

## **LGA CORPORATE PEER CHALLENGE**

**Submitted by:** Head of Business Improvement and Partnerships – Mark Bailey

**Portfolios:** Communications, Transformation and Partnerships

**Ward(s) affected:** All

### **Purpose of the Report**

To provide the Cabinet with a summary of the findings of the recent Local Government Association (LGA) Corporate Peer Challenge, carried out on the Borough Council from 10-12 October 2012.

This summary has been supplemented with an action plan, based on these findings, which can be found at Appendix A and a letter from the Peer Challenge team, found at Appendix B.

The report sets out the initial remit of the Peer Challenge team, as well as detailing some of the background to the Peer Challenge such as the stated priority of the Council to become a 'co-operative council'.

### **Recommendations**

**(a) That the Cabinet notes the contents of this report and the letter from the Peer Challenge team (see Appendix B) and the suggested action plan at Appendix A, based on the findings of the recent LGA Corporate Peer Challenge**

**(b) That the Cabinet makes any further amendments or suggestions to the action plan**

**(c) That the Cabinet approves implementation of the action plan, led by the relevant members of the Executive Management Team (EMT) in consultation with the appropriate Portfolio Holder(s) and also the relevant Overview and Scrutiny Committee(s)**

### **Reasons**

The LGA Corporate Peer Challenge was utilised by the Council as a 'health-check' on the critical areas of the Council's work. The Peer Challenge was developed to provide reassurance that the Council can continue to deliver future plans by having the right capacity, levels of performance and ability in place to do so.

This report both sets out the findings of the Peer Challenge and also – based on these findings – sets out a set of key actions which have been highlighted by the Peer Challenge team as crucial in taking the organisation forward and supporting further development in key areas of work.

Based on these points, it is vital that Cabinet – as well as all elected Members – are aware of these findings and have an input into their framing and implementation.

## **1. Background**

1.1 The Local Government Association (LGA) is a nationally-based body set up to represent and support local authorities throughout England. Its membership comprises all types of local authorities.

1.2 As part of the LGA's 'offer' to its member authorities, it provides for a free of charge Corporate Peer Challenge. The basis for a Peer Challenge is to allow elected Members and

officers from other local authorities to visit a council and provide advice and guidance on current and future work with a view to offering suggestions for further improvement and development. The role of a Peer Challenge has been accentuated since the removal of the inspection system in May 2010, given that it provides the kind of external verification and challenge previously offered by the Comprehensive Performance Assessment (CPA) and Comprehensive Area Assessment (CAA) process (although it should be emphasised that the Corporate Peer Challenge process is not an inspection).

1.3 In October 2012, Newcastle under Lyme B.C. took advantage of the LGA 'offer' and requested a Corporate Peer Challenge in order for a team of officers and elected Members to visit the council and examine what the organisation is doing and planning to do, and what areas could be improved upon or developed further. This process has been described by the LGA team as a 'health-check' of the council, which looks at critical areas and provides reassurance about issues such as performance and capacity in order for the council to better assess its ability to deliver on its key priorities and plans.

1.4 A Peer Challenge team therefore visited the Council primarily between 10 and 12 October 2012 (although a number of other visits were made), having received a suite of documents from the Council beforehand (including a copy of the developing Council Plan). The team itself was made up of: -

Kerry Rickards, Chief Executive, Sedgemoor District Council  
Councillor Bryony Rudkin, Ipswich Borough Council  
Jane Burns, Director of Strategy and Challenge, Gloucestershire County Council  
Paul Clarke, LGA Peer Challenge Manager

The Peer Challenge team therefore represented a mix of officers and elected Members, supported by the LGA.

1.5 In undertaking their work, the team was focused on a number of key questions and areas of focus: -

- Understanding of the local context and priority setting: Does the council understand its local context and has it established a clear set of priorities?
- Financial planning and viability: Does the council have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully?
- Political and managerial leadership: Does the council have effective political and managerial leadership and is it a constructive partnership?
- Governance and decision-making: Are effective governance and decision-making arrangements in place to respond to key challenges and manage change, transformation and disinvestment?
- Organisational capacity: Are organisational capacity and resources focused in the right areas in order to deliver the agreed priorities?

