

MIDDLESBROUGH COUNCIL	
------------------------------	--

Report of:	The Mayor Chief Executive
Submitted to:	Executive
Date:	20 June 2023
Title:	Corporate Performance Review: Year End 2022/23
Report for:	Decision
Status:	Public
Strategic priority:	All
Key decision:	No
Why:	Not applicable
Urgent:	No
Why:	Not Applicable

Executive summary
<p>This report advises the Executive of corporate performance at 2022/23 Year End, providing the necessary information to enable the Executive to discharge its performance management responsibilities and where appropriate, seeks approval of any changes (where these lie within the authority of the Executive).</p> <p>This report also asks that the Executive:</p> <ul style="list-style-type: none"> • approves the proposed changes to Executive actions, detailed in Appendix 1, • notes progress of delivery of the Strategic Plan 2022-24 at Quarter Four / 2022/23 Year End, detailed in Appendix 2, • approves the proposed changes to the Strategic Plan workplan initiatives, detailed in Appendix 3, • notes the Council's updated position in relation to Strategic Risk, at Quarter Four 2022/23 at Appendix 4, • notes progress of the 2022/23 Directorate Priorities at Quarter Three 2022/23, detailed in Appendix 5.

Purpose

1. This report advises the Executive of corporate performance at 2022/23 Year End and where appropriate seeks approval of any changes, where these lie within the authority of the Executive.

Background and relevant information

2. The Council's Scheme of Delegation gives the Executive collective responsibility for corporate strategic performance, together with associated action.
3. This report provides the necessary information to enable the Executive to discharge its performance management responsibilities, setting out progress against Executive action, the Strategic Plan and other key associated items, together with actions to be taken to address any issues identified.
4. The projected 2022/23 Year End financial outturns are presented separately to this meeting of the Executive, and so not repeated here. Where performance has had a significant impact on finances this is highlighted within the body of the report.
5. As part of continuous improvement in performance and risk management, the Council's Leadership Management Team (LMT) has implemented monthly reviews of corporate performance utilising a Directorate Performance dashboard, drawing data from a range of performance systems.
6. The output from these sessions is reflected through quarterly updates to the Executive and Overview and Scrutiny Board and covering in addition, progress in delivering actions agreed by the Executive, key Directorate performance issues and other performance-related matters.

Overall progress at Quarter Four / 2022/23 Year End

7. The Council's performance overall at Quarter Four / Year End, maintained the short-term trend for 2023/23 performance, with progress towards expected performance standards as set out in the Council's risk appetite achieved in two out of five performance disciplines.
8. Significant work has taken place to address the projected 2022/23 overspend position and to provide for a balanced budget in 2023/24; the outcome of which has seen some impact on current Executive actions and Strategic Plan workplan initiatives, impacting upon performance outcomes for the last two Quarters of 2022/23.
9. Additionally, the significant proportion of actions and initiatives with end of year due dates has created a cliff-edge in terms of performance and will be addressed as part of the review of performance management, as part of the new Strategic Plan planning cycle.

Progress in delivering Executive actions

10. Actions agreed by the Executive to deliver approved decisions are tracked by LMT, monthly. If following to the Executive's approval, any action is found to be no longer feasible or appropriate, or cannot be delivered within the approved timescales, this

report will be used to advise the Executive of this and seek approval of alternative actions or amended timescales.

11. At the Quarter Four / 2022/23 Year End, 40 of 91 live actions (44%) were reported as on target to be delivered by the agreed timescales, worsened from the reported position at Quarter Three of 62% and below the 90% standard of achievement of actions.
12. There are two requests for amendments to Executive actions presented for approval, summarised below, and detailed in Appendix 1.
 - An action relating to Phase 2 of the cycle infrastructure improvements along the Linthorpe Road corridor, be extended to allow new political administration to consider potential options.
 - To extend the due date for the fit-out on Centre Square further office provision, through a successful tender exercise/
13. It is assumed that outside of these revisions, all Executive actions will be achieved within their approved timescales.

Progress in delivering the Strategic Plan 2022-24

14. At the 23 February 2022 meeting, Council was advised that an annual refresh for the Strategic Plan 2021-24 would not be brought forward and that as such the Strategic Plan would remain in place for 2022/23, to ensure that the Council has sufficient time to consider implications of national and potential forthcoming local changes on its strategic direction.
15. At a meeting of the Executive on 5 April 2022, the refreshed Strategic Plan workplan for the 2022-24 period and Directorate Priorities for 2022/23 was approved, which combined provide a cohesive approach to the delivery of key priority activities across Council services.
16. Progress continues to be monitored via detailed milestone plans, adhering to the corporate programme and project management framework, where applicable. Progress will continue to be reported to all senior managers and Members as part of the quarterly corporate performance results reports presented to Executive and Overview and Scrutiny Board.

