

MIDDLESBROUGH COUNCIL

Report of:	Chief Executive
Relevant Executive Member:	Mayor
Submitted to:	Council
Date:	26 March 2025
Title:	Local Government Association Peer Review and Middlesbrough Independent Improvement Advisory Board reports and planned approach to Continuous Improvement – moving forward
Report for:	Decision
Status:	Public
Council Plan priority:	Delivery of actions in response to the LGA peer challenge and the recommendations of the Council's outgoing improvement board will positively impact on all four of the Council Plan ambitions
Key decision:	No
Why:	Not applicable
Subject to call in?	Not applicable
Why:	Not applicable

Proposed decision(s)

That Council:

- **APPROVE** the recommendations set out in the Local Government Association (LGA) Corporate Peer Challenge peer review letter and the final report of the Middlesbrough Independent Improvement Advisory Board.
- **AGREE** to formally thank the Middlesbrough Independent Improvement Advisory Board and the support of the LGA senior regional advisor, for their support and oversight during the Council's improvement journey.
- **AGREE** to formally thank the LGA Corporate Peer Challenge team for giving up time in their substantive roles as leaders in other local authorities, to support the Council in its continuous improvement journey.
- **AGREE** the Continuous Improvement plan.

- **AGREE** the planned reporting and assurance arrangements for the Council's continuous improvement activity.
- **NOTE** the Council's planned approach to continuous improvement going forward and the formal closure of the Corporate Governance Improvement Plan.

Executive summary

This report sets out the Council's planned response to two recently issued reports from the Local Government Association and the Council's Independent Improvement Advisory Board respectively. These reports are appended to this report. The purpose of this report is to ensure the Council continues to deliver continuous improvement activity that will strengthen and embed compliance with the Best Value Duty and maximise the Council's ability to deliver the 2024-2027 Council Plan.

Both reports are positive and identify the great strides the Council has made in the last 18 months in order to be in a position where it is able to continue on its improvement journey within a Council-led business as usual approach, supported by the regular oversight and challenge mechanisms provided by scrutiny, partners, the public, internal and External Auditors.

The report includes a Continuous Improvement Plan, attached at Appendix 3, which sets out the planned approach over the next 12 months.

1. Purpose of this report and its contribution to the achievement of the Council Plan ambitions

1.1 The purpose of this report is to set out the Council's planned responses to findings of a recent Local Government Association facilitated LGA Corporate Peer Challenge visit and the Continuous Improvement Plan being put in place in response to this and the final report of the Middlesbrough Independent Improvement Advisory Board.

1.2 The report proposes that all the recommendations of both the LGA Corporate Peer Challenge team and the Middlesbrough Independent Improvement Advisory Board (MIAB) are accepted. It also sets out the governance arrangements that will be put in place to provide Members, the public, partners and staff with assurance that the Council is maintaining its commitment to continuing to learn and improve its governance arrangements and internal controls, to maximise its ability to deliver the ambitions set out in the Council Plan:

Our ambitions	Summary of how this report will support delivery of these ambitions and the underpinning aims
A successful and ambitious town	Both the peer challenge team and the improvement board have recommended that the council works collaboratively with partners, communities and businesses to develop a vision for the town. Delivery of this will positively impact on the Council's ability to work with partners to deliver all the ambitions within the Council Plan.
A healthy Place	The peer challenge team have made a series of recommendations, which will impact positively on the Council's ambitions around being a healthy place. In particular they have endorsed the work which has begun to implement and improved emphasis on poverty reduction.
Safe and resilient communities	The response to the peer challenge team sets out the steps the Council will take to strengthen its approach to community engagement which will positively impact on this ambition. It sets out plans to expand community development capacity and develop the proposed Neighbourhoods Strategy with a strong focus on community engagement and co-production of solutions.
Delivering best value	Both the peer challenge team and the improvement board have recommended a number of actions which will positively impact on the Council's corporate governance arrangements by: <ul style="list-style-type: none"> ▪ improving partnership working ▪ further enhancing financial planning and management, ▪ resetting the Council's approach to transformation ▪ strengthening internal audit arrangements ▪ enhancing scrutiny ▪ better supporting members.

2. Recommendations

2.1 That Council:

- **APPROVE** the recommendations set out in the Local Government Association (LGA) Corporate Peer Challenge peer review letter and the final report of the Middlesbrough Independent Improvement Advisory Board
- **AGREE** to formally thank the Middlesbrough Independent Improvement Advisory Board and the support of the LGA senior regional advisor, for their support and oversight during the Council's improvement journey.
- **AGREE** to formally thank the LGA Corporate Peer Challenge team for giving up time in their substantive roles as leaders in other local authorities, to support the Council in its continuous improvement journey
- **AGREE** the Continuous Improvement plan
- **AGREE** the planned reporting and assurance arrangements for the Council's continuous improvement activity
- **NOTE** the Council's planned approach to continuous improvement going forward and the formal closure of the Corporate Governance Improvement Plan.

