

<b>MIDDLESBROUGH COUNCIL</b>	
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<b>Report of:</b>	The Chief Executive, Director of Finance and Director of Legal and Governance Services
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<b>Relevant Executive Member:</b>	The Mayor, Chris Cooke
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<b>Submitted to:</b>	Audit Committee
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<b>Date:</b>	14 March 2024
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<b>Title:</b>	Corporate Governance Improvement Plan and Section 24 Action Plan progress report
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<b>Report for:</b>	Information
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<b>Status:</b>	Public
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<b>Strategic priority:</b>	All
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<b>Key decision:</b>	Not applicable
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<b>Why:</b>	Not applicable
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<b>Subject to call in?</b>	Not applicable
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<b>Why:</b>	Not applicable
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<b>Proposed decision(s)</b>	
That Audit Committee notes the progress against the Corporate Governance Improvement Plan and Section 24 Action Plan.	

<b>Executive summary</b>	
This report sets out the key activities, progress and impact of the Corporate Governance Improvement Plan and activity in response to the Section 24 recommendations made by the Council's External Auditors, since last reported to committee on 1 February 2024.	

**1. Purpose**

1.1 This report sets out the key activities and progress since an update was last provided to committee on 1 February 2024, in response to the Section 24 recommendations made by the Council’s External Auditors and the Council’s Corporate Governance Improvement Plan.

**2 Recommendations**

2.1 That Audit Committee notes the progress against the Corporate Governance Improvement Plan and Section 24 Action Plan.

**3 Rationale for the recommended decision(s)**

3.1 The Council must respond effectively and at pace to the deliver the improvements set out in both the Corporate Governance Improvement Plan and the Section 24 report if it is to effectively address the concerns around its culture, governance and financial challenges.

3.2 Member oversight is crucial in delivery of these actions and also provision of assurance that intended impacts to address the governance weaknesses identified by the Council’s External Auditors are being realised.

**4 Background and relevant information**

4.1 On 18 September 2023, Council received a report that set out the activities of Phase Three of the proposed Corporate Governance Improvement Plan, alongside the associated governance arrangements providing oversight of delivery. It also received a report from the Council’s External Auditors which made statutory recommendations in relation to the Council’s governance. This report provides an update on delivery against the action plan that was put in place in response to that report, as well as an update on delivery against the Corporate Governance Improvement Plan.

4.2 The activities in the improvement plan comprise ten workstreams, each with a milestone delivery plan which is monitored and reported monthly to the Leadership Team, the Independent Improvement Advisory Board and at each full Council.

**5. Performance management methodology**

5.1 The Council’s and Programme and Project Management policy set out the methodology used to assess and report on progress against delivery, which is applied across the Corporate Governance Improvement and Section 24 delivery plans.

<b>KEY:</b>	
<b>BLUE - COMPLETE</b>	Activity delivered in full
<b>GREEN – ON TRACK</b>	Delivery plan activities are on track and / or a or above standard
<b>AMBER – OFF TRACK</b>	Delivery plan activities are < 5% below standard
<b>RED – OFF TRACK</b>	Delivery plan activities are > 5% below standard
<b>IMPACT - NO CHANGE</b>	The measures of success used to assess impact, refresh on differing time periods. Some are annual, others are more frequent. If it says no change, either the data has stayed the same or is not due to be refreshed

<b>IMPACT MET – NO (AMBER)</b>	performance measures for this workstream are within 5% of the target
<b>IMPACT MET – NO RED</b>	Performance measures for this workstream are below target by more than 5%
<b>IMPACT TREND – MIXED CHANGES</b>	Of the range of performance measures that are against the workstream, some have improved and others have worsened

5.2 Overall performance in relation to delivery of activity across the two improvement plans is as follows (excluding activity not yet planned to start and not due to be delivered yet):

Activity	STATUS AT 14/02/2024				
	% On-track	% Off-track	% Delivered	Overall % on track or delivered	Trend
<b>Corporate Governance Improvement Plan</b>	50% (43/86)	3% (3)	47% (40)	97%	Improved
<b>Section 24 Action plan</b>	48% (23/48)	6% (3)	46% (22/48)	94%	Improved

5.3 The above table shows that 97% of planned activity has either been delivered or is on-track for delivery in relation to the Corporate Governance Improvement Plan, with seven planned activities measuring as off-track.

