parking charges.

Cabinet Recommended to Council:-

10. Council approve £4.3m prudential borrowing for the acquisition of food and recycling waste receptacles, green waste bins, site preparation costs for a Waste Transfer Station and resurfacing of Wellington Square car park.

The reasons for call-in related to the following principles of decision making:

- proportionality (i.e. the action must be proportionate to the desired outcome);
- due consultation and the taking of professional advice from Officers;
- respect for human rights and equality of opportunity;
- a presumption in favour of openness;
- clarity of aims and desired outcomes; and
- an explanation of what options have been considered and giving the reasons for decisions
- relevant matters have not been ignored
- clarity and explanation of information provided

The following Members and officers attended the meeting:

- Cllr Bob Cook – Leader of the Council
- Cllr Pauline Beall – Cabinet Member for Adult Social Care
- Cllr Clare Besford – Cabinet Member for Environment and Transport
- Garry Cummings – Deputy Chief Executive and Director of Finance, Transformation and Performance
- Clare Harper – Assistant Director, Finance, Transformation and Performance
- Reuben Kench – Director of Community Services, Environment and Culture
- Craig Willows – Assistant Director, Community Services and Transport
- Carolyn Nice – Director of Adults, Health and Wellbeing
- Angela Connor - Assistant Director, Adult Social Care

In addition, all Members who signed the call-in request were present at the meeting.

The following documents had been included with the agenda for the meeting for consideration by the Executive Scrutiny Committee:

- Call-In Form
- Decision Record
- Report of Monitoring Officer as the decision on the validity of the call-in
- Corporate Management Team Response Paper

In addition to the agenda papers, the following documents had been circulated prior to the meeting:

- Equality and Poverty Impact Assessment – Increase to non-residential care fees
- Equality and Poverty Impact Assessment – Changes to car parking charges
- Knight Frank email regarding tender specification, car park refurbishment, Wellington Square
- Knight Frank Tender Analysis Report, car park refurbishment, Wellington Square

Questions had also been provided by the call-in requesters in accordance with the Council's constitutional requirements and had been circulated to the Committee to assist them in formulating questions at the meeting.

On behalf of the Councillors who had submitted the call-in request of the Cabinet decision, Councillor Diane Clarke urged the Committee to refer the matters back to Cabinet for reconsideration, explaining the rationale for the call in, which related to:

- Lack of clarity and detailed information
- Lack of consultation and consideration of the impacts of the decisions
- Disproportionate impact on residents driven by financial objectives
- No evidence of how inequalities would be reduced or how the measures would improve services
- Lack of data / evidence throughout to understand why the Council had arrived at the stated conclusions / requests for change

The Deputy Chief Executive and Director of Finance, Transformation and Performance highlighted the financial challenges facing the Council and the role of the Powering Our Futures programme in identifying savings to meet the budget gap.

Non-Residential Care Charges

The Director of Adults, Health and Wellbeing introduced the Corporate Management Team response. She referred to the Equality and Poverty Impact Assessment which had been undertaken and had now been circulated to the Committee and highlighted that a communication and engagement plan was in place to engage with the 49 clients who would be affected by the change. She also referred to engagement with the ADASS network which had resulted in 31 responses from other local authorities; this revealed that only one local authority still had a maximum charge and most local authorities had already removed the charging cap.

Questions from Committee Members and responses were as follows:

1. The Cabinet report contained no information on the financial pressures on the service. However, the very few paragraphs in the Cabinet report focused entirely on the 49 vulnerable individuals who could create an additional £300k of income to the Council. What information was provided to the Cabinet as to the impact this measure would have on these individuals?

The Director of Adults, Health and Wellbeing commented that each client would be assessed individually and that it would not have been appropriate to include this information in the Cabinet report.

2. The Corporate Management Team response referenced that an equality impact assessment had been undertaken to review the impact upon those affected and any requiring mitigating actions. It also referenced that a communication and engagement plan was in place to engage with the 49 clients affected. Could this be provided to Committee Members and requesters?

The Director of Adults, Health and Wellbeing referred to the Equality and Poverty Impact Assessment which had been circulated to the Committee. There would be one-to-one personal visits to each client who needed them and wider communication of service changes.

3. Should not individuals already have been contacted?

The Director of Adults, Health and Wellbeing explained that there was no legal requirement to consult. However, all individuals would be assessed under the Care Act and she reassured the Committee that no individual would be asked to pay more than they could afford.

4. The Equality and Poverty Impact Assessment did not reflect the impact on age as a protected characteristic and instead referred to this as a neutral impact.

The Director of Adults, Health and Wellbeing commented that this was an administrative error and would be corrected.

5. The Equality Impact Assessment referenced a lead in period of six months? Was there a specific target date for implementation?

Councillor Bob Cook advised that there was no specific date identified for implementation and it could begin beyond 1 April 2025. Like many other Councils, Stockton was having to make difficult decisions. However, all individuals would need to be assessed before any changes in payments for their care were made.

6. Was Cabinet made aware prior to their decision making of the existence of the Equality and Poverty Impact Assessment and the engagement plan?

Councillor Bob Cook confirmed that Cabinet was aware of the Equality and Poverty Impact Assessment and engagement proposals.

7. Recent scrutiny programmes had not recommended increasing Non-Residential Care Charges. The Cabinet Report stated that as part of the process, there had been *extensive engagement with Members and colleagues to ensure robust challenge and feedback in shaping the change. This included Member Briefings and Scrutiny Committees (the Scrutiny Programme for 2024-25 has been designed and agreed to inform reviews where areas of policy change are anticipated)*. Members commented that the Adult Social Care and Health Select Committee had not had the opportunity to comment on the specific proposals and there had not been engagement with the wider membership on the proposal.

The Deputy Chief Executive and Director of Finance, Transformation and Performance advised that there had been engagement on the overall programme and the proposals had been discussed at a Group Leaders meeting on 18 August 2024.

8. The Equality and Poverty Impact form stated that engagement had to take place yet the entry stated that there was no legal obligation for consulting.

The Director of Adults, Health and Wellbeing reiterated that there was no statutory requirement to consult on the changes. However, there would be engagement on an individual assessment basis with those who would be affected.

9. Notwithstanding that there was not a legal requirement to consult, was there not a moral obligation? Clarification was requested on the legal advice provided.
10. The Equality and Poverty Impact Assessment document was dated October 2024. Was this completed before or after the Cabinet decision? As the document was not signed off by the Director, was it valid?

The Director of Adults, Health and Wellbeing advised that the Equality and Poverty Impact Assessment had been completed before the Cabinet date. She advised that that this was a live document and she had been fully sighted on its contents.

11. Could the Cabinet Member confirm that there was no statutory requirement to consult on the proposals?

Councillor Pauline Beall confirmed this.

12. Could the Cabinet Member confirm that 31 Local Authorities responded to the call out to the ADASS network to assess charging policies?

Councillor Pauline Beall confirmed this.

13. Could the Cabinet Member advise of anything now known to her that she did not know before the Cabinet meeting on 17 October?

Councillor Pauline Beall commented that she had not seen the Equality and Impact Assessment document but had been aware of the content of the assessment from briefings to Cabinet.

14. The timing of these announcements was concerning given the recent Care at Home contractual changes. In addition, the Adult Social Care and Health Select Committee's previous review of Care at Home had not recommended removing the fee cap. This would cause potentially adverse impact in the stated pursuit of just £150,000 – a small sum of the overall Council budget.

