

## CORPORATE AFFAIRS AND AUDIT COMMITTEE

**Date:** Thursday 4th February, 2021  
**Time:** 3.30 pm  
**Venue:** Virtual Meeting

### AGENDA

Please note: this is a virtual meeting.

The meeting will be live-streamed via the Council's [Youtube channel](#) at 3.30 pm on Thursday 4th February, 2021

1. Apologies for Absence
2. Declarations of Interest  
To receive any declarations of interest.
3. Minutes - Corporate Affairs and Audit Committee - 17 December 2020 3 - 8
4. Internal Audit Consultation Report 9 - 14
5. Update - Council's Decision Making Process 15 - 40
6. Health and Safety: Annual Assurance Report 2020 41 - 48
7. Business Continuity Management: Annual Assurance Report 2020 49 - 56
8. Performance and Risk Management: Annual Assurance Report 2020 57 - 66

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| 9.  | Lessons Learnt - Croydon London Borough Council Section 114 Notice          | 67 - 74 |
| 10. | Annual Review of the Local Code of Corporate Governance                     | 75 - 86 |
| 11. | Any other urgent items which in the opinion of the Chair, may be considered |         |

Charlotte Benjamin  
Director of Legal and Governance Services

Town Hall  
Middlesbrough  
Wednesday 27 January 2021

#### MEMBERSHIP

Councillors J Rathmell (Chair), B Hubbard (Vice-Chair), T Higgins, J Hobson, T Mawston, D Rooney and C Wright

#### **Assistance in accessing information**

**Should you have any queries on accessing the Agenda and associated information please contact Susan Lightwing, 01642 729712, [susan\\_lightwing@middlesbrough.gov.uk](mailto:susan_lightwing@middlesbrough.gov.uk)**

**CORPORATE AFFAIRS AND AUDIT COMMITTEE**

A meeting of the Corporate Affairs and Audit Committee was held on Thursday 17 December 2020.

**PRESENT:** Councillors J Rathmell (Chair), B Hubbard (Vice-Chair), T Higgins, J Hobson, D Rooney and C Wright

**PRESENT BY INVITATION:** Councillors D Coupe, C Hobson and D McCabe

**ALSO IN ATTENDANCE:** J Dodsworth (Veritau), P Jeffrey (Internal Auditor) (Veritau), M Rutter (External Auditor) (Ernst Young), R Smith (Internal Auditor) (Veritau) and M Thomas (Internal Auditor) (Veritau)

**OFFICERS:** C Benjamin, S Bonner, M Jackland, S Lightwing, S Reynolds, C Walker, J Weston, A Wilson and I Wright

**APOLOGIES FOR ABSENCE:** Councillors T Mawston

20/37 **DECLARATIONS OF INTEREST**

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

20/38 **MINUTES - CORPORATE AFFAIRS AND AUDIT COMMITTEE - 26 NOVEMBER 2020**

The minutes of the Corporate Affairs meeting held on 15 October 2020 were submitted and approved as a correct record.

20/39 **PROCUREMENT POLICIES, PRACTICES AND FINANCIAL REGULATIONS COMPLIANCE**

A report of the Director of Finance was presented to provide a summary of the Council's position with regard to procurement activity over the last financial year including compliance with Standing Orders, practice changes, and contract awards.

As part of the Council's Constitution, Contract Procedure Rules were in place to provide governance in respect of procurement practices. The current financial thresholds were detailed at paragraph 4 of the submitted report. Approval to reduce the lower finance threshold from £15,999 to £10,000 had been granted but had not yet been implemented due to the Covid-19 pandemic. The change would be formalised from 1 January 2021 with the intention of directing more contract opportunities to local suppliers and further challenging value for money.

The monitoring of local commissioning was reported via the balanced scorecard and quarterly information was provided on spend with the local market. From April 2019 to March 2020, the 40% target was achieved in one quarter only. However this target had increased from 25% in the previous year and the other three quarters had achieved 34% and over. The actual spend in monetary terms with Tees Valley suppliers was £24,353,494 which was a slight increase of £3,434,650 on the previous year, with £14,253,655 spent directly with Middlesbrough suppliers. The strategic objective remained in place for 2020/21 with the quarterly target of 40%.

The Buy Boro campaign had been picked up and drive by Regeneration and Marketing in order to support local businesses and inspire residents to spend locally. Procurement would continue to work closely with Regeneration and Marketing to further develop this work.

Quarterly reports of all spend from the financial system against the contract register were completed and used to highlight where Standing Orders might not have been adhered to. This process enabled the Procurement Team to identify any areas of non-compliance and identify any areas for improvement or tendering opportunities.

Purchasing cards continued to be monitored and managed and were subject to an annual Internal Audit review. There were just over 400 active cards at the end of March 2020 which was a considerable reduction since the start of the financial year when there were over 500. Spend continued to be high volume and low risk. During 2019/2020 a total of £8,610,802 was spent via the cards, which would have been the equivalent of processing 33,288 invoices.

A new project focussing on the benefits of an early payment scheme via Business World was under development and if implemented would see a further reduction in the use of purchasing cards.

Within Standing Orders there were circumstances where exemptions could be requested. During 2019/2020, 62 exemptions were approved. This was a minimal increase compared to the previous year when there were 60. A breakdown around the number of exemptions for each service area and why they were approved was contained at paragraph 19 of the submitted report.

There had been 55 contracts awarded during 2019/2020 which were the outcome of 34 quotations and 21 tenders. There were currently 394 contracts contained on the Council's Public Contracts Registers.

**AGREED** that the information provided was received and noted.

20/40

#### **INTERNAL AUDIT PROGRESS REPORT**

The Head of Internal Audit presented a report to provide Members with an update on progress with the delivery of internal audit work and on reports issued and other work completed since the last update report to the Committee.

Appendix 1 to the submitted report summarised the progress made in delivering 2020/21 audit work. Work was underway on a number of audits. Where a specification for the audit had been agreed and fieldwork had commenced, this was noted as 'specification issued'.

The audits listed were those that had been agreed with management as a priority for review during the year and which had either commenced or had been scheduled to take place. Further audits would be added as the year progressed.

All audits continued to be carried out remotely through virtual meetings and sharing information electronically and this had led to some delays in obtaining information. Regular meetings were held with the Section 151 Officer and other key contacts to address any difficulties that arose.

The Audit Team was currently focussing on financial system audits that were not completed in 2019/2020 due to the Covid-19 pandemic.

A summary of the work completed to date and any issues identified was detailed at Appendix 2 to the submitted report. Work completed to date included a number of pieces of grant certification work and other assurance for external providers of funding to the Council.

At the Committee's request a list of audits completed since May 2019 had been compiled and would be circulated via email. The Chair invited all Members to raise any items on the list for further discussion by the Committee.

**AGREED** that the information provided was received and noted.

20/41

#### **COUNTER FRAUD POLICY UPDATE**

A report of the Head of Internal Audit was presented to inform the Committee of changes to two policies that formed part of the Council's counter fraud framework: the Whistleblowing Policy and the Anti-Money Laundering Policy.

Both policies were out of date and required updating to reflect current arrangements and contact details. The new whistleblowing arrangements within the Council would be publicised in 2021.

The Chair of the Committee commented that in addition to the recent updates to the Whistleblowing Policy, junior Officers of the Council should be actively engaged to contribute to further improvements to the policy to make it more user friendly.

**AGREED** as follows that:

1. The revised Whistleblowing and Anti-Money Laundering Policies were received, approved and noted.
2. A further review of the Whistleblowing Policy and consultation with Officers across the Council would take place.

20/42

#### **UPDATE IN REGARDS TO LEGAL SERVICES' RESPONSE TO OFSTED INSPECTION OF CHILDREN'S SOCIAL CARE SERVICES**

A joint report of the Director of Legal and Governance Services and the Executive Member Finance and Governance was presented to provide an update on Legal Services' response to the OFSTED inspection of Children's Social Care Services. This briefing followed the report presented to the Committee on 5 March 2020 that outlined the steps Legal Services would take to improve on the issues raised by OFSTED in respect of Legal, and assistance provided in respect of Children's Social Care Services.

The submitted report detailed the issues in relation to capacity, recruitment to legal posts and how Legal Services had contributed to the improvement journey for Children's Services, both strategically and operationally.

It was highlighted that there had been a vacancy for a Solicitor/Chartered Legal Executive since July 2020 and this post had now been filled. This was a positive move and would reduce the service's spend on agency workers as well as increase capacity.

Feedback on the recruitment process had been really positive and tribute was paid to the Council's Human Resources Service, who had devised alternative ways of advertising in order to recruit.

One of the key improvements highlighted was improved communication across the service and relationships with Children's Services and partner agencies, where new ways of working had been implemented and were progressing well.

The Chair requested that the Committee was kept updated on progress.

**AGREED** as follows:

1. the information provided was received and noted.
2. the Committee would receive progress updates every 6 to 12 months.

20/43

#### **TEES TRANSPORTER BRIDGE**

The Director of Legal and Governance referred to an investigation by Internal Audit which was triggered by a whistleblowing concern. The previously exempt audit report: Transporter Bridge – Whistleblowing, had recently been released by the Monitoring Officer, in the public interest. The Director of Legal and Governance invited the Committee to consider the lessons learned and their wider application to the management of maintenance of the Council's assets.

The Director of Finance provided reassurance that the anonymity of the whistle blower had been preserved, and anyone wishing to bring issues forward could do so with the confidence that confidentiality would be maintained. The Director of Finance thanked the whistle blower for raising concerns and the Internal Audit Team for their report.

The Committee received a presentation from the Director of Finance. Opened in 1911, the Tees Transporter Bridge was Grade II listed and was the longest working transporter bridge in the world and an iconic symbol of the area's engineering and industrial heritage. Middlesbrough Council managed the bridge in line with an agreement with Stockton Borough

Council under section 101 of the Local Government Act 1972. The bridge had been closed since August 2019 to allow for essential investigation and maintenance works.

A whistleblowing report regarding health and safety and the overall maintenance and management regime for the Transporter Bridge was received by the Council's internal auditor at that time: Tees Valley Audit and Assurance Services (TVAAS) on 8 August 2019. An audit investigation started on 28 August and was reported on 23 December 2019. It was agreed with Director of Finance and Governance and Executive Director of Growth and Place, at that time, that the audit would go back 10 years.

There were three key points in terms of arrangements for looking after the bridge for Internal Audit to consider:

1. Did the Council understand the requirements of what was needed to maintain the bridge.
2. Did the Council ensure that the necessary expertise was in place to apply those requirements and be able to maintain the bridge properly.
3. Did the Council undertake the work to understand the situation the bridge was in and what needed to be done to it, and very importantly, keep appropriate records of the outcomes and make evidenced-based maintenance decisions on what needed to be done.

Overall audit found that TVAAS found Cause for Considerable Concern in relation to the areas examined, meaning fundamental failures existed within the control environment and the Council was exposed to unacceptable levels of risk.

TVAAS concluded that most of the allegations made by the whistleblower were accurate. While no evidence was found that repeated requests for maintenance or requests for the bridge to be closed were refused, it identified a mostly passive and ineffective management approach to the Transporter Bridge over the previous decade.

It found that the lack of specifically qualified or trained bridge or structural engineering staff engaged by the Council to manage the facility ultimately led to the deterioration of the structure to the extent that it presented a health and safety risk.

There was a lack of adequate maintenance programmes or appropriate inspection regimes in place to meet Health and Safety regulations and best practice. While some inspections had been carried out, there was no evidence to support that any of the recommended actions formed the basis of any management reports.

There was limited evidence of management reporting and it was difficult to establish senior management's role or level of oversight. There was no evidence of reporting to wider stakeholders, including Stockton Borough Council.

Ten findings were set out by TVAAS, with associated management actions, seven findings were Priority 1 (a fundamental risk requiring immediate action) and three were Priority 2 (a significant risk requiring timely action). The details of the agreed management actions and their priority, were set out in the presentation.

To put this into context, only three Priority 1 findings were set out across a total of 70+ internal audits across the 2017/18 and 2018/19 financial years. As such, this was the most serious report received by the Council from its internal auditor for many years.

TVAAS noted some improvements to working practices since the transfer of bridge management from Transport and Infrastructure to Property and Commercial Services. Since the audit investigation, Property and Commercial Services had been taking forward works to allow the agreed management actions to be completed and to propose options for the safe reopening of the bridge and its future operating model.

The target date for completion of all actions had moved from 31/03/20 to 31/03/21 with the agreement of the Council's current internal auditor, Veritau, to account for the time taken to conduct, analyse and report structural investigations, a process which had been interrupted by the Covid-19 pandemic. During this period, the health and safety risks outlined in the report had been mitigated by the continued closure of the bridge and temporary works to ensure its structural integrity.

The Director of Finance outlined the progress since the audit investigation in terms of management oversight and policy, procedures and associated works. A report would be presented to the Executive on 22 December 2020 outlining options for the future operating model for the bridge and associated capital and running costs.

It was proposed that the Committee approve a review of current arrangements within the Council to provide assurance that the situation in respect of the Transporter Bridge is unique and other such instances would not occur in the future. The Health and Safety Manager presented a detailed briefing on these matters to the Health and Safety Ad Hoc Scrutiny Panel on 3 November 2020 and would continue to provide an annual assurance report to the Corporate Affairs and Audit Committee in February 2021.

The actions identified in the TVAAS audit investigation would be completed by March 2021 to ensure robust governance arrangements were implemented in line with the agreed operating model.

Finally, Internal Audit, would be commissioned to review arrangements in respect of the Transporter Bridge after six months to provide assurance the governance arrangements were embedded and effective.

Members raised and discussed several issues including: the value of the Transporter Bridge on the Balance Sheet in the Council's Statement of Accounts, the anticipated report on the full structural survey of the Bridge, the Council's Change Programme and Senior Management Reviews, and communication processes within the Council. Officers provided clarification on the points raised and undertook to forward information in relation to the value of the Transporter Bridge, and the name of the Manager of Transport and Infrastructure at the Council at the time of the audit report. The Chair of the Council's Corporate Health and Safety Committee also expressed his view that both Committees needed to work together to ensure that the Council's Health and Safety management system was effective.

**AGREED** as follows:

1. The Council would commence review of arrangements to assess conditions of Middlesbrough Council owned buildings and structures and plan and implement appropriate works.
2. The actions identified in the TVAAS audit investigation would be completed by March 2021 to ensure robust governance arrangements were implemented in line with the agreed operating model.
3. Internal Audit was commissioned to review arrangements in respect of the Transporter Bridge after six months to provide assurance the governance arrangements were embedded and effective.
4. Internal Audit was commissioned to review the Change Programme and associated Senior Management Reviews over the last five years to assess the impact of the Programme and the savings achieved.
5. The Monitoring Officer would give consideration to introducing a communications policy to ensure there was a structure in place for Members to access information and provide details to the Committee.

20/44

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

There were no other urgent items.

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**MIDDLESBROUGH COUNCIL**

<b>Report of:</b>	Head of Internal Audit, Veritau
<b>Submitted to:</b>	Corporate Affairs and Audit Committee, 4 February 2021
<b>Subject:</b>	Internal Audit consultation report

**Summary**

<b>Proposed decision(s)</b>
<p>That the Committee:</p> <ul style="list-style-type: none"> <li>Provides comments on risk areas that they consider a priority for audit in 2021/22 to help inform the preparation of the annual internal audit plan</li> </ul>

<b>Report for:</b>	<b>Key decision:</b>	<b>Confidential:</b>
Information	No	No

<b>Contribution to delivery of the 2020-23 Strategic Plan</b>		
<b>People</b>	<b>Place</b>	<b>Business</b>
<p>Agreement to note the audit findings or identify where additional assurance is required will help the Committee perform its role. Internal audit work contributes towards achieving the Council's priorities by identifying any potential control issues which may obstruct that achievement.</p>	<p>Internal Audit assists management in delivering their priorities by working to an annual programme of work that includes assignments linked to corporate risks and priorities, and which seeks to add value by assessing the quality of controls, ensure value for money and achieve better outcomes for local people.</p>	<p>Internal Audit assists management in delivering their priorities by working to an annual programme of work that includes assignments linked to corporate risks and priorities, and which seeks to add value by assessing the quality of controls, ensure value for money and achieve better outcomes for local people.</p>

<b>Ward(s) affected</b>
None.

## **What is the purpose of this report?**

1. To seek the views of Members on risk areas that should be considered a priority for audit in 2021/22, to help inform the preparation of the annual internal audit plan.

## **Why does this report require a Member decision?**

2. Internal audit professional standards require internal auditors to establish risk based plans to determine the priorities for audit work. When developing audit plans, the standards require that the auditors consult with the committee.

## **Report Background**

3. Internal audit provides independent and objective assurance and advice on the Council's operations. It helps the organisation to achieve overall objectives by bringing a systematic, disciplined approach to the evaluation and improvement of the effectiveness of risk management, control and governance processes.
4. The work of internal audit is governed by the Accounts and Audit Regulations 2015 and relevant professional standards. These include the Public Sector Internal Audit Standards (PSIAS), CIPFA guidance on the application of those standards in Local Government and the CIPFA Statement on the role of the Head of Internal Audit.
5. The purpose of this report is to seek the committee's views on risk areas that may be a priority for audit during 2021/22.

