

Report of:	Head of Governance and Corporate Services
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Portfolio Leader:	Corporate Improvement
Key Decision:	No
Report Track:	Cabinet: 19/09/19 Corporate Scrutiny Cttee: 19/11/19

CORPORATE SCRUTINY COMMITTEE

19 NOVEMBER 2019

PEER REVIEW FOLLOW-UP

1 Purpose of Report

- 1.1 To update Members on the outcome of the return visit to Cannock Chase Council by the Local Government Association's Peer Challenge Team on 15 and 16 July 2019.

2 Recommendation(s)

- 2.1 That Members note:
- (i) the outcome of the follow-up review as detailed in the final letter of the Peer Challenge Team to the Managing Director of 12 August 2019 (copy attached at Appendix 1); and
 - (ii) the comments / actions from the Council following the considerations made by the Peer Challenge Team (see Appendix 2).

3 Key Issues and Reasons for Recommendations

Key Issues

- 3.1 The LGA Peer Challenge Team who undertook a review of the Council's Corporate, Financial and Organisation position in September 2016 recently returned to undertake a follow-up review.
- 3.2 The aim of the follow-up review was to assess the progress the Council has made against the recommendations made following the original review.

- 3.3 In summary, the outcome of the review has been very positive and recognises the significant progress that the Council has made over the last three years. The team stated that `the Council is a more confident, ambitious and outward looking organisation than in 2016`.

Reasons for Recommendations

- 3.4 The Corporate Scrutiny Committee is asked to note the comments made by the Council as it aims to take forward the 'considerations' made by the Peer Challenge Team during their return visit.

4 Relationship to Corporate Priorities

- 4.1 A new Corporate Plan has been produced since the Peer Challenge Team's visit in September 2016. As a result, the new Corporate Plan was a key part of the discussions during the team's return visit. The follow-up review considered the Council's new, and refined, corporate priorities of Promoting Prosperity and Improving Community Wellbeing and the range of projects and actions being delivered in support of these priorities.

5 Report Detail

- 5.1 In September 2016 the LGA Peer Challenge Team undertook a review which focussed on the Council's corporate and financial planning for the future strategic direction of the Council. The review was timed to support the Council's development of a Financial Recovery Plan in response to the closure of Rugeley Power Station.
- 5.2 The September 2016 review resulted in seven key recommendations being made:
- Further develop and widen the `Customer` priority of the Corporate Plan so as to articulate what the Cannock Chase District Council of the future will look like;
 - Consider broadening and further diversifying the financial strategy so it becomes multi-stranded and adaptable to increase resilience and risk;
 - Continue to utilise informal and formal relationships to maximise influence and leverage, as part of the Council's `leadership of place` role;
 - Review the current democratic decision-making arrangements – including Overview & Scrutiny – to better enable councillors to have a timely and proportionate opportunity to inform, influence and challenge decision making and policy development;
 - Move at pace to finish the work started on governance, assurance and corporate policies;

- Consider how the corporate leadership, organisational capacity and capabilities need to develop further to ensure that the Council has the skills and resources aligned to deliver future priorities; and
 - Draw on the learning from both within the organisation and wider local government sector to support continued improvement and development
- 5.3 Following the original review, an action plan was put in place to address the seven recommendations.
- 5.4 In line with normal practice, the Peer Challenge Team returned in July 2019 to undertake a follow-up visit. The Team was largely unchanged from the one that undertook the original review. The team comprised:
- Paul Wilson, Chief Executive of Derbyshire Dales District Council
 - Councillor Tom Beattie, Leader of Corby Borough Council
 - Elaine Atkinson OBE, Former Council Leader of Poole Borough Council
 - Tricia Marshall, Deputy Chief Executive of Canterbury City Council
 - James Millington, Peer Challenge Manager, LGA
- 5.5 The aim of the follow-up review was to assess the progress the Council has made against the seven recommendations. To assist with this, prior to the site visit, a document was prepared for the Peer Challenge Team, outlining the progress, developments and key projects delivered over the last three years.
- 5.6 The Peer Challenge Team met with and spoke to over 40 officers, councillors and external partners during their follow up visit.
- 5.7 The Peer Challenge Team gave a presentation at the conclusion of their visit and have confirmed their feedback in a letter to the Managing Director. A copy of the letter is attached at Appendix 1. In summary, the Team observed `how the Council appears more confident than in 2016, with the cloud of an uncertain future resulting from the news of the closure of Rugeley Power Station now lifted`. The team `applaud how the Council has dealt effectively with this challenge, and made other improvements` and concludes `that the Council is a more confident, ambitious and outward looking organisation than in 2016`. The team goes on to comment that `in common with other councils, capacity is stretched and to ensure CCDC delivers on its ambitious plans it will want to ensure that its resources are appropriately aligned.`
- 5.8 As with the original review, the Peer Challenge Team has noted a number of “considerations” for the Council and these are summarised in Appendix 2 together with the Council’s response to these.