3. Rationale for the recommended decision(s)

3.1 Accepting the recommendations of bodies put in place to support councils and committing to a cycle of continuous improvement supports Council work to deliver the Council Plan within an approach that aligns with the Best Value duty.

4. Background and relevant information

4.1 In September 2023 the Council commenced the third phase of its improvement journey, which first started in 2022, taking steps to ensure it proactively responded to the statutory recommendations of its auditors.

4.2 Since that time the Council has delivered both a Corporate Governance Improvement Plan and an action plan to respond to the Section 24 Recommendations of its then External Auditors, EY. Progress against both plans has been regularly reported to Council and to Audit Committee.

4.3 Over the last 18 months, the Council has delivered all actions within the Section 24 Action plan which was formally closed by Council in January 2025. The Council has delivered all but three of the 99 actions within its improvement plan. It is anticipated that they will be delivered in the coming months and relevant actions have been captured within the proposed continuous improvement plan, appended to this report at Appendix 3.

4.4 The seriousness of the situation the Council was in was reflected within two Best Value Notices that were put in place by Government, first in January 2023 and then in January 2024 when Government renewed that notice. Since then, significant progress has been made by the Council to address the weaknesses in its corporate governance, finance and culture as identified by the Council itself, its External Auditors and

Government. This progress was reflected in Government's decision to cease the Best Value Notice in September 2024.

Middlesbrough Independent Improvement Advisory Board

4.5 As part of the steps the Council took to address its corporate governance, culture and finance weaknesses, it appointed an Independent Improvement Advisory Board to provide the Council with independent oversight, challenge and guidance on the Council's improvement journey. The Board has been in place since September 2023 and comprised of:

- Wallace Sampson OBE (Chair) who was a former Chief Executive
- Chris Buss and then Barry Scarr who were both experienced former Section 151 officers
- Suki Binjal, who was a very experienced former Monitoring Officer. Suki worked with the Council, providing it with invaluable support, until her sad passing in October 2024
- Ros Jones, Elected Mayor of Doncaster with 12 years in that role
- Caroline O'Neill, Local Government Association (LGA) Improvement Advisor and a former Director of Children's and Adults Services
- Mark Edgell, LGA Principle Regional Advisor.

4.6 The Independent Improvement Advisory Board has provided a series of reports to Council and Executive, setting out its view of the Council's progress in addressing weaknesses in its culture and corporate governance.

4.7 Over the last 18 months, the Board has met 14 times formally. This has been supplemented by further, informal meetings of the Board, and engagement with respective officers on areas of expertise.

4.8 The Board has provided regular reports to Council and Executive that set out in detail, the Board's view of the Council's position on its improvement journey. These progress reports have evidenced a positive direction of travel. The comments from the board's last report will be addressed through the Council's Continuous Improvement plan as part of its ongoing commitment to the principle of continuous improvement.

4.9 The Board's work has been invaluable. Without the support of the Board, the Council's progress would have undoubtedly been slower and Council are asked to acknowledge this and formally thank the Board for their work. The Board's final report, appended to this report at Appendix 1, states:

'It is now right that the MIIAB steps back as it recognises that, whilst the challenges ahead are still great, the Council is in a good position to meet them within a business-as-usual framework where the Council is responsible for its own improvement and where scrutiny is achieved through "normal" internal and external means.'

4.10 The additional capacity provided by the Local Government Association through the Board's designated support, Frances Marshall, LGA Senior Regional Advisor, has also

been a key factor in the Council's successful response to its governance and financial challenges.