5.4 94% of activity in relation to the Section 24 delivery plan is on-track or has been delivered, with six activities showing as off-track.

5.5 The remainder of this report sets out the detail of the delivery plan activity, alongside supporting measures of success that are in place to assess the impact of activity.

**6. Corporate Governance Improvement Plan: progress status**

6.1 For the current reporting period, seven of the workstreams are on target in terms of activity, as per timescales set out in the corporate Governance Improvement Plan, with three being off target.

- CT4.01: Ensuring stable and sustainable leadership for the organisation* The milestones relating to 'Senior Management Review' continues to show slippage, however this was a legacy approach agreed in the initial delivery phase of the Governance Improvement Plan, to achieve stability in the workforce at a senior level. The ambition in this workstream has now been achieved through the recruitment of permanent staff to senior leadership posts in Children’s Services and the securing services of the Section 151 officer and Chief Executive in the medium-term, to March 2025 and the planned implementation of a governance protocol. Whilst wider reorganisation is still planned, this will be done as part of the Transformation Programme to ensure the management structure aligns with the future operating model of the organisation. As a result, the senior management review milestones will be removed from this workstream and that the savings target associated within the review will continue to be tracked through the Transformation Programme. This will be replaced with an alternative milestone that tracked permanent recruitment to the Section 151 officer and Chief Executive post in line with the timeline set out in the January 2024 report to Council.

6.2 Following a review of the current content of plans to assess where additional measures can now be added in as a result of progress. Additional milestones will now be included within future reporting to provide more detail on the delivery of the Transformation Programme, People Strategy and the Communications plan.

**Measures of success**

6.3 The Council, in identifying the data sources to measure success, has set a baseline against which it will judge ongoing performance. Frequencies in updating these measures vary and are detailed in Appendix 1. Some measures are ad hoc, some annual, while others are refreshed on a quarterly or monthly basis.

6.4 There there has been an update to measures, this is set out in full in the appendices. As part of the review of the improvement plan, the current measures of success were also reviewed. Future reporting will also separate out the agency staffing levels measures of success into BAU and transformation agency capacity.

**Key activities**

6.7 The following activities within the governance improvement plan have been delivered since progress was last reported to Committee:

THEME	WORKSTREAM	COMPLETED ACTIVITIES WITHIN REPORTING PERIOD
Cultural Transformation	Ensure stable and sustainable leadership for the organisation	Development of a recruitment plan for all interim posts in a leadership position
	Development and implementation of an improved focus on employee performance and accountability	Launch of the employee appraisal window
	Review the Council's approach to Member enquiries and engagement	Completion of a review of the interim, short term improvements to the current system which has been put in place
	Develop and implement communications and engagement plan to support cultural transformation	Launch of regular CGIP newsletter communications to all staff and members from the Chief Executive, aligned to the meeting schedule of the Board
Financial Recovery and Resilience	Setting a balanced budget for 2024/25 to 2026/27	Implementation of a savings programme. Completion of reviews of fees and chargers and the Capital Programme

**Changes to delivery dates**

6.8 Detailed delivery milestone plans have been developed to underpin all workstream activities within the improvement plan.

6.9 Where slippage occurs to individual milestones but the overarching end date for the workstream activity is not impacted, no escalation or change control will be required and it can be assumed that any required mitigated will be put in place at an operational level.

6.10 Where there is impact on achieving the intended measure of success or overarching end date of workstream activity, a change control will be proposed for noting and transparency.