It was proposed by Councillor Lynn Hall and seconded by Councillor Tony Riordan:

That the matter be referred back to Cabinet for reconsideration.

On being put to the vote, the motion was NOT CARRIED (6 Councillors voting in favour and 7 Councillors voting against).

AGREED That no further action be taken.

Green Waste

The Director of Community Services, Environment and Culture introduced the Corporate Management Team response and acknowledged that there was technical / detailed information that had not been included within the report presented to Cabinet on 17 October 2024.

Questions from Committee Members and responses were as follows:

15. What was the present annual cost/budget for collecting garden waste?

The Director of Community Services, Environment and Culture advised that the budget was £280,000 (which only covered the direct cost of operatives and excluded all overheads).

16. How was this waste dealt with/disposed of once collected? What cost was this to the budget?

The Director of Community Services, Environment and Culture advised that the cost was £180,000 per annum.

17. What were the costs to the budget for the disposal of it?

The Director of Community Services, Environment and Culture advised that the cost was £28 per tonne.

18. How much waste (weight) was projected to be collected in years 1 and 2 following the projected take up?

The Director of Community Services, Environment and Culture advised that this was 3,325 tonnes (year 1); 6,650 tonnes (year 2).

19. The Cabinet report (para 14) suggested that garden waste was collected free/subsidised but goes on to state that the new guidelines would create an additional pressure of £70k. However, the proposal by Cabinet to ease this financial pressure was to introduce a fee of £40 per household each year to create an increase in annual income of £1.2 million plus. Can you please explain these details further?

The Director of Community Services, Environment and Culture explained that the additional pressure of £70,000 was the difference between the current 26-week schedule and the new 36—week requirement (note: SBC currently collected for 30 weeks – four more than the budget for the service).

20. The report referred to the 'Simpler recycling guidelines and the report appeared to suggest that the charging for collecting garden waste was mandatory. Was it not correct that the guidelines made it mandatory for Councils to 'offer' a garden waste collection, not charge, but they 'may' charge for it, because the economic and environmental case was not strong enough to proceed with the proposal to require waste collection authorities to introduce a free minimum garden waste collection service? Local authorities would be required to provide a garden waste collection service where it was requested but, as was currently the case, they could 'continue to choose to charge' for this service. Was this explained to the Cabinet members?

The Director of Community Services, Environment and Culture confirmed that this had been explained to Cabinet.

21. What information was shared with Cabinet regarding what approach other Local Authorities take in respect of green waste?

Councillor Bob Cook and Councillor Clare Besford advised that the overall approach taken by other Local Authorities was provided and they confirmed that they had all the information they needed in order to make a decision.

22. The 'Simpler recycling guidelines' recognised the unnecessary cluttering of streets with numerous bins for waste recycling streams and permits co-collecting to prevent street amenity being blighted. An option for councils to co-collect food and garden waste was permitted within the guidelines, and the possibility of it being collected in the same bin by way of exemption. Was this option provided to the Cabinet members?

The Director of Community Services, Environment and Culture commented that co-collection arrangements required specific facilities; as no such local facility existed, this was not a viable option.

23. Could people share green waste bin and was this factored into plans?

The Director of Community Services, Environment and Culture confirmed that this was an option and assumptions of take-up were based on Waste and Resources Action Programme (WRAP) modelling.

24. Could people put green waste in residual / general waste bin?

The Director of Community Services, Environment and Culture confirmed that there was nothing to stop residents doing this.

25. What was the impact of putting green waste in with residual waste?

The Director of Community Services, Environment and Culture advised that consideration was given to this as part of potential outcomes. Councillor Richard Eglinton commented that the Select Committee report noted that behaviours would change over time once the service was established. The Director of Community Services, Environment and Culture confirmed that the costs of the education exercise had been factored in.

26. Would there be an impact on residents who collected leaves that had fallen from Council trees?

The Director of Community Services, Environment and Culture People advised that residents could contact the Council. For example, there were no costs incurred by litter picking groups.

27. The CMT response to the issue of no consultation, states, Consideration was given by officers to the potential to consult residents on how much to charge. However, two factors mitigated any potential benefits of consultation over the amount to be

charged; first, previous experience suggests that people will seek to pay as little as possible and would choose the lowest value in any range suggested in consultation, secondly the overall financial position of the Council is such that it is necessary to recoup the full future costs of the service. On that basis, consultation which purported to invite residents to determine or influence the amount to be charged would have been misleading. A Member asked whether there should have been a moral obligation to consult.

Food Waste

28. What if the formal appeal for additional grant support was not successful?

The Deputy Chief Executive and Director of Finance, Transformation and Performance advised that there would be no impact. Prudential borrowing was intended for anything above £1.4m. Plans were not predicated on the success of the appeal.

29. The Corporate Management Team response document stated, in respect of the number of bins required, estimates had been based on the figures provided in the independent WRAP report, which assumed demand levels in Stockton that were consistent with national comparators. Could clarification be provided as to the report and detail referenced. Could this independent report be forwarded/provided? Was this information provided to Cabinet?

Councillor Clare Besford advised that the WRAP report had been considered by the Place Select Committee and previously been considered by Cabinet. Councillor Bob Cook also confirmed that the WRAP report had been taken into account as part of the decision-making process.

30. Did the Cabinet Members have all relevant information to make a decision?

Councillors Bob Cook and Clare Besford confirmed that this was the case.

31. Have the Cabinet Members been made aware of any additional information since the Cabinet meeting?

Councillors Bob Cook and Clare Besford confirmed that this was not the case.

It was proposed by Councillor Paul Rowling and seconded by Councillor Richard Eglington:

That the matter is not referred back to Cabinet for reconsideration.

On being put to the vote, the motion was CARRIED (7 voting in favour and 6 voting against).

AGREED that no further action be taken.

Car Parking Fees and Charges

The Director of Community Services, Environment and Culture introduced the Corporate Management Team response.

32. The Cabinet decision record includes references to the transformation programme and the Council had and continued to carry out extensive engagement with Members and colleagues to ensure robust challenge and feedback in shaping the change. This included member briefings. Can the committee be informed when the briefings took place for, Fees and Charges – Car Parking, Fees, and Charges - Non-residential care charge?

The Director of Community Services, Environment and Culture advised that although briefings had taken place with Leaders and Portfolio Holders, there had been no full Member briefing on this matter.

Councillor Paul Rowling commented that Executive Scrutiny Committee should look at when all Member engagement would be appropriate in relation to matters of this nature.

33. The call-in request highlighted the 'impacts' the proposals would have on residents and businesses, and no assessment had been conducted. However, an impact assessment would be considered after one year, but only on residents, visitors, and Council finances. Why were the Cabinet not considering the impact on businesses? This was particularly important following the recent government decision to increase employers National Insurance Contributions.

The Director of Community Services, Environment and Culture advised that this was an omission and it was the intention to include businesses in the impact assessment after the operation of one year of the new arrangements. They were, however, included in the Equality and Poverty Impact Assessment.

34. What information was considered regarding the potential impact of the proposals on businesses?

Councillor Clare Gamble advised that no information, other than general modelling, existed to predict the impact on individual businesses. However, doing nothing was not an option. There was no legal requirement to consult and no-one would support the changes in any consultation.