Local Government Association (LGA) Corporate Peer Challenge

- 4.11 It was always the Council's intention that it would seek further independent assurance on the progress it has made and use the Local Government Association (LGA) Corporate Peer Challenge process to do this. Timing of the peer challenge was aligned with the planned timeline for completion of the work of the Independent Improvement Advisory Board and completion of delivery of the majority of actions contained in both the Section 24 action plan and the Corporate Governance Improvement Plan.
- 4.12 The peer challenge is an improvement and assurance tool and is something that is owned by the local government sector. Experts from other councils are invited by the Local Government Association to form a team of peers to deliver the review. Peers use their expertise, experiences and technical knowledge to assess the Council across five areas of focus. To support the team, they were provided with a self-assessment and a range of documents. The LGA Corporate Peer Challenge team were invited to visit the Council in January 2025 to complete their peer assessment.
- 4.13 The team comprised of:
- Lead Chief Executive Peer: Andrew Lewis, Chief Executive of Liverpool City Council
 - Elected Member Peer: Paul Dennett, Mayor, Salford City Council and Deputy Mayor of the Greater Manchester Combined Authority
 - Elected Member Peer: Cllr Anna Charles-Jones, leader of the Independent Ratepayers Group, Stockport Metropolitan Borough Council
 - Senior Finance Officer: Cecilie Booth, Executive Director of Corporate Services and Section 151 Officer at Peterborough City Council
 - Senior Governance Officer: Helen Edwards, Director of Law and Governance, West Midlands Combined Authority
 - Senior People Officer: Hilary Hall, Corporate Director Community Wellbeing, Herefordshire Council
 - LGA Senior Regional Adviser West Midlands: Sarah Sprung, LGA
 - LGA Challenge Manager: Frances Marshall, LGA.
- 4.14 The team looked at the following areas of focus during their visit:
- Local priorities and outcomes - Are priorities clear and suitable for Middlesbrough? Is it delivering on our priorities? Does the Council have a Council-wide approach to continuous improvement, with regular monitoring, reporting and performance management in place?
Organisational and place leadership – Does the Council provide effective local leadership for the town? Does it have strong and effective relationships with partner organisations and our communities?
 - Governance and culture – Does the Council have clear and robust governance arrangements? Is there a culture of openness, transparency, challenge and scrutiny?

- Financial planning and management – Does the Council have a clear understanding of its financial position? Does it have a strategy to address our challenges? How resilient is it for the future?
- Capacity for improvement - Can the Council improve in the way it needs to with the resources it has?

4.15 It also considered the Council's planned transition to permanence in its senior management arrangements.

4.16 As part of their time in Middlesbrough, the team met with a wide range of elected Members, officers and partners. Over 110 people, including all councillors, were given the opportunity to meet the team as part of this process.

4.17 Following their visit, a report was issued which is attached to this report at Appendix 2, and will be published on the Council's website. Key areas to highlight in the report for Members include:

- It praises the progress the Council has made since government intervention.
- It states that within the challenging context of corporate, culture and financial issues, the achievements the Council has made to pull back from a potential financial precipice is impressive, at the same time as delivering an internal improvement programme, though there is more to be done as its financial position remains relatively fragile.
- The report states that the Council has a good understanding of its strengths and areas for improvement.
- It acknowledges the progress that has been made within Member to Member and Member to Officer relationships but is clear that there is more to do.
- The report is clear that effective partnership working across the town and the Tees Valley is critical to improve the lives of our residents.

Responding to recommendations

4.18 In addition, the report highlights a number of areas where there could be further improvements made, and it made 12 formal recommendations to improve delivery of outcomes within the Council Plan 2024-2027. Actions to respond to these recommendations are included within the Continuous Improvement plan, set out at Appendix One of this report.

Oversight and governance

4.19 Hosting a peer challenge at this time has enabled the peer challenge team to assess the Council's current position and provide an independent set of recommendations that can be used to inform future priorities as the Council transitions into Business-As-Usual good governance arrangements that support the Council to be able to demonstrate compliance with the seven themes of the Best Value Duty:



- 4.20 The Council's Senior Management team have put in place a Continuous Improvement plan to respond to both the LGA Corporate Peer Challenge team recommendations and the commentary contained within the Independent Improvement Board's final report.
- 4.21 It is also committed to establishing a Continuous Improvement approach that will enable it to have one process to coordinate continuous improvement activity that can arise in response to reviews, inspections and other reports. It is anticipated that relevant activity to respond to the recent Care Quality Commission inspection and CIPFA local government finance reviews will be incorporated into the plan once considered responses to recommendations have been developed.
- 4.22 The Council is committed to delivering that plan and providing Members, the public and partners with regular assurance that is responding positively to the recommendations of the LGA Corporate Peer Challenge team and the Improvement Board.
- 4.23 Quarterly reports on progress against the Continuous Improvement Plan will be taken to both Executive and Overview and Scrutiny Board for consideration as well as being published on the Council's website. The Annual Governance Statement will also continue to be a key vehicle for assessing and addressing the health of the Council's corporate governance arrangements.
- 4.24 Council officers will also continue to engage regularly with LGA support, through regular meetings with regional advisors and participation in national improvement networks.
- 4.25 The Council is also committed to inviting as many of the peer challenge team back as possible for a progress visit within 12 months and anticipate that this will occur in late autumn 2025.