6 Implications

6.1 Financial

None

6.2 Legal

None

6.3 Human Resources

None

6.4 Section 17 (Crime Prevention)

None

6.5 Human Rights Act

None

6.6 Data Protection

None

6.7 Risk Management

None

6.8 Equality & Diversity

None

6.9 Best Value

None

7 Appendices to the Report

Appendix 1: Letter from the LGA to the Managing Director – 12 August 2019

Appendix 2: Peer Review Follow-Up Summary of Considerations and Comments – August 2019

Previous Consideration

Local Government Association Peer Challenge Cabinet 17 April 2017

Background Papers

None



Tony McGovern
Managing Director
Cannock Chase District Council
Civic Centre
Beecroft Road
Cannock
Staffordshire
WS11 1BG

12th August 2019

Dear Tony,

LGA Corporate Peer Challenge Follow Up visit 15th and 16th July 2019

Following the original LGA Corporate Peer Challenge (CPC) in September 2016 Cannock Chase District Council (CCDC) asked the Peer Team to make a Follow Up visit to help review and assess progress and development in response to the original feedback and recommendations. This visit took place on 15th and 16th July 2019.

This letter summarises the main observations of the Peer Team. The peers 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 before and during their visit.

Process and peer team

Peer challenge is one of the key tools to support sector-led improvement. It is tailored to meet individual councils' needs, and designed to complement and add value to a council's own performance and improvement focus. The Peer Team provide feedback as critical friends, not as assessors, consultants or inspectors.

The Follow Up visit included members of the Peer Team who were involved in the original CPC:

- Paul Wilson – Chief Executive, Derbyshire Dales District Council
- Councillor Tom Beattie - Leader, Corby Borough Council
- Elaine Atkinson OBE - Former Councillor, and Council Leader, Poole Borough Council
- Tricia Marshall – Deputy Chief Executive, Canterbury City Council
- James Millington - Peer Challenge Manager, LGA

To inform their findings, the Peer Team spent a day and a half on site at CCDC, during which they spoke to more than 40 people including a range of council officers, councillors and external partners. The Team gathered information and views from around 20 meetings.

We would like to thank you for inviting us back to Cannock Chase to provide further challenge to the Council and we hope that our feedback helps to support continuous improvement.

Messages and Observations

The focus of this Follow-Up was to specifically review progress and developments in response to the peer challenge feedback and recommendations made in the 2016 CPC. It was clear the Council has taken the 2016 CPC seriously and has progressed implementing the recommendations.

The Peer Team observed how the Council appears more confident than in 2016, with the cloud of an uncertain future resulting from the news of the closure of Rugeley Power Station now lifted. As the Peer Team were on-site in 2016 the news of the closure had just emerged and CCDC was coming to terms with what this meant for the Council, particularly its finances. The Team applaud how the Council has dealt effectively with this challenge, and made other improvements.

Officer and member relations are good and have remained so since 2016. Additionally, our conversations and focus groups with staff have confirmed how staff overall have a good view of the Council – they feel listened to, well informed and support the organisation's vision.

In common with other councils, capacity is stretched and to ensure CCDC delivers on its ambitious plans it will want to ensure that its resources are appropriately aligned. The Council is planning to undertake a series of Service Reviews which will be critical to determining the focus of resources.

The Council is moving into a different type of operating environment than where it was in 2016. CCDC has a confidence to press ahead and realise its ambitions. In supporting this, staff in the organisation may benefit from guidance to clarify the Council's approach to risk and risk management so that whilst maintaining its grip on risk the Council can ensure staff are able to push the boundaries and innovate, within set parameters.

