


# LGA Corporate Peer Challenge – Progress Review

Babergh and Mid Suffolk District Councils

18<sup>th</sup> January 2023

Feedback





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# 1. Introduction

The councils undertook an LGA Corporate Peer Challenge (CPC) during March 2022 and promptly published the full report with an action plan.

The progress review is an integral part of the Corporate Peer Challenge process. Taking place approximately six months after the councils published their CPC action plan, it is designed to provide space for the council's senior leadership to:

- Update peers on the early progress made and to receive feedback on this including how the action plan aligns to the CPC's recommendations
- Consider peer's reflections on any new opportunities or challenges that may have arisen since the peer team were 'on-site' including any further support needs
- Discuss any early impact or learning from the progress made to date

The LGA would like to thank Babergh and Mid Suffolk District Councils (B&MSDCs) for their commitment to sector led improvement. This six-month review was the next step in an ongoing, open and close relationship that the councils have with LGA sector support.

## 2. Summary of the approach

The progress review at Babergh and Mid Suffolk District Councils took place in person on 18<sup>th</sup> January 2023.

The progress review focussed on each of the recommendations from the Corporate Peer Challenge, under the following theme headings:

- Theme 1 – Policy, Performance, Insights, Risk and Improvement (PPIRI), data, projects and programmes
- Theme 2 – Finance, efficiency, contracts, and procurement
- Theme 3 – Member and officer relationships

For this six-month progress review, the following members of the original CPC team were involved:

- Darren Crossley - Deputy Chief Executive, Carlisle City Council
- Duncan McGinty - Leader, Sedgemoor District Council
- Emily O'Brien - Lewes District Council
- Kirsty Human - Peer Challenge Manager, Local Government Association

The peer team met in person over the course of eight hours with the following representatives from the councils:

- Arthur Charvonja - Chief Executive
- Kathy Nixon - Deputy Chief Executive
- Sara Wilcock - Director, Customers, Digital Transformation and Improvement
- Melissa Evans - Director, Corporate Resources
- Emily Atack - Director, Assets and Investments (CIFCO and Gateway 14)
- Deborah Fenton - Director, Housing
- Mark Emms - Director, Operations
- Tom Barker - Director, Planning and Building Control
- Fiona Duhamel - Director, Economic Growth and Climate Change
- Di Robinson - Director, Communities and Wellbeing (interim)
- Jane Kennedy - Corporate Manager Policy, Performance, Insight, Risk, and Improvement
- Cllr Suzie Morley - Leader, Mid Suffolk District Council
- Cllr John Whitehead - Cabinet member for finance (Con), Mid Suffolk District Council
- Cllr Andy Mellen - Green party leader, Mid Suffolk District Council
- Cllr Rachel Eburne - Green party member, Mid Suffolk District Council
- Cllr John Field - Liberal Democrat leader, Mid Suffolk District Council
- Cllr John Ward - Leader, Babergh District Council
- Cllr Alison Owen - Labour leader, Babergh District Council
- Cllr Clive Arthey - Deputy leader (IND), Babergh District Council
- Cllr Leigh Jamieson - Green party leader, Babergh District Council
- Cllr Simon Barrett - Conservative party leader, Babergh District Council
- Cllr Sue Carpendale - Liberal Democrat leader, Babergh District Council

- Cllr David Busby - Cabinet member for finance, assets and investments (Liberal Democrat), Babergh District Council

### 3. Progress Review - Feedback

Peers were excited to return to Babergh and Mid Suffolk District Councils to see the progress made since their last visit. Over the past 10 months there had been a few significant changes, including the political leadership of Babergh District Council, which was now Independent conservative with a rainbow cabinet. There had also been changes to the senior leadership team with four new Directors, a self-referral to the housing regulator for non-compliance of health and safety requirements and increased pressure from interest rates, inflation and the pay award, which had changed each councils' financial profile.

Since the visit in March 2022 both councils have continued to deliver on their priorities including:

- Delivering their first annual residents' survey in both councils, completed by 3400 residents.
- Installing solar car port and battery storage across 110 car parking spaces at both leisure centres.
- B&MSDC have delivered 105 new affordable homes across the districts and 22 new market sale homes since March 2022. Good progress is being made to deliver new homes on their former HQ sites in Needham Market and Hadleigh. Infrastructure works on Gateway 14 have commence and the first unit on park ('The Range') will start construction in late January 2023 and will occupy their bespoke 1.2m sq. ft high specification distribution hub in 2024. The receipts from this first phase of development will cover all the costs of acquiring the land de-risking the site for the council and installing the park infrastructure and deliver a BREEAM Excellent building and 1,650 new jobs. Due to the strong focus on biodiversity and sustainability, the site will also support wildlife and ecology and create a vibrant, attractive, and healthy working environment for employees and the local community to enjoy with approximately 25 acres of landscaping and amenity land.