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

5.1 The Council could choose not to accept the recommendations of the Corporate Peer Challenge team and the Independent Improvement Advisory Board. This is not recommended because acceptance and an effective response to the recommendations will have a positive impact on the outcomes the Council's residents and improve the running of the Council.

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

Topic	Impact
Financial (including procurement and Social Value)	Responding to the recommendations fully that have been made by both the LGA Corporate Peer Challenge team and Independent Improvement Advisory Board as well as establishing an approach to capture all strategic continuous improvement activity will inevitably have financial implications for the Council. As detailed proposals were developed for responses, financial implications will be set out and appropriate authority sought to deliver an effective response to the recommendations.
Legal	While both the LGA peer challenge process and the Independent Improvement Advisory Board are discretionary exercises, the topics covered by both support the Council's compliance with its Best Value Duty. The approach will also ensure there is a systematic approach to continuous improvement that will provide future assurance to all stakeholders that the Council will respond effectively to any recommendations arising from inspections, reviews and other relevant reports.
Risk	If the Council failed to respond effectively to the recommendations, this could have a negative impact on potentially all of the Strategic Risk Register.
Human Rights, Public Sector Equality Duty and Community Cohesion	The proposed response includes actions that will impact positively on this theme, in particular there are planned actions to strengthen the Council's approach to equality, diversity and inclusion and community engagement.
Socio Economic impact	While not directly impacting on this theme, the LGA Corporate Peer Challenge acknowledged the Council's plans which are already underway to strengthen focus on the existing commitment within the Council Plan that tackling poverty should be at the heart of everything we do.
Climate Change / Environmental	Whilst not a formal recommendation, the Peer Challenge team have identified that further work is required to strengthen plans to deliver the Council's environmental ambitions, and this will be addressed during 2025. This will be taken forward by officers in response to the report.
Children and Young People Cared for by the Authority and Care Leavers	The content of this report is not directly relevant to these areas of impact, however continued implementation of improvement activity will ensure the Council is better able to deliver its Council Plan ambitions and compliance with good governance.
Data Protection	

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

Action	Responsible Officer	Deadline
Publish the LGA Corporate Peer Challenge team report	Head of Governance, Policy and Information	16 April 2025
Report progress on the delivery of the Management response to Executive and Overview and Scrutiny Board on a quarterly basis.	Head of Governance, Policy and Information	Quarterly
Incorporate relevant actions into the Continuous Improvement Plan from inspections and reviews as necessary to provide all stakeholders with assurance around the Council's commitment to continuous improvement	Chief Executive	Not applicable – ad hoc
Complete the progress review process with the LGA Corporate Peer Challenge team and publish the outcome.	Chief Executive	January 2026

Appendices

1	Middlesbrough Independent Improvement Advisory Board final report
2	Local Government Association Corporate Peer Challenge letter
3	Continuous Improvement Plan

Background papers

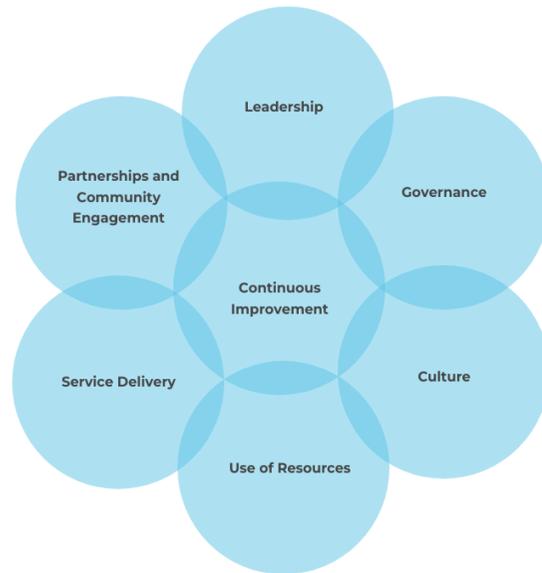
Reporting body	Report title	Date
Corporate Affairs and Audit Committee	Lessons Learnt: Best Value Inspection of Liverpool City Council	5 Aug 2021
Corporate Affairs and Audit Committee	Boho X: Draft findings from internal audit and proposed management response	6 Apr 2022
Corporate Affairs and Audit Committee	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
Audit Committee	Corporate Governance Improvement Plan and Section 24 Action Plan progress report	14 March 2024
Council	Corporate Governance Improvement Plan and Section 24 Action Plan progress report	27 March 2024
Council	Second Progress report of the Middlesbrough Independent Improvement Advisory Board	27 March 2024
Audit Committee	Corporate Governance Improvement Plan and Section 24 Action Plan progress report	25 July 2024
Audit Committee	Corporate Governance Improvement Plan and Section 24 Action Plan progress report	22 August 2024
Audit Committee	Best Value Notice – Status Update	22 August 2024
Audit Committee	Corporate Governance Improvement Plan and Section 24 Action Plan progress report	3 October 2024
Council	Corporate Governance Improvement Plan and Section 24 Action Plan progress report	16 October 2024
Audit Committee	Corporate Governance Improvement Plan and Section 24 Action Plan progress report	12 December 2024
Council	Corporate Governance Improvement Plan and Section 24 Action Plan progress report	27 November 2024
Council	Corporate Governance Improvement Plan and Section 24 Action Plan progress report	15 January 2025