1. Further develop and widen the 'Customer' priority of the Corporate Plan so as to articulate what the Cannock Chase District Council of the future will look like

The Peer Team heard and observed how councillors and the management team have a "dynamic vision for the district" and this is clearly set out in the new Corporate Plan covering 2018-2023. The Corporate Plan has been developed carefully through engagement with the public and partners and the 'customer' priority is no longer a separate feature but now embedded throughout the work of the Council. The Peer Team consider this to be the right approach for CCDC which allows this customer focus to underpin its work.

Although the Council now has two clear priorities in its Corporate Plan there are obviously a number of activities which sit beneath. From our discussions with staff it was not always clear to them how these will be resourced at this stage, although we recognise that the Council's planned Service Reviews will clarify the position. We would encourage you to ensure this is clear to staff once confirmed.

The Council has good mechanisms in place to communicate internally with staff and the different approaches including Core Brief, Managing Director online Q&A and the intranet pages are valued by employees. However, the Peer Team felt that the Council may want to consider how to ensure its exciting plans are communicated widely externally so your communities are aware of the good work you are doing. This was confirmed through comments received in the recent staff communications survey and the Peer Team's discussions with staff and partners on-site. The Council may wish to review how it communicates its messages and successes as wide as possible to ensure that your plans for the future of the District are clearly understood by all your communities.

2. Consider broadening and further diversifying the financial strategy so it becomes multi-stranded and adaptable to increase resilience and reduce risk.

This recommendation was made in the context of the Rugeley Power Station closure decision in 2016. Since then the Council has delivered impressive efficiencies of £1.3M through the Financial Delivery Plan. The Peer Team recognise how the Council has risen to this challenge and commends the difficult decisions taken by members and the work delivered by officers.

The Business Rates Pilot has been a great success for the Council. CCDC has led the approach which involved all authorities within Staffordshire including the Fire Service; Police and Crime Commissioner and Stoke-on-Trent City Council to bring this pilot together and has resulted in the Council benefiting by £500K. The Council has also developed and set its future ambitions through establishing the Housing Investment Fund (£12.9M) and District Investment Fund (£6.5M). Working balances for the Council have also been increased to provide further resilience.

Similar to other authorities, CCDC has investigated the benefits of commercial opportunities and through a structured review process with a steering group have decided upon their preferred approach. The Council's decision was to focus on the generation of additional income, cost savings and exploiting opportunities of existing services. The Peer Team recommend that you keep your position regarding commercialisation, and the opportunities it presents, under review and consider future opportunities within parameters that you have set yourself.

3. Continue to utilise informal and formal relationships to maximise influence and leverage, as part of the Council's 'leadership of place' role

The Peer Team received excellent positive feedback from partners about the Council who continue to consider CCDC as a major player in the leadership of place. The Council is a well respected and critical partner, for example with the Police in the important role it plays in community safety and with South Staffordshire College in providing crucial support and funding of £500K to ensure that quality and local educational provision remains within the District. Partners spoke about CCDC as an important and valued partner that is "proactive" and able to "make things happen" and importantly, that the Council strives to maximise its influence for the benefit of its communities.

It was recognised that the Leader has "facilitated cross-party working to deliver the ambitions of the Council". This approach will continue to be important in order to deliver for the District's communities. Similarly, we heard how the Managing Director is "engaged, supportive and open to change" and this was recognised and supported across the Council's partnership arrangements.

The Local Enterprise Partnership agenda is challenging given the Council is currently a member of both the Stoke-on-Trent and Staffordshire LEP and Greater Birmingham and Solihull LEP and as part of the LEP Review the Government does not support local authorities being members of two LEPs. Despite the fact that the Council may favour one LEP over another it is evident that the Council continues to play its part, continuing to work closely with the both LEPs, and this is appreciated by your partner organisations. For Cannock Chase DC the benefits have included attracting important funding to the District (totalling more than £1M in 2017/18) from the GBSLEP alone.

The Peer Team recognise that the Council is doing some tremendous work on building and maintaining relationships and encourage you to continue - as your approach is very much

appreciated.