35. Was the focus limited to the council finances only? The Corporate Management Team response, states, *other options for charging were considered but ruled out due to various reasons such as they would not generate enough income to cover the cost of providing the service and maintaining our car parks. Have the Cabinet forgot to consider the overriding principles in the introduction of the Cabinet Report?*

Cabinet is recommended to agree the updates and recommendations to ensure that the Council continues to deliver its commitment to the Powering Our Future Missions; to address the financial challenges we face at the same time as improving outcomes for communities, including:

- *Creation of opportunities to build brighter futures for our communities and reduce inequality, using the limited amount of money we have available.*
- *Carefully managing our resources, creating a new relationship with communities, while providing efficient services that are valued by our residents.*

The Director of Community Services, Environment and Culture commented that the driver was financial viability, but environment drivers were also important.

36. LGA good practice suggests that consultation should take place in these cases.

Councillor Paul Rowling commented that it would be useful for the Council to consider how we consult as a Council.

37. Has the Council looked at the potential impact of changes outside the Borough and was modelling used to ascertain potential impact?

The Director of Community Services, Environment and Culture confirmed that this had taken place.

38. Did the Cabinet Members have all relevant information to make a decision?

Councillors Bob Cook and Clare Gamble confirmed that this was the case.

39. Have the Cabinet Members become aware of any new information since the Cabinet meeting?

Councillors Bob Cook and Clare Gamble confirmed that this was not the case.

It was proposed by Councillor Paul Rowling and seconded by Councillor Richard Eglington:

That the matter is not referred back to Cabinet for reconsideration.

On being put to the vote, the motion was CARRIED (7 voting in favour and 6 voting against).

AGREED that no further action be taken.

EXECUTIVE SCRUTINY COMMITTEE

A meeting of Executive Scrutiny Committee was held on Tuesday 19 November 2024.

Present: Cllr Sylvia Walmsley (Chair), Cllr Kevin Faulks (Vice-Chair), Cllr Marc Besford, Cllr Carol Clark, Cllr Richard Eglington, Cllr Shakeel Hussain, Cllr Niall Innes, Cllr Sufi Mubeen, Cllr Tony Riordan, Cllr Marilyn Surtees, Cllr Hilary Vickers (sub for Cllr Lynn Hall) and Cllr Marcus Vickers (sub for Cllr Laura Tunney).

Officers: Geraldine Brown, Jonathan Nertney, Judy Trainer, Gary Woods and Michelle Gunn (CS).

Also in attendance: None.

Apologies: Cllr Lynn Hall, Cllr Paul Rowling and Cllr Laura Tunney.

ESC/28/24 Evacuation Procedure

The Committee noted the evacuation procedure.

ESC/29/24 Declarations of Interest

There were no declarations of interest.

ESC/30/24 Minutes

AGREED That the minutes of the meeting held on 17 September 2024 be confirmed as a correct record and signed by the Chair.

ESC/31/24 The Stockton on Tees Plan 2024 - 2028 Consultation

The Committee considered a report inviting comments on the Stockton-on-Tees Plan 2024-2028, ahead of it going to Full Council for approval in November.

The draft Stockton-on-Tees Plan had been approved by Cabinet in October. This Plan marked a new direction setting out a vision for the future of the Borough, developed with the voice of Stockton-on-Tees communities.

The Stockton-on-Tees Plan had been developed to reflect the drivers and priorities for the Council, its partners and most importantly communities and had five priority areas:

- The best start in life to achieve big ambitions
- Healthy and Resilient Communities
- A Great Place to Live, Work and Visit
- An Inclusive Economy
- A Sustainable Council

It was also proposed that Executive Scrutiny Committee receive regular updates on progress.

Key issues highlighted and discussed were as follows:

- Any proposals to stop providing services or change the way they were provided would be subject to approval by Members through the usual decision-making channels
- Parish Councils had not been consulted directly on the Plan, however, had the opportunity to contribute through wider engagement
- Key economic statistics – Members queried the graphics for “The Council has consistently delivered a balanced budget”. It was agreed that the graphics would be reviewed to ensure that they were up to date and reflected the content of the latest Mazars report at the time of publication
- Some of the white text on colour was hard to read. Officers agreed to take back the concerns to the design team and ensure that the document met accessibility guidelines
- Members welcomed Executive Scrutiny Committee and thematic Select Committees receiving quarterly updates on performance against Council Plan priorities, both quantitative and qualitative.

AGREED

1. That the draft Plan be endorsed, subject to the comments set out above.
2. That Executive Scrutiny Committee and the thematic Select Committees receive quarterly performance updates against delivery of the Plan.

ESC/32/24 Final Report of the Children and Young People Select Committee - Scrutiny Review of Narrowing the Gap in Educational Attainment (Executive Summary for Information)

The Committee considered the Executive Summary from the Children and Young People Select Committee’s final report following the review of Narrowing the Gap in Educational Attainment.

The Committee’s final report was considered by Cabinet in October 2024 who accepted all the recommendations.

The benefit of the AI approach had been in the awareness raising of the issues. It had also brought all stakeholders together at events and secured support for agreed objectives and future action.

The review culminated in a report setting out 17 shared objectives.

Given the breadth of the work, a recommendation lead had been identified for each objective and it was the intention that progress updates would be provided at each future Select Committee meeting on particular recommendations with the relevant recommendation lead attending each meeting.

AGREED That the Executive Summary be noted.

ESC/33/24 Forward Plan

AGREED That the Forward Plan be noted.

ESC/34/24 Chairs' Updates

Members were provided with updates from the Chairs of each Select Committee.
Discussion included:

Adult Social Care and Health Select Committee

Members noted the update from the Adult Social Care and Health Select Committee.

Children and Young People Select Committee

With regard to the Select Committee's next review of the HAF programme, Members asked that the review consider the extent to which non eligible children could attend the programme.

Community Safety Select Committee

Members noted the update from the Community Safety Select Committee.

People Select Committee

Members noted the update from the People Select Committee.

Place Select Committee

With regards to the Select Committee's review of Affordable Housing, it was highlighted that Home England funding might be coming through the TVCA.

AGREED That the updates be noted.

ESC/35/24 Chair's Update and Executive Scrutiny Work Programme

AGREED That the Work Programme be noted.

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AGENDA ITEM

REPORT TO EXECUTIVE SCRUTINY COMMITTEE

17 DECEMBER 2024

REPORT OF CORPORATE MANAGEMENT TEAM

CABINET DECISION

Leader of the Council – Councillor Bob Cook

FINANCIAL UPDATE & MEDIUM TERM FINANCIAL PLAN

SUMMARY

The report provides an update on the financial position as at 30th September for the current year (2024/25) and presents outline plans for the 2025/26 Budget and the Medium Term Financial Plan (MTFP).

Members will be aware of the financial challenges facing Councils across the country, and the particular challenges faced locally within Stockton-on-Tees. Significant work is underway looking to address the financial pressures faced by the Council through the Powering our Futures Programme alongside additional mitigating actions. Members will be aware of the progress made so far on the transformation reviews, with the report to Cabinet in November outlining the first phase of savings from reviews.

The cost pressures and demand for Council services as noted in the report to Cabinet in September, continue to grow however, resulting in an updated projected overspend of £6.6m for the financial year 2024/25. If this materialises, it will need to be funded from earmarked reserves or any one-off funding.

The report also includes an update on the projected Medium Term Financial Plan. This incorporates some of the expenditure pressures we are experiencing, as well as early announcements from the Budget on 30th October 2024. There is still significant uncertainty around funding with more detail on the funding announcements is expected to follow in the Local Government Provisional Settlement expected week commencing 16th December. This will however be a one year settlement and therefore the information in respect of future years is indicative and subject to a fundamental review by the Government of Local Government Funding.

