

Report of:	Mayor and Chief Executive
Submitted to:	Council
Date:	18 January 2023
Title:	Corporate Governance Improvement Plan and progress update
Report for:	Information
Status:	Public
Strategic priority:	All
Key decision:	Not applicable
Why:	Not applicable
Urgent:	Not applicable
Why:	Not applicable

Executive summary

The purpose of this report is to share the work of the Corporate Governance Improvement Board - and associated task and finish working groups - which drives the Council's response to the issues identified by Council's external auditors, Ernst & Young and further investigated by CIPFA through delivery and implementation of the Corporate Governance Improvement plan.

This report also provides an update on progress achieved since the Corporate Governance Improvement Plan was last reported to Council on 30 November 2022.

Purpose

1. The purpose of this report is to provide a summary of progress made since the last reported position, in November 2022.

Background and relevant information

2. At a meeting of Council on 30 November 2022, the detailed Corporate Governance Improvement plan, developed by a cross-party group of Members and officers from across the Council through a series of task and finish working groups was approved by the overarching Corporate Governance Improvement Board, was shared for information. That plan is now mid-delivery and progress against the improvement plan will be shared through regular reports to Council.
3. On 5 December 2022, Ernst & Young (EY), the Council's external auditor, provided an updated position on the Council's corporate governance arrangements to the Corporate Affairs and Audit Committee.
4. The positive action taken in response to EY recommendations was recognised, acknowledging that progress taken to date has been both appropriate and given sufficient prominence in the organisation. On that basis, EY do not consider that it is either necessary or beneficial to escalate its recommendations through the exercise of additional auditor reporting powers at this time, as the Council is "taking appropriate steps and should be given time to demonstrate whether those steps can have the necessary impact on the Council's culture and governance".

Progress since November 2022

5. During December 2022, regular task and finish working groups and associated sub-groups have met, with an initial focus on developing detailed milestone delivery plans, to enable effective performance management, specifically against those priority actions due to be delivered within the first 30 days of the corporate governance improvement plan, since last reported to Council on 30 November 2022.

Completed and awaiting full Council approval

- Constitution user-guide developed to support the updated Constitution, pending completion of Constitution re-write and any associated changes required as a result
- Revised Member / Officer Protocol and supporting user guide

Completed / implemented, with no Council decision required

- Culture workshops held, to shape development of cultural change framework
- Informal meeting space for Members has been introduced (with further improvements planned)
- Member / officer engagement plan, alongside planned opportunities for Members to visit and experience Council services

Progressed or awaiting Governance Improvement Board / working group decisions

- A review of Scrutiny panel arrangements has been conducted, with the summary report of recommendations to be considered at the next meeting of the Constitution Working Group.
- An assessment of the Standards Regime is underway and will be considered at the next meeting of the Constitution Working Group.

- A Communications Protocol for officers and Members has been created and will be reviewed at the next meeting of the Roles and Responsibilities Working Group (and which will require full Council approval).
 - Constitution re-write / refresh is underway.
 - A review of the current Member / officer training provision in its entirety has taken place and work is underway to update, refresh and enhance the training provision overall.
 - A One Stop Shop Member Enquiries briefing session is scheduled to reinforce best practice use of existing system and also to seek opinion on a wants and needs for a future Member Enquiry process
6. As the corporate governance improvement plan has moved into the delivery phase, it has become clear that certain actions will require a greater level of planning, work and activity to ensure successful and effective delivery. On that basis, timescales have been amended to reflect this and / or to align delivery with the forthcoming elections and is reflected within the revised version of the plan, which is appended to this report for information.

What decision(s) are being recommended?

7. That Council notes the progress made to date and the revised improvement plan.

Rationale for the recommended decision(s)

8. The Corporate Governance Improvement Plan ensures an inclusive approach to addressing the issues identified in the CIPFA diagnostic work and EY's Value for Money judgement.

Other potential decision(s) and why these have not been recommended

9. Not applicable.

Impact(s) of the recommended decision(s)

Legal

10. There are no direct legal implications as a result of this report.

Strategic priorities and risks

11. This report and next steps demonstrate a continued positive impact on the strategic risk of 'failure to achieve good governance'.

Human Rights, Equality and Data Protection

12. Not applicable.

Financial

13. There are no financial costs as a result of this report which is for information only.

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

14. Not applicable.

Background papers

Body	Report title	Date
Corporate Affairs and Audit Committee	Lessons Learnt – Best Value Inspection of Liverpool City Council	5 Aug 2021
Corporate Affairs and Audit Committee	Boho X – draft findings from internal audit and proposed management response	6 Apr 2022
Corporate Affairs and Audit Committee	Audit Results Report 2020/21	22 Jul 2022
Corporate Affairs and Audit Committee	Statement of Accounts 2020/21	22 Jul 2022
Corporate Affairs and Audit Committee	Lessons learned – Best Value and external assurance within other councils.	22 Jul 2022
Corporate Affairs and Audit Committee	Commencing a corporate governance improvement journey	22 Jul 2022
Council	Corporate Governance Improvement Journey – CIPFA findings and next steps	19 Oct 2022
Council	Corporate Governance Improvement Plan and progress update	30 Nov 2022
Corporate Affairs and Audit Committee	External Audit – Value for Money Governance Update	5 Dec 2022

Contact: Mayor, Andy Preston and Chief Executive, Tony Parkinson

Appendix 1: Middlesbrough Council Corporate Governance Improvement Board Action Plan

Task and Finish Working Groups will require development of a robust delivery plans, supported by CIPFA and Council officers, complying with the corporate Programme and Project Management Framework.

