

<b>Report To:</b>	<b>CABINET</b>	<b>Date:</b>	<b>21<sup>st</sup> JULY 2020</b>
<b>Heading:</b>	<b>LGA PEER CHALLENGE 2020</b>		
<b>Portfolio Holder:</b>	<b>COUNCILLOR JASON ZADRONZY, LEADER OF THE COUNCIL</b>		
<b>Ward/s:</b>	<b>ALL</b>		
<b>Key Decision:</b>	<b>NO</b>		
<b>Subject to Call-In:</b>	<b>NO</b>		

### **Purpose of Report**

For Cabinet to consider the progress made in respect of the LGA Peer Challenge key recommendations.

### **Recommendation(s)**

- 1. To sanction actions arising and endorse the progress made in respect of the LGA Peer Challenge key recommendations to date.**
- 2. Approval for Overview and Scrutiny Committee to monitor the implementation of the key recommendations and supporting action plan.**

### **Reasons for Recommendation(s)**

In April 2020 Council endorsed the findings of the Local Government Association Peer Challenge.

The Peer Challenge Review undertaken by the Local Government Association in January 2020 is designed to support Councils and is part of a sector led improvement programme. There is an expectation from the LGA and government that the findings will be used to support improvements. Cabinet sanctioned all actions arising from the LGA report.

### **Alternative Options Considered**

*(with reasons why not adopted)*

There are no alternative options in relation to the noting of the draft summary outcomes of the Corporate Peer Challenge report or the endorsement of the actions taken to date to meet some of the recommendations.

## Detailed Information

### **1. Background**

Peer Challenges are improvement focussed and tailored to meet individual councils' needs. They are designed to complement and add value to a council's own performance and improvement. 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 current LGA sector-led improvement support offer includes an expectation that all councils will have a Corporate Peer Challenge every 4 to 5 years. Ashfield District Council had a Corporate Peer Challenge in July 2013, and a second in March 2017. The Council's performance management framework includes a commitment to undertake a LGA Peer Challenge review every three years to provide external and objective assessment of the Council's improvement progress.

The findings from the previous 2017 Peer Challenge Review were very positive for the Council. The review demonstrated that the Council is more focused on the needs of its communities and has a strong and growing reputation with its partners as a good organisation to work with. The LGA report also highlighted areas of development and improvement which were successfully implemented.

### **2. Peer Challenge Approach**

The Corporate Peer Challenge Team consisted of:

- Cllr Gerald Vernon-Jackson – Leader, Portsmouth City Council
- Alison Broom – Chief Executive, Maidstone Borough Council
- Andrew Seekings – Interim Chief Executive, Allerdale Borough Council
- Rob Gregory – Assistant Director for Communities and Neighbourhoods Stevenage Borough Council
- Esther Barrott – Care and Health Improvement Adviser, NGDP/Local Government Association
- Becca Singh – Peer Challenge Manager, Local Government Association Strategic Leadership

The peer team prepared for the peer challenge by reviewing a range of documents and information in order to ensure they were familiar with the Council and the challenges it is facing. The team then spent three days onsite at Ashfield District Council, during which they:

- Spoke to over 100 people including a range of Council staff, councillors and external stakeholders,
- Gathered information and views from 28 meetings, visits to key sites and additional research and reading
- Collectively spent nearly 300 hours to determine their findings – the equivalent of one person spending around 8 weeks at the Council

The peer team considered the following five questions which form the core components looked at by all Corporate Peer Challenges. These are the areas we believe are critical to councils' performance and improvement:

1. Understanding of the local place and priority setting: Does the Council understand its local context and place and use that to inform a clear vision and set of priorities?
2. Leadership of Place: Does the Council provide effective leadership of place through its elected members, officers and constructive relationships and partnerships with external stakeholders?
3. Organisational leadership and governance: Is there effective political and managerial leadership supported by good governance and decision-making arrangements that respond to key challenges and enable change and transformation to be implemented?
4. 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?
5. Capacity to deliver: Is organisational capacity aligned with priorities and does the Council influence, enable and leverage external capacity to focus on agreed outcomes?