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Continuous Improvement Plan

Delivery of the Council's Continuous Improvement Plan has a clear relationship with the Best Value Duty. Delivery of actions will ensure it has a robust approach across all the seven themes that comprise the Best Value Duty:



This will ensure the Council is in a stronger position to deliver the four ambitions it has set out within the 2024 – 2027 Council Plan that Middlesbrough will:

- Be a successful and ambitious town
- Be a healthy place
- Have safe and resilient communities
- Deliver Best Value.

This plan addresses both the findings of the Local Government Association (LGA) Corporate Peer Challenge team and the last report of the Middlesbrough Independent Improvement Advisory Board (MIAB). Many of the recommendations are duplicated across both documents. Where this occurs, they have only been captured to avoid duplication.

Council Plan Ambition	Best Value Theme	Recommendation	Action	Owner(s)	Target date for completion
All	Partnerships and Community Engagement	<p>Develop in co-production with communities, residents, partners and businesses a long-term vision for the town that is inclusive, practical and deliverable.</p> <p>By looking outwards and harnessing untapped potential to deliver its vision, this will enable everyone to understand and contribute to delivering shared ambitions for the benefit of Middlesbrough and its communities.</p>	<p>The Council is in the process of reestablishing a town wide engagement mechanism for Partners which will be called a Towns Board and will replicate the best parts of the defunct Local Strategic Partnership arrangements to ensure there is a regular meeting of key strategic public, private and VCS partners to set the strategic direction for the town and identify and deliver system wide change to improve outcomes for our residents. Once established, the first key task will be to co-produce a vision in a process that engages local communities and residents.</p>	Chief Executive	Board to be established by June 2025 and a co-produced vision will be developed during 2025/26.
All	Partnerships and Community Engagement	<p>Redefine Middlesbrough's strategic approach to partnership working based on principles of timely and meaningful collaboration, co-design and with common purpose to inspire and build a team beyond the council that are galvanised to deliver for the town.</p> <p>This will strengthen delivery of Middlesbrough's place shaping ambitions, maximise use of collective resources, and help shift the focus from organisational recovery to delivery of improved outcomes for residents.</p>	<p>The Council is committed to working with partners more effectively to co-produce a vision for the town, alongside a strategy, underpinned by agreed principles which will govern how we will work together to deliver improved outcomes for our residents. It is planned to use the reestablished Towns Board to co-produce an agreed strategic approach to partnership working.</p>	Chief Executive	March 2026
All	Partnerships and Community Engagement	<p>Develop and seek to strengthen relationships with the Tees Valley Combined Authority and Tees Valley councils.</p> <p>This will maximise the potential for Middlesbrough and the wider Tees Valley to realise the benefits from being at the forefront of devolution and drive economic development and growth which will be critical to all the council's ambitions.</p>	<p>Officers are continuing to engage with the TVCA officers to work positively with them and there are a range of officer working groups that are well established across the Tees Valley.</p> <p>The Council will seek formal engagement with the TVCA other Local Government members of the Combined Authority to outline a proposed revised engagement approach across matters of mutual interests to enable</p>	Mayor and Chief Executive	May 2025

