

---

## **Meeting of the Cabinet – 13<sup>th</sup> December 2023**

### **Report of the Chief Executive**

### **Independent Improvement and Assurance Board (IAB)**

#### **Purpose of report**

1. To provide Cabinet with an overview of the newly established Improvement and Assurance Board to address the recommendations from the LGA Peer Review feedback, Annual Auditors report and financial challenges facing the Council.

#### **Recommendations**

2. It is recommended that:
  - Members acknowledge the contents of the report and support the Council in establishing an Improvement and Assurance Board

#### **Background**

3. The Council took part in a Corporate Peer Challenge (CPC), organised by the Local Government Association (LGA) from 19<sup>th</sup> to 22<sup>nd</sup> September 2023.

The feedback report made a number of observations and suggestions and also made some key recommendations to the Council around finance, governance, capacity, culture and vision.

In addition to this, the Annual Auditors report has highlighted concerns in our financial sustainability, governance and decision making.

4. The Council accepts the feedback in these reports and in response the Chief Executive, in consultation with the LGA, has set up a voluntary Improvement & Assurance Board to drive the immediate improvements that are now needed across the Council.

This will enable the Council to take swift and concerted action to resolve the financial, governance and cultural issues that the peer challenge highlighted and provide elected members with assurance about remedial action on the financial position, and ensure the Council delivers on its best value duties.

5. The Membership of the Improvement and Assurance Board is chaired by Tony Oakman, who brings his years of experience in local government to the position, including his time as a strategic director and deputy chief executive at Dudley a few years ago.

The rest of the board comprises the following:

- Councillor Patrick Harley, leader of the council
- Councillor Paul Bradley, deputy leader of the council
- Councillor Pete Lowe, leader of the opposition
- Councillor Judy Foster, deputy leader of the opposition
- Kevin O’Keefe, chief executive
- Balvinder Heran, deputy chief executive
- Iain Newman, section 151 officer
- Paul Clarke, director of finance at London borough of Islington. Paul will advise on financial resilience
- Jessica Crowe, director of culture, strategy and engagement at Haringey Council. Jessica will guide the board on improving governance and culture within the organisation
- Helen Murray, Local Government Association regional improvement lead
- Former councillor Peter Flemming, Local Government Association peer (con)
- Councillor Helen Holland (Local Government Association peer (lab))

The board will meet on a monthly basis and convened for the first time in November 2023 and will be reviewed in July 2024.

6. A Council Improvement and Sustainability Programme is being developed to progress the recommendations from the peer review.

An Internal Delivery Group has been formed that will provide assurance that improvement activity across the Council is being effectively managed and will also review exemptions to spending controls.

## **Finance**

7. The costs of the external chair of the Independent Improvement & Assurance Board will be met by Dudley MBC through the Chief Executives Strategic Contingency Fund from November 2023 to March 2024. The anticipated cost is around £1.8k per month.

Any costs from April 2024 will form part of the Medium-Term Financial Strategy.

The cost of the Financial Resilience and Governance independent officers will be met by their home local authorities as part of the sector led improvement principle. Any costs related to the elected member peers will be met by the LGA.

## **Law**

8. The Improvement & Assurance Board will work closely with the existing Committees and Forums of the Council. The relationship between the Improvement and Assurance Board and these Committees will not be reflected in the Council's constitution, instead, the Improvement & Assurance Board will oversee, challenge the existing constituted forums of the Council.

Section 112 Local Government Act 1972 provides that a Local Authority can appoint such officers as it thinks necessary for the proper discharge of its functions subject to Section 41 of the Localism Act 2011.

## **Risk Management**

9. The financial, governance and cultural issues are recognised and the establishment of both the Improvement Delivery Group and Improvement & Assurance Board will help to mitigate these issues with clear and transparent remedial actions.

## **Equality Impact**

10. There are no immediate equality impacts however there may be longer term impacts when the actions to address the financial sustainability and culture of the Council take place. At this point an assessment of the equality impact will be undertaken where necessary

## **Human Resources/Organisational Development**

11. There are no immediate HR/OD impacts however there may be longer term impacts when the actions to address the culture and also the financial sustainability of the Council take place and the spend controls are implemented.

## **Commercial/Procurement**

12. There are no immediate Commercial and/or Procurement impacts however there may be longer term impacts when the actions to address culture and also the financial sustainability of the Council take place.

## **Environment/Climate Change**

13. There are no environment or climate change impacts for this decision.

## **Council Priorities and Projects**

14. The financial sustainability of the Council is one of the core foundations of the Future Council Programme and Council Plan 2023-25. Our People Strategy focuses on developing a culture, systems, processes and ways of working that will ensure our workforce is placed to deliver Council priorities.



**Kevin O'Keefe**  
**Chief Executive**

Report Author: Ajaib S. Paul  
Telephone: 01384 814410  
Email: [ajaib.paul@dudley.gov.uk](mailto:ajaib.paul@dudley.gov.uk)