### **3. Peer Challenge Findings**

The Peer Challenge team in its Executive Summary concluded that:

- The Council is a council where the politicians provide strong community engagement, are involved, passionate and resident-focused.
- Councillors are particularly active in seeking residents' views and wants and use them to identify priorities for action.
- The Council is successful in using resident views in influencing service delivery.
- The Council has clear ambitions and it is clear which Directors and Departments are responsible for delivering them.
- The Council has a clear aspiration to take a One Council approach.
- The Council has adopted values and associated behaviours through a participative approach which are displayed across the organisation.
- Staff are very positive about working for the Council and are committed to delivering the best for the Council's residents and customers. They are also enthusiastic about using their untapped potential for the good of the Council and its residents.

### **4. Key recommendations and Current Progress**

The key recommendations and suggestions for improvement, the Council's initial response and our current progress to date are shown, by theme, in the table below. The Corporate Leadership Team (CLT) has identified a Lead CLT Officer for each of the recommendations to facilitate successful delivery of improvement.

## Strategic Leadership and Partnerships Theme:

Key Recommendation	Initial Council Response	Current Progress
<p><b>Ensure that the achievement of the more-strategic ambitions for the District</b>, meeting challenges and exploiting opportunities along the way, provides appropriate drive for the Council moving forward, so that it is not unduly focused on responding to current operational issues</p>	<p>Agreed</p> <p>The Corporate Plan is developed and reviewed by cross organisational representation relevant to each corporate priority.</p> <p>Our performance management framework, is structured and driven by priority rather than function.</p>	<p>The Corporate Plan and Corporate Priorities have been reviewed in the light of Covid 19 and the tier 1 and 2 essential task matrix.</p>
<p><b>Develop a partnership approach to strategic plans for the District.</b> Work with others to develop and adopt shared plans and thereby share risks, responsibilities and delivery.</p> <p>The next 12 months are key in establishing the Discover Ashfield brand and the Towns Fund opportunities could galvanise the partnership through a practical project.</p>	<p>Where relevant, ADC officers will take a more proactive leadership approach to partnership plans, seeking joint delivery with key partners, and providing measurable benefits and case studies</p> <p>We will review voluntary/community sector capacity issues in the light of Covid19 and target future support to the sector to improve their delivery.</p> <p>Wider support is required for the development of the Discover Ashfield Board which has increased significantly following the Government's announcement of Towns Funding for Kirkby and Sutton.</p> <p>The Council will continue working with our partners to ensure people feel safe and are safe by reducing levels of crime and disorder and antisocial behaviour.</p> <p>A review of the Community Safety Section is underway involving Scrutiny Panel B as part of the process.</p>	<p>We have revisited our strategic partnerships and determined where added value is achieved.</p> <p>59 organisations have been contacted during the pandemic, of which 22 were able to offer services, 12 didn't respond and 25 have closed due to CV19. 12 organisations who have demonstrated they play an important role in Ashfield's response to CV-19 have been awarded funding.</p> <p>The Ashfield Community Development Group will be reviewed with potential to align to the Discover Ashfield Love Where You Live theme.</p> <p>A post has been created (Discover Ashfield Project Officer) to support the Chair and the development and completion of projects within the Discover Ashfield Delivery Plan. The post is required to support the corporate priority of Economic Growth and Place. The post is funded from the savings from the dissolution of the Regeneration Shared Service.</p>

## One Council:

Key Recommendation	Initial Council Response	Current Progress
<p><b>Further develop a 'one council' approach, including corporate strategy, policy, project management and data analysis functions.</b> As part of this, the team recommend reviewing corporate functions and structures,</p>	<p>A programme of essential building works have been agreed at leadership level</p> <p>Re-branding to facilitate a one council culture is already underway</p>	<p>Re-branding of Brook Street is now completed.</p> <p>The Working Together Group are currently finalising recommendations for a One Council approach to uniforms. CLT to agree and implement.</p>