Council Plan Ambition	Best Value Theme	Recommendation	Action	Owner(s)	Target date for completion
			improved outcomes for residents and businesses in the Tees Valley		
All	Partnerships and Community Engagement	<p>Seek to resolve the hiatus with the Middlesbrough Mayoral Development Corporation to achieve a shared plan for the town.</p> <p>This will unlock its potential as a powerful mechanism for effectively delivering economic development and growth and integrating the resources and assets of the council and TVCA.</p>	The Council will seek formal discussions with TVCA and government on options to address the hiatus in the best interests of the residents of Middlesbrough.	Chief Executive	May 2025
All	Culture	<p>Develop and embed a comprehensive approach to strengthening equality, diversity, and inclusion, including:</p> <ol style="list-style-type: none"> In organisational development, the workforce and democratic representation; Within strategy, policy, and service delivery; and Community engagement, ensuring it looks at this agenda strategically for Middlesborough as a whole, not only for the organisation and those elected or employed. <p>This will ensure EDI is at the heart of everything it does, that the council is representative of the communities it serves and delivers better decision-making by harnessing different perspectives</p>	<p>We will raise the ambitions within the People Strategy and Member Development Strategy (expanding to include promotion of councillor roles to potential future councillors) to seize the opportunities that an improved approach to community engagement will bring as our residents increase their trust in the Council.</p>	Head of HR and Head of Legal (People)	<p>People Strategy annual review (April 2025)</p> <p>Member Development Strategy annual review (February 2026)</p>
			<p>We will review the Council's report formats, policy and strategy templates to strengthen the way the Council assesses the impact of its activities on equality, diversity and inclusion.</p>	Head of Governance, Policy and Information	May 2025
			<p>Over the next 12 months the Council plans to increase community development capacity as part of the emerging Neighbourhoods Strategy which will include actions to also reset its approach to community engagement to ensure it better understands and responds to the needs of its communities as well as reestablishing a proactive approach to decision making that focusses on coproduction where possible.</p>	Director of Environment and Community Services	March 2026
Delivering Best Value	Use of Resources	Bring further rigour to financial planning and management to support savings delivery and financial resilience by:	Effects on the Medium-Term Financial Plan (MTFP) are going to be included within future quarterly budget outturn reports.	Section 151 Officer	To commence within the year-end report for 2024/25 (June 2025)

Council Plan Ambition	Best Value Theme	Recommendation	Action	Owner(s)	Target date for completion
		a. Reviewing the MTFP assumptions and updating them on a quarterly basis, with clear plans for managing demand and delivering savings reported in monthly budget reports.	The Council already has a cycle of monthly budget reporting and agreement of actions in response to issues raised by this process. These are then formally reported to Members/ appropriate member decision making and engagement is undertaken. This is included within the quarterly outturn reports		
		b. Supporting Executive Members to own and shape the financial position, within their portfolio areas and collectively, working with senior officers to challenge, monitor and hold each other to account.	Executive role - Further training will be provided to Executive Members on financial management disciplines. The Council already has in place Executive involvement in the budget clinic cycle, attending on a quarterly basis for all areas except Children's Services where they attend monthly.	Section 151 Officer	March 2026
		c. Embed understanding and ownership of the financial position with budget holders to ensure the on-going delivery of transformation, savings and efficiencies.	Regular monthly reports continue to be submitted to Leadership Team and Wider Leadership Management Team on the budget position. We have an ongoing training programme that we are committed to delivering to ensure we raise and maintain the financial skill sets of our budget holders. Additional support is targeted at new budget holders, on a risk-based approach, with the highest levels of support targeted at those managing the most volatile budgets.	Section 151 Officer	Monthly
		d. Ensuring that scrutiny and audit oversight is effective, transparent and supports understanding - beyond the council - with key partners and the public.	A proposal will be submitted to Audit Committee to recommend it completes a self-assessment against CIPFA Good Governance guidance in March. If agreed, it will be delivered during 2025/26.	Section 151 Officer	March 2025, with the review to be completed during 2025/26
		e. Reviewing pay scales to support recruitment and retention of key staff, linked to workforce and succession planning, with a focus on both bringing in external, as well as nurturing internal, talent.	Scrutiny - the Monitoring officer and S151 officer are working towards development of an integrated approach to reporting the quarterly outturn position to improve members understanding of the overall position of the Council financially and their understanding of the impact on delivery of Council plan priorities	Section 151 Officer and Monitoring Officer	June 2025 onwards

Council Plan Ambition	Best Value Theme	Recommendation	Action	Owner(s)	Target date for completion
			The Towns Board, once reestablished, will become the vehicle through which strategic discussions with our partners are held this will include sharing information about our spending power and priorities. The Board will be established during 2025.	Chief Executive	May 2025
			We are securing additional capacity within the HR team to be able to look at options around the Council's recruitment and retention of key staff as well as ongoing delivery of the People Strategy to ensure our staff have the skills and capabilities to be able to meet the needs of succession planning.	Head of HR	May 2025