4. Review the current democratic decision-making arrangements - including Overview & Scrutiny - to better enable councillors to have a timely and proportionate opportunity to inform, influence and challenge decision making and policy development.

Since 2016 the Overview & Scrutiny (O&S) function has been reviewed twice, and this process has now led to a better balance of resources and improved processes. Member training has also improved and this has been valued by councillors.

The Team observed an energy from the O&S Chairs who are keen to add value to the organisation and particularly harness the enthusiasm and commitment of the newer councillors who have recently joined the Council.

We would encourage you to maintain your approach and continue a rolling review of the effectiveness of O&S, particularly with Chairs and Members as they have ideas and observations to be considered in adding value to Scrutiny and CCDC. This review may include assessing the frequency of meetings, the impact O&S has on the organisation and the Council's ability to deliver in its priority areas.

Additionally, the Peer Team would encourage you to ensure that your decision-making processes continue to be agile and timely according to the needs of the organisation.

5. Move at pace to finish the work started on governance, assurance and corporate policies.

The Council has completed the Financial Regulations and Code of Governance policies and is on track to deliver revised Code of Conduct and Information Governance Framework policies.

The Peer Team would ask the Council to ensure that its approach to risk and risk management is understood by staff and embedded corporately. As the Council is now moving forward the outlook is different to 2016 so we would encourage you to not let a more traditional risk averse approach hold you back too much as you have ambitious plans to deliver over the next period.

The Council will also want to ensure its approach to digitisation is Council-wide and embedded corporately. The Peer Team heard that currently the approach varies across the organisation but we would recommend that this is an organisational change which is owned by the whole of CCDC. We would encourage CCDC to maintain a close hold on this important agenda.

6. Consider how the corporate leadership, organisational capacity and capabilities need to develop further to ensure that the Council has the skills and resources aligned to deliver future priorities

The Peer Team heard how managers feel supported and are aware and support the priorities of the Council.

In the 2016 CPC sickness absence was an issue for the Council (11.62 FTE days per employee). This has been addressed through implementing a new Managing Sickness Absence policy since April 2018 – and has received positive feedback from managers across the organisation. Since its introduction absence levels have reduced by over 2.5 FTE days

per employee. The Peer Team heard about the support in place for staff including the 'Time for Change' initiative which has embedded the authority's approach to supporting staff with mental health issues. The Council is also further considering the provision of chiropractor support for its workforce.

The Peer Team observed how cross-team working, particularly in Housing, is working well. One example was the identification of vacant council owned sites for the delivery of council housing, which needed commitment from a number of teams across the Council in order to realise this complex project. Staff have shared objectives and work closely to deliver the Council's priorities in housing.

For most organisations capacity is always likely to be an issue and CCDC will want to be mindful of its capacity to ensure that your priorities can be delivered. The Council has plans to undertake Service Reviews and the Peer Team would emphasise that these will be critical to understand and realign resources according to priorities. Additionally, the Council will want to ensure that communication of the purpose, methodology and timescales for these Service Reviews and how they will be resourced is made clear to staff across the organisation.

The Council has faced some challenges to recruiting into some areas including planning and environmental health. It will be important to recruit the right calibre of people to deliver your ambitions and also to develop and grow your own where those opportunities exist. The Peer Team support your intentions to develop your Workforce Development Strategy and Recruitment & Retention Strategy as these will be vital to support the delivery of your ambitions.

7. Draw on the learning from both within the organisation and wider local government sector to support continued improvement and development.

The fact that CCDC has invited the Peer Team back to review progress is testament to its approach in this area. The Council has made clear its intentions for continual learning and development. Additionally, prior to this Follow-Up the Council has received support from the LGA including a Scrutiny Workshop for members and are currently planning a Ward Leadership session for members in the summer.

The Council are also aware of the opportunities for staff internally to learn and develop from one another and the Peer Team would recommend that this approach is explored further to draw on the expertise across the organisation. This, along with a corporate approach to learning opportunities, could be considered further and incorporated into your Workforce Development Strategy.

The Peer Team would encourage you to continue to call on support and to use your networks to maintain your approach as a learning organisation.

We appreciate that the Council will want to reflect on these findings and suggestions with the senior managerial and political leadership in order to determine how the organisation wishes to move forward.