Key Recommendation	Initial Council Response	Current Progress
<p>moving office-based housing staff to the main building with other Council staff and proactively ensuring that staff from all departments are engaged with the transformation programme. It would involve some initial outlay, including investing in the building so that it can be flexible enough for the additional staff, and potentially different teams, as well as some level of re-branding of former housing ALMO assets. The positive impact on the culture of the organisation could potentially be massive and improve productivity. Investing in the fabric of the building and improving its efficiency would also help demonstrate the Council's commitment to declaring a climate emergency</p>	<p>There are numerous examples of current corporate working involving staff from cross-Council, such as:</p> <ul style="list-style-type: none"> <li>• Response to Coronavirus Officer Working Together Group</li> <li>• Digi Champs</li> <li>• Digital Steering Group</li> <li>• Leisure Transformation</li> </ul> <p>However, there is a need to develop an approach to engage more widely across the organisation.</p> <p>The Leader and the Chief Executive are providing weekly update videos for officers during the Coronavirus pandemic</p>	<p>A review of accommodation at Urban Road to enable the housing team to move from Brook Street has been delayed, as a whole building approach needs to be considered post covid (an indicative plan to locate in hub and top floor does however exist).</p> <p>Significantly more space will be required for the housing team if EDRM scanning is not completed (this has also been impacted by COVID)</p> <p>The Leader has also realigned his two Deputy Leaders to the Housing and Assets and Community Safety portfolios to ensure senior member leadership to improve and implement those recommendations</p>
<p><b>Learn from where things have worked.</b> Within Ashfield, the business park developments and the refurbishment of the Idlewells Market are good examples. The team recommend learning from other Councils that have reintegrated the housing function from an Arms-Length Management Organisation (ALMO) back into the Council, for example considering membership at the Association for Retained Council Housing (ARCH).</p>	<p>Recommendation is erroneous. ADC is an active and vocal member of ARCH and has been for over 2 years</p>	

## Financial Sustainability:

Key Recommendation	Initial Council Response	Current Progress
<p><b>Publish a Medium-Term Financial Strategy as soon as possible.</b> This should include the Council's position on future increases in the council tax base and council tax levels. It should also be clear about the cost and borrowing requirements</p>	<p>Agreed. It was the intention that a detailed MTFS would be produced in 2019 aligned to the expected 3 year Spending Round. As a single year funding announcement was made by the Government which provided far less certainty about Government funding after 2020/21 a decision was taken to produce an update to the MTFS. The MTFS will include a sensitivity analysis of potential changes</p>	<p>The MTFS will be produced in Autumn/Winter 2020 and will in part be informed by the outcome of the external audit of the 2019/20 Statement of Accounts which have recently been finalised. The impact of the Covid-19 pandemic is now likely to result in a further single year settlement for 2022/23. This adversely affects longer term financial planning but is understandable given current</p>

Key Recommendation	Initial Council Response	Current Progress
<p>of the new Leisure Centre, and the offset in revenue costs expected in commissioning the new leisure provider.</p>	<p>to the Council Tax base and Council Tax increases. The numbers included in the MTFS update do reflect the costs and income associated with the building of the new Leisure Centre and recommissioning of the Council's Leisure contract.</p>	<p>circumstances. The new MTFS will reflect this uncertainty.</p>
<p><b>Consider what proportion of overall Council income should derive from commercial investments.</b> The team also suggest considering diversifying the commercial income portfolio to minimise the impact of a failure in one sector.</p> <p>The strategy of acquisition is reliant on one key officer. This puts the Council at risk if he leaves and so consideration should be given to sharing this responsibility and therefore understanding more widely. A wider range of income generation and commercial activity would reduce risk of all being within commercial property.</p>	<p>It is agreed that the Council should determine what proportion of its income should be derived from Commercial Investments. This will be driven by both greater certainty over central Government funding now expected in Autumn 2020 and the expected cashable savings from the Transformation Programme. The Council considers that its Investment Portfolio is suitably diverse and future acquisitions will maintain that diversity. No future out of District acquisitions will be in respect of High Street retail.</p> <p>An assessment and Options Appraisal is currently being developed with an imminent review of future approach. This will consider significant changes on restrictions to external capital fund borrowing, impact of Coronavirus and Brexit.</p> <p>Assessment will cover skills, capacity, resilience and need to review risk assessments, risk appetite and target levels of income generation</p>	<p>As above</p> <p>CLT have considered a status and options report on future delivery of investment acquisition including skills, capacity and increased resilience and strengthened realignment of elements within finance and estate teams</p> <p>Contractual agreement has been updated to retain services of an external agent to provide specialist expertise on commercial investments; both acquisition and development and renegotiation on existing tenancies and leases agreements.</p>
<p><b>Improve engagement in financial planning and management.</b> Rolling out Business Partnering in finance and other support services will help this. This would involve the S151 officer (or the finance team) at an earlier stage in planning services and changes, who could then be more proactive about what could be done and ensure that changes are reflected in both budget planning and the medium-term financial strategy</p>	<p>Agreed. This work has already started with Staff and elected Members receiving Finance training with more training planned. Once the upgrade to the Finance system is complete and embedded, it is the intention at this point to further strengthen Finance Business Partnering arrangements. Budget Managers and Budget Holders are already fully involved in the annual Budget Setting process.</p>	<p>Due to the impact of the Covid-19 pandemic this will now take place towards the latter end of the financial year.</p>