Council Plan Ambition	Best Value Theme	Recommendation	Action	Owner(s)	Target date for completion
All	Use of Resources	<p>Reframe Middlesbrough’s approach to transformation, shifting from tactical savings during a crisis, to long term financial sustainability and continuous improvement to deliver better outcomes, by:</p> <ul style="list-style-type: none"> a. Undertaking a cross-council reset and relaunch of its transformation priorities, alongside the council plan and council values, underpinned by strong leadership, a robust communications and engagement plan, and organisational development strategy. b. Creating a senior transformation officer role to lead, consolidate and prioritise the current programme, identify new areas for transformation, track progress and delivery of desired outcomes, and drive the organisational change and buy-in required to deliver successful transformation. c. Reviewing capacity to deliver Middlesbrough’s transformation ambitions, including within corporate services and supporting data and analysis and performance management, to ensure that all relevant services are adequately resourced to support transformation outcomes. 	<p>Following successful delivery of a programme of projects which have been primarily focussed on putting the council on a sound financial footing.</p> <p>The Council is currently pausing slightly to ensure the next phase of its approach to transformation of services, using a refined set of projects and programmes that has an increased focus on delivery of improved outcomes for our residents to support delivery of the council plan vision and underpinning ambitions, within a sustainable cost envelope.</p> <p>A report on the revised approach and the plans to put in place the capacity to deliver it successfully will be presented to Executive shortly.</p>	Chief Executive and Section 151 officer	April 2025
Delivering Best Value	Continuous Improvement	<p>Establish a locally owned assurance and improvement approach for Middlesbrough once the voluntary improvement Board steps down.</p> <p>This will help embed and sustain continuous</p>	<p>This Continuous Improvement plan and the regular reporting of it to Executive and Scrutiny will ensure there is a locally owned assurance and improvement plan in place.</p>	Chief Executive	July 2026 onwards

Council Plan Ambition	Best Value Theme	Recommendation	Action	Owner(s)	Target date for completion
		improvement and support, providing oversight of the golden thread between the council's vision, corporate plan, performance and delivery of outcomes. By doing so, it will provide the council, its partners, and residents with assurance that the improvement journey is continuing at pace.			
Delivering Best Value	Use of Resources	Review and strengthen Middlesbrough's internal audit arrangements and provision. This will ensure they are fit for purpose and adequately support its continuous improvement and assurance journey, with internal audit a key tool when deployed strategically in the delivery of high-quality services, transformation and financial outcomes	Commission an external review of the current arrangements for internal audit to provide assurance to the Council as to whether they remain fit for purpose or require adjustment to better support the Council's continuous improvement and assurance journey.	Section 151 Officer	Review to be commissioned by September 2025 for deliver in 2025/26.
All	Governance	<p>Review and strengthen Middlesbrough's overview & scrutiny arrangements.</p> <p>This will ensure arrangements support robust and impactful scrutiny for the future, aligned with best practice.</p>	<p>A planned review is already underway to assess the impact and effectiveness of the current arrangements following 12 months of their implementation with a view to changing if needed. Guidance from the Centre for Governance and Scrutiny will be used and members will be fully engaged in the review.</p> <p>In addition, a pre-scrutiny protocol will be developed to establish a collaborative working relationship between Executive and Scrutiny Councillors to enhance decision-making in the organisation.</p>	Monitoring Officer	May 2026
All	Governance	<p>Support councillors further in their roles through:</p> <ul style="list-style-type: none"> a. Providing the Executive with administrative support and training for their roles; b. Addressing issues with Councillor Gateway system; 	<p>We are securing additional democratic support capacity to support the Executive team administration their roles.</p> <p>We are securing additional capacity to support the quality of responses to Members and to manage feedback from Members to establish a continuous improvement approach to both the system and the outcomes members are seeking.</p>	<p>Monitoring Officer</p> <p>Monitoring Officer</p>	<p>September 2025</p> <p>September 2025</p>

