

Middlesbrough Council Operating Model 2024-XX

Working Smarter Together

This document introduces a new way of working for Middlesbrough Council and explains how it will benefit the town.

The new approach is linked to our Council Plan which sets out what we're trying to achieve from 2024-2027. The Council Plan outlines the Mayor's vision for Middlesbrough and the Council's four key priorities.

Our vision for Middlesbrough is a thriving, healthier, safer and more ambitious place where people want to live, work, invest and visit. We will support our residents to live fulfilling lives, to ensure that our communities thrive.

This document, known as our operating model, details how the Council will be set up to deliver that vision.

The Council's Values are at the heart of what we do and how we want to deliver for Middlesbrough. Those Values - Passion, Integrity, Creativity, Collaboration and Focus - provide the foundation for this new operating model.

This model will see the Council become ever more focused on the needs of our customers. It will move us closer to our communities and help us deliver better outcomes.

Our services will be designed around the needs of residents, businesses and visitors. This will mean teams from across the Council will work smarter together for the good of the town.

In the Council Plan, the Mayor set out his ambition to recover, reset and deliver for the people of Middlesbrough.

To that end, the Council has made great progress in recent months, a fact endorsed by government. We have started the process of recovering our financial position and this operating model helps us continue the work of re-setting how we work.

Why we need to change

Like many councils, Middlesbrough is experiencing significant financial challenges.

The Council has seen government funding reduce by 46% between 2013/14 and 2023/24, before the effects of inflation are considered.

Increased demand for social care and the increased costs of caring for our most vulnerable people are creating budget pressure.

Middlesbrough has far more adults in residential care homes than the national average. There are also far more child protection plans in place for young people in the town than the national average. Life expectancy and healthy life expectancy for

both men and women are lower than the national averages. There are also huge differences between life expectancy between different areas of the town.

In 2023/24, the Council spent 84% of its budget on adult and children's social care.

This high proportion of spending on looking after the most vulnerable people in society significantly limits the council's ability to invest in other services. This is especially true of services that are not required by law but are valued by residents.

In addition, the costs of fulfilling other legal duties such as homelessness services and waste disposal have also increased.

These pressures and others have led to the Council spending more than it receives in income in recent years. This has led to an overreliance on using reserves to fund day-to-day services. In 2024/25, the Council's budget was only balanced following a successful application for government assistance, known as Exceptional Financial Support, for £4.7m.

The Council's Medium Term Financial Plan identified a budget gap of £7.864m for 2025/26 when it was refreshed in September. The Council is embarking on a new transformation programme designed to improve outcomes and reduce costs.

The financial position means there is a short-term necessity to balance the budget and a longer-term question about how the Council can continue to deliver services relied on by so many.

Put simply, demands for our services are increasing at the same time our funding is reducing. Our current way of working is struggling to meet this challenge.

Our opportunity

Middlesbrough's growing population is young and increasingly diverse. The 2021 Census showed the town's population had risen to 143,900. Approximately 18% of our people are of an ethnic minority, up from around 12% in 2011.

The town sits at the centre of the Tees Valley with 800,000 people living within a 30-minute radius. Our location and road and rail connectivity provide us with the potential to build on our reputation as a cultural and events capital for the region.

Our population is younger than both the regional and national average. Middlesbrough's age profile ensures education and skills is a priority for the town.

Middlesbrough boasts an exceptional university and many modern and vibrant further education colleges. The town has a broad vocational training offer giving young people and adults a pathway into employment in emerging industries.

In October, the government announced billions of pounds of investment into carbon capture at the nearby Teesworks site. Thousands of jobs will be created in the area as technology is used to store emissions from energy, industry and hydrogen production.

This one example highlights how our young population, equipped with the right skills, can look forward to a prosperous future.

Against this backdrop, the Council has made positive progress in the past 18 months.

In September the government announced that a Best Value Notice issued in January 2023 would be removed. The notice was issued due to concerns about cultural and governance issues. In the same month the Department for Education confirmed its intervention in the Council's Children's Services department would end. An inadequate Ofsted rating in January 2020 had originally led to a commissioner being appointed.

The two government decisions highlight the progress that staff and elected members have made together.

At this point in our improvement journey we must strive to continuously improve not only as an organisation but for the benefit of the whole town.

With changes to the way we work, the Council can play a more positive role in helping the town fulfil its undoubted potential.

How we will change

This operating model will reposition the Council, taking us closer to communities and increase our understanding of the people we serve. Our adapted staffing structure will help build trust and relationships with residents and our partners.

We will seek to address the root causes of people's problems and prevent them from happening.

An ambition of our Council Plan for 2024/27 is to create an environment where residents can live more independent lives.

This will include reducing the number of people who need to rely on us for care, but also take a broader approach.