## Organisation Development:

Key Recommendation	Initial Council Response	Current Progress
<p><b>Ensure further Member training on behaviours, roles and responsibilities.</b> This should include work with political groups, and on how members and officers work together, to ensure members understand and keep to their roles, and ensure their approach is appropriate</p>	<p>Agreed. Members underwent a comprehensive induction programme following the District Elections in May 2019 which included elements relating to the Members' Code of Conduct, the roles of Members and Officers. Cabinet Members and Committee Chairs attended an LGA led member development session on 14 October 2019.</p> <p>Further development sessions will take place to refresh Members regarding their roles and behaviours. Training will also take place with relevant officers in relation to Member/Officers roles and responsibilities to ensure there is a mirrored understanding.</p> <p>The Standards and Personnel Appeals Committee has been involved in considering the ethical governance report from the Committee on Standards in Public Life over the past year with a view to reviewing the Members' Code of Conduct and related processes and procedures. The Local Government Association will be launching a consultation period shortly regarding its proposed new model code of conduct and Members and relevant Officers will contribute to this consultation process in due course.</p>	<p>Development of a training package has been delayed due to COVID-19.</p> <p>The LGA Model Code of Conduct consultation was delayed due to COVID19. The Consultation commenced on 8 June and runs until 17 August. The Consultation will be considered by the Standards and Personnel Committee at its next meeting in order to submit a formal Council response. All Members have been provided with the details of the consultation and asked to provide comments to the Monitoring Officer to feed into the Committee for consideration as part of the response. It is understood the LGA's new Model Code will not now be launched until the Autumn.</p>
<p><b>Maximise the contribution of the shared service for Internal Audit to ensure that the Audit Committee are supported to keep up with the pace and topics that the council wants to develop.</b> For example, as the commercial programme develops further, the Audit Committee will need to be continually ensuring that governance arrangements and levels of risk are appropriately evaluated.</p>	<p>Agreed. Members underwent a comprehensive induction programme following the District Elections in May 2019 which included training relating to the role of the Audit Committee, treasury management and fraud and commercial investments. Whilst these sessions were aimed at Audit Committee Members, all Members were invited to attend if they wished. Some of these sessions took place immediately before an Audit Committee meeting.</p> <p>Further development sessions will be developed to refresh Members regarding these topics and ongoing training for Audit Committee Members is being planned with our partners from the Central Midlands Audit Partnership.</p>	<p>Discussions regarding training have commenced with CMAP.</p>

Key Recommendation	Initial Council Response	Current Progress
<p><b>Consider long-term political support for the leadership.</b> As an Independent group, the group lacks the political support of a party structure. This may hamper it in horizon scanning and strategic policy development. It is suggested that the Cabinet works with the LGA to explore support options. This would complement strengthening of corporate strategy and policy development by the organisation itself</p>	<p>Agreed.</p> <p>Council report will be prepared for approval at the AGM on 23 April 2020 to appoint political assistants in accordance with the relevant legislation.</p>	<p>Recommendation approved at the AGM on 23 April.</p> <p>Appointment has been made to the Political Assistant role .</p>
<p><b>Vary how the Corporate Leadership Team (CLT) pro-actively engages with staff.</b> Although there are engagement mechanisms, many staff do not feel involved or always know what it is happening. Using different engagement mechanisms could reach staff that currently feel disengaged. For example, floor walking, drop-ins and engagement events across all work locations, including the Depot and Brook Street.</p>	<p>Agreed.</p> <p>There already exists a number of different engagement and communication approaches though an outcome from the Employee Survey was about enhanced engagement from CLT including visibility and recognition of work undertaken across all services.</p> <p>CLT members already work from a variety of locations in order to show visible leadership and also undertake “back to the floor” activities in their departments.</p>	<p>The Working together group have considered the positive impact of pandemic and areas for improvement which will be developed further, with case study examples and benefits measurement.</p> <p>Work has commenced to integrate Employee Survey outcomes into Working Together Group work programme,</p> <p>A different range of approaches are being used by CLT to support healthy engagement with all employees through Covid whether operational, office or working from home/remotely e.g. visibility, weekly updates, videos, briefings, video conferences.</p> <p>We are continuing to encourage proactive use of cross organisational working teams. The digi-champs group will shortly be refreshed to encourage wider engagement</p>