Council Plan Ambition	Best Value Theme	Recommendation	Action	Owner(s)	Target date for completion
		<ul style="list-style-type: none"> c. Providing sufficient advanced notice for meetings, and at times that meet councillors' needs; and d. Promote and encourage good councillor conduct, including on digital platforms. 	<p>Ongoing discussions will continue to be held with Members to identify the issues with timings and options the Council could put in place to manage timings and support Members to attend.</p> <p>We have recently delivered further training to all Members on good conduct on social media and will regularly push out reminders on good practice on social media usage.</p>	<p>Monitoring Officer</p> <p>Monitoring Officer</p>	<p>May 2025 committee diary setting by Council and ongoing</p> <p>Ongoing</p>
All	Governance	<p>Continue to improve member and officer relationships with clear understanding of the respective roles, responsibilities and promoting good behaviours.</p> <p>This will continue to strengthen Middlesbrough's governance guardrails, promote conduct in line with the Nolan Principles, and avoid the risks which in the past have arisen from Middlesbrough's Mayoral model.</p>	<p>We are committed to an ongoing cycle of training and development of both officers and Members and will regularly take the temperature of the organisation through engagement and surveys to identify where more needs to be done.</p>	<p>Monitoring Officer</p>	<p>Ongoing regular surveys throughout the year</p>
Delivering Best Value	Use of Resources, Service delivery and Continuous Improvement	<p>Develop a medium-term plan, as organisational capacity improves, to integrate finance and performance reporting within the corporate governance framework.</p>	<p>Following successful growth bids to put in place the capacity within Finance, action is being taken to secure additional capacity to reestablish a more embedded performance management process as well. Action will initially be taken to recruit additional capacity, with a view to first working together to strengthen performance management and reporting and then jointly developing an integrated approach to reporting to improve the Council's ability to demonstrate alignment of its resources with Council priorities and the relationship between resourcing and performance across its priority areas.</p>	<p>Section 151 Officer and Monitoring Officer</p>	<p>Staff will be recruited into post by September 2025.</p>
Delivering Best Value	Use of Resources	<p>Focus on long term financial resilience and:</p> <ul style="list-style-type: none"> a. tight control on 2025/26, b. develop a balanced position for the 	<p>The Council has a robust budget management approach in place which it intends to maintain in 2025/26, including ongoing budget clinics, with Member involvement within them, as well</p>	<p>Section 151 Officer</p>	<p>Quarterly throughout 2025/26</p>

Council Plan Ambition	Best Value Theme	Recommendation	Action	Owner(s)	Target date for completion
		<p>medium term,</p> <p>c. have a planned approach to growth,</p> <p>d. do not fund ongoing expenditure from one off funding pots,</p> <p>e. focus on transformational opportunities.</p>	<p>as monthly budget reporting to inform these processes.</p> <p>Regular liaison with Executive will be undertaken as part of the quarterly review of the effects of decisions and expenditure on the MTFP. This will include medium term planning for growth.</p> <p>Not funding ongoing expenditure from one off pots of funding is a principle that is already robustly applied to Council budget setting processes. For example the proposed governance of the Middlesbrough Priorities fund includes such a principle.</p>		
Delivering Best Value	Use of Resources	Be prudent with extra money: top up reserves (to a level higher than currently suggesting), invest in contingency.	<p>This is another principle within the Council's budget setting process and there are a number of contingencies built into the budget including a risk fund to manage risks around non-delivery of savings.</p> <p>The Medium-Term Financial Plan includes plans to grow the reserves prudently while balancing against the level of demand arising from being a local authority in one of the country's most deprived areas.</p>	Section 151 Officer	n/a - Ongoing over the life of the Medium Term Financial Plan
All	All	Build organisational capacity to strengthen resilience in finance, HR, OD and transformation to support delivery of your corporate plan priorities.	The Council has already taken action to identify funding for growth in these areas and it will consider whether there are any further growth needs within its reset approach to transformation which will be considered by Executive in April 2025.	Chief Executive	May 2025
All	Leadership	Continue to focus on organisational development as an important part of your continuous improvement journey, with a particular focus on team development and	Executive and Leadership team development programme has been put in place and is resuming at pace, with external support and expertise. In addition, the Council is refreshing	Monitoring Officer	Ongoing

Council Plan Ambition	Best Value Theme	Recommendation	Action	Owner(s)	Target date for completion
		embedding stable, permanent leadership arrangements.	support for its wider Managers, reestablishing a management training gateway, along with a wide range of programmes to develop skills and capacity. This is being overseen within the delivery of the People Strategy		
All	All	Complete and implement your communications strategy and use it as an effective tool to bring the council vision to life and to ensure that both the internal and external environment understands the outcomes the council is trying to achieve.	Once the Council has reset its approach to transformation, a draft Communications Strategy will be developed to ensure that there is a plan in place, owned by senior leaders, that ensures the Council is clearly communicating its vision, priorities and actions to ensure Members, Staff, the public and partners understand and engage with the outcomes the council is trying to achieve.	Chief Executive	Draft Strategy June 2025, to be reviewed on a quarterly basis by Leadership team.

To note: This is a live document and as such actions may be amended, added to or edited where it is appropriate to do. For example, there are areas within both reports where no formal recommendation has been made but there are statements that warrant further consideration, and additional actions may be added. Where there are changes, these will be documented to ensure transparency. Also initial action within this plan may lead to a need for further actions to be undertaken and these will be captured as necessary.