1.6 In addition to these key questions and focus areas, the Corporate Peer Challenge team was also asked to comment on the evolving thinking of the Council around the priority set out in the developing Council Plan to become a 'co-operative council'. In doing so, the team recognised that the Council sees a 'co-operative council' as an organisation that: -

- Brings more public services together so that people get what they need at the right place and the right time;
- Encourages more involvement from local people and staff in planning and running services; and

- Supports communities better and encourage people to do more to help their own communities

1.7 In undertaking their work, the Peer Challenge team used their own experience and knowledge of local government to reflect on the information they were provided with during a range of different sessions with elected Members, officers, staff and partners during their visit to Newcastle-under-Lyme. They also sought to build on the work which is already being done by the Council and also previous peer reviews in key areas such as scrutiny. Their findings can be found in a letter from the team at Appendix B.

## 2. **Key Findings and Issues**

2.1 The Peer Challenge emphasised the good work already done by the Borough Council in its findings, including the delivery of efficiencies and budget savings over a sustained period of time; the achievement of a number of external awards in key areas of work such as recycling; and reductions in levels of sickness absence amongst staff.

2.2 In addition to these achievements, the team also concluded that the Council has been willing to be challenged by others and has developed partnership working effectively, together with new ways of working (including the existing co-location of the Civic Offices). The desire to become a 'co-operative council' has the potential to build on these achievements, according to the Peer Challenge team.

2.3 Despite these positives, however, the Council still has a number of challenges to meet. First on this list is the ongoing challenging financial climate and a need to continue to deliver savings, as well as generating capital investment to support the ambitions set out in the Council Plan.

2.4 Allied to this is the need, as highlighted by the Peer Challenge, to continue to invest in staff through training and development and supported by effective staff engagement and also to continue to develop good governance and sustained excellent support for elected Members.

2.5 The Peer Challenge identified regular and effective communication and visible leadership as key to success in embedding change and to ensure stakeholders are aware of priorities and the work being done

2.6 Under each of the headings set out in 1.5 in this report, a number of areas of feedback were offered by the team. This are summarised below: -

### **Understanding of local context and priority setting**

- New Council Plan sets out clear vision and priorities for the Council.
- Priorities are evidence-based and reflect political ambitions.
- The authority allocates resources to priorities.
- The development of the 'co-operative council' builds on the established priorities.
- Clarity is required about what are not priorities for the council.

### **Financial planning and viability**

- Good track record of making financial savings – realised £6m over the last five years.
- Planning for future savings is well advanced and new challenges are being tackled, e.g. universal credit.
- Elected Members and senior officers have been engaged in identifying savings and investment opportunities.

## **Leadership**

- External engagement has been excellent in recent years and solid relationships have been built with key partners, who highly regard the council.
- The council is seen as the brokers of partnership working and also the hub for partnership working in the borough.
- The Newcastle Partnership structure has been streamlined – but the Partnership would benefit from a shared narrative on what an improved borough will look like in the future.
- The leadership of the organisation needs to be visible and good Member/officer relationships should be built upon.
- It is important that all Members contribute to the debate over the future direction of the authority.

## **Governance and decision-making**

- Governance has been improved throughout the organisation, including improvements to scrutiny, the development of a new constitution and Cabinet meetings held in different locations and at different times.
- Scrutiny developments such as a new approach to task and finish groups, better work programmes and training for chairs are all seen as positive by the Peer Challenge team.
- These improvements should be pushed further, including more pre-decision scrutiny and greater holding Members to account as well as officers.
- Regulatory committees should be enablers of the outcomes sought by the authority, by recognising and working towards the council's priorities.
- Full Council meetings need to be developed further to ensure effective operation and positive debates.
- Local Area Partnerships (LAPs) have great potential to make an even greater contribution to priorities and outcomes and could become a key feature of the 'co-operative council'.
- The Peer Challenge team suggested that LAPs are included more as part of the formal decision making and scrutiny processes of the council and consideration should be given to how they can do more.
- More also needs to be done with parish and town councils to develop mutual expectations and establish respective roles, including their relationship with LAPs.