## Digital Services Transformation (DST):

Key Recommendation	Initial Council Response	Current Progress
<p><b>Invest resources in the Digital Transformation Plan sooner rather than later.</b> This will make it easier to achieve the £2.2m saving predicted over the next four years. Use the transformation programme to help achieve cross-departmental working, using untapped staff potential and enthusiasm and to develop capacity within the organisation. Consider how</p>	<p>Agreed.</p> <p>An initial review of capacity gaps in digital and technology resource has been completed in order to inform a decision for additional £400k to be set aside in 2020/21 for this purpose. An intended timeline has been aligned to our transformation programme to prioritise additional resources.</p> <p>We will embed the new digital ‘business as usual’ for employees, elected members and residents, fast tracked in response to remote access</p>	<p>Capacity review completed. Initial focus on new Programme Manager role, Customer Services Manager, Innovations and Solutions Architect and Web Content Lead. Interim Innovations and Solutions Manager to commence in June to lead on our solution architecture roadmap.</p> <p>Digital team skills development was hindered by COVID ceasing training availability. Online training has now been developed, several members of the team will pursue this whilst we are supported by</p>

Key Recommendation	Initial Council Response	Current Progress
<p>to backfill posts of those getting directly involved in the transformation</p> <p>Adequate consideration needs to be given to ICT architecture investment and staff development to enable the effective deployment of the digital strategy</p>	<p>and service provision whilst capturing changes being made including channel shift and financial savings.</p>	<p>our low code solution supplier to build and deliver.</p> <p>Progress against our digital blueprint is being reviewed through the ongoing development and refinement of a detailed priority programme plan, this enables the mapping of resources more directly. A weekly programme highlight report outlining progress is shared with all key stakeholders.</p> <p>A benefits realisation report is being developed that outlines and tracks actual outcomes against targets involving financial savings, customer experience and social value.</p> <p>The new website project and transition to Microsoft Office 365 are scheduled for implementation by September 2020.</p>
<p>Third tier managers are keen for greater data management training and to understand how to embed, improve and implement their current data management skills. The team recommend further training and support in qualitative as well as quantitative research and analysis for key staff, and consideration to appoint dedicated data analysts.</p>	<p>Agreed</p> <p>Digital working groups will seek ideas of what data and trend information they might find useful in their services and then work through how this is best delivered. We will determine our key datasets across the whole organisation, such as UPRN, and review the requirement of a specific data officer role.</p>	<p>We have agreed with Nottingham Trent University Business School to engage MBA students in a project brief to understand, through a gap analysis, what elements of good practice data architecture have been implemented, what needs to be done, and recommendations for next steps. The project commences 22<sup>nd</sup> June, the outcomes of which will inform consideration of our data usage business requirements, what we create that adds value and is used</p>

## 5. Progress Monitoring

Cabinet is asked to approve that the Overview and Scrutiny Committee monitor the implementation of the key recommendations and supporting action plan.

### Implications

#### **Corporate Plan:**

The Corporate Plan sets the strategic direction of the Council. The Corporate Plan has been, and will continue to be reviewed annually, particularly clarifying the organisation's key priorities and measured outcomes, in line with the LGA peer challenge recommendations.

#### **Legal:**

There are no significant legal issues identified in this progress report.

**Finance:**

Budget Area	Implication
General Fund – Revenue Budget	none arising from this report
General Fund – Capital Programme	none arising from this report
Housing Revenue Account – Revenue Budget	none arising from this report
Housing Revenue Account – Capital Programme	none arising from this report

**Risk:**

Risk	Mitigation
Lack of focus for further organisational improvement leading to a decline in performance.	Monitored delivery of LGA key recommendations  Continuous review and enhancement of performance, project and financial management frameworks.

**Human Resources:**

There are no significant human resource issues identified relating to the recommendations in the report

**Environmental/Sustainability**

*(to be completed by the author)*

There are no environmental/sustainability issues identified relating to the recommendations in the report.

**Equalities:**

*(to be completed by the author)*

There are no significant equalities issues identified relating to the recommendations in the report

**Other Implications:****Reason(s) for Urgency****Reason(s) for Exemption****Background Papers**

LGA Peer Review report

**Report Author and Contact Officer**

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