## HUNTINGDONSHIRE DISTRICT COUNCIL

**Title/Subject Matter:** Local Government Association Corporate Peer

Challenge

Meeting/Date: Council – 17th July 2024

**Executive Portfolio:** Executive Leader, Councillor S J Conboy

Report by: Chief Executive

Ward(s) affected: All

# **Executive Summary:**

The Council invited the Local Government Association (LGA) to undertake a Corporate Peer Challenge, which took place in May 2023.

The Corporate Peer Challenge (CPC) is a highly valued improvement and assurance tool that is delivered by the sector, for the sector. It involves a team of senior local government councillors and officers undertaking a comprehensive review of key finance, performance and governance information and then spending three days at a council to provide robust, strategic, and credible challenge and support.

CPC forms a key part of the improvement and assurance framework for local government. It is underpinned by the principles of Sector-led Improvement (SLI) put in place by councils and the Local Government Association (LGA) to support continuous improvement and assurance across the sector. These state that local authorities are: responsible for their own performance, accountable locally, not nationally and have a collective responsibility for the performance of the sector.

CPC assists councils in meeting part of their Best Value duty, with the UK Government expecting all local authorities to have a CPC at least every five years.

This report is intended to receive the Feedback Report, highlighting the recommendations of the CPC, with some key feedback and to provide details as to how the council will be preparing an action plan to deliver against those recommendations.

# Recommendation(s):

The Council is

# RECOMMENDED

To receive the Corporate Peer Challenge Feedback report, Appendix 1, and notes the recommendations of the Peer team.

### 1. PURPOSE OF THE REPORT

1.1 To receive the CPC Feedback report, thereby formally publishing the report and note the recommendations of the Peer Challenge team. In addition, to provide an initial timetable for the action plan to report to the Overview and Scrutiny Panel (Performance and Growth) in October and thereafter, on a quarterly basis. The CPC was also tasked with assessing progress against the follow up recommendations of the LGA Governance Peer Review that took place in February of this year.

## 2. WHY IS THIS REPORT NECESSARY

2.1 There is a requirement to publish the LGA Governance Peer Challenge report within 12 weeks of receipt and the Council would do this in any event to promote transparency and good practice. The report may be found at Appendix 1 and the recommendations are set out within pages 9 and 10 of the Feedback report.

## 3. THE LGA PEER TEAM AND THE FOCUS OF THE CPC

3.1 Peer challenges are delivered by experienced elected member and officer peers.

The make-up of the peer team reflected the focus of the peer challenge and peers were selected by the LGA on the basis of their relevant expertise. The peers were:

- Lead Peer, Kate Ryan Chief Executive, New Forest District Council
- Member Peer, Jim Mckenna Cornwall Council (Ind)
- Member Peer, William Nunn Breckland Council (Con)
- Senior Officer Peer, Donna Reddish Service Director Corporate, Chesterfield Borough Council
- Senior Officer Peer, Caroline Brom Head of Transformation and Change, Walsall Metropolitan Borough Council
- Shadow Officer Peer, Sebastian Burch Strategy and Policy Officer, Warwickshire County Council
- PCM, Kirsty Human LGA
- PSO, Onyeka Abajingin LGA

Peer challenges are improvement focused; it is important to stress that this was not an inspection. The process is not designed to provide an in-depth or technical assessment of plans and proposals.

The peer team used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read.

The peer team prepared by reviewing a range of documents and information in order to ensure they were familiar with the council and the challenges it is facing. This included a position statement prepared by the council in advance of the peer team's time on site.

This provided a clear steer to the peer team on the local context at Huntingdonshire District Council and what the peer team should focus on. It also included a comprehensive LGA finance briefing (prepared using public reports from the council's website) and an LGA performance report outlining benchmarking data for the council across a range of metrics. The latter was produced using the LGA's local area benchmarking tool called LG Inform.

The peer team then spent three days onsite at Huntingdonshire District Council, during which they:

- Gathered evidence, information, and views from more than 35 meetings, in addition to further research and reading.
- Spoke to more than 160 people including a range of council staff, together with members and external stakeholders.

The Feedback report provides a summary of the peer team's findings. In presenting feedback, they have done so as fellow local government officers and members.