6.11 There is one change control to the timeline for completion of recruitment to the posts of Chief Executive and Director of Finance roles on a permanent basis. This reflects the Council decision on 17 January 2024. There is also change control to the same workstream to remove the elements in relation to the senior management review, the rationale for which is set out at 6.1.

**Summary of progress against plan and measures of success**

6.12 The following tables set out a summary position against planned activity and progress against the measures of success that have been agreed to track the long-term impact of this plan.

CULTURAL TRANSFORMATION	ACTIVITY TRACKING		OUTCOME IMPACT		LMT LEAD	EXEC MEMBER
	CURRENT STATUS	PREV. STATUS	IMPACT TREND	IMPACT TARGET MET?		
Development / implementation of People and Cultural Transformation Strategy	Green	Green	Improved	No	C Benjamin	Cllr N Walker
Development / implementation of Member Development Strategy and Programme	Green	Green	No change	No	C Benjamin	Cllr N Walker
Development / implementation of a corporate governance training programme	Green	Red	No change	No	C Benjamin	Cllr N Walker
Ensure stable and sustainable leadership for the organisation	Red	Red	Improved	No	C Heaphy / C Benjamin	Mayor Cooke
Development / implementation of improved focus on employee performance and accountability	Green	Green	No change	No	C Heaphy	Cllr N Walker
Review Council's approach to Member enquiries and engagement	Green	Green	No change	No change	C Benjamin	Cllr N Walker
Develop / implement communications and engagement plan to support cultural transformation	Green	Green	No change	No	C Heaphy	Mayor Cooke

FINANCIAL RECOVERY AND RESILIENCE	ACTIVITY TRACKING		OUTCOME IMPACT		LMT LEAD	EXEC MEMBER
	CURRENT STATUS	PREV. STATUS	IMPACT TREND	IMPACT TARGET MET?		
Controlling 2023/24 expenditure to within approved budgets	Green	Green	No change	No	D Middleton	Cllr N Walker
Setting a balanced budget for 2024/25 to 2026/27	Green	Green	No change	No change	D Middleton	Cllr N Walker
Improvements to financial governance, spending controls and monitoring through more effective financial management	Green	Green	No change	No	D Middleton	Cllr N Walker

**7. Independent Improvement Advisory Board**

7.1 Since the previous progress report, the Board met formally on 5 February 2024. The Board considered reports and presentations on the following:

- in-year budget position and the development of the 2024/25 update
- an update on work to develop a transformation programme
- an update on progress against the improvement plan and Section 24 report.

7.2 The Chief Executive invited all staff who were interested, to participate in a series of focus group sessions with the Board. Three groups met with Board members, covering frontline staff, middle managers and Heads of Service. The Board also met with the Trade union representatives.

7.3 This information was shared with all staff and members following the meeting.

7.4 Action points arising from formal Improvement Board meetings, excluding admin related tasks, e.g. facilitation of meetings, are set out at Appendix 3, alongside a summary of information requested by the Board.

**8. Section 24: progress update**

8.1 The table below sets out the current status of activity in response to the Section 24 recommendations, along with a summary of the impact these activities are having on the longer-term measures of success that have been set in order to enable the Council to be able to assess whether the activities are having the intended impact.

8.2 Since the last report a further two actions have been completed and the measure of success for another has been achieved. There is a slight amendment to the timeline for

reporting on closure of the Middlesbrough Development Company which be completed in line with current planned :