## **Capacity**

- The team was impressed with the development of new ways of working by the council, such as 'the Way We Work' programme, co-location with partners, shared services and other areas of collaboration – building on already existing positive partnership working
- Member and workforce development are both well-developed, and this needs to go further in areas such as ICT
- Member support should be invested in, especially to develop the 'co-operative' aspects of Member roles through advocacy and case management
- In developing the new Workforce Strategy, the team saw a number of positives, but also suggested more focus on the 'co-operative council' in terms of the values, behaviour and culture of the organisation - possibly via a cohesive cultural change programme
- Staff morale should be important, as should staff engagement – and more project based work would be beneficial to draw upon the skills and competencies inherent in the organisation
- In 'co-operative council' terms, the council may wish to seek to communicate its 'offer' to help build community capacity and empower people via LAPs and the voluntary sector, amongst others

2.7 As well as these headline findings, the Peer Challenge also focused on the development of the principle of the 'co-operative council' – and stated the belief of the team that this would

build on existing areas of work such as LAPs, a focus on customers, partnership working, co-location and budget consultation.

2.8 The Peer Challenge team also outlined a number of steps around developing the 'co-operative council', including learning from the work done at other councils (the LGA is prepared to assist with this part of the process).

2.9 In developing thinking further on this aspect of the council's development, the Peer Challenge team put forward a number of suggestions. These included: -

- Engaging with others to define clearly what is meant by a co-operative council in Newcastle-under-Lyme and develop a Charter setting out minimum expectations/standards.
- Continue to develop the notion of 'one public service' for the borough, building on the desire to improve the 'customer journey' through co-location, a new CRM system and through the use of customer insight.
- Consider how the 'co-operative council' concept can be embedded in consultative and decision making processes – e.g. a section in council reports.
- Set out the behaviours, values and attitudes expected of key stakeholders involved in being a co-operative council – consider a code of conduct.
- Look at further developing support for Members, staff and communities.
- Look at LAPs championing the co-operative council concept and also what role parish and town councils can play in this.
- Look at making community land and property assets work for the community.
- Develop a model of co-production – who does and does not do what and what best practice is available.
- Demonstrate how to meet and exceed the code of recommended practice for data transparency.

2.10 The Peer Challenge further suggested that the above list of actions/suggestions should be underpinned by regular communication on how the concept is developing in Newcastle.

2.11 The final section of the Peer Challenge is related to the next steps to be taken as a result of the work which has been done.

2.12 Members will note that at Appendix A, an initial action plan has been developed based on the findings from the Peer Challenge team as summarised in this report.

2.13 As outlined above, Members are asked to consider the action plan and make any suggestions/amendments as deemed necessary.

### 3. **Options**

3.1 There are no options to be considered at this stage. Cabinet is asked to consider the report and the action plan found at Appendix A make any comments as required prior to approving distribution and implementation of the plan to key stakeholders.

### 4. **Proposal**

4.1 It is proposed Cabinet consider the report's contents and the action plan at Appendix A and make comments and changes, as set out in this report, prior to approving final sign off of the action plan.

4.2 It is proposed that the action plan becomes the basis for further work and that regular updates are prepared for all stakeholders as the work develops.

5. **Reasons for Preferred Solution**

5.1 The background to the Peer Challenge is set out in this report, and the findings of the Peer Challenge form the basis for the development of an action plan focused on key areas of the process. The work set out in the action plan will form the basis for future work and will touch on many areas of the organisation – with further updates planned for future meetings and engagement with key stakeholders.

6. **Outcomes Linked to Sustainable Community Strategy and Corporate Priorities**

6.1 The action plan has potential to help deliver key outcomes across all the priorities of the Borough Council and a number of the priorities set out in the Sustainable Community Strategy for the Borough.

7. **Legal and Statutory Implications**

None at present.

8. **Equality Impact Assessment**

An Equality Impact Assessment is being developed.

9. **Financial and Resource Implications**

There are a range of resource implications in terms of delivering the actions set out at Appendix A and these have been referred to in this report and elsewhere.

10. **Major Risks**

10.1 The GRACE risk assessment for the report is being developed. The key risks include not committing enough resources to these areas of work and the community and Borough continuing to deal with the ongoing issues as a result.

11. **Sustainability and Climate Change Implications**

No direct implications.

12. **Key Decision Information**

12.1 This item is included in the forward plan.

13. **Earlier Cabinet/Committee Resolutions**

There are none.

14. **List of Appendices**

Appendix A – Peer Challenge Action Plan  
Appendix B - Newcastle under Lyme B.C. – Corporate Peer Challenge

15. **Background Papers**

None.

