



Department for Levelling Up,
Housing & Communities

Kemi Badenoch MP

*Minister of State for Equalities and Levelling Up
Communities*

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Cllr Mary Lanigan
Leader, Redcar and Cleveland Borough
Council

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8 December 2021

Dear Cllr Lanigan,

I am writing to inform you that I have today published the External Assurance Review of Redcar and Cleveland Borough Council carried out by the Chartered Institute of Public Finance Accountants (CIPFA).

I am grateful for your willingness to engage openly with the review team, and the assistance of your officers in providing information to CIPFA to support the review and in the Exceptional Financial Support process more generally.

The external assurance reviews were carried out in all councils that received or requested Exceptional Financial Support, to provide a detailed assessment of each council's financial position and management, and to make recommendations on the actions necessary for the councils to ensure they are in a financially stable and sustainable position.

The report published today sets out some challenges and risks for Redcar and Cleveland Borough Council, in particular continuing to focus on maintaining a healthy level of reserves, while also taking a strategic approach to how they are used to support the Council's development. It makes a series of sensible recommendations for addressing these challenges, to which it is important that the Council responds accordingly.

I trust that the report and its findings will be helpful in focusing the Council on the activity and change that are needed, at both officer and member level, to lead to sustainable change.

The external assurance review and a plan to address any recommendations was one of the conditions of our agreement to provide the council with exceptional

financial support. As such, I would like assurance that the Council accepts the findings and is motivated to improve its financial position.

It is important for your council to respond appropriately to findings of the review given the financial challenges that led to the original request, as well as your authority's wider commitment to, and statutory duties on, continuous improvement.

I would therefore ask that you set out in writing, within the next month, the steps you are taking in the immediate and longer term to respond to the review and implement its recommendations. My officials will be in touch with officers at the Council shortly and will work with them to consider your plans for responding to the review.

Yours Sincerely,

A handwritten signature in black ink that reads "Kemi Badenoch". The signature is written in a cursive, flowing style.

Kemi Badenoch MP
**Minister of State for Equalities
and Levelling Up Communities**