- 3.2 The peer team considered the following five themes which form the core components of all Corporate Peer Challenges. These areas are critical to councils' performance and improvement:
  - (i) Local priorities and outcomes are the Council's priorities clear and informed by the local context? Is the Council delivering effectively on its priorities? Is there an organisational-wide approach to continuous improvement, with frequent monitoring, reporting on and updating of, performance and improvement plans?
  - (ii) Organisational and place leadership does the Council provide effective local leadership? Are there good relationships with partner organisations and local communities?
  - (iii) **Governance and culture** are there clear and robust governance arrangements? Is there a culture of challenge and scrutiny?
  - (iv) **Financial planning and management -** does the Council have a grip on its current financial position? Does the Council have a strategy and a plan to address its financial challenges? What is the relative financial resilience of the Council like?
  - (v) **Capacity for improvement** is the organisation able to bring about the improvements it needs, including delivering on locally identified priorities? Does the Council have the capacity to improve?

As part of the five core elements outlined above, every Corporate Peer Challenge includes a strong focus on financial sustainability, performance, governance, and assurance.

In addition to these themes, the Council asked the peer team to explore the following questions:

- Do internal and external mechanisms provide the capacity to deliver against milestones?
- Partnerships what is working well?
- Performance first full year of a new framework is this the right approach?
- Corporate Governance does this support agile ways of working and decision making?

### 4. THE CPC FEEDBACK REPORT

### Recommendations

4.1 Recommendation 1 - Align finance and workforce to deliver the agreed political priorities including a review of organisational structure.

A single narrative needs developing and communicating so that everyone is clear what the priorities are, how they are being delivered and what the timescales are for this. The council needs to ensure its officer structure enables delivery of the political priorities, that officer capacity is directed to the priority areas and the finances are aligned.

4.2 Recommendation 2 – Strengthen the internal approach to engagement which ensures the voice of residents/service users are at the heart of decision making.

Building on the good practice shown in consulting on Huntingdonshire Futures, develop different engagement mechanisms to gain the views of residents/service users on their experience of the council and how these can be responded to.

4.3 Recommendation 3 - Develop a resourced Communications and Engagement Strategy which defines the HDC brand and strategic narrative.

Promote the services the council delivers. Don't undersell the impact being made in the community by leisure, parks and open spaces and operational services. Ensure everyone knows these are delivered by HDC. Be clear about who leads external communications to prevent confusion of messages and brands.

4.4 Recommendation 4 - Review the planning service to ensure that within the planning policy framework the council's priorities are

# being delivered, for example climate, environment and inclusive growth.

Create understanding across all council services that there needs to be a holistic approach to deliver the councils growth and development ambitions. The planning service is a major contributor to fulfilling the longer-term outcomes of the council, but the results will benefit and impact on the whole council and it is important the service is appropriately positioned and supported to deliver these ambitions.

# 4.5 Recommendation 5 - Deliver the imminent Workforce Strategy at pace – including addressing staff concerns.

The extensive consultation on the new strategy has raised awareness and staff have high expectations of what it will deliver. Ensure the strategy addresses the inconsistency in policy and practice and brings services together to support a one council approach, where best practice is shared across services and fairness and equity is at its core.

# 4.6 Recommendation 6 – Continue to strengthen the council's approach to governance, compliance and risk.

To support the council's improved governance approach:

- Review the council's constitution.
- Provide additional capacity for MO and DMO roles.
- Ensure sufficient investment and resource for member development.

# 4.7 Recommendation 7 - Support and develop a member led scrutiny work programme and prioritise areas where they can add value and help mitigate risk – SLT support.

Ensure there is adequate time between Overview and Scrutiny Committees and Cabinet for members to add value to the process. Support them to shape agendas and work plans and contribute to policy development.

# 4.8 Recommendation 8 - Define and communicate your approach to transformation/continuous improvement.

Put in place the cross-cutting foundations (technology, workforce, structures, culture, communications) to prepare the organisation for holistic service transformation rather than reinforcing some silos and risk services continuing their own custom and practice.