## **Consultation on 2021/22 internal audit plan**

6. Internal audit standards and the Council's audit charter require internal audit to draw up indicative audit plans. Plans must be based on an assessment of risk and an understanding of the Council's operations. In coming to a view on the risks facing the Council the opinions of the Corporate Affairs and Audit Committee and senior Council officers will be taken into account. The plan will also be informed by the Council's risk registers, relevant national issues and wider audit knowledge such as information about emerging risks identified through professional networks. The Council's external auditors (EY) are also consulted to avoid possible duplication of work programmes and to maximise the overall benefit of audit activity. The draft plan will be presented to the Corporate Affairs and Audit Committee on 4 March 2021, for final approval.
7. Internal audit plans cover a range of areas to ensure that overall, the work undertaken will enable internal audit to meet the requirement of the standards to provide an overall opinion on the framework of governance, risk management, and control operating in the Council. These include areas such as:
  - strategic risks - for example those included as key risk areas in the risk register
  - financial systems - which represent a relatively high level of inherent risk due to the value and volumes of transactions processed
  - corporate areas – covering areas such as governance, performance, projects and risk

- reviews - particularly those which make a significant contribution to corporate objectives and where weaknesses may represent a significant risk
  - value for money and efficiency.
8. The standards require that Veritau independently forms a view on the risks facing the Council and work to be included in the audit plan. However, there is also a requirement to take into account the views of the Corporate Affairs and Audit Committee in forming that view. The requirement is set out explicitly at paragraph 5.2 of the audit charter which states that Veritau should “draw up an indicative risk based audit plan on an annual basis following consultation with the Corporate Affairs and Audit Committee and senior management”.
  9. Veritau are currently at the initial stage of planning work for 2021/22. Consultation with officers has already begun and further meetings will be held in February 2021. As in 2020/21, the audit plan is designed to be flexible; the areas identified in the plan will not be exhaustive and will be amended during the year to reflect changing risks and priorities.
  10. The planning process will take into account those criteria listed at paragraph 7 but will also take account of the impact of the Covid-19 pandemic on the Council, which has had a significant and sustained effect. It is inevitable that this will carry on into 2021/22 and beyond. In addition, the planning will consider other external risks to the Council including Brexit.
  11. Table 1 below includes some initial ideas on possible areas for consideration. This is included to prompt discussion and is not intended to be a definitive or complete list of areas that could be reviewed. It includes references to areas of work which may consider risks relating to Covid-19.

Strategic risk / Corporate & cross-cutting	<ul style="list-style-type: none"> <li>• Medium term financial planning and budgeting, budget management, savings plans, commercialisation and investments, financial resilience</li> <li>• Areas of the council’s corporate governance framework (e.g. schemes of delegation, constitution, complaints process, standards)</li> <li>• Strategic Planning (e.g. policies and procedures, the Council Plan, Covid-19 recovery, Brexit implications)</li> <li>• Risk management, disaster recovery plans and insurance arrangements</li> <li>• Performance management and data quality</li> <li>• Partnership working</li> <li>• Procurement and contract management (including supply chain resilience third party risk, due diligence, Modern Slavery Act compliance)</li> <li>• Ethics and organisational culture</li> <li>• Training and development</li> <li>• HR and organisational development / workforce planning (e.g., Covid-19 homeworking arrangements, management and supervision of remote teams, staff wellbeing)</li> <li>• Information governance and data protection – compliance, management of information assets, data breach management, training</li> </ul>
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s p e c	<ul style="list-style-type: none"> <li>• Environment, climate change and waste – air pollution, carbon footprint, energy reduction, recycling</li> <li>• Health and safety</li> </ul>
Project Management	<ul style="list-style-type: none"> <li>• Overall corporate arrangements</li> <li>• Review of specific key projects</li> </ul>
Main Financial systems	<ul style="list-style-type: none"> <li>• Payroll/personnel</li> <li>• General ledger, debtors (including debt recovery and enforcement practice), creditors, cash income</li> <li>• Capital accounting and assets</li> <li>• Council Tax/ NNDR &amp; benefits (including review of Covid-19 related grants)</li> <li>• Treasury management</li> </ul>
Service specific risks and other areas	<ul style="list-style-type: none"> <li>• Adult and children’s social care – budget management, workforce planning, case management, placements, referrals and assessments, procurement, quality assurance, capacity, contract monitoring, deprivation of liberties (including review of the Council’s response to the Ofsted inspection)</li> <li>• Transporter Bridge and other asset maintenance</li> <li>• Special Education Needs and Disability (SEND) – EHC plans (processes), planning, working with partners, funding</li> <li>• Public health including management of contracts and management of Covid-19 schemes</li> <li>• Housing strategy and homelessness</li> <li>• Other risks relating to specific service areas (such as schools, planning, local plan strategy, estates, leisure services, waste collection and recycling, licensing, environmental health, economic development).</li> <li>• IT Strategy &amp; Governance (such as information security policies, IT risk management, supporting service development and roles and responsibilities)</li> <li>• IT Information security (such as server configuration, patch management and operating system configuration)</li> <li>• IT Services (such as help desk, incident management and network availability)</li> <li>• Cyber security</li> <li>• Digitalisation / automation</li> </ul>

**What decision(s) are being asked for?**

12. That the committee:

- Provides comments on risk areas that they consider a priority for audit in 2021/22 to help inform the preparation of the annual internal audit plan.

### **Why is this being recommended?**

13. Internal audit professional standards require an indicative audit plan based on an assessment of risk. This report gives Members an opportunity to have their opinions taken into account.

### **Other potential decisions and why these have not been recommended**

14. This report is for information. There are no other options available.

### **Impact(s) of recommended decision(s)**

15. There are no implications to this report in relation to:

- *Legal*
- *Financial*
- *Policy Framework*
- *Equality and Diversity*

### **Risk**

16. The Council will fail to comply with proper practice for internal audit if Members are not consulted on the content of audit plans.

### **Actions to be taken to implement the decision(s)**

17. Any requests for additional assurance or clarification by Members of the Committee will be responded to accordingly.

### **Appendices**

None

### **Background papers**

No background papers were used in the preparation of this report

**Contact:** Phil Jeffrey  
**Email:** [phil.jeffrey@veritau.co.uk](mailto:phil.jeffrey@veritau.co.uk)

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<b>Report of:</b>	Director of Legal and Governance – Charlotte Benjamin
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<b>Submitted to:</b>	Corporate Affairs and Audit Committee – 4 February 2021
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<b>Subject</b>	Update – Council’s Decision Making process.
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**Summary**

**Proposed decision(s)**

That the information provided with regard to the Council’s decision making process be received and noted.

<b>Report for:</b>	<b>Key decision:</b>	<b>Confidential:</b>	<b>Can be called-in:</b>
Information	No	No	No

**Contribution to delivery of the 2018-22 Strategic Plan**

<b>Business Imperatives</b>	<b>Physical Regeneration</b>	<b>Social Regeneration</b>
The report provides an update in respect of the Council’s decision making process. It also highlights information in relation to any awareness/training that has been carried out in relation to the Decision Making process.	Not applicable	Not applicable

**Ward(s) affected**

Not applicable

**What is the purpose of this report?**

1. To provide members with an update in relation to the Council’s decision making process.

**Why is this report necessary?**

2. The report is necessary so that members are regularly updated in respect of the decision making process and are assured the appropriate decision making processes are in place.

### **Proposed decision(s)**

3. That the information provided with regard to the Council's decision making process be received and noted.

### **What decision(s) are being asked for?**

4. It is recommended that the information provided with regard to the Council's decision making process be noted.

### **Why is this being recommended?**

5. The Corporate Affairs and Audit Committee previously requested information in relation to:
  - Details of current policies/guidance in place in respect of the Decision Making Process;
  - Information on the number of member delegated decisions and their type (key/non key);
  - Information on the number of officer delegated decisions taken; and
  - Information on the activities of the governance team (communications, training/ awareness raising).

### **Update**

#### **Council Constitution**

6. The Council's Constitution sets out how the Council operates, how decisions are made and the procedures which are followed to ensure that these are efficient, transparent and accountable to local people. Some of these processes are required by the law, while others are a matter for the Council to choose.
7. The Constitution is divided into 18 articles which set out the basic rules governing the Council's business. More detailed procedures and codes of practice are provided in separate rules and protocols at the end of the Constitution.
8. The Council's Constitution is a living document and is currently subject to review. The changes to the Constitution usually fall within three broad areas, which can be described as follows:-
  - Alterations made as a result of decisions of either the Council or the Executive.
  - Alterations made under the delegated powers given to the Monitoring Officer to deal with changes required as a result of legislative changes.
  - Alterations to improve the working of the Council or, to attempt to resolve ambiguities or amend typographical or drafting errors.



9. Any changes to the Constitution, other than those delegated to the Monitoring Officer, are first considered by the Constitution and Members Development Committee prior to being submitted to the full Council meeting for approval
10. Article 12 of the Constitution identifies the decision making principles of the Council and provides information in relation to what is a key decision and circumstances when they are not deemed key.
11. Council Procedure Rules – identify procedures for elected members in conducting meetings
12. Executive Procedure Rules – Identify functions which are the responsibility of the Executive and that may be exercised by the Elected Mayor. The Elected Mayor may also delegate authority to exercise those functions to the extent they wish.
13. The Forward Work plan is the vehicle for ensuring openness and transparency when key decisions are to be taken and for advising members and the public of decisions to be made by the Executive.
14. There is also an Executive decision making action tracker that allows actions arising from Executive decisions to be monitored for completion and assesses any risk associated with actions not being completed within the agreed timescales.
15. Overview and Scrutiny Procedure Rules – Sets out the functions of the Overview and Scrutiny Board and acts as the vehicle for hearing called in decisions.
16. The Officer Scheme of Delegation identifies powers delegated to officers, this is currently being updated.
17. Guidance for recording Officer Delegated decisions is contained on the Council's Intranet and decisions made within these parameters are published on the Council Website and an email notification is sent to all members
18. Financial Procedure Rules – The financial policies of the Council are set out in these regulations. They apply to every member and officer of the Authority and anyone acting on its behalf.
19. Separate financial regulations are to be issued in accordance with the Fair Funding Scheme which will apply to Governing Bodies, Head Teachers and staff of schools with delegated budgets. These will be appended to the Fair Funding Scheme document.
20. These regulations identify the financial responsibilities of:
  - The full Council;
  - The Executive;
  - Scrutiny committees;
  - Members;
  - The Head of Paid Service;
  - Monitoring Officer;
  - Chief Finance Officer; and
  - Executive Directors and Assistant Directors (in these regulations jointly referred to as “Other Chief Officers”).

21. The Council also has an Asset Disposal Policy which provides rules and guidance on the disposal of Council assets.

## **Training**

22. Staff – decision making masterclass was delivered in November 2020 to the Wider Leadership Management team and online materials are available on the intranet and the staff Middlesbrough Learns e-learning training portal.
23. Modern.GOV, the Council's new committee management system which is used for managing meetings, recording decisions, holding records of members' interests and gifts and hospitality and details of members training records was phased in from the week beginning 21st of December 2020. Democratic Services Staff are still working on populating some parts of the system.
24. The new Modern.Gov Committee System has a new function for members in the form of the Modern.Gov App, which will enable Members and the public to view, annotate and download meeting papers. Councillors will also be able to identify the committees that they are interested in and receive automatic updates when new information is published for them. Training on the Modern.Gov App (covering access, registration and use of the App), will be delivered early in 2021 via several possible methods;
  - i. One to One training (delivered by political assistants where available)
  - ii. Virtual via WebEx (no more than 5 participants in each session)
  - iii. Physical training session (no more than 5 participants in each session). Importantly, these sessions will depend on what Tier the town is currently in and will follow existing COVID risk assessments and will require participants to follow COVID secure requirements where instructed. Those Councillors deemed to be vulnerable will be advised not to opt for this method. Whilst the town is in lockdown the face to face training sessions will not be available.
25. The Council's Decision Making Process is currently subject to an audit. The outcome of the audit will be reported to a future meeting of the Committee.

## **Decisions made**

26. A report containing details of Officer Delegated Decisions taken during the period 1 January 2020 - 31 December 2020 is attached at **Appendix A**.
27. A report containing details of Executive decisions taken during the period 1 January 2020 - 31 December 2020 is attached at **Appendix B**.

## **Gold Command Decisions**

28. Under the Civil Contingencies Act 2004 the Council has a legal duty (alongside other local partners) to plan for and deliver both a response to an emergency incident and the recovery from it. The Coronavirus Act 2020 created a number of new, and revised other, local authority powers and duties (principally regarding education, social care, volunteering, and death management) in order to better enable the response to the COVID-19 pandemic

29. On 16 March, as a result of the Covid-19 pandemic, the Council invoked its Major Incident Plan with the response structure of the Gold, Silver and Bronze Command. Due to the nature of the event, the Council's business continuity decision structure was aligned with this structure.
30. The purpose of the Gold Command is to set strategy for the response and controls resources. The Chief Executive is Gold Commander and the group is comprised of the Leadership Team and the Head of Marketing and Communications, alongside the Mayor and Deputy Mayor of Middlesbrough.
31. The Council's Scheme of Delegation gives the Executive collective responsibility for corporate strategic performance and financial management / monitoring, together with associated action. Gold command provide a quarterly update to the Executive and regular updates to the Overview and Scrutiny Board.

### Scrutiny and challenge

32. From 1 January 2020 – 31 December 2020 there have 108 Executive decisions. In the corresponding period, the Council received 4 requests for call-in, in respect of the following:
- 20 November 2020 - Call In - Future Accommodation - Decision was to refer back to Executive. Executive reconsidered the decision on 24 November 2020 and it was agreed as follows: (i) that the recommendations proposed by the Overview and Scrutiny Board be noted, but not agreed. (ii) that the recommendations agreed at the Executive meeting, held on 27 October 2020, be implemented with immediate effect.
  - 18 December 2020 – 2 Call Ins Residual Waste Collections – Decision to change to fortnightly bin collections was reversed at the Executive held on 22 December 2020 due to additional funding being identified.
  - 18 December 2020 – Call In – Nunthorpe Grange Farm: Disposal - Church Lane - OSB was deferred pending clarification on number of issues from the Monitoring Officer and the Section 151 Officer. OSB was rearranged for 27 January 2021

### Decisions made

33. **SPECIAL URGENT DECISIONS TAKEN IN THE PERIOD 1 JANUARY 2020 – 31 DECEMBER 2020**

<b>Date:</b>	<b>14/07/2020</b>
<b>Decision Maker</b>	<b>Executive</b>
<b>Decision</b>	<b>Tees Advanced Manufacturing Park – Relocation of Option Site</b>
<b>Reason for Urgency</b>	<b>The prospective inward investor was required to determine whether or not to give notice on current lease by 15<sup>th</sup> July 2020.</b>
<b>Date:</b>	<b>12/10/20</b>

<b>Decision</b>	<b>Test and Trace Support Discretionary Payment Scheme</b>
<b>Reason for Urgency</b>	<b>Response to Covid-19. Test and Trace Support Payment Scheme announced by Central Government end of September 2020. Scheme to be in place by 12 October 2020.</b>
<b>Date:</b>	<b>22/12/2020</b>
<b>Decision</b>	<b>That alternate weekly collections would not be introduced</b>
<b>Reason for Urgency</b>	<b>Decision to retain weekly bin collections would affect the Budget consultation process as if agreed it would need to be removed from the Budget consultation document.</b>

#### **34. URGENT DECISIONS TAKEN IN THE PERIOD 1 JANUARY 2020 – 31 DECEMBER 2020**

The following urgent decisions, with the agreement of the Chair of Overview and Scrutiny Board, were taken:

<b>Date:</b>	<b>18.05.2020</b>
<b>Decision Maker</b>	<b>The Mayor</b>
<b>Decision</b>	<b>Amendment to Section 13a Discretionary Hardship Policy</b>
<b>Reason for Urgency</b>	<b>COVID-19 response – financial support to those customers of working age in receipt of council tax reduction. <i>Hardship funding to those considered financially vulnerable.</i> The funding will mean, to many Middlesbrough residents, a significant reduction in the amount of Council Tax payable and in many instances the awarding of £155.00 will reduce council tax bills to zero.</b>
<b>Date:</b>	<b>03.06.2020</b>
<b>Decision Maker</b>	<b>The Mayor</b>
<b>Decision</b>	<b>Approval of the discretionary grant policy and report.</b>
<b>Reason for Urgency</b>	<b>In response to COVID-19, extension of the business grant to allow local authorities the discretion to provide financial support to businesses through Central Government Funding.</b>
<b>Date:</b>	<b>01/07/2020</b>
<b>Decision Maker</b>	<b>The Mayor</b>
<b>Decision</b>	<b>Discretionary Grant Fund Phase 2.</b>
<b>Reason for Urgency</b>	<b>In response to COVID-19, extension of the business grant to allow local authorities the discretion to provide financial support to businesses through Central Government Funding – extension to the original scheme.</b>

<b>Date:</b>	<b>14/10/2020</b>
<b>Decision Maker</b>	<b>Executive Member for Finance and Governance</b>
<b>Decision</b>	<b>Tees Advanced Manufacturing Park – Plot 9 Yard Extension</b>
<b>Reason for Urgency</b>	<b>Property decision required by 16<sup>th</sup> October 2020 in order to be operational by mid-February 2021, creating 40 jobs.</b>

**Other potential decisions and why these have not been recommended**

35. No other options were considered.

**Impact(s) of recommended decision(s)**

***Legal***

36. Failure to adhere to the 2014 Regulations may result in criminal liability.

***Financial***

37. Not applicable

***The Mayor's Priorities for Middlesbrough***

38. Open and transparent decision making supports all elements of the Mayor's Priorities.

***Policy Framework***

39. The report does not impact on the overall budget and policy framework.

***Wards***

40. The report impacts on all wards equally.

***Equality and Diversity***

41. The report impacts on all groups equally.

***Risk***

42. If the Council does not have adequate governance processes in place to ensure that it complies with all relevant legislation. This could result in a breach in governance requirements leading to (depending on the seriousness of the breach) fines, reputational damage, government intervention alongside failure to deliver organisational priorities

**Actions to be taken to implement the decision(s)**

43. None.

## **Appendices**

**Appendix A** - Copy of report containing details of Officer Delegated Decisions taken during the period 1 January 2020 - 31 December 2020

**Appendix B** - Copy of report containing details of Executive decisions taken during the period 1 January 2020 - 31 December 2020

## **Background papers**

COVID-19 governance and decision-making update - Executive, 27 October 2020



## Officer Delegated Decisions 1 January 2020 – 31 December 2020

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Date of decision	Issue date	Subject of decision
		<b>Children's Services</b>
25/09/2020	01/10/2020	Increase in block contract with Cambian to increase from 7 to 9 beds for the remaining term of the contract.
Date of decision	Issue date	Subject of decision
		<b>Adult Social Care and Health Integration</b>
10/12/2020	10/12/2020	Amendment to Deferred Payment Agreement
		<b>Economic Development &amp; Infrastructure</b>
18/05/2020	18/05/2020	Agreement to indemnify Thirteen for 50% of design costs to secure a planning consent for Gresham, should the scheme prove to be financially unviable.