The report identifies a potential further pressure across the MTFP and highlights potential options for addressing this. This will be considered in the budget report in February.

Despite the budget challenges, we remain ambitious for Stockton-on-Tees and getting a better future for everyone who lives, works and plays here. We are confident we can work with our partners and communities to put in place new and innovative approaches which will not only save money but also reshape what we do for the better and in the best interests of our residents. We will do this through our Powering Our Future Programme.

In order to address the budget gap we need to act quickly so the first of the transformation reviews delivered through the Powering our Future programme are taking place between now and early next year.

In the meantime, all staff are being instructed to think carefully before authorising any spending and to consider how the Council can work with our partners and communities to ensure the best possible outcomes for residents, despite a reducing budget.

REASON FOR RECOMMENDATIONS/DECISIONS

To update Members on financial performance in 2024/25 and to outline proposals for the 2025/26 Budget and MTFP based on latest available information.

RECOMMENDATIONS

1. That the updated financial position for 2024/25 be noted.
2. That the revised Capital Programme at **Appendix A** be noted.
3. That the emerging issues for the MTFP be noted.

DETAIL

FINANCIAL POSITION 2024/25

FINANCIAL POSITION AS AT 30 SEPTEMBER 2024

GENERAL FUND

1. Members will be aware that the report to Cabinet in September, which covered the first quarter of the financial year, reported a pressure of £3.9m. Growing demand for Council services and the increased cost of delivery is putting pressure on several budget headings.
2. The following table details the projected budget outturn position for each Directorate in 2024/25, based on information to 30 September 2024.

Directorate	Annual Budget	Projected Outturn	Projected Variance Q2 Over/(Under)	Projected Variance Q1 Over/(Under)	Movement from Q1
	£'000	£'000	£'000	£'000	£'000
Adults, Health & Wellbeing	96,072	98,507	2,435	1,619	816
Children's Services	57,078	60,608	3,530	1,658	1,872
Community Services, Environment & Culture	51,750	53,169	1,419	1,437	(18)
Finance, Transformation & Performance	13,824	14,002	178	127	51
Regeneration & Inclusive Growth	498	1,223	725	371	354
Corporate Services	12,142	12,186	44	20	24
Corporate Items	12,549	11,165	(1,384)	(540)	(844)
Total	243,913	250,860	6,947	4,692	2,255
Pay Offer		(340)	(340)	(800)	460
Revised Total	243,913	250,520	6,607	3,892	2,715

3. The projected position indicates a significant financial pressure for the current financial year, largely because of higher costs of goods and services due to recent large inflation increases, growth in demand for council services and recruitment and retention issues. All Directorates are

considering opportunities to reduce / defer spend to support the position and the position will be kept under close review for the remainder of the year, with actions underway to try to improve the position, however the challenge to do so whilst maintaining current service provision is more and more difficult in the current financial environment.

Reasons for movements since Quarter 1 over £100,000

Adults, Health and Wellbeing

4. Demand for Adult Social Care Services has continued to increase in the quarter with several young people having transitioned from Children's Services into Adults Services over recent months. These are significant high-cost packages and are projected to lead to a larger overspend in year than previous quarter. Members will be aware that the Transformation programme includes a focus on early help and prevention, supporting people to live independently and Transitions to Adulthood and these reviews will all consider ways of supporting the overall position.

Children's Services

5. Children's Services continue to experience unprecedented budget pressures. Members will recall the commentary on the pressures in previous reports, along with actions to mitigate these pressures.
6. Based on the current children in external residential placements and the current price of their packages, this budget is projecting a further overspend of £1.9m. There are 8 placements costing more than £10,000 per week, with one placement now exceeding £18,000 per week. This would equate to a total annual cost is £5.8m for these 8 children alone.
7. As previously noted, the transformation programme is now underway. This will allow us to drive forward the transformation programme, with high-cost placements for Children in our Care a key focus. A new in-house children's home is due to open early in the new year, which will improve standards of care for the children and young people as well as reducing the use of external providers, therefore reducing costs.

Community Services, Environment and Culture

8. There have been no significant movements in the projected position for the directorate

Finance, Transformation and Performance

9. There are financial pressures emerging due to an increase in payments of benefits where subsidy is not paid at the normal 100% rate. This is in relation to supported accommodation and increased provision of temporary accommodation linked to increasing pressures of homelessness. This creates an anticipated pressure of £390,000 with the housing benefits budgets.
10. This is offset by further salary savings since quarter 1 and additional funding from the administration of grants, a projected saving of (£306,000).

Regeneration and Inclusive Growth

11. Planning income continues to be a challenge to predict, recent estimates now indicate income is expected to be a further £357,000 less than budget.

Corporate Services

12. There have been no significant movements in the projected position for Corporate Services.

Corporate Areas

13. Treasury Management costs (AMRA) are expected to be lower than budget (£800,000). The Council is currently benefiting from an improved investment position in the short term, due to interest rates remaining at a higher rate.

Pay Offer 2024/25

14. We were notified on 23rd October that the pay award for 2024/25 for employees on National Joint Council terms and conditions has been agreed with the trade unions. The terms of the pay award are that all employees paid up to spinal column point 43 receives an additional sum of £1,290 and thereafter 2.5%. This was paid to employees as part of their November salary. The pay award for employees on Chief Officer grades had previously been agreed and paid. Budget requirements for each directorate have been calculated on this basis and the revised saving associated with the pay award is now reflected in the Q2 position.

Powering our Futures – Progress towards closing the budget gap

15. Members will be aware from recent reports to Cabinet on the Powering our Futures programme; aiming to improve council services alongside reducing pressure on council budgets. The Powering our Futures report to Cabinet on 17th October 2024 contained the positive progress achieved to date, which deliver savings so far of £4.644m by 2026/27. Progress is going well with all the reviews, and we are currently reviewing the profile and looking at when additional savings will be made. The expected savings from the reviews are still anticipated to be achieved, however there is potentially a delay to the delivery of some of the savings. This can be mitigated by utilising the windfall income in respect of Extended Producer Responsibility referred to in Paragraph 24.

General Fund Balances and Reserves

16. The Council aims to retain General Fund Balances at a prudent level, currently £8,000,000.
17. As described in paragraphs 3-14 above, should the projected position for the current financial year 2024/25 materialise at year end, then the sum of £6,607,000 would need to be funded from reserves.
18. In addition to the £8m General Fund balances the Council holds several earmarked reserves. This is funding earmarked for specific reasons such as insurance fund, fleet renewal fund, Public Health and Adults Integration reserves but could be re-directed to fund core expenditure. If savings do not materialise to fund the overspend, we would need to look at redirecting funds from these reserves. Whilst we can re-direct earmarked reserves to resolve immediate pressures this is not sustainable, over the medium term and the position needs to be addressed and we would also need to look to replenish the reserves we use to ensure that the Council are resilient moving forward. This will be considered further in the MTFP report in February.

MEDIUM TERM FINANCIAL PLAN 2025 – 2028

19. The projected position across the medium term has been reviewed:

Current Approved MTFP

20. The current approved position in February 2024 was as follows:

	2025/26	2026/27	2027/28
	£'000	£'000	£'000
Budget Gap	7,138	8,100	8,905
Powering Our Futures	(7,138)	(8,100)	(8,100)

Updated Budget Gap (+) / Surplus (-)	0	0	805
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21. The table above includes rolling forward the MTFP for an additional year into 2027/28, this is based on the same assumptions as the report to Council in February 2024 and it shows that the position for 2025/26 and 2026/27 is balanced assuming savings on transformation.