S24 ACTIONS	ACTIVITY TRACKING		OUTCOME IMPACT	
	CURRENT STATUS	PREV. STATUS	IMPACT TREND	IMPACT TARGET MET?
1. Progression of next phase of Corporate Governance Improvement Plan, prioritising actions to address cultural and governance issues.	Complete	Complete	N/A	N/A
2. Development of contingency and succession governance protocols to mitigate potential impact of any future changes in senior leadership.	Red	Red	Improved	No
3. Conclusion of Constitution review and provision of officer / member training ensuring changes are understood and implemented.	Green	Red	No change	No
4. Identification of deliverable short-term savings, protecting limited remaining reserves, considering statutory responsibilities and delivery of services.	Green	Red	N/A	N/A*
5. Review service delivery models to ensure that they are efficient, represent value for money and achieves the outcomes required.	Green	Green	N/A *	N/A*
6. Review of financial forecasting processes to understand emergence of significant financial pressures, in both 22/23 and 23/24.	Green	Green	Mixed changes	No
7. Conclusion of Financial and Contract Procedure rules review to ensure they are fit for purpose.	Complete	Complete	Complete	Complete
8. Provision of training on Financial and Contract Procedure rules to all officers involved in contracting, procurement or financial decisions.	Green	Red	Complete	Complete
9. Completion of contract review to ensure compliance with Public Contracts Regulations 2015.	Green	Red	No change	Y
10. Review oversight arrangements for Middlesbrough Development Company to assure value for money.	Complete	Complete	Complete	Complete
11. Develop action plan for the demise of Middlesbrough Development Company setting out benefit realisation.	Amber	Green	Worsened	No

\*No baseline set

8.4 Across all S24 workstreams, 2 are reporting activity which is off-target:

- Recommendation 2, Contingency and succession planning:** The milestones relating to 'Senior Management Review' continues to show slippage, however this was a legacy approach agreed in the initial delivery phase of the Governance Improvement Plan, to achieve stability in the workforce at a senior level. The ambition in this workstream has now been achieved through the recruitment of permanent staff to senior leadership posts in Children’s Services and the securing services of the Section 151 officer and Chief Executive in the medium-term, to March 2025 and the

planned implementation of a governance protocol. Whilst wider reorganisation is still planned, this will be done as part of the Transformation Programme to ensure the management structure aligns with the future operating model of the organisation. As a result, it is proposed that the milestone will be removed from this workstream and that the savings target associated within the review will continue to be tracked through the Transformation Programme. This will be replaced with an alternative milestone that tracked permanent recruitment to the Section 151 officer and Chief Executive post in line with the timeline set out in the January 2024 report to Council.

- *Recommendation 11 Develop an action plan for the demise of MDC* an action plan is in place and a closure report was due to be considered by Executive in March 2024. While the work to close the company will be concluded by 31 March 2024 and an instruction issued to the external specialists to commence closure of the Company on behalf of the Council. Reporting on that will not be possible within the current deadline of 31 March 2024. There is a change control in place to ensure this occurs by 30 May 2024.

**Section 24: key activities**

8.5 Progress against the Section 24 action plan agreed by full Council on 18 September 2023 since last presented to committee is set out below:

REC	ACTIVITY
4.09	Relaunch of use of Purchasing Cards, for essential users only and subject to mandatory training.
5.02	Development of a first stage transformation programme (2024/25 to 2026/27) to review service delivery models to maintain / improve service outcomes from an affordable and sustainable cost base.

**Section 24: measures of success**

8.5 Of the 17 measures of success in place to assess the impact of activity within the Section 24 action plan:

- Four are now complete
- Two are on or above target
- Four cannot yet be measured
- Of the remaining seven measures which are all below target, four have improved performance while two have worsened and there is no change in one.

8.6 As part of the review of measures of success, future reporting will include a slight amendment, replacing the proxy measure of success in relation to recommendation 9, with an indicator that more closely links to the recommendation – number of contract extensions that do not comply with Public Contract Regulations 2015, of which there were zero in 2022/23. This will be tracked quarterly.

**9. Other potential alternative(s) and why these have not been recommended**

9.1 Not applicable.



**10. Impact(s) of the recommended decision(s)**

***Financial (including procurement and Social Value)***

10.1 Not applicable.

***Legal***

10.2 There are no direct legal implications as a result of this report, however delivery of this plan provides evidence of compliance with a number of recommendations that have been made by the Council’s External Auditors under Section 24 of the Local Audit and Accountability Act 2014.