Date of decision	Issue date	Subject of decision
12/08/2020	12/08/2020	<p>2. As part of the Executive approval in 2017, Cleveland Property Investments Limited (CPIL) was contractually granted a time limited option to purchase a site at the northerly extremity of the site (see Appendix 1), for an Anaerobic Digester at a fixed purchase price of £391,000 – equal to the same price per acre that the Council paid to acquire the site.</p> <p>3. The original proposal for an AD Plant (energy production through the digestion of food waste) has evolved to a Pyrolysis Plant (production of energy and other products through the environmentally sustainable recycling of plastic waste). The AD Plant was unviable due to problems obtaining a sustainable supplies of food waste; whereas securing the supply of plastic is not an issue for the Pyrolysis Plant.</p> <p>4. A consequence of this change was the requirement to resubmit for a variation to the original planning consent (0/0255/VAR – Variation of condition no 2 (Approved Plans &amp; Documents) on planning application 18/0122/FUL, Riverside Park Road Middlesbrough). The redesign of the site has been a lengthy process, and although the planning decision is imminent, CPIL’s option is set to expire on 14th August 2020.</p> <p>5. The investors behind the Pyrolysis Plant are not the same as those behind the original AD Plant. The Pyrolysis Plant investors are not prepared to be contractually required to enter into a Development Agreement with CPIL as was originally planned in respect of the AD Plant.</p> <p>6. Given the Pyrolysis Plant represents a multi-million pound foreign-direct investment and substantial progress has been made to achieve planning approval for the project, it is recommended that CPIL be granted more time to secure the investment and that it be relieved of the requirement to obtain planning consent and a development agreement prior to any purchase of the site and that the Council is protected through additional buy-back provisions linked to development milestones instead. This will facilitate the sale of the site and will secure the development as CPIL will be in a position to provide an undertaking to the inward investors that the land interest has been secured.</p> <p>7. As the existing option expires on 14th August, it is further recommended that the Director of Finance provides CPIL with a Letter of Comfort that the variation to the existing option will be made.</p>
<b>Finance, Governance &amp; Support</b>		
06/01/2020	07/01/2020	Reduction of Direct Award Financial Threshold.
17/03/2020	17/03/2020	<p>Non-Domestic Rates Discretionary Reliefs funded by government</p> <p>Individual local billing authorities are expected to adopt local schemes and determine in each individual case when, having regard to guidance, to grant relief under section 47 of the Local Government Finance Act 1988, as amended. It will allow Middlesbrough ratepayers to benefit from the policy action taken by central government to support business, by temporarily reducing the cost of business rates.</p>



Date of decision	Issue date	Subject of decision
06/04/2020	06/04/2020	Non-Domestic Rates Discretionary Reliefs funded by government Individual local billing authorities are expected to adopt local schemes and determine in each individual case when, having regard to guidance, to grant relief under section 47 of the Local Government Finance Act 1988, as amended. It will allow Middlesbrough ratepayers to benefit from the policy action taken by central government to support business, by temporarily reducing the cost of business rates.
20/04/2020	21/04/2020	Non-Domestic Rates Discretionary Reliefs funded by government Individual local billing authorities are expected to adopt local schemes and determine in each individual case when, having regard to guidance, to grant relief under section 47 of the Local Government Finance Act 1988, as amended. It will allow Middlesbrough ratepayers to benefit from the policy action taken by central government to support business, by temporarily reducing the cost of business rates.
17/09/2020	22/09/2020	Small grant scheme to support Middlesbrough based small (micro) businesses/taxi drivers/self employed to continue to introduce relevant measures to provide services to the public that maintain infection control and ensure the business remains 'covid secure'.
<b>Finance</b>		
09/10/2020	13/10/2020	To approve the contractual terms in relation to the surrender of an option and the sale of land for the Boho Village scheme at Middlehaven; and to grant capital borrowing of up £7m from the Council to Middlesbrough Development company to fund the scheme.
23/10/2020	23/10/2020	Holiday Hunger Support
11/11/2020	16/11/2020	Central Government announced that from 28 September 2020, there will be a new legal duty on all who test positive for Covid 19 or are identified by NHS Test and Trace as a close contact requiring them to self-isolate. The discretionary scheme was introduced to provide financial support for residents who are required to self-isolate. All Local Authorities were requested to have in place by 12 October 2020 a discretionary scheme which was intended to support the standard scheme. Due to limited funding there was a strict eligibility criteria. The scheme has been running for some weeks and as the numbers qualifying are less than anticipated, some small amends to the policy are necessary to ensure the funding is spent.
16/12/2020	16/12/2020	Additional Restrictions Grant Discretionary Payments Scheme
21/12/2020	21/12/2020	Additional Restrictions Grant Discretionary Payments Scheme

Date of decision	Issue date	Subject of decision
<b>Growth &amp; Place</b>		
28/02/2020	17/03/2020	The procurement of externally delivered and institutional quality, estate and facilities management services for the Council's commercial property investment assets at Tees Advanced Manufacturing Park and Centre Square.
16/03/2020	17/03/2020	Executive Members to acknowledge the final terms of the town centre acquisitions, and allow to proceed to exchange and completion.
Page 26	02/04/2020	<p data-bbox="470 496 2060 703">06/04/2020 Proposal to vary contractual terms: The proposed disposal forms part of the Council's Accommodation Strategy and was authorised by Executive on 6th September 2016. Authority is now being sought for a variation to the original sale contract dated 18th January 2017 so as to allow the transfers for Plots 2a &amp; 2b to be completed now, at a nominal sum, of £1.00, and for the calculation of the Plot Prices to be deferred until commencement of development as the Abnormal costs to be deducted from the sale price cannot be quantified until there is the basis of a finished design scheme.</p> <p data-bbox="470 737 2060 802">The calculation of the respective plot prices will be deferred until the trigger date in the variation of contract, the trigger date being the date of commencement of development of Plot 2a and/or 2b.</p> <p data-bbox="470 836 2060 933">The current sale contract provides for a delayed payment of the purchase price until commencement of development and this is not changed by the variation to the sale contract, the delayed payment of purchase price is protected by a legal charge in favour of the Council.</p>
		<b>Public Health &amp; Public Protection</b>
14/07/2020	23/07/2020	Various licence applications/permissions/consents made under the Local Government (Miscellaneous Provisions) Act 1976 and 1982, Town Police Clauses Act 1847, Gambling Act 2005 and various other licensing legislation
01/08/2020	04/08/2020	Various licence applications/permissions/consents made under the Local Government (Miscellaneous Provisions) Act 1976 and 1982, Town Police Clauses Act 1847, Gambling Act 2005 and various other licensing legislation
03/09/2020	08/09/2020	Various licence applications/permissions/consents made under the Local Government (Miscellaneous Provisions) Act 1976 and 1982, Town Police Clauses Act 1847, Gambling Act 2005 and various other licensing legislation
17/09/2020	24/09/2020	Expenditure of test and trace grant to sustain capacity of key VCS partners.
28/09/2020	28/09/2020	Delivery of an employee wide Flu vaccination programme for employees who do not meet NHS eligibility criteria.
01/10/2020	09/10/2020	Various licence applications/permissions/consents made under the Local Government (Miscellaneous Provisions) Act 1976 and 1982, Town Police Clauses Act 1847, Gambling Act 2005 and various other licensing legislation

Date of decision	Issue date	Subject of decision
01/12/2020	09/12/2020	Various licence applications/permissions/consents made under the Local Government (Miscellaneous Provisions) Act 1976 and 1982, Town Police Clauses Act 1847, Gambling Act 2005 and various other licensing legislation
04/12/2020	09/12/2020	Expenditure of test and trace grant to sustain capacity of key VCS partners
<b>Regeneration and Culture</b>		
22/06/2020	22/06/2020	Local Development Scheme 2020 - 2022

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## EXECUTIVE MEMBER REPORTS AND ADDITIONAL DECISION INFORMATION

### SECTION 2 - DECISIONS TAKEN

DATE	DECISION MAKER	ISSUE	PURPOSE OF REPORT	KEY DECISION
21/01/20	Executive	Empower Community Grants Programme	Formal process for the award of funding from the Empower Community Grant Programme. A new Community Grants Programme with an annual value of £160k to replace the existing Community Action Fund (£127k) (propose to be renamed to 'Empower Community Grant') and combine it with the Community Chest fund (£33k).	Yes
21/01/20	Executive	Estates Strategy - Asset Acquisition Policy	To clarify the options open to the Council when choosing to acquire assets, and to provide a framework for decisions to be considered in light of the responsibility to support communities and stimulate economic activity in Middlesbrough.	Yes
21/01/20	Executive	Estates Strategy - Asset Disposal Policy	To clarify the options open to the Council when choosing to dispose of assets, and to update the existing decision framework in light of the responsibility to support communities and stimulate economic activity in Middlesbrough.	Yes
21/01/20	Executive	Health Scrutiny Panel – Response – Vulnerable and Fragile Health Services	That Executive approves the multi-agency response and action plan to the Health Scrutiny Panel's final report on Vulnerable and Fragile Health Services	No
21/01/20	Executive	No Wrong Door Trailblazer Implementation	That Executive approves and supports the development of the 'No Wrong Door' Trailblazer Project implementation.	No
21/01/20	Executive	Participation across Middlesbrough and Youth Council	Participation across Middlesbrough and Youth Council	No
21/01/20	Executive	Place Planning Strategy	To seek approval of the school Place Planning Strategy for 2020-2025	Yes
21/01/20	Executive	Voluntary registration of Acklam Meadow, Newfield Crescent as a Village Green	That Executive approved an application seeking the voluntary registration of land at Acklam Meadows, Newfield Crescent as a	No

			Village Green	
18/02/20	Executive	Delivering the Strategic Plan	Report setting out changes to Risk, Performance, Programme and Project Management and Partnership Governance policies	No
18/02/20	Executive	Highways Permit Scheme	That Executive approves for the introduction of a permit scheme for street and road works.	Yes
18/02/20	Executive	Locality Working Update - Pilot in Newport and North Ormesby Wards.	This report outlines the proposed delivery model detailing each of the services to be located within each pilot area and other services and stakeholders that will be involved, along with the performance management arrangements for each area. Executive Approval is sought regarding the recommendations.	Yes
18/02/20	Executive	Outcome of the Ofsted Inspection of Children's Services	That Executive: <ul style="list-style-type: none"> <li>Note the outcome of the OFSTED Inspection of Children's Services outlined in the report published by OFSTED on 24th January;</li> <li>Approve the improvement plan</li> <li>Approve the resourcing plan</li> </ul>	Yes
18/02/20	Executive	Results of Tendering Building Cleaning (Council Buildings)	Report set out the results of the tender exercise in respect of building cleaning (council buildings -non schools).	Yes
18/02/20	Executive	Revenue Budget, Council Tax, Medium Term Financial Plan, and Capital Strategy 2020/2021	<p>That the Executive endorses the proposed budget savings for 2020/2021 and notes the proposed budget savings for 2021/2022 which will require further development prior to being brought forward for approval;</p> <p>That the Executive endorses the budget requirement for 2020/2021.</p> <p>That the Executive endorses the basic amount of Council Tax (Band D) for 2020/2021 for Middlesbrough and for the parish councils (excluding Fire and Police).</p> <p>That the Executive endorses the amounts of Council Tax for each category of dwelling.</p> <p>That the Executive notes the refreshed Medium-Term Financial Plan position for 2020-2023.</p> <p>That the Executive notes the updated Investment Strategy for the period to 2022/2023.</p> <p>That the Executive endorses the Capital Strategy Report (Prudential indicators, Investment Strategy and Minimum Revenue Provision) 2020/2021, and the updated Treasury Management Practices Statement.</p>	Yes

18/02/20	Executive	Revised Fee Structure for Building Control and Development Control (formerly entitled 'Planning Fees' on Forward Plan and entered on 20 January 2020)	To set out a proposed increase in planning and building control fees.	Yes
18/02/20	Executive	Strategic Plan 2019-22 – Progress at Quarter Three 2019/20	To provide an update on the Council's Quarter Three 2019/20 results report	Yes
04/03/20	Executive	Focussed Care and Support Framework	Middlesbrough Council are seeking expressions of interest from suitably experienced Providers who wish to be considered for a contract on the Focussed Care and Support Framework for persons aged 16+. This will replace the existing Disabilities, Enablement and Support Framework and the Mental Health (functional) Framework.	Yes
17/03/20	Executive Member for Regeneration	Draft Development briefs for Hemlington North and Hemlington Grange South	To seek approval of the draft development briefs for sites at Hemlington North and Hemlington Grange South for public consultation	No
17/03/20	Executive Member for Regeneration	Middlehaven - Infrastructure Overview	That Executive approves the updated vision and infrastructure proposals for Middlehaven.	Yes
17/03/20	Executive Member for Regeneration	Revision of the Interim Hot Food Takeaway Policy	To seek approval to revise the Interim Hot Food Takeaway Policy	Yes
17/03/20	Executive Member for Regeneration	Statement of Community Involvement	To seek approval of statement of community involvement	Yes
17/03/20	Executive	Beechwood Disposal - [Part A]	Approval to proceed with the disposal of the Council's freehold interest in land at Beechwood.	Yes
17/03/20	Executive	Boho Next Generation -Creating the Digital City	To approve the expanded scope and scale of Middlesbrough's Boho Next Generation Development.	Yes
17/03/20	Executive	CONFIDENTIAL - Beechwood Disposal - [Part B]	Proposal to proceed with the disposal of the Council's freehold interest in land at Beechwood.	Yes
17/03/20	Executive	Housing Growth	To set out the council's plans for housing site development	Yes
17/03/20	Executive	Rail Station and Historic Quarter - High Street Heritage Action Zone (HSHAZ)	The purpose of the report is to inform Executive about the plans and ambitions for the historic quarter and to expend grant money from Historic England in the Historic Quarter Conservation Area.	Yes
17/03/20	Executive	School Meal Price Increase	the proposed school meal price increase.	Yes
20/03/20	Executive	CONFIDENTIAL - Teesside International Airport Limited ("TIAL") - Joint Venture Consent	This report updates members on progress in relation to the delivery of the TVCA business case for the airport and requests shareholder consent to enable TIAL to progress a joint venture for the development of the Southside in line with that business case.	No
20/03/20	Executive	Estates Strategy - Commercial Property Portfolio Review	To provide an update on the implementation of the Council's Estates Strategy and seek approval for changes designed to enhance current and future Estate Management Practice.	Yes