Outlook

22. The Autumn Budget 2024 on 30th October announced several measures in relation to local government finance. A Policy paper issued on 28th November issued further clarification. The Key headlines:

- Additional funding for Local Government of:
 - £680m to support Adult’s and Children’s social care
 - £250m to support Children’s Services
 - £600m new Recovery Fund allocated on a deprivation-based approach

Although the distribution of the above funds is not clear, it is included in Government spending control totals over the medium term.

- Business rates – From April 2025 the small business rates multiplier will continue to be frozen, however the standard multiplier will be updated by the September CPI rate to 55.5p. Eligible retail, hospitality and leisure (RHL) properties will receive 40% relief on their business rates liability. Local authorities will receive grant funding to compensate for the loss of income from these schemes.
- The rate of National Insurance contributions for employers will rise from 13.8% to 15% in April 2025, along with a change to the threshold at which employers pay NI contributions. There is speculation that local authorities will be compensated for direct costs.
- £90million funding will be available to support capital investment in children’s homes. The Government also announced plans for a fundamental review of the Children’s Social Care market in Phase 2 of the Spending Review (expected in Spring 2025).
- Funding was identified for the expansion of government funded childcare (£1.8billion); funding for breakfast clubs (£30million); and £69million for Family Hubs.
- The core schools’ budget will increase by £2.3billion, which includes £1billion for SEND provision. There will also be £6.7billion available for capital investment in schools.
- Additional Funding for Disabled Families Grants of £86 million

23. There will be a one-year settlement for local government for 2025/26, with indications of a multi-year settlement from 2026/27.

24. The Provisional Local Government Finance Settlement is now expected to be announced week commencing 16th December. This will include provisional allocations at a local authority level of the changes mentioned above. This will subsequently be confirmed in the final Local Government Finance Settlement expected in February 2025.

25. Extended Producer Responsibility - Local authorities will receive £1.1 billion of new funding in 2025-26 through the implementation of the Extended Producer Responsibility scheme. This is a new funding from income generated from charged to businesses producing plastics and recycling, effectively to compensate Local Authorities delivering waste services. Our estimated allocation is £3.5m, however this has not been finalised and it is not clear how future allocations would be

calculated. It is therefore suggested that this is treated as windfall income and can be used to support the delivery of some of the savings.

Changes to current expenditure plans

26. Since the report to Cabinet in February 2024, there are several changes which will require the MTFP to be updated. The additional pressures encountered in the current year which were largely unknown at the time, will need to be incorporated into the plan.
27. The existing MTFP includes an annual uplift of £1.5m per year in respect of the impact of National Living Wage and inflation increases on Adult Care Fees. The recent announcement setting the National Living Wage level for 2025 at £12.21, was higher than anticipated. We are also seeing significant growth in the number of placements in the current financial year and it is anticipated that this will continue into future years. The current working assumption is a further increase of £5m in 25/26, plus an additional £1m growth per year thereafter.
28. Members will be aware from MTFP update reports over recent years the scale of the financial challenges we are facing within Children's Social Care, as well as the level of investment made into this area. Despite this investment, we continue to see growth in costs and demand, creating a further overspend during the current financial year as described earlier in the report.
29. These trends and demands within Children's Social Care are common across the country, with many local authorities facing the same issues. There are many external factors that are forcing prices up, creating a really devastating impact on council budgets. Work is ongoing within the transformation programme to try to mitigate the impact of some of these influences, however despite this it is estimated that a further £4m will be needed, rising by £1m per year thereafter.
30. The financial impact of the agreed pay award for 2024/25 will continue into following years. Based on more up to date information we have reviewed the pay award level required for future years. The agreed MTFP assumes 2% pay award across all years. The assumption for 2025/26 has been updated to 3%, leaving future years at 2%, and the impact of this reflected in the table below.
31. High levels of inflation over the past 2-3 years have seen increases across a lot of our services. We do not budget for inflation other than by exception, therefore in most instances services are asked to manage increased costs within existing budgets. A number of our commissioned services have been in fixed price contracts for several years, many with prices agreed before the unusually high levels of inflation. Contracts are now reaching expiry dates at varying dates, and we are experiencing a sharp rise in costs across many types of service. Procurement practices are followed with the aim to achieve the best value for money, however despite this we are still experiencing increased costs. ICT systems costs are one of these areas where we are experiencing large rises in costs, with an estimated £550,000 per year required across the MTFP.
32. Planning Income has been less than anticipated during 2024/25. There are several factors which can impact upon this, and it is often difficult to predict, however, Nutrient Neutrality issues alongside continued uncertainty over proposed planning reforms have both had a significant impact. As a result it is prudent to allow for a continuation of the reduced income level across the medium term, at £400,000 per year.
33. Grounds Maintenance is also an area where costs have risen this year due to higher supplier prices. This is predicted to continue across the medium term at £200,000 per year.
34. The cost of maintaining the Council's vehicle fleet is greater than budget, at £300,000 per year.

35. The Council's Home to School Transport budget continues to face significant financial pressures. The latest procurement process for the bus and taxi contracts, has seen an increase in costs. We are also seeing a rise in numbers of service users. Many councils are facing similar pressures within Home to School Transport. Members will recall that Home to School Transport is a Phase 1 transformation review.
36. Additional Community Safety Officers have been previously funded from additional one-off funding. This is due to end in 24/25 and funding will be required in order to maintain the service at the current level.
37. The Colleagues mission within Powering our Futures has several strands of work it is focusing on. One of those is Getting into Work. The Council's Corporate Apprentice Programme is one of the very successful arms of this work. The number of apprentices appointed each year is positive, giving local people access to employment and training and development. In order to continue with the current level of investment, an additional £200,000 is required per annum.
38. The projected expenditure increases are summarised in the table below:

	2025/26 £'000	2026/27 £'000	2027/28 £'000
Changes to expenditure plans			
Adult Social Care	5,000	6,000	7,000
Children's Services	4,000	5,000	6,000
Pay Award - from 2% to 3%	1,279	973	973
ICT Systems	550	550	550
Planning Income Shortfall	400	400	400
Grounds Maintenance	200	200	200
Vehicles	300	300	300
Home to School Transport	350	750	1,150
Community Safety Officers	250	250	250
Corp App Programme / Getting into Work	200	200	200
Total	12,529	14,623	17,023

Income and Resources

39. The provisional Local Government Finance Settlement is expected late December. This will contain the provisional funding allocations for 2025/26. The funding assumptions below are based on the information available, but they are subject to change.
40. The MTFP has been updated to reflect the Social Care Grant uplift for 2024/25 continuing.
41. Assumptions have been made about the New Homes Bonus continuing for a final year in 2025/26. This fund has been notoriously volatile from one year to the next and difficult to predict. The Council received £650,000 in 24/25, however modelling within the sector suggests the amount will be less in 25/26. We have assumed a sum of £580,000.
42. Paragraph 22 above outlines the funding in the Local Government Policy statement. Although final allocations will not be known until the finance settlement, an estimate of the funding has been made using the current distribution methodology. This could be in the region of £5.4m.
43. Council Tax and Business Rates – projections of council tax and business rates income are being updated and the figures underpinning this report will be kept under review prior to the final budget report in February. At this point the updated MTFP includes projections of growth in the Council Tax Base and inflation on Business Rates.