Roles and Responsibilities Task and Finish Working Group		
<p><i>The desired outcomes for this task and finish group are expected to be:</i></p> <ul style="list-style-type: none"> • <i>Defined roles / job descriptions are in place for political groups and group leaders</i> • <i>There are clearly defined and understood roles and responsibilities of Members and Officers</i> • <i>Improved / more productive relationships between Members and Officers</i> • <i>Improved Member Enquiry process / system</i> 		
Action	Progress timeframe	Progress RAG
Consider how a line can be drawn under past issues from a Member perspective e.g., revised Member Code of Conduct	60 days	Green
Review and update Member / Officer protocol	30 days*	Yellow
Review existing process for Member enquiries, considering alternatives	90 days*	Yellow
Develop plan to improve engagement between Members and officers	30 days *	Yellow
Amend political group terms of reference, to reflect revised code of conduct and expected behaviours, protocols, and principles	60 days	Blue
Develop a communications protocol for Members and Officers	60 days*	Yellow

Training and Development Task and Finish Working Group		
<i>The desired outcomes for this task and finish group are expected to be:</i>		
<ul style="list-style-type: none"> • <i>That training is measurable, effective and has impact</i> • <i>There is collective engagement and buy-in from Members for the need to undertake / attend training and development</i> • <i>Members are better prepared / positioned to take on role</i> 		
Action	Progress timeframe	Progress RAG
Review current Member training provision and consider any changes / updates required:	90+	Green
Consider what training should be delivered to Officers in respect of working with Members and understanding of Member/Officer protocol	90+	Green
Develop learning materials in relation to the Constitution	90+	Green
Develop training around Member and Officer codes of conduct	90+	Blue
Develop training for candidates before elections to set expectations for the role and ensure candidates are well prepared	90+	Green
Consider further opportunities to develop Executive Member and LMT use of Insights	90+	Green
Consider extending use of Insights to committee chairs	90+	Green
Deliver LGA-facilitated development sessions for Executive Members and LMT	90+	Green

The Constitution Task and Finish Working Group		
<p><i>Desired outcomes for this task and finish group are expected to be:</i></p> <ul style="list-style-type: none"> • <i>Improved understanding of the Constitution, its role and purpose</i> • <i>A refreshed, fit for purpose, accessible and user-friendly Constitution</i> • <i>Constitution document to support effective decision making</i> • <i>A clear role and purpose for the Council</i> • <i>More effective discharging of functions / duties</i> 		
Action	Progress timeframe	Progress RAG
Develop framework for reviewing and updating Constitution, including looking at best practice examples and planning how and when a new Constitution will be developed	90 days	
Develop Constitution user guide	90+	
Deliver training/knowledge sessions to explain new Constitution to Members and Officers	90+	
Review Scrutiny Panel arrangements and map to structure or priorities to ensure alignment across LMT, Scrutiny, Executive portfolios and strategic priorities	90+	
Look at options to address concerns that Council's Standards regime is 'toothless', and consider if providing greater powers to Standards Committee is appropriate or possible in Law	90 days	

Culture and Communications Task and Finish Working Group		
<i>Desired outcomes for this task and finish group are expected to be:</i>		
<ul style="list-style-type: none"> • <i>A shared understanding of ways of working / service pressures / key events between Officers and Members</i> • <i>A forward-looking and shared understanding of town-wide / strategic priorities between Officers and Members to manage residents' expectations</i> • <i>A kinder and more open culture</i> • <i>Confident and open two-way discussions and communication between Officers and Members</i> 		
Action	Progress timescales	Progress RAG
Continue to review working from home arrangements for LMT and other key Officers	90 days	Green
Re-establish an informal meeting space for Councillors that meets their needs	60 days*	Yellow
Deliver communications programme/workshop for Members to outline the impact of austerity on Council finances	90 days*	Yellow
Conduct a staff survey to baseline current mood in relation to governance concerns and repeat this survey regularly as needed and establish feedback loops	30 days	Green
Conduct a complementary survey of Members to baseline their views and repeat to assess progress and report to the Board	30 days	Blue
Develop vision for new culture	60 days*	Yellow
Review and update social media policy	60 days	Green
Review the current access to information rules put in place to support members without the need to resort to FOI and consider ways in which the culture around information can be improved	60 days*	Yellow
Set expectations of behaviour / etiquette in meetings	60 days*	Yellow
Create opportunities for Members to visit and experience Council services e.g. open days for Members, neighbouring LA's, etc.	30 days	Blue
Create internal search directory to support Officers and Members to find the right person to speak with	60 days	Green
Embed accessibility and communications of information (e.g. FWP, modern.gov, reports) for Members	30 days*	Yellow

General actions		
Action	Progress timeframe	Progress RAG
Establish and diarise regular meetings of Mayor and Group Leaders	30 days	Complete
Establish regular meetings of Mayor / Chief Executive	30 days	Complete
Schedule for ward walkarounds to be reinstated, enabling two-way feedback / updates to be developed	30 days	Complete
Schedule quarterly Executive and Leadership Team strategic away days	30 days	Complete
Develop process to ensure Member questions to Executive Members are published in full and in advance, of full Council meetings	90+	On-track
Refresh approach to Strategic Plan to reflect strategic priorities of Council and town, providing a framework for measuring the Council's contribution to KPIs, and which reflect political priorities	90+	On-track
Ensure move to new Council headquarters, enables shared working space for Executive Members and Leadership Team	30 days	Complete

****requires amendment to progress timeframe, proposed for approval at January Corporate Governance Improvement Board and which takes into consideration forward work programme dates for future meetings of full Council***

Key:	
Complete	Complete
On-track	On-track
Some slippage	Some slippage
Off-track	Off-track