4.9 In addition to these formal recommendations, there are several other recommendations and suggestions through the body of the Feedback report that will be captured to be considered as part of the formal action plan that will be developed to implement CPC, and by way of several examples, these include but are not limited to:

- To meet the council's ambitions for enhanced partnership working, peers recommend the council reviews the skills and capacity needed to support this work with senior stakeholders and partners.
- Creating and communicating key points of entry into the council for partners and stakeholders would significantly help the council to develop its partnerships and generate opportunities to enable and influence.
- Peers advise some facilitated top team development would assist the new team in building relationships, understanding leadership styles and create space for strategic visioning.
- Further work is needed with service managers to improve horizon scanning and feed this into the budget setting process.
- Consideration should also be given to undertaking a full staff survey.
- The Ideas Board should be taking a more strategic approach to reviewing requests for funding, making sure any bids are aligned to the councils' priorities and clearly drive innovation. There also needs to be consideration given to how any projects funded on a trial basis could be sustained in the longer term if deemed successful.

#### Governance

- 4.10 The Feedback Report makes references to the Council's progress against the LGA Governance recommendations, and does note once again the need for more capacity within the Monitoring Officer role and responsibilities a few examples include, but are not limited to:
  - The council is self-aware and identified a range of improvement areas in its 2022/23 Annual Governance Statement (AGS).
    - There were also 17 recommendations from the LGA peer challenge of internal audit arrangements in 2023, the CGC's self-assessment against CIPFA's audit committee good practice principles, and the CFO's self-assessment against CIPFA's Financial Management Code, all of which peers were pleased to see were making significant progress and actions monitored closely by the CGC.
  - Following recommendations from the Governance Peer Challenge in February, peers were pleased to see the Risk Officer is now working alongside the Internal Audit function drawing on skills and experience from other parts of the council.
  - It was encouraging to hear that the council is building capacity with the risk management, procurement and contract management to ensure compliance with new legislation.

### **Positive Feedback**

- 4.11 The Peer team have been complimentary about the way in which the council prepared and welcomed the team into our ways of working, including the honesty and transparency those whom they met. Alongside the learning to be implemented, it is also important to acknowledge some of the positive comments that have been made:
  - Huntingdonshire District Council (HDC) is an ambitious Council with long-term aspirations for its place and communities.
  - HDC is fortunate to have loyal and committed staff to both the Council and place. Many live locally and have a vested interest in the success of the organisation.
  - Peers were very impressed by the delivery of affordable housing in the district. In 2023/4 the Council facilitated with Registered Providers (RPs) and developers the delivery of 703 homes – 450 specifically for social rent.
  - The Economic Development team was praised for the proactive approach it takes with businesses, providing support and signposting.
  - Leisure services are keen to work in partnership to develop the collaboration potential.
  - The Performance and Efficiency Board, chaired by the Chief Operating Officer, was set up to monitor, address and benchmark performance and escalate issues to the senior leadership team (SLT). Peers considered this Board to be a real asset to the organisation and could see the value the officers involved were bringing to driving improvements in performance.
  - Some positive work has been led on external communications, reducing the number of social media channels and increasing capacity to deliver messages via the councils' main channels.

### 5. WHAT ACTIONS WILL BE TAKEN

5.1 The recommendations contained within the Feedback report, both the formal eight recommendations and the informal ones set out in the body of the report, are being considered by the senior leadership team. An action plan will be developed in consultation with lead portfolio holders and this will be presented to the Overview & Scrutiny (Performance and Growth) Committee in October and reported on a quarterly basis.

# 6. LINK TO THE CORPORATE PLAN, STRATEGIC PRIORITIES AND/OR CORPORATE OBJECTIVES

6.1 The recommendations, general insight and opportunities for learning that the Feedback report highlights will assist the Council in delivering against all the actions in the Corporate Plan and Service Plans.

# 7. LEGAL IMPLICATIONS

There are no direct legal implications arising from the receipt of the CPC Feedback report.

# 8. RESOURCE IMPLICATIONS

8.1 Any resource implications will be assessed as part of the development of the action plan.

## 9. LIST OF APPENDICES INCLUDED

Appendix 1 – CGC Feedback report

## 10. BACKGROUND PAPERS

None.

## **CONTACT OFFICER**

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