44. These changes to resources and income are summarised in the table below:

	2025/26 £'000	2026/27 £'000	2027/28 £'000
Potential Additional Resources			
Social Care Grant 24-25	(1,700)	(1,700)	(1,700)
New Homes Bonus	(580)	0	0
Additional Government Funding (see para 42)	(5,400)	(5,400)	(5,400)
Council Tax Base growth	(1,000)	(1,000)	(1,000)
Business Rates Inflation	(118)	(332)	(1,101)
Total	(8,798)	(8,432)	(9,201)

Summary Position

45. A summary of the projected budget position over the MTFP is outlined below:

	2025/26 £'000	2026/27 £'000	2027/28 £'000
Updated Budget Position	0	0	805
Expenditure Pressures	12,529	14,623	17,023
Additional Income and Resources	(8,798)	(8,432)	(9,201)
Budget Gap (+) / Surplus (-)	3,731	6,191	8,627

46. The above table demonstrates that there is a projected gap over each year of the medium-term plan. This assumes the original savings from Powering our Futures are achieved, with any delay met by reserves in the short term. The information above includes several assumptions on government funding. Given the indications are that future funding will be targeted towards local authorities with greater need, there is the potential for additional resources which would impact on the projected gap above.

47. The current plan assumes a Council Tax increase of 2.9% in each year. Government have confirmed that the referendum limit in 2025/26 will stay the same as previous years at 5% increase, with indications that this may continue through to 2028. This referendum limit is made up of 2% increase for Adult Social Care Precept and 3% for core council tax. The potential additional resources available from a further 2% increase would equate to £2.4m for each year.

48. The final decision on Council tax will be taken as part of the report to Council in February, along with the approach for further savings to ensure a balanced budget is set.

CAPITAL PROGRAMME

49. The updated Capital Programme is set out at **Appendix A** and summarised in the table below:

CAPITAL PROGRAMME Up to 2027	Current Approved Programme £'000	Programme Revisions £'000	Revised Programme £'000
School Investment Programme & Children's Services	32,521	29	32,551
Inclusive Growth	19,022	750	19,772
Regeneration	123,219	2,500	125,720
Transportation	43,228	150	43,378
Community & Environment, Culture & Leisure	19,608	110	19,719
Adults, Health & Wellbeing	3,997	548	4,545
Xentrall ICT	0	900	900
Total Approved Capital MTFP	241,595	4,987	246,585

50. The Capital Programme will be updated in the report to Cabinet and Council in February.

Reasons for movements over £100,000

New schemes

ICT Infrastructure

- An upgrade to the ICT network has been added in for £900,000 this is to be funded from revenue. In line with the Xentrall Shared Services partnership arrangement 40% of this funding will be met from Darlington Borough Council.

Housing

- LAHF round 3 has been added to the programme, funded via MHCLG grant for two years, £468,000

Additional Funding

Regeneration

- £3.25m has been added in for Thornaby Cycleways linked to the Town Deal programme. This is funded through City Region Sustainable Transport money and other TVCA funding.

Transport

- Additional funding from MBC for Newport Bridge works, £151,770

Revisions

Regeneration

- The Town Centre borrowing has been allocated to interventions in line with the Central Stockton and North Thornaby Blueprint Delivery report approved by Cabinet in September 2024.

COMMUNITY IMPACT IMPLICATIONS

51. As part of the process of making changes to policy or delivery of services, we consider the impact on our communities. No changes to policy or service delivery are proposed as part of this report.

CORPORATE PARENTING IMPLICATIONS

52. No direct implications.

FINANCIAL IMPLICATIONS

53. The report summarises the financial position for 2024/25 based on information for the second quarter of the financial year and updates Members on the MTFP and Capital Programme.

LEGAL IMPLICATIONS

54. None

RISK ASSESSMENT

55. This MTFP Update Report is categorised as medium risk. Existing management systems and daily routine activities are sufficient to control and reduce risk. Understanding cost pressures and future government funding over the coming weeks/months will be key to understanding and mitigating this risk.

WARDS AFFECTED AND CONSULTATION WITH WARD/COUNCILLORS

56. Not applicable

BACKGROUND PAPERS

57. None

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Capital Programme September 2024 – Appendix A

CAPITAL PROGRAMME Up to 2027	Current Approved Programme	Programme Revisions	Revised Programme	Expenditure Apr 2018 - June 2024
SCHOOL INVESTMENT PROGRAMME & CHILDRENS SERVICES				
School Investment Programme	24,455,206	0	24,455,206	11,944,119
Children Investment	8,065,951	29,350	8,095,301	810,151
SCHOOL INVESTMENT PROGRAMME & CHILDRENS SERVICES	32,521,157	29,350	32,550,507	12,754,270
INCLUSIVE GROWTH				
Inclusive Growth & Development	9,521,909	0	9,521,909	1,762,893
Office Accommodation	9,500,511	750,000	10,250,511	8,153,574
INCLUSIVE GROWTH	19,022,420	750,000	19,772,420	9,916,467
REGENERATION				
Stockton Town Centre Schemes	2,914,451	15,000,000	17,914,451	1,225,351
Reshaping Town Centres	28,922,460	(17,500,000)	11,422,460	1,716,200
Billingham Town Centre	10,000,000	0	10,000,000	245,956
Thornaby Town Centre	29,837,140	3,250,000	33,087,140	4,876,906
Re-Development of Castlegate Site	29,184,381	1,750,000	30,934,381	8,989,926
Yarm & Eaglescliffe LUF	22,070,000	0	22,070,000	8,342,883
Infrastructure Enhancements, Regeneration & Property Acquisitions	291,717	0	291,717	0
REGENERATION	123,220,149	2,500,000	125,720,149	25,397,222
TRANSPORTATION				
City Regional Sustainable Transport	16,231,648	104,064	16,335,712	5,324,590
Other Transport Schemes	25,193,593	0	25,193,593	17,401,003
Developer Agreements	1,802,729	45,690	1,848,419	1,335,036
TRANSPORTATION	43,227,970	149,754	43,377,724	24,060,629
COMMUNITY & ENVIRONMENT AND CULTURE & LEISURE				
Energy Efficiency Schemes	1,244,110	(11,386)	1,232,724	1,248,685
Environment and Green Infrastructure	14,049,863	121,586	14,171,449	4,508,339
Building Management	2,787,924	0	2,787,924	1,507,596
Vehicle Replacement	1,525,720	0	1,525,720	433,251
COMMUNITY & ENVIRONMENT AND CULTURE & LEISURE	19,607,617	110,200	19,717,817	7,697,871
ADULTS, HEALTH & WELLBEING				
Adults & Public Health Investment	332,421	60,000	392,421	172,278
Housing Regeneration	1,459,860	0	1,459,860	0
Private Sector Housing	2,204,665	487,844	2,692,509	1,016,282
ADULTS, HEALTH & WELLBEING	3,996,946	547,844	4,544,790	1,188,560
XENTRALL ICT				
Xentrall ICT Network	0	900,000	900,000	0
XENTRALL ICT	0	900,000	900,000	1,016,282
Total Approved Capital MTFP	241,596,260	4,987,148	246,583,408	81,015,018

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**REPORT TO EXECUTIVE
SCRUTINY COMMITTEE**

17 DECEMBER 2024

**REPORT OF SENIOR
MANAGEMENT TEAM**

CABINET DECISION

Leader of the Council - Lead Cabinet Member – Councillor Bob Cook

**LOCAL GOVERNMENT & SOCIAL CARE OMBUDSMAN (LGSCO) ANNUAL
COMPLAINTS REPORT 2023/24**

SUMMARY

The report provides Members with details of the Local Government and Social Care Ombudsman's annual review letter for the Council for 2023/24. There were 48 enquiries submitted to the Ombudsman during the year, 13 met the threshold for a detailed investigation by the Ombudsman. Of the 13 complaint investigations, 8 were upheld. All recommendations made by the Ombudsman, following their investigations, have been accepted and implemented by the Council. There was one formal public interest report that was published in 2023/24 relating to school transport.