***Risk***

10.3 If the Council fails to respond effectively to the improvement plan, this will have a negative impact on the following strategic risks:

- Failure to meet a balanced budget.
- Risk of an unlawful decision by the Council.
- Corporate governance is not fit for purpose.

***Human Rights, Public Sector Equality Duty and Community Cohesion***

10.4 Not applicable.

***Climate Change / Environmental***

10.5 Not applicable.

***Children and Young People Cared for by the Authority and Care Leavers***

10.6 Not applicable.

***Data Protection / GDPR***

10.7 Not applicable.

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

10.8 Not applicable.

**Appendices**

<b>1</b>	Corporate Governance Improvement Plan: measures of success
<b>2</b>	Section 24 Plan: Measures of success

<b>3</b>	Key activities update from the Board
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## Background papers

Reporting 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
Council	Corporate Governance Improvement Plan and progress update	18 Jan 2023
Corporate Affairs and Audit Committee	Statement of Accounts 2020/2021	28 Apr 2023
Corporate Affairs and Audit Committee	Auditor's Annual Report – Year Ended 31 March 2021	29 Jun 2023
Council	Corporate Governance Improvement Next Steps	5 Jul 2023
Council	Section 24 Statutory EY recommendations	18 Sep 2023
Council	Corporate Governance Improvement Plan	18 Sep 2023
Corporate Affairs and Audit Committee	Lessons Learnt: Best Value Inspection of Liverpool City Council	5 Aug 2021
Audit Committee	Section 24 Report – Delivery and oversight arrangements	5 Oct 2023
Council	Corporate Governance Improvement Plan and Section 24 Action Plan progress report	25 Oct 2023
Council	Corporate Governance Improvement Plan and Section 24 Action Plan progress report	29 Nov 2023
Audit committee	Corporate Governance Improvement Plan and Section 24 Action Plan progress report	14 December 2023
Audit Committee	Corporate Governance Improvement Plan and Section 24 Action Plan progress report	1 February 2024

### Contact:

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### Appendix 1: Corporate Governance Improvement Plan: measures of success