18/05/20	Executive Member - The Mayor	Amendment to Section 13a Discretionary Hardship Policy	That Executive approves the amendment to the Section 13a policy (attached) in response to the announcement from central government in providing a hardship payment to Council Tax Reduction claimants as a consequence of COVID-19.  The executive notes an amount of £155.00 to be paid (£5 more than the minimum suggested by Government) to all identified working age recipients of Council Tax Reduction in Middlesbrough.  That delegated authority to approve any future similar schemes or modifications to schemes to be given to the Director of Finance, Governance and Support as Section 151 Officer.	Yes
03/06/20	Executive Member - The Mayor	CONFIDENTIAL Town Centre - Leisure Development	to agree the principles of exploring a major investment in leisure investment in the town centre	Yes
03/06/20	Executive Member - The Mayor	Discretionary Grant Fund	Response to COVID-19 extension of the Business Grant Scheme announced 1st May 2020.	Yes
16/06/20	Executive Member for Regeneration	Nature's World	This report seeks a decision from the Executive about the future of land at Nature's World, Sandy Flatts Lane, Middlesbrough	No
16/06/20	Executive	2019/20 Quarter 4 outturn and Investment Strategy	Report to note the 2019/20 Quarter 4 Outturn position and agree any actions needed to address budget issues set out within it and agree any revisions to the Investment Strategy that are necessary.	Yes
16/06/20	Executive	Covid19 Response and Recovery Arrangements	This report will provide an overview of the Council's response to date to COVID19; an outline of recovery plans; a financial summary (cost / loss of income / impact on savings); and seek approval on the wider Recovery Plan, including a schedule for progress updates / performance monitoring arrangements and the model for engagement / involvement with OSB.	No
16/06/20	Executive	Director of Public Health Annual Report 2019	Directors of Public Health (DPH) have a statutory requirement to produce an annual report on the health of their population. This 2019 report is focusing on air quality.	Yes
16/06/20	Executive	Eyesore sites	To acquire privately owned eyesore sites through voluntary acquisition or where necessary compulsory purchase	Yes
16/06/20	Executive	Service response to the Economic Development, Environment and Infrastructure Scrutiny Panel's report on Infrastructure Delivery	That the Executive approves the attached Action Plan put together in response to the Scrutiny Panel recommendations.	No
16/06/20	Executive	Stop the Knock	That Executive approve the following:	No



			<p>a) Sign up to the Money Advice Trust – Stop the Knock Initiative and sign the Council Tax Protocol</p> <p>b) The introduction of collectable debt vulnerability policy (Appendix A),</p> <p>That Executive note the following:-</p> <p>c) The additional steps introduced under each commitment and the links to other initiatives such as routes to work and Middlesbrough Council's 50 Futures programme.</p>	
01/07/20	Executive Member - The Mayor	Discretionary Grants - Phase 2	That the Mayor approves the phase 2 discretionary grants fund policy in response to the announcement by Central Government on 1 May 2020 that additional funding to support small businesses as a consequence of COVID-19 which were not previously eligible for a grant payment.	Yes
09/07/20	Executive Member for Adult Health and Social Care	Charging for Respite Care	To seek approval to charge for respite care, according to ability pay, following the consultation which took place from January to March this year.	Yes
14/07/20	Executive	CONFIDENTIAL Future Waste Disposal Arrangements	To agree next steps in procuring Waste Disposal arrangements post 2025.	Yes
14/07/20	Executive	Children's Services Improvement - Quarterly Briefing	To update the Executive and to seek comments on the progress made against the Children's Services improvement agenda	No
14/07/20	Executive	Confidential Tees Advanced Manufacturing Park relocation of option site	Confidential report - Tees Advanced Manufacturing Park - Relocation of option site	Yes
14/07/20	Executive	Culture and Communities Scrutiny Panel – Response – Foodbank Report	<p>The report is necessary as, following suggestions by the Panel, the Culture and Communities Scrutiny Panel sought to examine the use of foodbanks in Middlesbrough and how the Council can support them</p> <p>Please note that this Item was originally entered onto the forward plan on 13 February 2020 (Reference Number 20/2697).</p>	No
14/07/20	Executive	Middlesbrough Community Lottery	That the Executive approves the development and delivery of a community lottery aimed at funding and supporting cultural activity in Middlesbrough.	Yes
14/07/20	Executive	Monitoring of implementation of Executive Decisions	That the proposed revised deadlines for the implementation of some agreed Executive decisions be approved.	No
14/07/20	Executive	Recovery plan for Locality Working with revised programme delivery timeline	The programme plan for Locality Working was delayed due to COVID-19. A recovery plan has now been developed with revised timescales and approval is required from Executive.	Yes
14/07/20	Executive	The Digital City - Middlesbrough Social	That Executive acknowledges the concept of a Social Garden and	Yes

		Garden	approves the allocation of 1.9 acres of land and granting of a thirty year lease to the Camphill Village Trust subject to the award of suitable planning permission and finance in place to facilitate the development.	
14/07/20	Executive	Update on Empower Programme - closure of strategy with alignment to the strategic plan	Executive approval is requested for the transfer of outstanding Empower commitments to the strategic plan and closure of Empower as a separate strategy.	Yes
14/07/20	Executive	Youth Service	The Executive considers the statutory duties of the Council in delivering Youth Services and approves the future delivery model.	Yes
24/07/20	Executive Member for Adult Health and Social Care	COVID-19 Related Leisure Costs	Arrangements for the reopening of leisure centres in a Covid 19 secure way	Yes
18/08/20	Executive	Cycling in Middlesbrough; Investment and Future Infrastructure Opportunities	That Executive notes the recently implemented cycle infrastructure, and approves additional proposals to improve the network, which will encourage further journeys made by cycle.	Yes
18/08/20	Executive	Disposal of Additional Land to the Northern School of Arts	That Executive approves the disposal of the additional 0.219 acres of land to the Northern School of Arts at nil value to facilitate the proposed campus development.	No
18/08/20	Executive	Revenue and Capital Budget / Projected Outturn Position at Quarter One 2020/21	The report advises the Executive of the Councils financial position at quarter one 2020/21 including the projected effect of COVID-19 on the Councils finances and approves the proposed revenue budget virements over £150k and the revised investment strategy to 2022-23.	Yes
25/08/2020	The Mayor	Middlesbrough Development Company Limited - Shareholder Matters.	That the Council (as Shareholder): 1. Gives written notice to the company to appoint Cllr Ron Arundale as a director. 2. Approves a written resolution authorising any conflict Cllr Ron Arundale may have as a director of the company because he is a member of the Council.	No
01/09/20	Executive	CONFIDENTIAL - Middlesbrough Development Company: Strategic Plan, CSI site and Boho Village [Part B]	The approval of the MDC Business Plan attached as Appendix 1.	Yes
01/09/20	Executive	CONFIDENTIAL - Nunthorpe Medical Centre - Disposal [Part B]	Disposal of part of the Council's freehold interest in land at Nunthorpe Grange Farm for the purposes of healthcare development.	Yes
01/09/20	Executive	Fortnightly Residual Refuse Collections	That Executive consider the report on Fortnightly Residual Refuse Collections and approve: The proposal to consult on the move to Alternate Weekly (Fortnightly) Refuse Collections. That the results of the consultation be presented to Full Executive for consideration in November 2020.	No
01/09/20	Executive	Green Strategy	That Executive approve this proposal to commence consultation on the adoption of the emerging Green Strategy.	No

01/09/20	Executive	Middlesbrough Development Company: Strategic Plan, CSI site and Boho Village [Part A]	The approval of the MDC Business Plan.	Yes
01/09/20	Executive	Nunthorpe Medical Centre - Disposal [Part A]	Disposal of part of the Council's freehold interest in land at Nunthorpe Grange Farm for the purposes of healthcare development.	Yes
01/09/20	Executive	Re-designation of the North Ormesby Selective Landlord Licensing Scheme	The purpose of this report is to present the evaluation report for the North Ormesby Selective Landlord Licensing Scheme which comes to an end on 31st December 2020 and to seek approval to consult on the re-designation of the North Ormesby as a Selective Landlord licensing area and the proposed fee of £765.	No
01/09/20	Executive	Strategic Plan 2020-23 Progress at Quarter 1	To consider progress and performance targets, highlighting risks and issues to be considered	No
29/09/20	Executive	50 Futures Work Experience Programme Update	The purpose of the report is to inform members of the progress of the 50 Futures Work Experience Programme within Middlesbrough Council	No
29/09/20	Executive	Ayresome Industries – Disposal [Part A]	Disposal of the Council's freehold interest in Ayresome Industries.	Yes
29/09/20	Executive	CONFIDENTIAL - Marton Avenue Disposal PART B	To secure approval to dispose of the housing site at Marton Avenue	Yes
29/09/20	Executive	CONFIDENTIAL - Middlehaven - Disposal [PART B]	Disposal of part of the Council's freehold interest in land at Middlehaven for the purposes of residential development.	Yes
29/09/20	Executive	CONFIDENTIAL – Ayresome Industries – Disposal [Part B]	Disposal of the Council's freehold interest in Ayresome Industries.	Yes
29/09/20	Executive	Disposal of Land at Marton Avenue - PART A	To secure approval to dispose of the housing site at Marton Avenue	Yes
29/09/20	Executive	Estates Strategy	Implementation of revisions to the Council's existing Estates Strategy	Yes
29/09/20	Executive	Medium Term Financial Plan Update	To provide an update of the Council's Medium Term Financial Plan	Yes
29/09/20	Executive	Middlehaven - Disposal [PART A]	Disposal of part of the Council's freehold interest in land at Middlehaven for the purposes of residential development.	Yes
29/09/20	Executive	Update on progress relating to the revised delivery plan for Locality Working following Covid-19	That Executive note the progress made and consider the proposed location for the 2x Locality Working hubs and approve the implementation plan.	No
12/10/20	Executive Member – Finance and Governance	Test and Trace Support Discretionary Payment Scheme	The Self Isolation Policy has emerged following the most recent update from Local Government and will financially support Middlesbrough residents who are having to self isolate due to Covid 19.	Yes
14/10/2020	Executive Member – Finance and Governance	Tees Advanced Manufacturing Park – Plot 9 Yard Extension	Property decision required by 16 <sup>th</sup> October 2020 in order to be operational by mid-February 2021, creating 40 jobs.	Yes
27/10/20	Executive	Adoption of Development Briefs for sites at Hemlington North and Hemlington Grange South	That Executive adopts Development Briefs for sites at Hemlington North and Hemlington Grange South.	No

27/10/20	Executive	Council - Future Office Accommodation Update	The Executive reconsiders the preferred option of Centre North East for the future accommodation of Council Staff and approves that alternative options for accommodation are explored	Yes
27/10/20	Executive	Covid-19 Grant Funding and Expenditure	TBC	No
27/10/20	Executive	Members Small Scheme Allocation 2020/21	That Executive considers the schemes set out in this report and in respect of each scheme either: Approves the scheme; Rejects the scheme, or Endorses the scheme for future consideration.	Yes
24/11/20	Executive Member - The Mayor	Revenue and Capital Budget - Projected Outturn Position as at Quarter Two 2020/21	To advise the Executive of the Council's financial position at Quarter Two 2020/21, including the projected effect of Covid-19 on the Council's finances. To approve the proposed revenue budget virements over £150,000, and to approve the proposed revised Investment Strategy to 2022/23.	Yes
24/11/20	Executive	Annual Update: Special Educational Needs and or Disabilities 0-25	Local Area SEND Update	No
24/11/20	Executive	Children's Services Improvement Quarterly Briefing	To update the Executive and to seek comments on the progress made against the Children's Services Improvement agenda	Yes
24/11/20	Executive	Exempt - Nunthorpe Grange Farm: Disposal - Church Lane [Part B]	Disposal of part of the Council's freehold interest in land at Nunthorpe Grange Farm	Yes
24/11/20	Executive	Invest to save proposal. Reducing high cost placements and improving outcomes for children in care.	Permission to extend the contract for a managed team on an invest to save basis.  In June 2020 Children's Services commissioned a managed team from 'Innovate' to bring in additional capacity focussing on specific areas of work. This was agreed on an invest to save basis as one of these areas of work focussed on moving young people from external residential placements back to Middlesbrough either into our own residential provision, into local foster care or back to the care of their parents where it is safe and appropriate to do so. This is good social work practice. As external residential placements are the most significant budget pressure across the service moving young people from them into local provision avoids some further costs	No
24/11/20	Executive	Medium Term Financial Plan and Budget Savings Proposals 2021/22	That the Executive notes the Medium-Term Financial Plan position for 2021-24. That the Executive endorses proposed budget savings for 2021/22 and the proposed Council Tax increase for 2021/22. That this report is presented to Council on 16 December 2020, allowing consultation on the proposed budget savings to commence	Yes

24/11/20	Executive	Nunthorpe Grange Farm: Disposal - Church Lane [Part A]	Disposal of part of the Council's freehold interest in land at Nunthorpe Grange Farm	No
24/11/20	Executive	Place Planning Strategy Action Plan	The Place Planning Strategy sets out the challenges that the council faces in terms of ensuring an adequate and appropriate number of school places are available in Middlesbrough, and gives a broad outline of how the Authority will respond to them. The Action Plan will provide a more detailed account of how the Strategy will be delivered, including timescales and key benchmarks.	No
24/11/20	Executive	Quarter Two report - Progress against the Strategic Plan	To outline progress against the strategic plan and identify actions to address off target performance	No
24/11/20	Executive	Refreshing the Strategic Plan for the 2021-24 period	Prior to consideration by Full Council on 16 December 2020, this report will seek the Executive's endorsement of proposed revisions to the Council's strategic priorities. It is proposed that consultation on these priorities and the 2021/22 revenue budget will form part of the first 'annual conversation' with local communities and the Council's stakeholders and inform the refresh of the Strategic Plan for the 2021-24 period, which would be presented to the Executive on 16 February 2021 prior to consideration by Council on 5 March 2021.	No
24/11/20	Executive	Reprocurement of Sexual Health Services	To seek approval for Middlesbrough to be part of a reprocurement of a Tees Integrated Sexual Health Service, with a view to commence the new Service on the 1ST august 2021	Yes
24/11/20	Executive	Residual Waste Collection	That Executive consider the report on Fortnightly Residual Refuse Collections and approve: The proposal to consult on the move to Alternate Weekly (Fortnightly) Refuse Collections. That the results of the consultation be presented to Full Executive for consideration in November 2020.	Yes
24/11/20	Executive	Revised approach to COVID-19 Recovery	Update to Executive on progress of recovery and a request to reset recovery priorities and timeframe.	Yes
24/11/20	Executive	Town Centre Strategy	To update the town centre strategy in response to changing economic circumstances.	Yes
02/12/20	Executive Member for Finance and Governance	Local Restrictions Support Grant (LRSG) Tier 2 (open)	The Executive Member for Finance & Governance approves the LRSG Tier 2 (Open) Discretionary Payments Scheme in response to the announcement by Central Government on 22 October. This is support for businesses that were not legally required to close but which were severely impacted by the Covid Alert Level 2 localised restrictions imposed on Middlesbrough.	Yes
02/12/20	Executive Member for Finance and Governance	Revised Interim Corporate Procurement Strategy 2020 - 2023	That Single Executive Member for Finance, Governance & Support approves the revised interim Corporate Procurement Strategy 2020 – 2023.	No

02/12/20	Executive Member for Finance and Governance	Winter Grant Payment & Financial Assistance and Advice Covid 19 Funding	The allocation of the Winter Fund Payment in response to the announcement by Central Government on 8 November 2020. The funding is provided for by the DWP to provide direct assistance to vulnerable households with children.  Additional funding of £500k for the provision of Financial Assistance and Advice Support Payment from Covid 19 grant fund to be allocated to provide direct support to 'other' types of household composites and will also extend to individuals who are at risk of poverty.	Yes
10/12/20	Executive Member for Finance and Governance	Additional Restrictions Grant	The Additional Restrictions Grant (ARG) Discretionary Scheme in response to the business support announcement by Central Government on 22 October. The scheme provides essential financial support to businesses who have not been able to access support from the Local Restrictions Support Grant.	Yes
22/12/2020	Executive	Adult Social Care: COVID-19 Winter Plan Update	To provide Executive with an update on the Department of Health and social cares instruction to local Authorities on arrangements for hospital discharges over the winter.	Yes
22/12/2020	Executive	Middlesbrough Leisure Indoor and Built Facility Strategy	That Executive approves the adoption of the Middlesbrough Leisure Indoor Built Facility Strategy for use as a source of reference in decisions pertaining to Middlesbrough's sport/leisure indoor built facilities.	Yes
22/12/2020	Executive	Middlesbrough Playing Pitch Strategy	That Executive approves the adoption of the Middlesbrough Playing Pitch Strategy for use as a source of reference in decisions pertaining to Middlesbrough's playing pitches	Yes
22/12/2020	Executive	Virtual School Interim Annual Report	Annual Virtual School Update	No
22/12/2020	Executive	Additional Highways Capital	It is recommended that Executive approves the additional Highways Capital funding	Yes
22/12/2020	Executive	Lower Ormesby Beck Nature Reserve	That Executive approve the designation of Lower Ormesby Beck as a Local Wildlife Site.	Yes
22/12/2020	Executive	Transporter Bridge - Future Operation	It is recommended that Executive approves the implementation of a repair programme and the funding requirements to ensure the ongoing structural integrity of the Transporter Bridge.	Yes
22/12/2020	Executive	Calculation of Council Tax Base for 2021/2022	The report seeks Executive to endorse the council tax base for the financial year 2021/2022 which has to be approved by Council by the statutory deadline of 31 January 2021.	Yes
22/12/2020	Executive	Stainsby Country Park (formally known as Stainsby/Stainsby Detailed Masterplan)	Introduce the revised masterplan and seek approval to consult on this.	Yes
22/12/2020	Executive	Final Report of the Children and Young People's Learning Scrutiny Panel - Addressing Poverty Issues and the Impact on Learning - Service Response	That the Executive approves the cross-departmental response, and accompanying action plan, to the Children and Young People's Learning Scrutiny Panel's final report on Addressing Poverty Issues and the Impact on Learning	No



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<b>MIDDLESBROUGH COUNCIL</b>	
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<b>Report of:</b>	Director of Legal and Governance Services
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<b>Submitted to:</b>	Corporate Affairs and Audit Committee, 4 February 2021
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<b>Subject:</b>	Health and Safety: Annual Assurance Report 2020
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**Summary**

**Proposed decision(s)**

That the Committee notes the arrangements in place to govern health and safety within the Council, progress in the past year, and plans to further strengthen those arrangements.