RECOMMENDATIONS

Executive Scrutiny Committee to note the report which sets out that the Council has fully complied with the recommendations from complaints investigated by the Ombudsman.

REASONS FOR THE RECOMMENDATIONS

To ensure Members are aware of the position regarding complaints to the Ombudsman about the Council and to provide assurance that the Council is responding in line with LGSCO expectations.

DETAIL

1. Each year the Ombudsman publishes its annual letter and summary of statistics on the complaints and enquiries it has received about Stockton-on-Tees Borough Council and the decisions made. The Council has received the latest report for the financial year ending 31 March 2024.
2. Of the 48 complaints and enquiries dealt with by the Ombudsman in 2023/24, most related to Education and Children's Services (20), and Adult Care Services (8). 13 were progressed to investigation, with 8 of the 13 complaints being upheld. The number of complaints investigated by the LGSCO in 2023/24 was slightly higher than the previous year (10 investigations in 2022/23), however numbers of non-Ombudsman complaints

received by the Council in 2023/24 has fallen from the previous year, with 79% being successfully resolved as part of the early resolution process (i.e. within 5 working days).

3. Of the 8 upheld Ombudsman complaint investigations, 5 related to Education and Children's Services, 2 relating to Adult care services and 1 related to Taxation. The report details that the LGSCO was satisfied with the remedy offered by the Council (such as an apology, financial redress) in advance of the complainant raising the complaint with the LGSCO, in only 13% of upheld cases (1 out of 8 cases). Therefore, at the forthcoming annual Officer Complaints Forum (January 2025), a session will specifically focus on how to effectively use remedy in resolving complaints. This advice and guidance will support officers who are investigating complaints to ensure that appropriate remedy is offered at an early stage and hopefully improve performance against this measure.
4. The Ombudsman publishes public interest reports for more serious cases to share the lessons learned from the cases they investigate, as well as holding authorities to account. In 2023/24, 27 Public Interest Reports were issued nationally, one of these was issued for the Borough of Stockton on Tees. The report related to a complaint raised in relation to school transport, Cabinet previously received a report regarding this in July 2023. The Council has accepted and has fully implemented the recommendations from the report.

FURTHER INFORMATION

5. A copy of the 2023/24 performance tables received from the LGSCO is attached at **Appendix I** of this report. A useful guide to interpretation of the Ombudsman's statistics is available on the [LGSCO website](#).
6. Comparative data of neighbouring authorities and CIPFA authorities is attached at **Appendix II** of the report.

FINANCIAL IMPLICATIONS

7. None as a direct result of this report. The financial implications of individual complaints would be dealt with separately as part of the responses to those complaints.

LEGAL IMPLICATIONS

8. There are no direct legal implications arising from the report. They may, however, arise on a case-by-case basis, depending on the particular circumstances of the complaint and related decision and Legal Service input is called upon in these cases. The Corporate Governance Group also has a Legal Service representative.

RISK ASSESSMENT

9. LGSCO complaint investigations and any associated public interest reports create public relations risks to the Council and can undermine resident confidence. The current complaints policy and procedures are designed to minimise these risks, and the oversight provided by the Complaints Team and Corporate Governance Group provide assurance to senior management and members that complaints are taken seriously, corrective action implemented and learning maximised.

WARDS AFFECTED AND CONSULTATION WITH WARD / COUNCILLORS

10. The Ombudsman complaints information does not indicate any significant ward specific information or trends.

BACKGROUND PAPERS

11. The Local Government and Social Care Ombudsman's annual review of Local Government complaints for 2023/24 has been published and relevant extracts have been included in this report. A copy of the complete report can be viewed on the [LGSCO website](#).

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Appendix I - Stockton data from the annual report 2023/24

Complaints upheld	
62% of complaints investigated were upheld.	National average of 79% in similar organisations
8 upheld decisions	
4 upheld decisions per 100,000 residents	Average for authorities of Stockton's type is 4.6 upheld decisions per 100, 000
Statistics are based on a total of 13 investigations for the period between 1 April 2023 to 31 March 2024	

Compliance with Ombudsman recommendations	
100% of cases the Ombudsman were satisfied Stockton had successfully implemented for recommendations.	National average of 100% in similar organisations
Statistics based on a total of 5 compliance outcomes for the period between 1 April 2023 to 31 March 2024	

Satisfactory remedy provided by the organisation	
In 13% of upheld cases the Ombudsman found the organisation had provided a satisfactory remedy before the complaint reached the Ombudsman	
1 satisfactory remedy decision	
Statistics are based on a total of 8 upheld decisions for the period between 1 April 2023 to 31 March 2024	

Appendix II - Comparative data**Tees Valley**

Tees Valley Local Authorities	Upheld 22/23	Upheld 23/24	Compliance with Recommendations (23/24)
Stockton	70% (7/10)	62% (8/13)	100%
Darlington	67% (6/9)	89% (8/9)	100%
Hartlepool	0% (0/2)	100% (2/2)	N/A – no recommendations
Middlesbrough	73% (8/11)	60% (3/5)	100%
Redcar & Cleveland	100% (11/11)	75% (3/4)	100%

Northeast

Northeast Authorities	Upheld 22/23	Upheld 23/24	Compliance with Recommendations (23/24)
Durham	52% (11/21)	67% (10/15)	100%
Gateshead	57% (8/14)	100% (4/4)	100%
Newcastle	70% (7/10)	70% (7/10)	100%
North Tyneside	91% (10/11)	92% (12/13)	100%
Northumberland	84% (16/19)	69% (18/26)	100%
South Tyneside	67% (4/6)	67% (2/3)	100%
Sunderland	50% (4/8)	92% (11/12)	100%

CIPFA Nearest Neighbours

Nearest Neighbours	Upheld 22/23	Upheld 23/24	Compliance with Recommendations (23/24)
Dudley	78% (21/27)	59% (13/22)	100%
Northeast Lincolnshire	88% (7/8)	89% (8/9)	100%
Plymouth	67% (14/21)	67% (14/21)	100%
Rotherham	86% (6/7)	67% (4/6)	100%
North Lincolnshire	67% (2/3)	83% (10/12)	100%
Derby	71% (10/14)	78% (14/18)	100%
Doncaster	75% (9/12)	70% (7/10)	100%
Wakefield	71% (10/14)	67% (8/12)	86%
Bolton	94% (17/18)	90% (9/10)	100%
Wigan	80% (12/15)	100% (8/8)	100%
Warrington	89% (8/9)	88% (7/8)	100%
Telford & Wrekin	44% (4/9)	50% (2/4)	100%
Walsall	86% (12/14)	95% (18/19)	100%
Darlington	67% (6/9)	89% (8/9)	100%
Halton	80% (4/5)	50% (1/2)	100%