	Outcome	Measure of Success	Track against which workstream	Current performance	Previous performance	Target	Status against target	Frequency of data refresh	Source	Current performance data	Current performance period	Previous performance data	Previous performance period
Cultural Transformation	Improved understanding of corporate governance policies and process and improved adherence to them	Reduce the number of audits that have limited or no assurance	CT3	Worse	No change	0	Below target	every 2 months	Internal audit progress reports to Audit Committee	2 out of 12 complete audits	December 2023 report	1 out of 8 complete audits	October 2023 report
		Improve the percentage of priority One and Priority Two actions from Internal Audits that are delivered within original timescales	CT3	Improved	n/a baseline	80% or higher	Below target	Quarterly	Internal Audit	20% of P1 actions and 13% of P2 actions were complete within original timescales	Nov-23	20% of P1 actions and 10% of P2 actions were complete within original timescales	2022/23
		Reduce / Upheld whistleblowing reports on non-compliance with corporate governance processes.	CT3	No change	No change	0	At target	Annual	Internal Audit	0	2022/23	n/a	n/a
	Improved relationships between officers and members	Staff and Member surveys to assess health of relationships and direction of travel	CT1, CT2	Improved	n/a baseline	50% of staff and 80% of councillors or higher	Below target	Ad hoc	Staff surveys	77% of heads of service and directors now view relationships with Executive members as positive or very positive (22	Dec-23	26.6% of staff think relationships are somewhat or very positive, compared to 69% of Councillors	August 2023 Survey
	Improved retention of staff	Staff turnover rates – number of leavers	CT1, CT4, CT5	No change	Improved	5%	Below target	Quarterly	HR - Kerry Rowe	5.60%	Quarter 3 2023/24	5.64%	Quarter 2 2023/24
	Improved staff satisfaction	1-10 Score of how valued staff feel as an employee of the Council	CT1	Worse	n/a baseline	6.2 or higher	Below target	Ad hoc	Staff surveys	5.9	August 2023 Survey	6.22	Nov-22
	Reduced need to use agency staff	Number of agency staff working for Middlesbrough Council – total	CT4	Improved	Worse	75	Below target	Monthly	Procurement - Claire Walker	116	Feb-24	121	Jan-24
	Improved ability to recruit to key roles.	Number of roles at Head of Service and above that are vacant / occupied by Agency or interim staff	CT4	Improved	No change	3	Below target	Monthly	Procurement - Claire Walker	5	Feb-24	8	Jan-24
	Improved outcomes for our community by ensuring that staff have the skills needed to deliver excellent services and that the behaviours increase trust in the Council	Number of complaints – total	CT1	Improved	Improved	Less than 150	Above target	Monthly	Monthly compliance report to LMT	101	Jan-24	133	Dec-23
		% of complaints upheld or partially upheld by the central team	CT1	Improved	Worse	Less than 40%	Below target	Monthly	Complaints dashboard	43%	Jan-24	54%	Dec-23
	Members have a Member development programme that meets their needs and is well used	Percentage of members completing all mandatory training	CT2	Complete	Complete	100%	At target	Annual	Member training data	100%	Oct-23	100%	Oct-22
		Percentage of Members attending wider skills	CT2	n/a baseline	n/a baseline	95%	Above target	Annual	Member training data	98%	Oct-23	Data not available	Oct-22
		Member satisfaction with the Member development programme	CT2	n/a baseline	n/a baseline	90%	Below target	Annual	Member training data	87.5% this is based on 21 responses out of 24	Oct-23	71% this is based on 5 responses out of 7	Oct-22
	Performance is effectively managed within the organisation	Completion of appraisal process	CT1	not yet measured	not yet measured	95%	not yet measured	Annual	OD - Nicky Spencer	n/a	n/a	n/a	n/a
	Improved Member behaviour	Number of member on member complaints received	CT1	Worse	Worse	2 or fewer per quarter	Below target	Quarterly	Ann-Marie Wilson	6 complaints received member on member	Q3 2023/2024	3 complaints received member on member	Q2 2023/2024
	Residents are increasingly satisfied with the way the Council is ran and with the Council overall	Questions within the 2023 Resident survey currently underway	CT7	45%	n/a baseline	61% (NE average 21/22)	Below target	TBD	Vickie Holmes	40%	Nov-23	64%	Previous survey was in 2017
Residents increasingly agree that the Council acts on their concerns	Questions within the 2023 Resident survey currently underway	CT7	43%	Not previously asked	55% (NE average 21/22)	Below target	TBD	Vickie Holmes	43%	Nov-23	n/a	Not previously asked	