Outcomes

17. There continues to be a diluted relationship between delivery of the Strategic Plan workplan and the agreed outcomes and measures, originally expected as a result of successful delivery, as a result of the refreshed Strategic Plan workplan in 2022.
18. This is reflected in the performance overall at Quarter Four / Year End 2022/23 against Strategic Plan outcomes, reported as 26% against the 90% performance standard.
19. This will be addressed in the review and refresh of the Strategic Plan, ensuring demonstrable impact and effective reporting against Strategic Plan outcomes measure, work for which will begin in earnest, in June 2023.

Workplan

20. At Quarter Four / Year End 2022/23, performance against the Strategic Plan workplan was as set out below, below the target corporate standard of 90%, with 73% (46 of 59) of initiatives on-track, with RAG-rated progress detailed at Appendix 2.

Status	Q4 2022/23 position	Q3 2022/23 position	Q2 2022/23 position	Q1 2022/23 position	Expected standard	Standard achieved	Trend
COMPLETED	25%	17%	1.6%	0%	90%	No	↓
GREEN	48%	65%	96.8%	100%			
AMBER	0%	2%	0%	0%	N/A	N/A	N/A
RED	27%	16%	1.6%	0%	N/A	N/A	↓

21. There are 17 workplan initiatives off-track at the end of Quarter Four and of these 17, six have requested extensions to due dates, which are detailed in Appendix 3. Executive approval of the proposed revisions is required, in order to avoid future slippage and to ensure delivery.

22. As reported at Quarter Three, five Strategic Plan workplan initiatives were placed on-hold, with the potential to be withdrawn from the workplan if the savings proposals were approved, as part of the 2023/24 budget. As such, they will be closed and removed from the reporting process going forward, detailed as follows:

- Middlesbrough hosts climate conference
- Creation of tree maintenance team
- Creation of subsidised pest control service
- Expand current model for Youth Provision
- Complete town-wide lighting scheme

23. It is assumed that outside of these revisions, all Strategic Plan workplan initiatives will be achieved as per approved timescales.

Strategic Risk Register

24. The Council's strategic risks are currently grouped under the following themes:

- Failure to achieve a balanced budget
- Failure to comply with the law
- Failure to achieve good governance
- Failure to deliver the Strategic Plan and Directorate Plans
- Failure of partnership agreements.

25. All individual organisational risks are currently aligned to one of the above categories. Following a review of this approach, it has been agreed that this approach will cease, and the Council will revert back to a traditional three-tier approach to risk as set out in the current Risk and Opportunity Management Policy, due to be refreshed during 2023. The 2023/24 Quarter One corporate performance report will reflect this revised approach.

26. As a result, much of the work of the Risk Business Partner and the organisation has been focussed on the development and population of the replacement structure and movement in the Quarter, compared to Quarter Three.
27. The score of one risk regarding the Council’s technical ICT infrastructure in relation to internet connectivity in a Council site was reduced following resolution of minor technical issues.

Progress in delivering Directorate Priorities 2022/23

28. Each year, Directorates set and are accountable for a set of Directorate-specific actions for delivery across that operational year, ensuring ongoing compliance with legal duties and best practice alongside well-managed business change. Directorate Priorities for 2022/23 are set out at Appendix 3.
29. At Quarter Four / Year End 2022/23, 46% (44 of 96) of Directorate Priorities were on-track or completed; under the target corporate standard of 90% against reported position at Quarter Three.

Status	Q4 2022/23 position	Q3 2022/23 position	Q2 2022/23 position	Q1 2022/23 position	Expected standard	Standard achieved	Trend
COMPLETED	42%	18%	6%	0%	90%	No	↓
GREEN	0%	62%	85%	100%			
AMBER	0%	0%	0%	0%	N/A	N/A	-
RED	58%	20%	9%	0%	N/A	N/A	↓

30. There are several factors behind the drop in reported performance at 2022/23 Year End, and in order to provide context, the percentage of Directorate Priorities reported as Red are as a result of one of the following reasons:
- **Reason 1:** 6% as a direct result of the impact of 2022/23 financial recovery plan and / or 2023/24 budget savings proposals **(R1)**
 - **Reason 2:** 11% are awaiting further strategic decision following May 2023 elections **(R2)**
 - **Reason 3:** 39% have been impacted as a result of external decisions, outside of Council control **(R3)**
 - **Reason 4:** 44% are as a result of Directorate capacity to deliver **(R4)**
31. Where reason for non-delivery was as a result of one of the above reasons, this is reflected in Appendix 5 with an R1 – R4, annotation.