Report for:	Key decision:	Confidential:	Is the report urgent?
Information	Not applicable	No	Not applicable

**Contribution to delivery of the 2020-23 Strategic Plan**

People	Place	Business
Effective health and safety management is a legal requirement and supports the achievement of all strategic priorities set out within the Council's Strategic Plan 2020-23.		

**Ward(s) affected**

Effective health and safety management will safeguard those working for and engaging with the Council and its services across Middlesbrough.

## **What is the purpose of this report?**

1. The aim of this report is to provide the Corporate Affairs and Audit Committee with an annual review of the corporate approach to the management of health and safety within the Council. It also provides details of the proposed action plan in the year ahead.
2. In previous years this report also set out activity relating to employee wellbeing. These matters will in future be reported separately to the Committee.

## **Why does this report require a Member decision?**

3. To support the Committee in discharging its remit to seek assurance that the Council has good corporate governance practices, which includes the management of health and safety.

## **Report Background**

4. Health and safety management is the collective responsibility of all elected members and officers of the Council.
5. The corporate Health and Safety Policy:
  - defines the Council's legal duty in relation to health and safety;
  - outlines the requirements of the health and safety management system; and
  - details specific roles and responsibilities of elected members, the Chief Executive and leadership team, managers, employees and the Council's Health and Safety Unit.
6. The Corporate Health and Safety Committee meets on a quarterly basis to discuss health and safety performance and advise the Council on health and safety matters. LMT is briefed on this report and any matters arising where appropriate.
7. The Health and Safety Unit is now up to full complement and work is continuing on developing team members in their new generic roles. The COVID-19 pandemic, specifically building closures, has impacted upon the Unit's ability to deliver a business as usual service, and the opportunity has been taken to implement changes around policy, procedures and manager and staff training in order to develop a fully-auditable health and safety system for the Council.

## **Progress in the past year**

8. Progress made against the 2020/2021 health and safety action plan is set out in the following paragraphs.
9. Health and safety incident investigation training was finalised and rolled out to relevant management and staff. There is evidence to show that investigations have improved, with actions prevent recurrence provided for most incidents. However it is also recognised that further work is required to bring investigations up to the required standard and the Health and Safety Unit continues to support management in improving their knowledge and practise in this area.

10. The Council's Health and Safety Policy was revised during Quarter One 2020/21 to reflect changes made to the corporate health and safety management system. A statement of intent was also produced and signed by the Chief Executive to demonstrate the Council's commitment to health and safety. Both documents are available on the Council's intranet and the statement of intent will be displayed on health and safety notice boards in poster form in all Council premises.
11. A number of corporate health and safety procedures were produced or updated to support the Council in the implementation and maintenance of a robust health and safety management system as outlined within the Health and Safety Policy. These are:
  - Building Manager Procedure
  - Risk Assessment Procedure
  - Manual Handling of Objects Procedure
  - Lone Working Procedure
  - First Aid Procedure
  - Permit to Work Procedure
  - PVPR Procedure
  - Health and Safety Auditing procedure
  - Communication and Consultation Procedure.
12. All procedures are available on the Council's intranet.
13. Health and safety training was provided to new directors to advise them on their roles and responsibilities in line with the corporate policy and procedures.
14. A premises health and safety plan template was produced to provide building managers with a framework to implement robust health and safety management systems within their premises. Training was produced and rolled out to all relevant building managers. Premises health and safety plans are now in place for all Council premises and will be audited this year to benchmark performance and identify areas for further improvement.
15. A risk assessment procedure was produced with a new standard template including a risk matrix to calculate overall risk, an action register and a review section in line with the Health and Safety Executive's '5 steps to risk assessment' approach. Training was produced and rolled out to all relevant managers.
16. A decision was also made by risk management group to provide specific training for potentially high risk areas to improve ownership and ensure risk assessments are suitable and sufficient.
17. In response to the COVID-19 pandemic, a number of specific risk assessment templates were produced for services and continue to be regularly updated in line with the Government's guidance on COVID-Secure workplaces. These documents support managers in making premises COVID-Secure, protecting staff and reducing transmission risks. Supporting checklists were also developed to provide managers with a documented system to monitor compliance. The Health and Safety Unit carried out audits as per schedule and included COVID-19 checks as part of their interim auditing process.

18. Advisors within the Health and Safety Unit have continued to upskill as part of the commitment to towards a generic role. They have completed 'train the trainer' courses to provide them with training delivery skills and fire safety qualifications to support their development as fire risk assessors.
19. An evacuation chair training course was developed internally and rolled out to all relevant staff to enable them to operate evacuation chairs in emergency situations. This course has ensured compliance with training requirements and brought about significant costs savings when compared with the cost of external courses.
20. As set out in paragraph 10, a permit to work procedure was developed and a number of templates produced to support managers and staff in controlling the risks associated with high-risk, non-routine work, including work carried out by external contractors. A training course has also been developed internally to support staff who are responsible for implementing the permit to work system within their service area.

### **Planned activity for this year**

21. Key activity to be delivered during 2021/22 includes:
22. Procuring and implementing a new health and safety management system, digitising a number of key functions including incident reporting and the health and safety auditing systems together with a comprehensive action tracker to monitor the closure of actions.
23. Producing and communicating the following corporate health and safety procedures:
  - Work at Height Procedure
  - Display Screen Equipment (DSE) Procedure
  - Manual Handling of People Procedure
  - Control of Substances Hazardous to Health (COSHH) Procedure
  - New and Expectant Mothers Procedure
24. Continuing to support the Council throughout the COVID-19 pandemic, offering advice and guidance to managers as required.
25. Development of a series of health and safety plans for individual service areas in order to benchmark performance. Audits will also be developed to ascertain performance levels using the proposed framework.
26. Implementing the premises health and safety audits in accordance with the requirements of the health and safety auditing procedure. Performance across the organisation will be benchmarked to identify areas requiring improvement and support provided to managers to ensure continuous improvement.
27. Developing and delivering a bespoke permit to work course and rolling this out to relevant services, supporting managers to implement the procedure and auditing progress.
28. Continuing to support services to implement the Potentially Violent Persons Procedure throughout the Council.

29. Continuing to upskill the Health and Safety Unit and relevant others in order for them to deliver effective manual handling training within the organisation. Training sessions will be arranged on the basic manual handling principles and advanced lifting techniques with the aim of changing the way manual handling is delivered within the organisation. Manual handling procedures will be reviewed on completion of the CPD courses and training amended to reflect changes.
30. Amending the fire warden training to incorporate the requirements of the fire safety procedure and associated documentation, providing building managers and fire wardens with a clear understanding of their roles and responsibilities.
31. Developing a face-to-face risk assessment training course to enable managers and staff to complete suitable and sufficient risk assessment in accordance with the requirements of the updated risk assessment procedure and associated forms. This will ensure risk assessments meet the requirements of the HSEs “5 steps to risk assessment” approach. Scenarios within the training will concentrate on service area scenarios in order to improve ownership.

#### **What decision(s) are being asked for?**

32. That the Committee notes the arrangements in place to govern health and safety within the Council, progress in the past year, and plans to further strengthen those arrangements.

#### **Why is this being recommended?**

33. To support the Committee in discharging its responsibility in relation to corporate governance, including health and safety.

#### **Other potential decisions and why these have not been recommended**

34. Not applicable.

#### **Impact(s) of recommended decision(s)**

##### **Legal**

35. Health and safety is governed the Health and Safety at Work Act 1974, the Management of Health and Safety at Work Regulations 1999 and a range of other associated regulations. This report sets out, at a high level, the measures that the Council is taking and plans to take in order to ensure compliance with this legal framework and minimise health and safety risk.

##### **Financial**

36. It is anticipated that all activities set out in this report are achievable within existing and planned budgets.

##### **Policy Framework**

37. Current and planned activity outlined is consistent with the direction of travel set out in the 'Business' section of the Strategic Plan, so this report does not seek to vary the Council's Policy Framework.

## **Equality and Diversity**

38. Not applicable.

## **Risk**

39. Effective health and safety management contributes to the mitigation of a number of risks within the Council's risk registers. The Council must comply with the Health and Safety at Work Act 1974 to ensure risks are appropriately managed to avoid accidents and HSE prosecutions (O7-026). The activity set out in this report will contribute to the achievement of the targeted risk score for this risk.

## **Actions to be taken to implement the decision(s)**

40. The activity outlined in the main body of the report will result in continued improvements in the Council's health and safety arrangements, with progress reported to the corporate Health and Safety Committee on a quarterly basis.

## **Appendices**

None.

## **Background papers**

06/02/20 Corporate Affairs and Audit Committee Annual Assurance Report 2019

**Contact:** John Armstrong, Health and Safety Manager

**Email:** [john\\_armstrong@middlesbrough.gov.uk](mailto:john_armstrong@middlesbrough.gov.uk)

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<b>MIDDLESBROUGH COUNCIL</b>	
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<b>Report of:</b>	Director of Legal and Governance Services
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<b>Submitted to:</b>	Corporate Affairs and Audit Committee, 4 February 2021
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<b>Subject:</b>	Business Continuity Management: Annual Assurance Report 2020
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**Summary**

**Proposed decision(s)**

That the Committee notes the arrangements in place to manage business continuity within the Council, progress in the past year, and plans to further strengthen those arrangements.

Report for:	Key decision:	Confidential:	Is the report urgent?
Information	Not applicable	No	Not applicable

**Contribution to delivery of the 2020-23 Strategic Plan**

People	Place	Business
Effective Business Continuity Planning will ensure the Council is able to recover and maintain critical services that could be affected by an incident e.g. electricity failure.		

**Ward(s) affected**

The proposals have no direct impact on wards in Middlesbrough.

## **What is the purpose of this report?**

1. The purpose of this report is to outline the Council's approach to Business Continuity Planning, including testing, to summarise activity in the past year and planned activity for 2021 to provide the Committee with assurance that the Council has robust arrangements in place as required by the Civil Contingencies Act 2004.

## **Why does this report require a Member decision?**

2. To support the Committee in discharging its remit to seek assurance that the Council has good corporate governance practices, which includes business continuity management.

## **Report Background**

3. The Council has a duty under the Civil Contingencies Act 2004 to develop and maintain plans to enable the continued delivery of 'business critical functions' during a 'business interruption' event.
4. Business continuity planning is separate to emergency planning, which set out how the Council responds to emergency incidents that impact on residents and businesses, though there will be times where the two disciplines interrelate.

### **The Council's approach**

5. The Council's Corporate Business Continuity Plan defines critical functions as those which, if interrupted could result in:
  - risk of serious injury;
  - risk of death;
  - massive financial losses; or
  - significant damage to the Council's reputation.
6. The Council will consider activating its plans if there is a business interruption event that:
  - is likely to last for more than half a working day;
  - affects a vulnerable group of service users;
  - impacts on the delivery of key critical activities;
  - restricts access to one of the key council buildings;
  - could generate significant damage to the Council's reputation; or
  - is highly likely to escalate into one of the above categories.
7. The Council has the following Business Continuity plan in place to respond to the variety of events that could occur:
  - the Corporate Business Continuity Plan;
  - supporting Departmental Business Continuity Plans;
  - Relocation Plan;
  - ICT Disaster Recovery Plan;
  - Fuel Plan (typically held in abeyance);

- Flu Pandemic Plan; and
  - Coronavirus Pandemic Plan (which was developed this year).
8. The Council does not publish its Business Continuity Plans as they outline sensitive information in respect of critical functions and their recovery that could be misused, and contain personal information relating to employees that have agreed to share personal contact details to enable the Council to get in touch with them quickly in the event of an incident. Therefore the paragraphs below outline the content of the Council's plans only in broad terms.
  9. The **Corporate Business Continuity Plan** is the overarching plan for the organisation. It sets out the structure used to identify and prioritise critical functions; mechanisms for enacting the plan; how all plans are maintained, tested and reviewed; and policies and procedures in place to support effective Business Continuity Planning.
  10. Supporting **Departmental Business Continuity Plans** set out detailed recovery arrangements for each critical function or activity by Directorate of the Council, outlining information on buildings used to deliver the function or activity, staff information, key equipment and supplies, key records, ICT systems and other key contacts.
  11. The **Relocation Plan** sets out how staff for critical functions / activity would be relocated to other buildings within the Council's estate or sent home to work using agile working solutions, if one or more buildings became inaccessible.
  12. The **ICT Disaster Recovery Plan** focuses on maintaining ICT for business critical functions, highlighting those applications which are hosted externally, and any services supported by the Council's key partners.
  13. The Council's approach is, in the main, not to write numerous plans for different risks to critical functions. The Fuel, Coronavirus Pandemic, Flu Pandemic and ICT Disaster Recovery plans are exceptions to this rule, created in response to specific risks that have faced the Council in recent years and the scale of the interruption that such events could cause.
  14. The **Fuel Plan** outlines how the Council would respond to fuel shortages to ensure business critical staff are able to continue to do their work. This plan was created when there was a significant risk of a national fuel strike, but is not normally a part of the review schedule. However due to the potential increased risk of disruption to supply and to transport networks in a 'No Deal' Brexit scenario, this plan was updated and reinstated into the schedule during the past year.
  15. The **Flu Plan** was created a number of years ago in response to the increased risk of pandemic at that time and outlines how the Council would prioritise certain services and change operating practices to enable them to be able to continue to deliver critical functions in the event of a flu pandemic. This plan is normally updated on an annual basis, and has again been reviewed and refreshed in line with the latest national guidance.
  16. The **Coronavirus Pandemic Plan** was newly created in 2020, capturing the learning from the first wave of the COVID-19 pandemic. The Council's response to the initial

wave used existing emergency plans and the Flu Pandemic plan. However, in line with national policy developments, it was agreed that a separate plan would be developed given the differences between novel coronaviruses and influenza and the required responses to each.

17. The Coronavirus Plan is structured by phase of response: pandemic preparedness, response, outbreak control, recovery and review, with each phase setting out the required processes and procedures along with the supporting documentation utilised. The Plan is being kept under regular review as the national and local pandemic response develops.

### **COVID-19 – lessons learned**

18. Clearly the COVID-19 pandemic has presented and continues to present a significant test of the Council's business continuity planning, affecting all services. A report to the Executive on 16 June 2020 outlined in detail the Council's response to COVID-19 and proposed recovery arrangements. These arrangements have had to be varied in light of subsequent waves of the pandemic, and the Executive and all members have been regularly updated since that time.
19. As set out in the report, the Council and its partners conducted a very strong response to the COVID-19 pandemic which has been commended by the Government. In line with good practice, the Council conducted a lessons learned exercise with staff involved in the first wave response. Communications were singled out as being particularly strong, in particular the communications from the Chief Executive to all staff, which at the height of the first wave of the pandemic were on a daily basis.
20. Areas for improvement identified included reviewing the delegation of decisions with the aim of reducing the number of issues being escalated to Gold Command and the agreement of a process to ensure that managerial and service capacity was not exceeded in the event of multiple emergency events occurring at the same time. Work has been undertaken since that time to refine these processes to improve future response. The exercise also identified a small number of administrative improvements. Five of these have now been implemented with the remaining four due to complete in April 2021.

### **Plan testing**

21. The Council tests its plans at least once every 12 months, or produces a lessons learnt report if a live has occurred during the past year. As such, due to COVID-19 a test was not undertaken in 2020.