We will seek to work ever closer with partners and support communities to resolve more issues without the need for us to directly intervene.

We will work with whoever is best placed to improve the lives of local people.

Structures

At present, the Council is largely structured based on its internal directorates such as Children's Services, Regeneration and Environment.

This model will ensure future redesign of services are based on the needs of residents, businesses and visitors. Where it benefits our customers, we will design services to improve outcomes.

As an example, there will be further instances of staff from different areas of the Council coming together to form teams focused on a shared priority. The Council has already trialled a similar way of working in areas of the town including Newport and North Ormesby through locality-based working.

The Council's current customer service functions are an example of how outcomes can be improved and costs reduced. At present, different services have different approaches to customer service. There are inconsistencies in the systems used and the experience of our customers.

Introducing the new operating model will involve more than simple structural changes. We need to continue improving our organisational culture, being driven by our Values to deliver for Middlesbrough.

Data and insights

Many Council services already use data to inform their decisions. We will extend this under this model, using the insight to intervene early and prevent issues from requiring long-term expensive solutions.

Technology

The Council has invested heavily in technology in recent years but must acknowledge how quickly advancements happen.

Residents, businesses and visitors rightly expect modern and efficient digital solutions. This model will see the Council invest in technology such as artificial intelligence to improve customer experience.

What it will mean for staff

The operating model will be introduced in phases allowing us to test how it works and make changes where necessary.

Throughout the process, we are committed to engaging with our staff, trade unions, partners and communities. This will ensure that the model and wider transformation programme works for Middlesbrough.

Rather than a one-off change, this will be an ongoing process of improvement.

The new model, combined with the need to deliver services within budget, will lead to changes in staffing levels.

We will support our staff as they develop new skills and capabilities. There will be a greater focus on community engagement and co-production of certain specialised services. Staff will have the opportunity to learn new skills in areas including data, digital and partnership working.

Some staff may find themselves taking on broader, more varied roles. We will continue to invest in the development of our staff to support them to take advantage of opportunities that arise.

We will ensure our workplaces are appropriate and maintained to a consistent standard so that staff can work effectively.

There will be regular opportunities for staff to contribute ideas and feedback, and we'll provide ongoing updates on the progress of the new model.

Through the promotion of our Values and delivery of our People Strategy, we are aspiring to become an employer of choice in the region. Our staff are our greatest asset and have showed great commitment and resilience in recent years.

What the model will focus on:

1. Outstanding customer service.

We will improve how our residents, businesses and visitors access information and services. We will enhance the customer experience while reducing the cost and demand for our high-volume transactions. This approach supports our priority of delivering best value, ensuring that every interaction with the council is efficient, effective and empowering.

2. Deep understanding of people and place.

The model will help us better understand the inequalities that lead to people needing our services. We will use data, insight and community engagement to identify these underlying factors, enabling us to design interventions that address problems at their source. Some services will be based more in the community than they are at present.

3. Early intervention and prevention.

We will adopt a coordinated approach to reducing demand through early and effective intervention. This is particularly crucial in areas such as social care, housing and health. Our early intervention approach will be based on strong relationships with our communities. We will work alongside residents, businesses, community groups and other local organisations to co-design solutions that address issues before they escalate. This will improve outcomes while reducing demand and costs.

4. Innovation and improvement.

We will foster a culture of continuous innovation, leading the way in digital solutions and learning from best practices elsewhere. This commitment to improvement and forward-thinking supports our ambition for Middlesbrough to be a successful and ambitious town, ready to take advantage of new opportunities as they arise. Our innovation will be guided by the needs and insights of our communities, ensuring that new approaches truly serve the people of Middlesbrough.

5. Partnership and community working.

Recognising that we can't achieve our goals alone, we will build upon our existing partnerships and community networks. This goes beyond traditional consultation. We need to create a new relationship with our communities based on mutual trust, respect and shared responsibility. We will seek out and amplify community voices, particularly those that have been historically marginalised. By using our collective resources and expertise, we can better meet the diverse needs of our residents and create more resilient communities.

6. Building community trust.

We will further engage with our communities, listening and responding to their needs. We aim to build and maintain the trust of our residents. This trust is essential for effective early intervention and prevention, as it encourages people to engage with services before issues become critical.

7. Shaping a place that people choose to live, work and visit.

We are committed to creating and maintaining areas that are attractive and affordable for our residents, businesses and visitors. We will work to ensure a safe and clean environment. We will celebrate and promote our culture and leisure facilities, understanding their importance in creating a vibrant and healthy place. We will preserve and showcase our rich heritage, recognising that our history is a unique asset that contributes to Middlesbrough's identity and appeal. By focusing on these elements, we aim to make Middlesbrough a destination of choice, attracting new residents, businesses and visitors while improving the quality of life for those already here.