	Outcome	Measure of Success	Track against which CGIP workstream	Track against which S24 recommendations	Current Performance	Previous Performance	Target	Status Against Target	Frequency of data refresh	Source:	Current performance data:	Current performance period:	Previous performance data:	Previous performance period:
Financial Recovery and Resilience	Expenditure for 2023/24 is completed within the approved 2023/24 budget	Actual expenditure and Forecast revenue outturn within the approved budget	FRR1	6	Improved	Improved	£0	Below target	Quarterly report to Executive	Finance quarterly report to Executive	£7.023m	Period 8 2023/24	£7.438m	Period 7 2023/24
	Set a balanced budget for 2024/25 and adhered to during 2024/25	2024/25 revenue budget is balanced and maintained during 2024/25	FRR2	4	n/a	n/a	Balanced budget set	n/a	Annual - One Time	Finance quarterly report to Executive	n/a	n/a	n/a	n/a
	Set a sustainable Medium Term Financial Plan in place for the period 2024/5 to 2026/27	Balanced MTFP to 2026/27	FRR2	6	n/a	n/a	Balanced MTFP set	n/a	Annually	Finance quarterly report to Executive	n/a	n/a	n/a	n/a
	Maintain General Fund balance and usable revenue reserves at 31/3/23 levels	Maintain GF balance at £12m at 31/3/24	FRR2	6	Improved	Worse	£12m or more	Below target	Annually	Finance quarterly report to Executive	£7.806m	Period 8 2023/24	£6.273m	Q2 2023/24
		Maintain unrestricted usable revenue reserves at a minimum of £4m at 31/3/24.	FRR2	6	Worse	Worse	£4m or more	Below target	Annually	Finance quarterly report to Executive	£0.0m	Period 8 2023/24	£1.171m	Q2 2023/24
	Establish Medium Term Plan to rebuild GF Balance and revenue reserves	Section 151 Officer assessment of adequacy of reserves	FRR2		n/a	n/a	n/a	n/a	Feb-24	Section 25 Report to Council	n/a sufficient resources in place - judgement of S151 officer	Feb 2023 report to Council	n/a	n/a
	Financial Procedure Rules and Contract Procedure Rules training delivered	LMT, WLMT, all Budget Holders trained by 31 December 2023	FRR3	7, 8	Complete	Improved	95% or higher	Complete	Monthly	E-Learning training data reporting dashboard	80.10%	Feb-24	76.88%	Jan-01
	Corporate finance training programme established	Quarterly programme of finance training established	FRR3		100%	n/a baseline	One training session delivered per quarter	Complete	Quarterly	E-Learning training data reporting dashboard	100%	Feb-24	n/a	n/a
	Budget management and purchase to pay dashboards developed to improve management information and compliance	Budget management dashboard available to all budget holders from Business World through Power BI reporting tools by 30 November 2023. P2P Dashboards available by 31 March 2024	FRR3		Complete	n/a	Dashboard in place	Complete	n/a one off measure	Finance dashboard in place	n/a	n/a	n/a	n/a
	Budget management training rolled out to budget holders	All Chief Officers, Heads of Service and Budget Holders Training delivered December 23 to March 24	FRR3		n/a	n/a	95% or higher	n/a at this stage	n/a one off measure	J.Weston and A.Humble? Data off Nicky	n/a due from April 2024 onwards	n/a	n/a	n/a
	Establish Business World as one version of the financial truth for internal and external reporting	Reduce/eliminate need for manual intervention and re-work to produce internal budget management and external statutory reporting.	FRR3		n/a	n/a	n/a	n/a	Subjective measure	J.Weston/A.Humble	n/a	n/a	n/a	n/a
	Develop value added finance business partnering approach	Realignment of accountancy resource from preparation of reports and more towards business partnering analysis, advice, challenge. By June 2024	FRR3		n/a	n/a	n/a	n/a	Service review completed	A Humble	n/a	n/a	n/a	n/a