### **Review schedule**

22. In a normal planning cycle Business Continuity Plans are updated every six months, and reviewed on an annual basis (May and November), with the scale of the review dependent on the level of organisational change that has occurred in the intervening period. In some years this means that only minor updates (e.g. contact details) are required, in others fundamental reviews will be required to reflect changes to the Council's structure or other significant developments e.g. where services have been outsourced, or brought back in house.

23. This year's review was brought forward to February in response to the COVID-19 pandemic in order to ensure plans were robust, all critical services were covered and plans contained sufficient detail to respond to the specific nature of the event.
24. A number of new business continuity plans were created prior to and during the pandemic for functions newly identified as critical to the response (e.g. cleaning) and for those services that returned to the Council management during the pandemic.
25. As part of this review there was an increased focus on the robustness of agile working given the almost certain likelihood of employees being asked to work from home to maintain service delivery for the public for a sustained period of time.
26. From 23 March 2020, in response to the national lockdown, around 1,200 employees moved to home working. This was a major event for the Council's ICT Services, involving not only rapidly increasing the supply of kit but providing new functionality such as video conferencing. The planned refresh of the firewall and security structure was also brought forward in order to provide longer term additional capacity for up to 2,000 users to work remotely. New ways of using social media were also implemented to support social care services to interact with service users.

### **Progress on the improvement plan for 2020/21**

27. A Business Continuity Improvement Plan was developed for 2020/21 which covered training, documentation, communication, equipment and location arrangements. Progress on this plan is set out below.

#### *Training*

28. A table top exercise was planned for Heads of Service and managers, however as with testing this was not undertaken due to COVID-19, with managers gaining real world experience.
29. A full Disaster Recovery test was undertaken on the Council's data centres during the year, involving testing the resilience of the generators, Uninterrupted Power Supply (UPS) systems and environmental systems e.g. fire suppression. The test was successful and provided assurance that in the event of a major power outage within the town or the loss of one of the data centres, the Council's business critical applications would continue to be supported.

#### *Documentation*

30. As set out above, an update and full review of the Business Continuity Plans was undertaken within the year. The Council's Relocation Plan was also reviewed. The increased ability to work from home following the implementation of solutions during COVID-19 reduces the likelihood that this plan would need to be enacted in future, unless there was also a concurrent loss of access to ICT as well as loss of access to office space.
31. As set out previously, a Coronavirus Plan was created to ensure that all the learning from COVID-19 was captured and appropriate processes, procedures and structures to deal with such an event are able to be stood up again rapidly.

## Communication

32. Initial work has progressed for the Business Continuity Team to access mapping information so it can be utilised during an incident. The mapping tool to be utilised is ESRI and initial training has been received by the Risk Business Partner. The next steps are to identify the data sources that need to be overlaid onto the maps so this information is in place should it be required if an incident occurs. Further work to enhance this will be undertaken in 2021/22.

### **Business Continuity activities for 2021/22**

33. During 2021/22 further work will be undertaken to build on progress made within the previous improvement plan as part of the Council's commitment to continuous improvement in corporate governance. Future planned work includes the following:

Work Activity	Action
Training	<ul style="list-style-type: none"><li>• Produce a scenario and undertake a BC exercise to test the effectiveness of the plans.</li><li>• Produce a scenario and undertake a test of the ICT Disaster Recovery Plan to test its effectiveness.</li><li>• Train a wider cohort of staff to reduce the risk that multiple events could exceed staff capacity to respond.</li></ul>
Documentation	<ul style="list-style-type: none"><li>• Undertake a full review and update of all Business Continuity Plans to ensure they remain fit for purpose.</li><li>• Take the learning from the ICT Disaster Recovery test and include any recommendations in the Business Continuity Improvement Plan.</li></ul>
Communication	<ul style="list-style-type: none"><li>• Further develop the ERSI mapping tool to include data sources which can be overlaid on maps for different types of business continuity incidents.</li></ul>

34. The improvement plan is monitored at the Risk Management Group which meets on a quarterly basis and reviews progress against agreed actions.

### **What decision(s) are being asked for?**

35. That the Committee notes the arrangements in place to manage business continuity within the Council, progress in the past year, and plans to further strengthen those arrangements.

### **Why is this being recommended?**

36. To support the Committee in discharging its responsibility in relation to corporate governance, including business continuity management.

### **Other potential decisions and why these have not been recommended**

37. Not applicable.

## **Impact(s) of recommended decision(s)**

### **Legal**

38. The Council has a legal duty to ensure its business continuity arrangements comply with the requirements of the Civil Contingencies Act 2004.

### **Financial**

39. It is anticipated that all activities set out in this report are achievable within existing and planned budgets.

### **Policy Framework**

40. Current and planned activity outlined is consistent with the direction of travel set out in the 'Business' section of the Strategic Plan, so this report does not seek to vary the Council's Policy Framework.

### **Equality and Diversity**

41. Not applicable.

### **Risk**

42. Business continuity planning positively impacts on the following risks:

- the risk of the Council not having adequate governance processes in place to ensure that compliance is in place with all relevant legislation (O8-054);
- should a large scale incident occur then the Council must ensure it has suitably robust plans in place which will allow business critical services to continue (O8-052); and
- that these are tested on a regular basis to ensure they are fit for purpose and they allow for a diversion of resources if required (O8-037).

## **Actions to be taken to implement the decision(s)**

43. The activity outlined in the main body of the report will result in continued improvements in the Council's business continuity arrangements, with progress reported to the corporate Risk Management Group on a quarterly basis.

### **Appendices**

None.

### **Background papers**

06/12/18	Corporate Affairs and Audit Committee	Annual Assurance Report 2018
19/12/19	Corporate Affairs and Audit Committee	Annual Assurance Report 2019

**Contact:** Heather Pearce, Risk Business Partner  
**Email:** [heather\\_pearce@middlesbrough.gov.uk](mailto:heather_pearce@middlesbrough.gov.uk)

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<b>MIDDLESBROUGH COUNCIL</b>	
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<b>Report of:</b>	Director of Legal and Governance Services
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<b>Submitted to:</b>	Corporate Affairs and Audit Committee, 4 February 2021
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<b>Subject:</b>	Performance and Risk Management: Annual Assurance Report 2020
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**Summary**

**Proposed decision(s)**

That the Committee notes the arrangements in place to govern performance and risk management within the Council, progress in the past year, and plans to further strengthen those arrangements.

Report for:	Key decision:	Confidential:	Is the report urgent?
Information	Not applicable	No	Not applicable

**Contribution to delivery of the 2020-23 Strategic Plan**

People	Place	Business
Effective performance and risk management supports the achievement of all strategic priorities set out within the Council’s Strategic Plan 2020-23.		

**Ward(s) affected**

The proposals have no direct impact on wards in Middlesbrough.

## **What is the purpose of this report?**

1. The purpose of this report is to outline the Council's approach to performance and risk management, to summarise activity in the past year and planned activity for 2021 to provide the Committee with assurance that the Council has robust arrangements in place for these disciplines.
2. This report replaces the previously separate reports on programme and project and risk management in order to more clearly outline the interrelationship of governance of these disciplines with organisational performance management.

## **Why does this report require a Member decision?**

3. To support the Committee in discharging its remit to seek assurance that the Council has good corporate governance practices, which includes performance, programme and project and risk management.

## **Background**

4. The Council's approach to these disciplines is articulated within the following policies:
  - Performance Management Policy;
  - Programme and Project Management Policy; and
  - Risk and Opportunity Management Policy.
5. In February 2020, revised versions of these policies were approved by the Executive in order to maximise their impact on the Council's strategic aims and priorities, as set out within the Strategic Plan. The revisions better aligned and integrate the process underpinning these policies and improved their relationship with financial management procedures, and aimed to better exploit the solutions provided by the Council's digital and information strategies to promote real-time and more effective management.

## **Performance management approach**

6. Full Council approved a Strategic Plan for the period 2020-2023 on 15 January 2020. However, nine days after this plan was approved, the first case of COVID-19 in Europe was reported, with the first case in the UK confirmed a week later on 31 January, in York. The first confirmed death in Middlesbrough was on 19 March and it is now well-established that since then Middlesbrough has experienced one of the highest rates of confirmed COVID-19 cases in the UK.
7. COVID-19, both the response to it and the recovery from it, will have a significant impact on the local people and communities, the local economy and fundamentally change the way the Council does business in the future. As such, on 16 December Full Council approved a public consultation on a set of revised priorities for the remainder of the Elected Mayor of Middlesbrough's term. This priorities will form the basis of a revised Strategic Plan to be considered by Full Council in February 2021.
8. While COVID-19 has been disruptive in terms of planned performance, a number of significant achievements have been made in line with the Council's Strategic Plan. These have been reported to the Executive and Overview and Scrutiny Board on a quarterly basis and were summarised in the December report to Full Council.

9. This report also sets out plans to improve focus upon and strengthen delivery of the Strategic Plan, a supporting workplan will be developed in the period to March 2021, bringing together all current and planned activity in support of the Council's strategic priorities. This workplan will be presented to the Executive for approval on 16 March 2021.
10. Significant work has also been undertaken in the year to integrate performance data across the organisation and develop a number of portals and dashboards to improve corporate and Directorate performance management. Leadership Team continues to review the corporate dashboard on a monthly basis. The focus in the coming year will be to implement monthly cycles across all Directorates that will support the delivery of improved performance against strategic change and business-as-usual activity in line with the Performance Management Policy.
11. During the last 12 months there has been a strong focus on improving the use of performance data within children's services and embedding a strong performance management culture within the service. Corporate and Directorate officers have worked closely together to deliver improvements to performance management that have been recognised and commended by the Government-appointed Commissioner and the Department for Education.
12. In addition to this there has also been a strong focus on improving performance data on crime and anti-social behaviour with a number of dashboards and analyses being produced to support ongoing activity to reduce the prevalence and impact of crime and ASB within Middlesbrough.

### **Programme and project management approach**

13. The Programme and Project Management (PPM) policy and its underpinning framework provide a standardised approach to the governance of programmes and projects, including standard documentation.
14. Since the introduction of this policy in 2015, the Council's approach to PPM has matured and a number of improvements have been identified and implemented.
15. In the past activity that should properly be managed through business-as-usual arrangements was managed in the PPM environment to provide additional assurance around its delivery, however this has now been addressed by strengthening oversight of business-as-usual and the delivery of change activity that does meet PPM thresholds.
16. Similarly, has also been an improvement in the last 12 months in the accuracy of scoring programmes or projects when assessing their complexity. The categorisation matrix has been revised to (i) align with the Council's risk appetite and scoring, (ii) ensure that scoring across the Council is accurate and consistent, and (iii) that governance is proportionate.
17. As a result of both improvement actions, the Council's portfolio of programmes and projects has reduced to a level both expected and manageable for an organisation of the Council's size.

18. The portfolio has been reorganised to clearly align it with the aims and strategic priorities of the current Strategic Plan, with all projects connected to overarching programmes and portfolios wherever possible to clearly articulate their contribution.
19. COVID-19 has a significant impact on the progress of programmes and projects worldwide, with the Council being no exception. An analysis was undertaken in the year on the impact of COVID-19 on time, cost, scope and benefits. This has informed the review of the Council's Medium-Term Financial Plan, budgeting for 2021/22 and the forthcoming revision of the Council's Strategic Plan and will be kept under continuous review.
20. A number of changes will be finalised by the end of 2020/21 to core documentation and support structure in place to reflect the above and enhance delivery of programmes and projects going forward, including:
  - a specific and scalable business case document to improve transparency of the justification for programmes and projects to allow for increased scrutiny and detail without needing artificially inflated scoring;
  - a strong emphasis on business change management within the supporting framework to support service transformation programmes and projects;
  - a social value model included the framework to strengthen the integrity of social value projects and to demonstrate social return on investment;
  - integration of PPM board meetings within the planned monthly performance management cycle, continuing to focus on exception reporting at a portfolio level, making best use of business intelligence solutions; and
  - commence the development and delivery of a project management masterclass to educate programme and project managers in the use of the framework and governance arrangements required.

### **Risk Management approach**

21. During 2020 the Council risk appetite was refreshed reviewed and revised to bring it in line with the Council's current financial standing so that risks are being captured and scored in line with this. All risk management documentation has also been reviewed and updated to take on board these changes.
22. The Council uses risk registers to manage the various risks it identifies. The overarching risk register (the Strategic Risk Register) captures the most significant risks the organisation is exposed to that could impact on its ability to deliver the strategic priorities outlined in the Strategic Plan.
23. The Strategic Risk Register is underpinned by departmental level risk registers. Within project and programmes, risks are captured through the use of standardised project documentation, which includes risk registers. There are processes in place to ensure risks are considered either as they are managed during business-as-usual activity or throughout the life of a project and that they are escalated and de-escalated as appropriate.
24. A summary of the Strategic Risk Register is considered every three months by the Executive as part of a report on performance against delivery of the Strategic Plan and other key performance measures, with the same report considered by Overview and Scrutiny Board. A summary of the Strategic Risk Register at Quarter Two 2020/21 is at

Appendix 1. The Committee should note the risk profile relating to Brexit has changed as a result of confirmation of the UK / EU Trade and Security Agreement in late December 2020. This will be reflected in the Quarter Three update.

25. The status of risks has been included in the monthly integrated performance management process and although due to COVID-19 formal meetings have yet to be launched, portals containing required information are available to managers and are being used to inform performance and risk discussions, following the successful roll-out of the council's risk management ICT system across the organisation.
26. A Risk Improvement Plan was developed in 2017/18 and is refreshed on an annual basis. Activity focusses on the following areas:
- risk communication and training;
  - risk identification and monitoring; and
  - risk management processes.
27. Key activities and events since risk was last reported to the Committee are set out in the following paragraphs.
- The corporate Risk Management Group continues to meet on a quarterly basis to monitor the implementation of the risk management improvement plan and to identify new and emerging risks to the organisation, reporting to the newly established Corporate Governance Board by exception.
  - A risk management masterclass continues to be provided for officers on a quarterly basis where required, although it has been replaced by ad hoc remote sessions, focussed on new employees during the pandemic. An awareness session for members forms part of the Member Development Programme and was provided this Committee on 24 August 2020.
  - Links with the Council's internal auditor were strengthened further during 2020 with the Audit and Assurance Manager now being a member of the corporate Risk Management Group and Corporate Governance Board. The Council's risk registers continue to inform the annual internal audit plan.
  - All final audit reports are now loaded into the risk management ICT system so actions can be tracked and reminders sent out to relevant officers to improve visibility and oversight.
28. The Council's risk management arrangements were audited during the year, receiving an opinion of **Substantial Assurance**. During 2021/22 work will be undertaken to build on the progress made in 2020/21, including:
- reviewing and refreshing risk mitigation activity within the Council's risk registers;
  - undertaking a review of the communications and engagement plan, aligning it to the wider corporate governance agenda; and
  - supporting the roll-out of the integrated monthly performance process.

#### **What decision(s) are being asked for?**

29. That the Committee notes the arrangements in place to manage performance and risk management within the Council, progress in the past year, and plans to further strengthen those arrangements.

### **Why is this being recommended?**

30. To support the Committee in discharging its responsibility in relation to corporate governance, including business continuity management.

### **Other potential decisions and why these have not been recommended**

31. Not applicable.

### **Impact(s) of recommended decision(s)**

#### **Legal**

32. The proposed activity is consistent with and will promote the achievement of the Council's legal duty to achieve Best Value.

#### **Financial**

33. It is anticipated that all activities set out in this report are achievable within existing and planned budgets.

#### **Policy Framework**

34. Current and planned activity outlined is consistent with the direction of travel set out in the 'Business' section of the Strategic Plan, so this report does not seek to vary the Council's Policy Framework.

#### **Equality and Diversity**

35. Not applicable.

#### **Risk**

36. The processes set out within this report supports work to mitigate the risk of the Council not having adequate governance processes in place to ensure that compliance is in place with all relevant legislation (Risk Register No O8-054).

### **Actions to be taken to implement the decision(s)**

37. The activity outlined in the main body of the report will result in continued improvements in the Council's performance and risk management arrangements, with progress reported to the corporate Risk Management Group and Corporate Governance Board on a quarterly basis.

### **Appendices**

1 Summary Strategic Risk Register at Quarter Two 2020/21

## Background papers

26/07/18	Corporate Affairs and Audit Committee	Annual Assurance Report: Risk
06/06/19	Corporate Affairs and Audit Committee	PMO Six monthly report
25/07/19	Corporate Affairs and Audit Committee	Annual Assurance Report: Risk

**Contact:** Ann-Marie Johnstone, Governance and Information Manager

**Email:** [annmarie\\_johnstone@middlesbrough.gov.uk](mailto:annmarie_johnstone@middlesbrough.gov.uk)

## Appendix 1: Summary Strategic Risk Register at Quarter Two 2020/21

The table below sets out high and medium risks to the achievement of the Council's strategic priorities at Quarter Two 2020/21 in order of severity, with impacts ranging from insignificant to extreme, and likelihood ranging from rare to almost certain to happen.