Statutory Forward Plan

Key Decisions

1 December 2024 - 31 January 2025

Description of Matter / Decision Required Key Decision?	Responsible Officer	Portfolio Leader	Identity of Decision Taker (eg Cabinet or Council or Joint Arrangement)	Decision Due Date	Principal Consultees	Method of Consultation	How Interested Parties may submit representations to decision-takers and end date for representations	Reports and background papers submitted to decision-taker for consideration	Notes / Comments
<p>Regeneration Powering our Future</p> <p>The report will set out the proposals to refresh the Council's Regeneration Mission, with a focus on 'Place Making' that aligns with the Stockton-on-Tees Plan priorities for:</p> <ul style="list-style-type: none"> · A great place to live, work and visit · An inclusive economy. <p>The Regeneration Mission will provide a core foundation for the Council to achieve the place-based ambitions and will act as a framework for future delivery.</p> <p>Key</p> <p>Para No N/A</p>		Cabinet Member for Regeneration and Housing	Cabinet	16 Jan 2025	Cabinet	Meetings and emails	tracey.carter@stockton.gov.uk	Regeneration Powering our Future - Forward Plan Proforma - Cabinet January 2025	

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<p>Procurement Plan/ Higher Value Contracts and Social Value Update To enable Cabinet to exercise its strategic oversight of higher value planned procurement projects, in accordance with the constitution.</p> <p>Cabinet will consider the following:</p> <p>Contract Title: General Network Refresh</p> <p>Contract Title: Finance ERP System</p> <p>Key</p> <p>Open</p> <p>Para No N/A</p>	<p>Assistant Director, Procurement & Governance</p>	<p>Leader of the Council</p>	<p>Cabinet</p>				<p>martin.skipsey@stockton.gov.uk</p> <p>Martin Skipsey, Assistant Director, Procurement & Gov martin.skipsey@stockton.gov.uk</p>		

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<p>GAMBLING ACT 2005 STATEMENT OF PRINCIPALS - STATUTORY REVIEW The adoption of a Statement of Principles commonly known as the Gambling Policy is statutory under the Gambling Act 2005. In determining applications Members and Officers will have due regard to the Policy whilst considering each application on its merits. The Policy should be reviewed at least every 3 years.</p> <p>Key</p> <p>Para No N/A</p>		Cllr Norma Stephenson OBE	Cabinet	16 Jan 2025	All Members Members of the public Public Responsible Authorities e.g. Police, Fire, Trading Standards, Environmental Health, Public Health, Planning etc Trade	Statutory Consultation Email Website Notice in public libraries	Marc.Stephenson@stockton.gov.uk Comments were accepted via email to licensing@stockton.gov.uk By 30 September 2024 www.stockton.gov.uk/current-applications-and-consultations	Gambling Act Forward Plan Proforma - 2025	

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<p>Additionally Resourced Provision in Stockton Schools - Outcome of EMS Consultation</p> <p>An information report was provided to Cabinet in September 2024 relating to the 30-day consultation to replace Enhanced Mainstream Schools with Additionally Resourced Provisions.</p> <p>The updated report provides the next steps following the consultation in relation to transferring the provision and requests that Cabinet agree the additional revenue costs to ensure that we can open the provision in September 2025 and ensuring we keep a higher number of children in the Borough to be educated who have SEND needs.</p> <p>Key</p> <p>Para No N/A</p>	<p>Director of Children's Services</p> <p>Director of Children's Services</p>	<p>Deputy Leader and Cabinet Member for Children and Young People</p> <p>Deputy Leader and Cabinet Member for Children and Young People</p>	<p>Cabinet</p> <p>Council</p>	<p>16 Jan 2025</p> <p>22 Jan 2025</p>	<p>Consultation has taken place with all key stakeholders, local area partnerships and parents in September-October 2024</p>		<p>Representations may be submitted to Elisha Dyball via email to Elisha.dyball@stockton.gov.uk by 11th December 2024</p>	<p>Cabinet Forward Plan Proforma - EMS ARP - January 2025</p>	<p>An Equality and Poverty Impact Assessment has been completed which concluded that no mitigating actions were required.</p>

Description of Matter / Decision Required Key Decision?	Responsible Officer	Portfolio Leader	Identity of Decision Taker (eg Cabinet or Council or Joint Arrangement)	Decision Due Date	Principal Consultees	Method of Consultation	How Interested Parties may submit representations to decision-takers and end date for representations	Reports and background papers submitted to decision-taker for consideration	Notes / Comments
<p>Schools and SEND Provision - Capital Update</p> <p>The need to support the development of three key Special Educational Needs and Disabilities (SEND) provisions within the Borough. These are proposed at St. John the Baptist, Mill Lane and Preston Primary Schools and involve several options requiring varying levels of one-off Capital resources plus recurrent Revenue funding from the LAs High Needs (HN) block of the Dedicated Schools Grant (DSG).</p> <p>Key Para No N/A</p>	<p>Director of Children's Services</p> <p>Director of Children's Services</p>	<p>Deputy Leader and Cabinet Member for Children and Young People</p> <p>Deputy Leader and Cabinet Member for Children and Young People</p>	<p>Cabinet</p> <p>Council</p>	<p>16 Jan 2025</p> <p>22 Jan 2025</p>	<p>PoF Programme Board</p>	<p>Consultation has taken place regarding the Additional Resourced Provision (ARP) in Stockton Schools (Revenue), that this capital investment is inter-dependent of, with all key stakeholders, local area partnerships and parents in September-October 2024</p>	<p>Representations may be submitted to Elisha Dyball via email to Elisha.dyball@stockton.gov.uk by 11th December 2024</p>	<p>Cabinet Forward Plan Proforma - SEND Capital - January 2025</p>	<p>An Equality and Poverty Impact Assessment (EPIA) has been completed which concluded that no mitigating actions were required.</p>

Executive Scrutiny Committee Work Programme 2024-2025

In addition to the Standing Items:

- Chair's Update and Executive Scrutiny Work Programme
- Select Committee Chairs' Updates
- Statutory Forward Plan

Date	Item	Attending
7 May	Final Report of Crime and Disorder Select Committee – Scrutiny Review of Outdoor Play Provision (Executive Summary for information)	Gary Woods
23 July	Final Report of Adult Social Care and Health Select Committee – Scrutiny Review of Access to GPs and Primary Medical Care (Executive Summary for information)	Gary Woods
	Final Report of Place Select Committee – Scrutiny Review of Unauthorised Roadside Advertising (Executive Summary for information)	Michelle Gunn
	Topic Suggestion – Muslim and Faith Burial Provision	Jonathan Nertney
	MTFP Outturn	Garry Cummings / Clare Harper
	Council Plan Update	Ian Coxon
17 September	MTFP Quarter 1	Garry Cummings / Clare Harper
19 November	Council Plan Consultation	Geraldine Brown
	Final Report of Children and Young People Select Committee – Scrutiny Review of Narrowing the Gap in Educational Attainment (Executive Summary for information)	Judy Trainer
17 December	MTFP Quarter 2	Garry Cummings / Clare Harper
	Local Government and Social Care Ombudsman – Annual Review Letter 2023/24	Ged Morton
18 March	Scrutiny Work Programme 2025/26 – Selection of In-Depth Scrutiny Reviews	Jonathan Nertney
	Final Report of People Select Committee – Scrutiny Review of Disabled Facilities Grants (Executive Summary for information)	Michelle Gunn

	Final Report of Place Select Committee – Scrutiny Review of Affordable Housing (Executive Summary for information)	Michelle Gunn
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Regular Reports

- Council Plan Updates
- Medium-Term Financial Plan (MTFP) Updates
- Select Committee Final Reports (Executive Summaries)