8. Promoting Social Value.

The Council's Social Value Charter, approved in April 2024, seeks to ensure the organisation's spending power and influence is used to promote fairer work and earning opportunities for local people and companies. When social value is considered across the whole organisation, it can boost skills, jobs and life chances for the people of Middlesbrough.

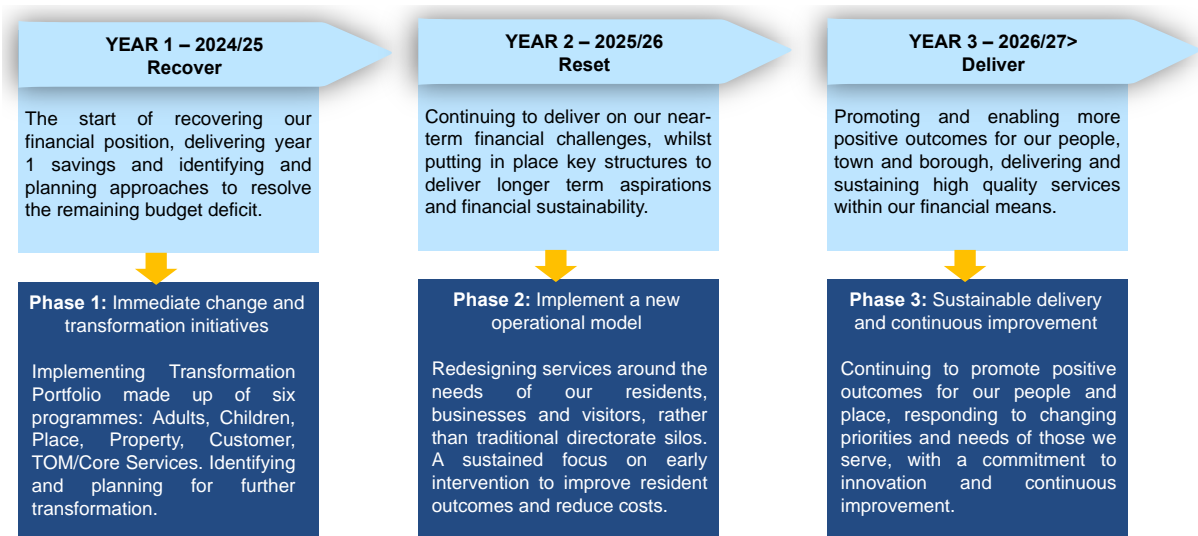
9. Corporate parenting.

All Council staff and elected members act as 'corporate parents' of all children and young people in our care. We must act to ensure these children and young people's wellbeing is considered as services are designed and delivered. All Middlesbrough children matter and we have the same aspirations for the children we look after as those of every responsible and caring parent.

Links to transformation

The Council's *Recover, Reset, Deliver* transformation programme is set up in a way that acknowledges different parts of the organisation are progressing through the three main stages at different times and represents how we will work towards our future state of operating.

The below graphic sets out the broad phases of transformation and a timeline:



The transformation portfolio is already delivering key aspects of this proposed operating model; addressing short-term challenges whilst establishing the groundwork for longer-term aspirations and financial sustainability.

This delicate balance is crucial as we strive to create sustainable, positive change for Middlesbrough.

The four key layers

The new model is structured around four key layers, each designed to support our priorities and improve outcomes for Middlesbrough.

Customer Access

As the front door to the Council, this layer will provide consistent access to information and high-quality customer service. We will seek to resolve queries at the first point of contact wherever possible. More complex service requests will be directed to the appropriate service to ensure efficient and appropriate support.

We will adopt a digital-first strategy, while maintaining appropriate access for those who need alternative options. This layer will link to a tiered customer model, ensuring we can provide the right level of support based on the complexity of each customer's needs. Importantly, a feature of this layer will be designed to identify potential issues early, connecting residents, businesses and visitors with appropriate professional support before problems escalate.

The ambition is to create a system where, for example, applying for a permit online, reporting an issue via the customer centre or visiting us in person will all result in the same high-quality service.

We will invest in systems, processes and technology. Artificial Intelligence will be explored to achieve more accurate and consistent performance, reducing delays and costs. This will allow us to focus valuable resources on those who need it most.

Neighbourhoods Working

With bases in the North, East, South and West of the town, our Neighbourhood Working teams will be on the ground and at the heart of our communities.

They will be based alongside staff from partners and play a leading role in how we address the inequalities that lead to people needing our services.

Staff will work alongside residents, community groups, partners and local organisations to identify and address issues before they escalate.

Through this approach we will be visible and actively engaged in our communities, particularly in areas of higher need. Using data-driven insights alongside community knowledge, we will shape and prioritise services for each local area.

This approach recognises that different neighbourhoods may have different needs and strengths and allows us to tailor our approach accordingly. We will work closely with partners and community networks to build local capacity and resilience, empowering communities to take an active role in shaping their future.