In line with its Risk and Opportunity Management Policy, the Council aims (where possible) to manage down High risks to the lowest practicable level immediately and Medium risks to the lowest practicable level within three months.

Risk Level	Risk	Impact	Likelihood	Trend
High	Business continuity impacted by No Deal Brexit.	Extreme	Almost certain	⬆️
High	External factors (e.g. Brexit, COVID-19) impacting Middlesbrough's economy.	Extreme	Almost certain	⬆️
High	Failure to control expenditure within Children's Services (MFTP pressure).	Extreme	Likely	➡️
High	Retail market distress impacting Middlesbrough town centre.	Major	Almost certain	➡️
High	Failure to achieve full reimbursement from Government for costs incurred in responding to COVID-19 to date and risks of further costs being incurred as a result of local outbreaks (MFTP pressure).	Extreme	Possible	➡️
High	Insufficient funding to meet increased expenditure that might be incurred from increased demand as a result of COVID-19 (MFTP pressure).	Extreme	Possible	➡️
High	Failure to adapt service delivery to COVID-19 Secure guidelines.	Extreme	Possible	➡️
High	Inaccurate MFTP resulting in funding gap requiring further savings.	Major	Likely	➡️
High	Breach of data rights due to untimely response to information requests.	Major	Likely	➡️
High	High residential voids / low sale values within Middlesbrough.	Major	Likely	➡️
High	Inadequate safeguarding practices lead to children and young people being at risk.	Major	Likely	➡️
High	Historical investigations requiring changes to social work practice.	Major	Possible	⬆️
High	Partners' funding position impacting the Council (MFTP pressure).	Major	Possible	➡️
High	Children impacted by social care transformation.	Major	Possible	➡️
High	New historic child abuse claims.	Major	Possible	➡️
High	Failure to maintain adequate corporate governance.	Major	Possible	➡️
High	Failure to align operations and culture within strategic objectives.	Major	Possible	➡️



Risk Level	Risk	Impact	Likelihood	Trend
High	Decline in new housebuilding impact on Council income.	Major	Possible	→
High	Limited or no partnership involvement due to COVID-19 with the Children's Service Safeguarding Improvement Plan.	Major	Possible	→
High	Failure to adequately plan for new COVID-19 wave or subsequent pandemics.	Extreme	Unlikely	→
High	Failure to comply with statutory duties.	Extreme	Unlikely	→
High	Terrorist incident (reflects National Threat Level).	Extreme	Unlikely	→
High	Disruption from national/local elections.	Moderate	Likely	→
Medium	Failure to develop effective partnerships.	Major	Unlikely	→
Medium	Poor skills profile of school leavers.	Major	Unlikely	→
Medium	Data protection law breach – failure of staff to complete training.	Major	Unlikely	→
Medium	National Waste Review (MTFP pressure).	Major	Unlikely	→
Medium	Future waste disposal contract costs (MTFP pressure).	Major	Unlikely	→
Medium	Reduction in frontline policing impacting on crime / community resilience.	Moderate	Possible	↓
Medium	Failure to recruit and / or retain key staff.	Moderate	Possible	→
Medium	Inward migration increasing demand for services.	Moderate	Unlikely	→
Medium	Failure of Centre Square development to provide expected returns.	Minor	Possible	→
Medium	Failure of TeesAMP to provide expected returns.	Minor	Possible	→
Medium	Insufficient primary school places in central Middlesbrough.	Moderate	Unlikely	→
Medium	Poor quality of services provided by health partners impacting / increasing demand for Council services.	Minor	Possible	→

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<b>Report of:</b>	Director of Legal and Governance Services and Director of Finance (Section 151 officer)
<b>Submitted to:</b>	Corporate Affairs and Audit Committee, 4 February 2021
<b>Subject:</b>	Lessons learnt – Croydon London Borough Council section 114 notice

**Summary**

<b>Proposed decision(s)</b>
<p>That the Committee notes the contents of the report and the planned actions to ensure lessons are learnt from events at Croydon London Borough Council (LCBC) are noted and the following planned actions to act on lessons learnt from this exercise are endorsed:</p> <ul style="list-style-type: none"> <li>• to further strengthen visibility it is proposed that the reserves risk assessment is shared with scrutiny during the budget setting process going forward.</li> <li>• review investment plans to ensure the impact of Covid-19 is taken into consideration.</li> <li>• expand the training programme for this committee to include Treasury Management.</li> </ul>

<b>Report for:</b>	<b>Key decision:</b>	<b>Confidential:</b>	<b>Is the report urgent?<sup>1</sup></b>
Information	Not applicable	No	Not applicable

<b>Contribution to delivery of the 2020-23 Strategic Plan</b>		
<b>People</b>	<b>Place</b>	<b>Business</b>
Not applicable	Not applicable	The report outlines the steps that will be taken to learn the lessons learnt from LCBC and will impact positively on the Council's governance arrangements.

<b>Ward(s) affected</b>
Not applicable.

**What is the purpose of this report?**

1. In October 2020 Croydon London Borough Council's (CLBC) 151 officer issued a section 114 notice, meaning that in their opinion they were required to trigger section 114 of the Local Government Finance Act 1988 that states 'the expenditure of the authority incurred (including expenditure it proposes to incur) in a financial year is likely

<sup>1</sup> Remove for non-Executive reports

to exceed the resources (including sums borrowed) available to it to meet that expenditure.'

2. This report outlines the key findings from CLBC's auditors on the causes of that notice having to be issued.

### **Why does this report require a Member decision?**

3. The report is necessary to ensure that Corporate Affairs and Audit Committee is provided with sufficient information to ensure it is able to keep the Council's arrangements for Corporate Governance under review, in line with the Committee's terms of reference.
4. Learning lessons from other local authorities is best practice and provides an opportunity for the Council to assess its vulnerabilities.

### **Report Background**

5. On 23 October 2020, CLBC's external auditor, Grant Thornton, issued a public interest report. The Council had experienced deteriorating financial resilience for a number of years with spending pressures within both children's and adult social care and low levels of reserves which created a significant financial challenge in 2020/21. The size of the financial gap in 2020/21 increased due to the additional financial pressures as a result of the Covid-19 pandemic.
6. The Public interest report outlined the key factors including:
  - Significant investment over the last three years in housing and commercial property (£545m of which £200m was loaned to its housing development arm for which no dividend has been returned).
  - Investments in a hotel and retail park both of which failed and were criticised for 'not being grounded in sufficient understanding of the retail and leisure market'.
  - A flawed strategy of attempting to invest its way out of financial challenges rather than controlling internal costs in children's and adult social care which had significant overspends.
  - Incorrect treatment of overspends as 'one off' corporate adjustments.
  - Failure to report a significant identified budget gap to full Council by either scrutiny or CLBC's Cabinet.
7. To put some of the figures into context, CLBC's net budget is almost three times that of Middlesbrough Council's with similar ranges of functions. If the equivalent borrowing figures were translated to this Council there would have been borrowing of circa £182m in housing & commercial property of which £67m would have been loaned for housing development over the last three years. In comparison, Middlesbrough Council has invested in £52m and loaned £7m for these type of investments to date. In addition, Government introduced changes to lending terms in November 2020 that would further restrict a Council from getting into a similar position by borrowing to invest on a commercial basis. Any application must now be accompanied by confirmation from the Section 151 officer that there is no intention to buy investment assets primarily for yield at any point in the next three years.
8. Any business case for investment in these type of projects has an extensive due diligence exercise undertaken by senior officers in both Finance and Regeneration, with

input from specialist experts where required. This evaluation includes a detailed financial appraisal of the cash flows and financing involved in each project, as well as a qualitative assessment of the issues, risks and benefits involved. Approval to proceed can only be given by the S151 Officer, in consultation with the Executive Member for Finance & Governance, on a case-by-case basis. These approvals would be mindful of the cumulative borrowing exposure on similar projects and the impact on the medium term financial plan and beyond.

9. Middlesbrough Council budgeting investments of have always been based on regeneration of the town rather than the need to achieve a significant return in order to achieve a balanced budget. The Council takes the prudent step of not assuming a profit will be achieved for the purpose of setting the budget to ensure that funding for services is protected, sustainable and realistic.
10. Middlesbrough Council have also never reported overspends as one off corporate adjustments.
11. Budget monitoring is reported to Executive and Overview and Scrutiny Board on a quarterly basis. Middlesbrough Council also has year on year evidence of escalating potential future year funding gaps to Council for consideration to be addressed within the budget setting process to ensure full Council were engaged and own the decisions.
12. There is increasing concern nationally around the level of debt being carried by some Councils. In January 2021 the Commons' Public Accounts Committee requested that the Treasury set out how it will manage the risk the levels of debt could have on national finances.

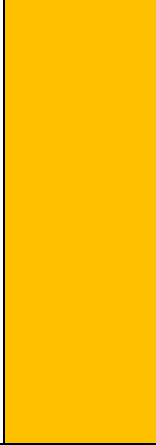
### Grant Thornton Recommendations

13. The Public Interest report made a number of specific recommendations that have been set out below, along with an assessment of their applicability to Middlesbrough Council.

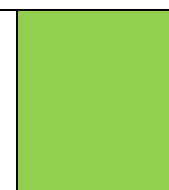
CLBC Grant Thornton Recommendation	MBC position	RAG
<p>The Executive Directors need to address the underlying causes of social care overspends: R1a in children's social care and take effective action to manage both the demand and the resulting cost pressures R1b in adults social care and take effective action to manage both the demand and the resulting cost pressures</p>	<p>The comments in relation to an overspend in Adult Social Care (ASC) are not applicable to Middlesbrough Council as there is currently no overspend in ASC.</p> <p>The recommendation in relation to Children's social care however does chime with Middlesbrough Council's history on this matter. On reflection, for a period of time prior to the Ofsted inspection there was limited grip within the services on the underlying causes of year on year overspend. This was reflected in the outcome of the Ofsted inspection. The Council is on an improvement journey and therefore this position should improve going forward, however there is an ongoing overspend in Children's services. The Council policy in the past was to make</p>	<p>Amber</p>

	reserves available to cover this but it is now starting to address underlying causes of the overspend and use performance information to target improvements.	
The Council (including Cabinet and Scrutiny and Overview Committee) should challenge the adequacy of the reserves assessment which should include a risk assessment before approving the budget.	The reserves position is informed by an annual risk assessment for the 151 officer to consider when setting the reserves level (section 25 statement on adequacy of reserves). A summary of this is set out within the annual budget report considered by full Council and reported to Executive.  To further strengthen visibility of this it is proposed that the risk assessment is shared with Overview and Scrutiny Board during the budget setting process going forward.	Amber
The Chief Executive should oversee a review of the outcomes achieved from the use of transformation funding to demonstrate that the funding has been applied in accordance with the aim of the scheme.	CLBC specific – MBC has never used transformation funding in this way.	Green
The s151 officer should set out the strategy for applying capital receipts for transformation annually as part of the budget setting process.	CLBC specific – MBC has never used transformation funding in this way.	Green
The General Purposes and Audit Committee should receive reports on the actions being taken to address the DSG deficit and challenge whether sufficient progress is being made.	While MBC also has a DSG deficit – it is one of the smallest in the country – circa £2.8m, compared to £14.5m in CLBC.	Green
The Executive Director (Children’s) needs to review the services provided to UASC and to identify options to meet their needs within the grant funding provided by the Home Office.	Unaccompanied asylum seeker children costs for Middlesbrough are very small compared to Croydon.	Green
The Executive Director (Children’s) needs to identify the capacity threshold for the numbers of UASC that it has the capacity to deliver safe UASC services to.	Unaccompanied asylum seeker children costs for Middlesbrough are very small compared to Croydon.	Green
The Cabinet reports on the financial position need to improve the transparency of reporting of any remedial action taken to address in year overspends.	There is strong evidence that Middlesbrough Council is open and transparent about remedial action required in year to address budget pressures. This is set out in quarterly reports to Executive and scrutiny and progress against that action is also reported, including non-	Green

	achievement and alternative measures where necessary in line with openness and transparency best practice.	
The Council (including Cabinet and Scrutiny and Overview Committee) need to show greater rigor in challenging underlying assumptions before approving the budget including understanding the track record of savings delivery.	<p>There is a process in place to ensure the underlying budget assumptions are robustly challenged by Executive members as part of the development of proposals. All political groups are invited to sessions to discuss and challenge assumptions prior to the budget being published for consultation.</p> <p>The section151 officer also meets with political groups as and when they request meetings to engage on budget issues.</p> <p>Savings delivery is reported on a quarterly basis to scrutiny and Executive</p>	Green
The General Purposes and Audit Committee must challenge officers on the progress in implementing the Financial Consultant's recommendations to improve the budget setting, monitoring and reporting process and actions to address the Head of Internal Audit's concerns on internal controls.	Not relevant	Green
The s151 officer needs to revisit the Growth Zone assumptions following the pandemic and make recommendations to Cabinet and Council for the continued investment in the scheme.	This will be applicable to every Council. Middlesbrough Council will also need to do this post pandemic as good practice	Amber
The s151 officer should review the financial rationale and associated risks and make recommendations to Cabinet and Council on whether the Revolving Investment Fund should continue.	Not applicable	Green
The s151 officer should review the purchase of Croydon Park Hotel to identify lessons learned to strengthen future due diligence arrangements.	Not applicable. Middlesbrough Council has in place a Programme and Project management Policy, supported by a robust Programme and Project Management Framework which is overseen by the Portfolio Management Office. There is also an Asset Acquisition policy in place which ensures a robust, business case based approach acquisitions.	Green
The Cabinet and Council needs to re-consider the Treasury Management Strategy for ongoing affordability of the	Members of the Corporate Affairs and Audit Committee already receive training on statement of accounts. It is proposed that the programme of training is expanded	Amber

<p>borrowing strategy, the associated risks and identify whether alternative options can reduce the financial burden</p>	<p>to include Treasury Management.</p>	
<p>The Chief Executive should arrange detailed Treasury Management training to assist Members to better understand and challenge the long-term financial implications of matters reported within the Treasury Management Strategy.</p>		
<p>The s151 officer should revisit the Minimum Revenue Provision policy to demonstrate that a prudent approach is being taken.</p>	<p>Not applicable – a prudent approach this matter is in place in Middlesbrough.</p>	<p>Green</p>
<p>The Cabinet and Council should reconsider the financial business case for continuing to invest in Brick by Brick before agreeing any further borrowing.</p>	<p>Middlesbrough Council has in place a Programme and Project management Policy, supported by a robust Programme and Project Management Framework which is overseen by the Portfolio Management Office. There is also an Asset Acquisition policy in place which ensures a robust, business case based approach acquisitions.</p> <p>In Middlesbrough Council, all decisions to lend any money to the Council's development arm are subject to an Executive report and therefore the business case for them is fully assessed during this process.</p>	<p>Green</p>
<p>The Cabinet and Council should review and reconsider the ongoing financial rationale for the Council in the equity investment arrangement with Brick by Brick.</p>	<p>There is a different arrangement in Middlesbrough for its development company which receives loans rather than investment and those loans are much smaller than in CLBC. A business case based approach is also in place to reduce risk.</p> <p>The business plan for the development company is also approved by Executive on an annual basis. Most recently approved in September 2020.</p>	<p>Green</p>
<p>The s151 officer and monitoring officer should monitor compliance with loan covenants with Brick by Brick and report any breaches to Members.</p>	<p>Governance and oversight were considered as part of the work to establish Middlesbrough Council's development company. As a result processes are in place for appropriate financial and governance oversight.</p>	<p>Green</p>
<p>The Cabinet and Council should review its arrangements to govern its interest in subsidiaries, how the subsidiaries are linked, the long-term impact of the</p>	<p>Both the Section 151 officer and the Council's Monitoring officer receive a copy of development company's board papers.</p>	



<p>subsidiaries on the Council's financial position and how the Council's and taxpayers interest is safeguarded.</p>	<p>The Deputy 151 officer attends board meetings and is a director in the company. The 151 officer remains independent to ensure an appropriate distance between the company and the Council.</p>	
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**What decision(s) are being asked for?**

14. That the Committee notes the contents of the report and the proposed actions to ensure lessons are learnt from events at Croydon London Borough Council (LCBC) are noted and the following planned actions to act on lessons learnt from this exercise are endorsed:

- to further strengthen visibility it is proposed that the reserves risk assessment is shared with scrutiny during the budget setting process going forward;
- review investment plans to ensure the impact of Covid-19 is taken into consideration; and
- expand the training programme for this committee to include Treasury Management.

**Why is this being recommended?**

15. It is always prudent to take the opportunity to learn lessons from other local authorities and identify where practice can be improved to avoid issues experienced elsewhere. This report fulfils that aim.

**Other potential decisions and why these have not been recommended**

16. The Council could choose not to reflect on the issues experienced elsewhere, however that is not recommended.

**Impact(s) of recommended decision(s)**

***Legal***

17. There are no legal implications from the recommendations. The gap analysis does not identify any significant concerns about local practice in Middlesbrough.

