

<b>MIDDLESBROUGH COUNCIL</b>	
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<b>Report of:</b>	Mayor, Chris Cooke and the Chair of the Improvement Board, Wallace Sampson
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<b>Submitted to:</b>	Council
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<b>Date:</b>	16 October 2024
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<b>Title:</b>	Middlesbrough Independent Improvement Advisory Board: 12-month 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 Council: <ul style="list-style-type: none"><li>expresses its condolences following the unexpected passing of Suki Binjal who had been supporting the Council’s Corporate Governance improvement journey as a member of its Independent Improvement Advisory Board, and</li><li>notes the report of the Middlesbrough Independent Improvement Advisory Board which reflects on progress made by the Council on its Corporate Governance improvement journey over the last 12 months.</li></ul>

<b>Executive summary</b>
The Board’s report sets out its view of the Council’s position on its improvement journey and the progress it has made over the last 12 months.

**1. Purpose**

1.1 The Board’s report sets out the background to its appointment, a summary of activity to date, its view of the Council’s programme and a forward view on the Council’s improvement journey.

**2 Recommendations**

2.1 That Council:

- expresses its condolences following the unexpected passing of Suki Binjal who had been supporting the Council’s Corporate Governance improvement journey as a member of its Independent Improvement Advisory Board, and
- notes the report of the Middlesbrough Independent Improvement Advisory Board which reflects on progress made by the Council on its Corporate Governance improvement journey over the last 12 months..

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

3.1 The Council must continue to 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 The report of the Board provides an independent view of progress made to date and its expertise and advice will assist the Council in its improvement journey.

**4 Background and relevant information**

The Improvement Board

4.1 In September 2023 the Council appointed a discretionary Independent Improvement Advisory Board, currently comprises the following members:

<b>Name</b>	<b>Experience / speciality</b>
Wallace Sampson OBE	Local authority CEO (Chair)
Ros Jones CBE	Unitary local authority Mayor / Leader
Suki Binjal	Unitary local authority Monitoring Officer
Barry Scarr	local authority Chief Finance Officer
Caroline O’Neill	Former Director of Childrens and Adults services
Mark Edgell	LGA Regional Lead

4.2 The Board's role is to provide oversight, support and challenge to the Council's improvement and transformation journey, with particular focus on ensuring compliance with the Council's Best Value Duty under the Local Government Act 1999, and addressing the reasons why government had been compelled to issue a Best Value Notice, notably:

- Cultural and governance issues, including those identified through previous CIPFA and previous, and any future, external auditor reports.
- Financial sustainability, including a balanced medium-term financial strategy aligned to the Council's Corporate Plan.

### Suki Binjal

4.3 Sadly, shortly before publication of this latest report, the Council learned of the unexpected passing of Suki Binjal who had been supporting the Council's improvement journey for the last year. Suki had brought a wealth of experience, skill, warmth, enthusiasm and empathy to her role and was a highly valued member of the Council's Improvement Board who will be greatly missed. Members are asked to send their condolences to her husband and family at this very sad time.

### Best Value Notice update

4.4 On 9 September 2024, the Council received notice that its Best Value Notice would not be renewed following the work of the Council to deliver improvements to its corporate governance arrangements. The Notice stated:

'We acknowledge the significant progress made by the council, such as making positive changes to personnel in key leadership positions and delivering the improvement plan, as well as developing strategies and establishing the infrastructure for ongoing improvement in culture, governance and financial sustainability. It is encouraging that the council recognises that the implementation of these strategies will be vital to embedding the progress made to date.

Whilst the council's financial position has improved since the first Notice was issued in January 2023, we note that significant financial risks remain. We recognise the work the council has undertaken to understand its previous financial position and the strategies in place to address these through transformation. We also acknowledge the additional plans the council is developing following the recent external finance management assurance review.

It is reassuring to see that the authority's overall progress is endorsed by the Independent Improvement & Assurance Board, albeit whilst recognising that changes need to be embedded. We welcome the council's commitment to maintaining the Board structure until March 2025, as well as proposals for the Local Government Association to undertake a corporate review in early 2025, demonstrating the council's intention to maintain its improvement journey beyond the Notice process.

In light of the above, based on the available evidence ministers are reassured as to Middlesbrough's capacity to comply with its Best Value Duty under the Local Government Act 1999 and the Notice will not be reissued at this time.'

Children's Services intervention

4.5 In addition, on 6 September 2024, the Council received positive news in relation to its Children's Services improvement journey. The Department of Education recognised the progress that had been made to improve services for Middlesbrough's children and families and revoked the statutory direction that had been in place since 2022.

Next steps

4.6 The latest Board report reflects on the positive nature of both government decisions. It sets out the activities of the Board since it last reported to Council in March 2024, its views of the improvement journey to date and outlines the planned approach of the board to supporting the Council's transition to business as usual, following the removal of formal interventions.

4.7 This Board report makes several recommendations and comments in relation to the continued delivery of the Council's improvement plan, namely that the Council:

- 'Continue to embed improvements in member behaviour and conduct
- Retain a laser focus on delivering a balanced budget for 2024/25 and using the transformation programme to support this
- Develop robust proposals, at pace, to balance the 2025/26 budget
- Begin the process of moving away from an intervention governance model to a business as usual governance model
- Be clear about leadership priorities as the council transitions to permanent officer leadership arrangements.'

4.8 The Council welcomes this ongoing support and the positive nature of the Board's fourth report.

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

5.1 Not applicable.

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

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

6.1 Not applicable.

***Legal***

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

***Risk***

6.3 the work of the Council and the Board, as well as the recent government decisions positively impact on the following risks within the Strategic Risk Register:

- 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***

6.4 Not applicable.

***Climate Change / Environmental***

6.5 Not applicable.

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

6.6 Not applicable.

***Data Protection / GDPR***

6.7 Not applicable.

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

6.8 The Chief Executive will issue revised appointment letters to the Board to reflect the content of this report and the enact the appointment of the additional subject matter expert.

**Appendices**

1	Middlesbrough Independent Improvement Advisory Board: Fourth Update Report
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**Background papers**

Reporting body	Report title	Date
Executive	First Report of the Middlesbrough Independent Improvement Advisory Board	17 January 2024
Council	Second Report of the Middlesbrough Independent Improvement Advisory Board	27 March 2024
Executive	Third Report of the Middlesbrough Independent Improvement Advisory Board	24 July 2024

**Contact:**

Ann-Marie Johnstone, Head of Governance, Policy and Information  
[Ann-marie\\_johnstone@middlesbrough.gov.uk](mailto:Ann-marie_johnstone@middlesbrough.gov.uk)