Service Delivery

Teams not directly involved in the above layers will also be designed around the needs of our residents and businesses, not traditional service areas.

Teams at the service delivery layer will prioritise early intervention and prevention. They will use data and insight alongside community wisdom to improve outcomes and reduce long-term demand on services.

This layer will focus on integrated support that addresses the root causes of issues, rather than treating symptoms in isolation. For example, support for a health issue might involve input from housing and employment services.

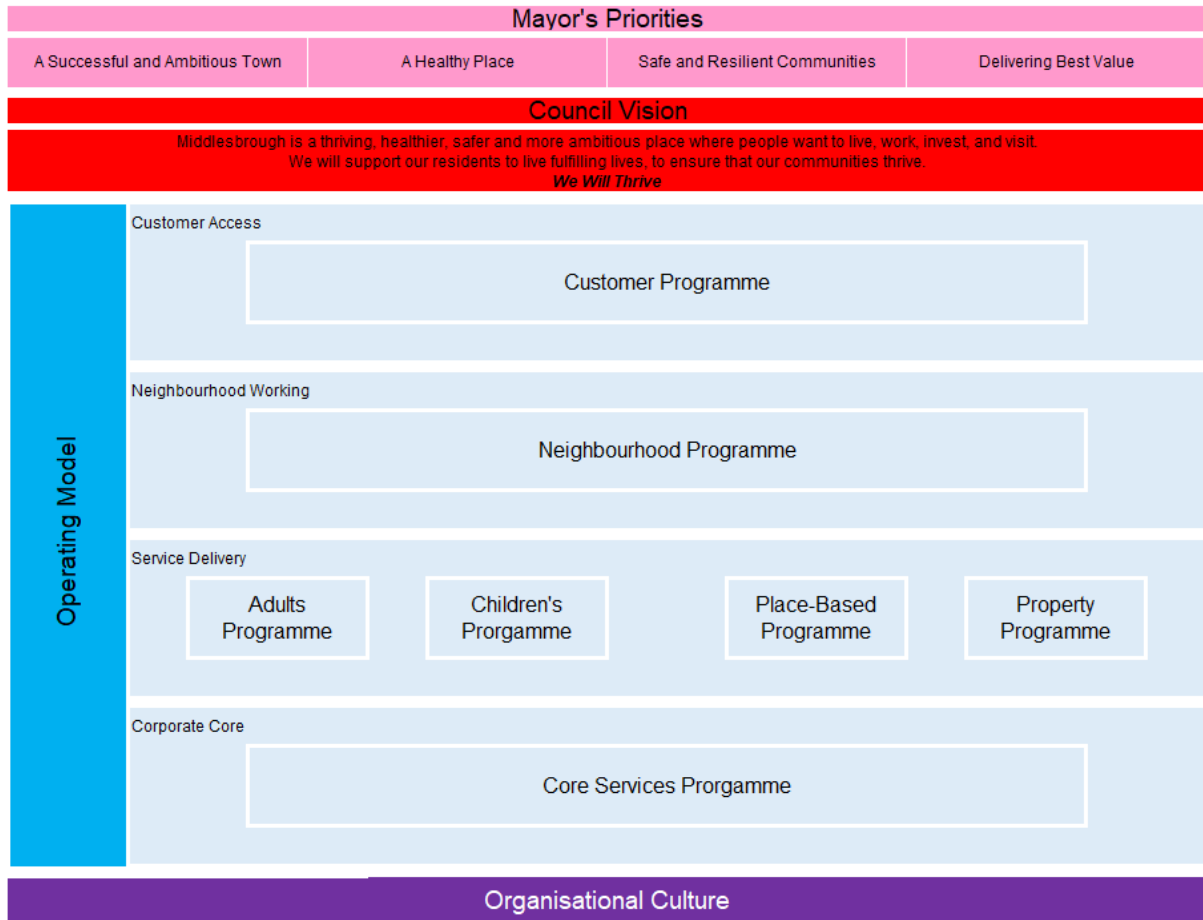
Corporate Core

This fundamental layer underpins how the other three levels operate.

It will drive evidence-based decision-making through our Strategy, Insight & Policy function. Our enabling services including HR, ICT, Legal and Governance and Finance will ensure we have streamlined processes and the right digital tools to support our frontline services.

This layer will play a crucial role in analysing data and community feedback to identify trends, evaluate the effectiveness of our interventions, and continuously improve our approach.

It will also lead on policy development, ensuring our local policies are tailored to meet the specific needs of Middlesbrough's people.



Supporting and enabling strategies

The operating model is reliant on cohesive design and delivery of fundamental operational strategies, designed to support our priorities and improve outcomes for Middlesbrough.

Further supporting operational strategies will be developed as they evolve.