***Financial***

18. There are no direct financial implications from the planned actions, however the outcome of the review of investment plans may have financial implications that would need to be considered by the Executive.

***Policy Framework***

19. Not applicable. This report will not alter the policy framework of the organisation.

***Equality and Diversity***

20. Not applicable.

***Risk***

21. The issues set out within this report are relevant to the following identified risks within the Council's risk registers:

- Incorrect assumptions in the MTFP (08-059)
- Targeted investment in Middlesbrough is disproportionately affected by low economic growth (e.g. following exit from the EU) (01-005)

22. The report identifies a range of prudent actions that officers will be taken which will impact positively on these known risks.

### **Actions to be taken to implement the decision(s)**

Following this report, officers will take the necessary steps to enact their planned actions to ensure lessons learnt are reflected in local practice.

### **Appendices**

Not applicable.

### **Background papers**

No background papers were used in the preparation of this report.

**Contact:** Ann-Marie Johnstone. Governance and Information Manager.

**Email:** [ann-marie\\_johnstone@middlesbrough.gov.uk](mailto:ann-marie_johnstone@middlesbrough.gov.uk).

<b>Report of:</b>	Charlotte Benjamin, Director of Legal and Governance Services
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<b>Submitted to:</b>	Corporate Affairs and Audit Committee – 4 February 2021
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<b>Subject:</b>	Annual Review of the Local Code of Corporate Governance
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**Summary**

<b>Proposed decision(s)</b>
That the Committee notes the outcome of the annual review and endorses the recommendation that the current local Code of Corporate Governance is not amended as a result of this review.

Report for:	Key decision:	Confidential:	Is the report urgent?
Decision	No	No	Not applicable

Contribution to delivery of the 2020-23 Strategic Plan		
Business	People	Place
The local code of corporate governance provides a framework, recognised as best practice, that enables the Council to assess its governance arrangements to ensure that good governance practices are in place.	Not applicable	Not applicable

<b>Ward(s) affected</b>
Not applicable

## **What is the purpose of this report?**

1. To report the outcome of the annual review of the local Code of Corporate Governance.

## **Why does this report require a Member decision?**

2. It is within the remit of this Committee to keep 'under review the Council's arrangements for Corporate Governance'. The local Code of Corporate Governance sets the framework against which compliance with corporate governance best practice is assessed on a systematic basis.

## **Report Background**

3. Regular reviews of the code are necessary to ensure that the Council is assessing its governance arrangements against industry best practice as described by CIPFA relevant codes of practice. An annual review schedule was put in place to ensure that changes to relevant codes of practice were quickly reflected within the code. There have been no changes to the relevant CIPFA codes of practice since the current local Code of Corporate Governance was adopted by Council in 2017.

## **What decision(s) are being asked for?**

4. It is recommended that the Committee agrees that no changes to the local Code of Corporate Governance are required as a result of this annual review because there has been no further change to the CIPFA Solace guidance 'Delivering Good Governance' (2016) which was used to inform the current code.

## **Why is this being recommended?**

5. This decision is being recommended because the current local Code of Corporate Governance already reflects recognised best practice and is in line with the Council's commitment to review the local Code in line with best practice as described by CIPFA Solace.

## **Other potential decisions and why these have not been recommended**

6. The other potential option would be to review the code of Corporate Governance against another standard, or create a new local standard. This option was not recommended because the CIPFA Solace guidance is recognised as industry best practice and provides a framework to ensure that the Council has appropriate governance practices in place.

## **Impact(s) of recommended decision(s)**

7. If agreed, the draft Annual Governance Statement for the financial year ending in April 2021 will be an assessment against this local Code of Corporate Governance.

## **Legal**

8. Council Members are collectively responsible for the governance of the Council. While it is full Council's responsibility to consider key corporate governance documents; reviewing the Council's arrangements for corporate governance is

within this Committee's remit. The Council is required to have in place a local Code of Corporate Governance.

### **Financial**

9. There are no financial implications arising as a result of this report.

### **Policy Framework**

10. The power to change the local Code of Corporate Governance is a decision which is reserved for full Council. As the report recommends no changes there are no implications for the policy framework.

### **Equality and Diversity**

11. There are no concerns that the proposals could result in policies and practices that could impact differently on individual or groups because they hold one or more protected characteristics. The framework sets out expected standards for policies and services to ensure that people are treated fairly. These policies are impact assessed as part of their development.

### **Risk**

12. There are a number of entries on the Council's risk registers that set out the potential risks the Council could face as a result of poor corporate governance arrangements. Provision of a local Code of Corporate Governance is a key control measure in managing these risks.

### **Actions to be taken to implement the decision(s)**

13. If agreed, copies of the code on the intranet and internet will be updated and the 2019/20 Annual Governance will assess compliance against this code on May 2020.

### **Appendices**

14. The current local Code of Corporate Governance is appended to this report at Appendix 1.

### **Background papers**

<b>Body</b>	<b>Report title</b>	<b>Date</b>
Corporate Affairs and Audit Committee	Local Code of Corporate Governance	17 March 2017
Council	Local Code of Corporate Governance	29 March 2017
Corporate Affairs and Audit Committee	Local Code of Corporate Governance	8 February 2018
Corporate Affairs and Audit Committee	Local Code of Corporate Governance	7 March 2019
Corporate Affairs and Audit Committee	Local Code of Corporate Governance	6 February 2020

**Contact:** Ann-Marie Johnstone, Governance and Information Manager.  
**Email:** [Annmarie\\_johnstone@mimddlesbrough.gov.uk](mailto:Annmarie_johnstone@mimddlesbrough.gov.uk).

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## **Local Code of Corporate Governance**

**Live: February 2021**  
**Review date: March 2022**

<b>Title</b>	Local Code of Corporate Governance		
<b>Creator</b>	Author(s)	Ann-Marie Johnstone	
	Approved by	Corporate Affairs and Audit Committee	
	Department	Finance, Governance and Support	
	Service area	Strategy, Information and Governance	
	Head of Service	Paul Stephens	
	Director	Charlotte Benjamin	
<b>Date</b>	Created	February 2017	
	Submitted		
	Approved		
	Updating Frequency	Annual	
<b>Status</b>	Version: 5.0		
<b>Contributor(s)</b>	Ann-Marie Johnstone, Paul Stephens, Ian Wright.		
	Legislation	Accounts and Audit (England) Regulations 2011, regulation 4 (3)	
<b>Subject</b>	Corporate Governance		
<b>Type</b>	Policy		
	Vital Record		EIR
<b>Coverage</b>	Middlesbrough Council		
<b>Language</b>	English		

#### Document Control

Version	Date	Revision History	Reviser
1.0	March 2018		
2.0	February 2018	Annual review – no changes	A Johnstone
3.0	March 2019	Annual review – no changes	A Johnstone
4.0	February 2020	Annual review – no changes	A Johnstone
5.0	February 2021	Annual review – no changes	A Johnstone

#### Distribution List

Version	Date	Name/Service area	Action
1.0	March 2017	Corporate Affairs and Audit Committee membership	Endorse
1.0	March 2017	Council	Agree
2.0	February 2018	Corporate Affairs and Audit Committee	Endorse
3.0	March 2019	Corporate Affairs and Audit Committee	Endorse
4.0	February 2020	Corporate Affairs and Audit Committee	Endorse
5.0	February 2021	Corporate Affairs and Audit Committee	Endorse



## **INTRODUCTION**

1. Corporate governance is about the systems, processes and values by which local authorities operate and by which they engage with, and are held accountable to, their communities and stakeholders.
2. The Council is committed to achieving effective corporate governance, and has adopted this Local Code of Corporate Governance, which establishes how good governance will be achieved within the organisation.

## **GOOD GOVERNANCE**

3. The Council's code follows principles of good governance set out in guidance issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) (*Delivering Good Governance in Local Government* (2016)). These are:
  - behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law;
  - ensuring openness and comprehensive stakeholder engagement;
  - defining outcomes in terms of sustainable economic, social and environmental benefits;
  - determining the interventions necessary to optimise the achievement of the intended outcomes;
  - developing the entity's capacity, including the capability of its leadership and the individuals within it;
  - managing risks and performance through robust internal control and strong public financial management; and
  - implementing good practices in transparency, reporting, and audit to deliver effective accountability.

## **BENEFITS OF GOOD GOVERNANCE**

4. Good governance leads to good management, good performance, good stewardship of public money, good public engagement and ultimately good outcomes for those who live, work in or visit Middlesbrough.
5. It enables the Council to effectively pursue delivery of the strategic priorities of the Mayor of Middlesbrough, as well as underpinning plans for delivery with mechanisms for the control and management of risk.

## **IMPLEMENTING GOOD GOVERNANCE**

6. The Council has a robust governance framework in place. The table below sets out in high level terms the steps the Council takes to ensure its processes, policies, systems and practices align with the principles of good governance.
7. The framework comprises of a wide range of policies and procedures, which embed the core principles of the CIPFA/SOLACE framework into all aspects of the Council's conduct and operation.

CIPFA / SOLACE principle / supporting principles	To meet these requirements, the Council will:
<p><b>Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rules of law</b></p> <ul style="list-style-type: none"> <li>• <i>Behaving with integrity</i></li> <li>• <i>Demonstrating strong commitment to ethical values</i></li> <li>• <i>Respecting the rule of law</i></li> </ul>	<ul style="list-style-type: none"> <li>• Work diligently and with integrity to achieve the strategic priorities of the Mayor of Middlesbrough.</li> <li>• Clearly document expected behaviours, and decision-making processes, for members and officers, and regularly review these.</li> <li>• Effectively communicate expected behaviours to members and officers, and provide appropriate training on ethical behaviour.</li> <li>• Ensure members, statutory officers, other key postholders are able and supported to fulfil their duties and meet their responsibilities.</li> <li>• Ensure compliance by maintaining effective audit committee, internal audit and scrutiny functions, and standards and disciplinary processes.</li> </ul>
<p><b>Ensuring openness and comprehensive stakeholder engagement</b></p> <ul style="list-style-type: none"> <li>▪ <i>Openness</i></li> <li>▪ <i>Engaging comprehensively with institutional stakeholders</i></li> <li>▪ <i>Engaging with individual citizens and service users effectively</i></li> </ul>	<ul style="list-style-type: none"> <li>• Document and operate a culture of openness and transparency within the organisation.</li> <li>• Maintain a culture of accountability, so that members and officers understand for what they are accountable and to who.</li> <li>• Consult appropriately with stakeholders on the development of its budget, key plans and service development.</li> <li>• Maintain effective decision making processes, ensuring that reports to decision makers clearly set out stakeholder views where relevant.</li> <li>• Publish all Executive and Committee reports and decision papers, unless there is a legitimate need to preserve confidentiality on the basis of the statutory tests.</li> <li>• Publish on its website information on the Council's strategies, plans and finances as well as on outcomes, achievements and challenges.</li> </ul>
<p><b>Defining outcomes in terms of sustainable economic, social and environmental benefits</b></p> <ul style="list-style-type: none"> <li>• <i>Defining outcomes</i></li> <li>• <i>Sustainable economic, social and environmental benefits</i></li> </ul>	<ul style="list-style-type: none"> <li>• Clearly set out its contribution to delivery of the Strategic Priorities of the Mayor of Middlesbrough, and use this as the basis for its overall strategy, planning and other decisions.</li> <li>• Define outcomes through robust consideration of appropriate evidence bases, such as the Joint Strategic Needs Assessment.</li> <li>• Ensure that it delivers defined outcomes on a sustainable basis within available resources.</li> <li>• Effectively identify and manage risks to the achievement of targeted outcomes.</li> <li>• Manage customer expectations effectively when determining priorities to make best use of resources, and ensure fair access to services.</li> </ul>

CIPFA / SOLACE principle / supporting principles	To meet these requirements, the Council will:
<p><b>Determining the interventions necessary to optimise the achievement of the intended outcomes</b></p> <ul style="list-style-type: none"> <li>• <i>Determining interventions</i></li> <li>• <i>Planning interventions</i></li> <li>• <i>Optimising achievement of intended outcomes</i></li> </ul>	<ul style="list-style-type: none"> <li>• Ensure reports to decision makers on services are fair, balanced, and analyse options and the risks associated with those options, to ensure Best Value is achieved.</li> <li>• Ensure that external and internal stakeholders are engaged with when the Council is determining how services should be planned and delivered, and the outcome of consultations is considered when decisions are made.</li> <li>• Ensure achievement of social value through service planning and commissioning.</li> <li>• Ensure that it has clear and robust planning and control cycles for its strategic and operational plans, priorities and targets.</li> <li>• Determine appropriate KPIs to demonstrate service and project performance, and provide members and senior managers with timely updates on these.</li> <li>• Ensure medium and long term resource planning is realistic, sustainable and inclusive.</li> <li>• Prepare budgets that are aligned to the strategic objectives of the organisation and its MTFP.</li> </ul>
<p><b>Developing the Council's capacity, including the capability of its leadership and the individuals within it</b></p> <ul style="list-style-type: none"> <li>• <i>Developing the Council's capacity</i></li> <li>• <i>Developing the capability of the Council's leadership and other individuals</i></li> </ul>	<ul style="list-style-type: none"> <li>• Regularly review operations to ensure that it is continuing to deliver services that are effective, including the use of benchmarking and sectoral research.</li> <li>• Work collaboratively and in partnerships where added value can be achieved.</li> <li>• Maintain an effective approach to organisational development to ensure continued capacity and capability to deliver.</li> <li>• Clearly define roles, responsibilities and terms of engagement for members and employees.</li> <li>• Maintain and regularly review its schemes of delegations that outline the types of decisions that are delegated and those that are reserved for collective decision-making.</li> <li>• Develop the capabilities of members and senior management to achieve effective shared leadership.</li> <li>• Ensure there are appropriate structures in place to encourage public participation.</li> <li>• Ensure that systems are in place to ensure that members and staff can be both held to account for performance, and supported as appropriate.</li> </ul>

CIPFA / SOLACE principle / supporting principles	To meet these requirements, the Council will:
<p><b>Managing risks and performance through robust internal control and strong public financial management</b></p> <ul style="list-style-type: none"> <li>• <i>Managing risk</i></li> <li>• <i>Managing performance</i></li> <li>• <i>Robust internal control</i></li> <li>• <i>Managing data</i></li> <li>• <i>Strong public financial management</i></li> </ul>	<ul style="list-style-type: none"> <li>• Embed effective risk management within all activities, ensure that progress is reviewed regularly and that risk is considered as part of decision making.</li> <li>• Ensure effective performance management of service delivery, and provide members and senior managers with timely updates on service performance and progress towards outcomes.</li> <li>• Ensure reports to decision makers on services are fair, balanced, and analyse options and the risks associated with those options, to ensure Best Value is achieved.</li> <li>• Ensure effective, member-led scrutiny is in place that provides constructive challenge and debate on objectives and policies before, during and after decisions are taken.</li> <li>• Ensure an effective, risk-led Internal Audit service is in place to provide assurance on the overall adequacy and effectiveness of the Council's governance arrangements.</li> <li>• Ensure effective counter fraud and anti-corruption policies and arrangements are in place.</li> <li>• Ensure effective internal control arrangements exist for sound financial management.</li> <li>• Maintain an effective audit committee function.</li> <li>• Ensure effective arrangements are in place to collect, store, use and share data, including processes to safeguard personal data,</li> <li>• Put in place arrangements to ensure that data used to support decision-making is accurate and clear.</li> <li>• Ensure financial management arrangements support both long term outcome delivery and day-to-day operations.</li> </ul>
<p><b>Implementing good practices in transparency, reporting, and audit to deliver effective accountability</b></p> <ul style="list-style-type: none"> <li>• <i>Implementing good practice in transparency</i></li> <li>• <i>Implementing good practices in reporting</i></li> <li>• <i>Assurance and effective accountability</i></li> </ul>	<ul style="list-style-type: none"> <li>• Provide reports in plain English wherever possible, ensuring that they are easy to access and interrogate and balancing transparency requirements with clarity.</li> <li>• Report regularly on performance, delivery of value for money and stewardship of resources.</li> <li>• Report on compliance with good governance principles within its Annual Governance Statement, including an action plan for continued improvement.</li> <li>• Ensure compliance with good governance principles extends to its partnership arrangements.</li> <li>• Ensure that recommendations made by external audit are addressed</li> <li>• Ensure that the internal audit service has direct access to members to enable it to provide assurance with regard to governance arrangements.</li> <li>• Welcome and positively engage with peer challenges, reviews and inspections of its services.</li> </ul>

## MONITORING AND REVIEW

8. The policies and procedures that underpin the Council's governance framework are reviewed regularly, with revisions presented to Corporate Audit and Affairs Committee for agreement.

9. The Council's alignment with the CIPFA / SOLACE principles will be reviewed each year within the Annual Governance Statement (AGS) document, which is part of the Council's Statement of Accounts. The AGS will assess the Council's compliance, and outline any improvement actions to be taken as a result of this assessment.

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