Your LGA Principal Adviser, Helen Murray, will be happy to work with you to identify any additional support the LGA can offer to help you respond to the points set out in this letter. Helen can be contacted on 07884 312235 or Helen.Murray@local.gov.uk.

ITEM NO. 5.

**PEER REVIEW FOLLOW-UP
SUMMARY OF CONSIDERATIONS AND COMMENTS**

1. Further develop and widen the ‘Customer’ priority of the Corporate Plan so as to articulate what the Cannock Chase District Council of the future will look like

Considerations

- Ensure that you communicate your ambitions widely to the public. Do you make the most of your good news and communicate this widely to your residents?
- Although now have two priorities – ensure the delivery of the activities which sit underneath these are understood by staff across the organisation and resourcing is considered.

Comments/Actions

- The Council is pro-active in issuing press releases to communicate good news and projects that have been delivered. We will endeavour in future to make links back to the Council priorities in these press releases. We are also looking to communicate directly with businesses in the District about the work that we are doing to support them and our residents in delivering our priorities.
- The activities that support the Council’s 2 key priorities are reported on at the employee briefing sessions

2. Consider broadening and further diversifying the financial strategy so it becomes multi-stranded and adaptable to increase resilience and reduce risk.

Considerations

- Has your approach to commercialisation contributed to your financial position? – keep this under review to explore further opportunities which you may want to pursue in future

Comments/Actions

- The Council will be considering opportunities to be more commercial as part of the service review process and will continue to be kept under review thereafter.

3. Continue to utilise informal and formal relationships to maximise influence and leverage, as part of the Council’s ‘leadership of place’ role.

Considerations

- Maintain your work on building relationships – your approach is appreciated!

Comments/Actions

- The will continue to work closely with its partners and maintain good relationships with them.

4. Review the current democratic decision-making arrangements - including Overview & Scrutiny - to better enable councillors to have a timely and proportionate opportunity to inform, influence and challenge decision making and policy development.

Considerations

- Ensure that your decision-making processes are appropriate to the needs of the organisation.
- Continue to review the effectiveness of O&S (including frequency of meetings) and the impact this has on organisational decision making and delivery.

Comments/Actions

- No changes are planned at present pending the outcome of the Boundary Review.

5. Move at pace to finish the work started on governance, assurance and corporate policies.

Considerations

- Complete the review of your Code of Conduct and Information Governance Framework documents.
- Ensure that the Council's approach to risk and risk management is understood and embedded.
- Consider how digitization is delivered and embedded corporately.

Comments/Actions

- Work is scheduled in 2019/20 to complete the Code of Conduct for Employees and the Information Governance Framework.
- A session will be held with Wider Management Team on the Council's approach to risk management and risk appetite.
- A review of the Council's digital strategy and it's approach to Customer Services is being commissioned. This will also link into the service review process.

6. Consider how the corporate leadership, organisational capacity and capabilities need to develop further to ensure that the Council has the skills and resources aligned to deliver future priorities.

Considerations

- Is there capacity in place to deliver the Council's ambitions? Have resources followed the priorities?
- Are the corporate priorities clearly understood by staff?
- Service Reviews – these will be critical for you. Communicate the purpose, methodology and timescales for this and how they will be resourced.

- A Workforce Development Strategy & Recruitment and Retention Strategy will be critical to support the delivery of your ambitions.

Comments/Actions

- The service review process will look at capacity issues and reallocation of resources to the delivery of priorities.
- Updates on the Council's priorities will continue to be provided at Employee Briefings and consideration will be given to providing additional information in the quarterly Core Brief.
- A session has been held with Wider Management Team on the Service Review process and all employees have been briefed as to the purpose of these. A project manager is to be brought in to support the delivery of the process and the Policy & Performance Team will also provide advice and support to Managers.
- Work is underway on both the Workforce Development Strategy and Recruitment & Retention Strategy.

7. Draw on the learning from both within the organisation and wider local government sector to support continued improvement and development.

Considerations

- Draw on the expertise that you have within your organisation for staff to learn and develop from one another.
- Ensure there is a corporate approach to learning opportunities and this is built into your Workforce Development Strategy.

Comments/Actions

- Opportunities for learning and development will be considered and included in the Workforce Development Strategy.