## Appendix 2 – Measures of success – Section 24 Report

Recommendation	Measure of Success	Also in CGIP	Current performance	Target	Status against target	Frequency of data refresh	Source:	Current performance data:	Current performance period:	Previous performance data:	Previous performance period:
1	Delivery of the Corporate Governance Improvement Plan activity		Complete	n/a	Complete	Monthly	Corporate Governance Improvement Plan	6 out of 10 workstreams activity on target	Nov-23	10 out of 10	Oct-23
2	Number of roles at Head of Service and above that are vacant / occupied by Agency or interim staff	Y	Improved	3	Below target	Monthly	Procurement - Claire Walker	5	Feb-24	8	Jan-24
3	Reduce the number of audits that have limited or no assurance	Y	Worse	0	Below target	Quarterly	Internal audit progress reports to Audit Committee	2 out of 12 complete audits	December 2023 report	1 out of 8 complete audits	October 2023 report
3	Improve the percentage of priority One and Priority Two actions from Internal Audits that are delivered within original timescales	Y	Improved	80% or higher	Below target	Annual	Internal Audit	20% of P1 actions and 13% of P2 actions were complete within original timescales	Nov-23	20% of P1 actions and 10% of P2 actions were complete within original timescales	2022/23
3	Percentage of members completing all mandatory training	Y	Complete	100%	Complete	Annual	Member training data	100%	Oct-23	100%	Oct-22
3	Percentage of Members attending wider skills	Y	No change	95%	Above target	Annual	Member training data	98%	Oct-23	Data not available	Oct-22
3	Member satisfaction with the Member development programme	Y	No change	90%	Below target	Annual	Member training data	87.5% this is based on 21 responses out of 24	Oct-23	71% this is based on 5 responses out of 7	Oct-22
4	2024/25 revenue budget is balanced and maintained during 2024/25	Y	No change	n/a	n/a	Annual	Finance quarterly report to Executive	Balanced budget set	n/a	n/a	n/a
5	90% of projects within the programme, once launched are on track			n/a	n/a at this stage	Quarterly once live		90% once launched	n/a		
5	90% of benefits from projects realised in line with benefits realisation trackers			n/a	n/a at this stage	Quarterly once live		90% once launched	n/a		
6	Actual expenditure and Forecast revenue outturn within the approved budget	Y	Improved	£0	Below target	Quarterly	Finance quarterly report to Executive	£7.023m	Period 8 2023/24	£7.438m	Period 7 2023/24
6	Balanced MTFP to 2026/27	Y	No change	Balanced MTFP set	n/a	Annually	Finance quarterly report to Executive	n/a	n/a	n/a	n/a
6	Maintain GF balance at £12m at 31/3/24	Y	Improved	£12m or more	Below target	Annually	Finance quarterly report to Executive	£7.806m	Period 8 2023/24	£6.273m	Q2 2023/24
6	Maintain usable revenue reserves at a minimum of £4m at 31/3/24.	Y	Worse	£4m or more	Below target	Annually	Finance quarterly report to Executive	£0.0m	Period 8 2023/24	£1.171m	Q2 2023/24
7 and 8	LMT, WLMT, all Budget Holders and all staff involved in Purchase to Pay trained by 31 December 2023	Y	Complete	100%	Complete	Monthly	E-Learning training data reporting dashboard	100.00%	Feb-24	76.88%	Jan-24
9	Reduce Upheld whistleblowing reports on non-compliance with corporate governance processes.	Y	No change	0	At target	Annual	Internal Audit	0 in 2022/23	2022/23	n/a	n/a
10 and 11	Provision of quarterly reports on MDC until closure		Complete	1 a quarter until closure	Complete	Quarterly	Executive reports	Report provided in December 2023	Dec-23	Report provided in September 2023	Sep-23

### Appendix 3 – Summary of information requested and major action points arising from the Middlesbrough Independent Improvement Advisory Board (MIAB) recent meetings

Information requests	Status
Provision of further information on the process being undertaken to close Middlesbrough Development Company	Complete
Provision of information on redundancy terms and conditions	Complete
Information on the methods of engagement undertaken between the Council and Trade Unions	Complete

Major comments / action points
Setting the focus of future meetings – March meeting to include an update on delivery of cultural transformation, update on the development of the transformation programme and feedback on staff undertaken engagement by the Board
Planned programme of member engagement by the Board over the next three months to include the Mayor, Group Leaders, Audit Committee chair, Scrutiny chairs and the Chair of Constitution and member Development.
Planned engagement of the Board with external partners to be undertaken in May
The Board gave feedback on the proposed governance of the Council's Transformation Programme. This has been reflected in the report to Executive.
Suggestion for a more ambitious target to track the volume of discretionary training accessed by members.