Progress in delivering Programmes and Projects

32. The Council maintains a portfolio of programmes and projects in support of achievement of the Council’s strategic and directorate priorities. At Quarter Four 2022/23, 100% (20 out of 20) of the programmes / projects were on-track to deliver against project time, cost, scope and benefits, remaining above the expected combined standard of 90%.

Status	Q4 2022/23 position	Q3 2022/23 position	Q2 2022/23 position	Q1 2022/23 position	Expected standard	Standard achieved	Trend
GREEN	90%	72%	81%	77%	90%	Yes	↑
AMBER	10%	24%	10%	20%	N/A	N/A	↑
RED	0%	4%	10%	3%	N/A	N/A	↓

Progress in other corporate performance matters

33. In addition to the above performance and risk issues, LMT reviews a range of other performance measures on a monthly basis, including compliance with agreed actions from internal audits, responsiveness to statutory information requests, information security incidents and complaints.

34. At Year End 2022/23, the key points of note in matters of compliance, were:

- Complaints dealt with within timescales increased slightly to 86%.
- Freedom of Information Requests (FOI) and Environment Information Requests (EIR) responded to within statutory timescales were at 88% at Year End, compared to 86.8% in Quarter Three of 2022/23.

What decision(s) are being recommended?

35. That the Executive:

- approves the proposed changes to Executive actions, detailed in Appendix 1,
- notes progress of delivery of the Strategic Plan 2022-24 at Quarter Four / 2022/23 Year End, detailed in Appendix 2,
- approves the proposed changes to the Strategic Plan workplan initiatives, detailed in Appendix 3,
- notes the Council's updated position in relation to Strategic Risk, at Year End 2022/23 at Appendix 4,
- notes progress of the 2022/23 Directorate Priorities at Quarter Three 2022/23, detailed in Appendix 5.

Rationale for the recommended decision(s)

36. To enable the effective management of performance and risk in line with the Council's Local Code of Corporate Governance.

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

37. Not applicable.

Impact(s) of the recommended decision(s)

Legal

38. The proposed recommendations are consistent with and will promote the achievement of the Council's legal duty to achieve Best Value.

Strategic priorities and risks

39. The proposed recommendations are key to and consistent with supporting deliver of the Council's strategic priorities and risks, as set out in the Strategic Plan.

Human Rights, Equality and Data Protection

40. As reported to Council in February 2021, no negative differential impact on diverse groups and communities is anticipated from the direction of travel set out in the Strategic Plan 2021-24.

Financial

41. Any financial implications relating to issues set out in this report, are summarised in the Revenue and Capital Budget – Quarter Four Year End Outturn Position 2022/23 report, also considered by the Executive at its meeting of 20 June 2023.

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

Action	Responsible Officer	Deadline
Approved 2022/23 Year End amendments to Executive actions to be implemented, via modern.gov	Bernie Carr	30/06/2023
Approved 2022/23 Year End amendments to Strategic workplan to be implemented, via Pentana	Joanne Chapman	30/06/2023

Appendices

1	Executive actions; proposed amendments at Quarter Four / 2022/23 Year End
2	Strategic Plan Workplan: progress at Quarter Four / 2022/23 Year End
3	Strategic Plan Workplan: proposed amendments at Quarter Four / 2022/23 Year End
4	Strategic Risk at Quarter Four / 2022/23 Year End
5	Directorate Priorities 2022/23: progress at Quarter Four / 2022/23 Year End

Background papers

Body	Report title	Date
Council	Strategic Plan 2021-24	24/02/21
Executive	Strategic Plan 2021-24: approach to delivery	11/05/21
Executive	Strategic Plan 2020-23 – Progress at Year End 2020/21	15/06/21
Executive	Corporate Performance Update: Quarter One 2021/22	07/09/21
Executive	Corporate Performance Update: Quarter Two 2021/22	07/12/21
Executive	Corporate Performance Update: Quarter Three 2021/22	14/02/22
Executive	Refreshing the Strategic Plan workplan for the 2022-24 period	05/04/22
Executive	Corporate Performance Results: Year End 2021/22	14/06/22

Executive	Corporate Performance Results: Quarter One 2022/23	06/09/22
Executive	Financial Recovery Plan 2022/23	18/10/22
Executive	Corporate Performance Results: Quarter Two 2022/23	08/11/22
Executive	Corporate Performance Results: Quarter Three 2022/23	14/02/23

Contact: Gemma Cooper, Head of Strategy, Business and Customer
Email: gemma_cooper@middlesbrough.gov.uk