- Receiving a parliamentary launch for Freeport East in January 2023 following agreement of the business rate policy and work is now moving at pace on the business cases, innovation workshops and workstreams to develop a skills and innovation centre at Gateway 14. In the development of the project we have been working with Universities of Essex and Suffolk, West Suffolk College, the LOCAL Enterprise Partnership, Suffolk County Council and Innovation Labs, alongside Jaynic, the G14 Development partner.
- Approval for Hadleigh grow on space and terms are about to be agreed with a health user.

B&MSDCs want to be listening councils, using the right channels of communication and engagement across their districts with all residents. They want to plan more medium/long term and end their short-term focus and crisis management. They have recognised their roles as interventionist, provider, activist, and influencer and that it is a long journey, not a sprint. The senior officer team is now equipped with the right skills and experience to deliver this. Peers are confident that once the local elections have taken place and members are elected, the councils will continue delivery against the CPC action plan and continue their transformation journey to remain fit for purpose and equipped for the future.

B&MSDCs have a good track record of delivery and strong partnership working. The team welcomed the new locality model and agreed with the Councils on the importance of investing in staff to ensure that we have the right skills to deliver it together with a compelling place narrative.

The comprehensive plan put in place by the councils following the LGA CPC visit in March 2022 shows their intent and commitment to continuous improvement. There is clear evidence of resourcing the plan and sticking to it. The plan evidences significant progress and provided assurance to peers that the councils have built upon the CPC and are committed to continuing to do so.

The plan, with its 70 actions, includes those identified as recommendations by the LGA team, areas for consideration from the review, and 25 areas identified by the councils separately to the review. Of these, 6 are complete, 32 on track, 18 need further action and timescales are being revised on 4.

To date, of the 10 CPC recommendations, one is complete (blue), four and a half

were on track (green), and four and a half need further action (amber).

1. Update and clarify the current corporate plan (six themes) so that it succinctly explains what each theme means to B&MSDCs and how these themes relate to each other.	Green
2. Develop a “plan on a page” that brings together the themes, ambition and narrative – explaining what, how and when.	Amber
3. Map the existing strategies to the corporate plan to clearly show the priorities for delivery and how they will be achieved.	Green
4. Develop a coherent approach to internal and external communications and engagement, linked to your strategies.	Amber
5. Consider taking merger off the table in order to enable all councillors to progress the partnership and take time to pull together succinctly the successes of the partnership – in and for both districts, to promote the really good work being undertaken.	Green
6. Refresh and bring to life the risk management approach across the councils - continue to clarify significant risks and risk appetites for each/both councils and ensure the escalation procedure to SLT is widely understood with consideration given to reporting risk to both cabinets as well as joint audit and standards committee to provide political oversight and ownership.	Blue
7. In light of the refreshed corporate plan (recommendations one, two and three), prioritise projects/initiatives/programmes in order to deliver within your resources and capacity. Investment in additional senior management to support strategic capacity is also recommended.	Amber
	Green
8. Consider opportunities to engage with all councillors aligned to a clearer place-based approach – Develop compelling place narratives for Babergh and Mid Suffolk highlighting the unique selling points.	Green
9. Conduct an independent effectiveness review of the scrutiny function to increase member confidence in the scrutiny process, reduce the basis for	Amber

tension, support wider member involvement and add greater value to decision making.	
10. Consider a members' charter to support values and mutual respect – resetting councillor and officer relationships to ensure complete understanding of respective roles and responsibilities and what is considered acceptable/unacceptable behaviour.	

**3.1. Policy, Performance, Insight, Risk, and Improvement (Recs. 1,2,3,6,7)**

The Peer Team welcomed the new additional capacity in the corporate centre including the PPIRI team and the fulltime corporate manager in communications. They felt that the PPIRI team is a big step forward and will help the councils to prioritise. Recruitment has been challenging due to the technical nature of the roles, with some non-local government appointments bringing different skills and experience. It is a very new team which needs time to develop but it will provide the capacity needed to drive improvement across the councils.

Given the forthcoming elections in May 2023, B&MSDCs have understandably decided not to make changes to the current corporate plan. There is however a well-developed proposal for how it will be reshaped later this year with the cornerstones/ingredients of a good plan in place. The councils' ideas for resetting the corporate plan and the focus on member, staff, community and partner engagement is welcomed. Making the plan accessible is important and linking it to the revised outcomes and performance measures as proposed by the councils will be important as will be corporate delivery plan with its clear annual targets and performance metrics.

Plans to digitise the plan on page are welcomed to communicate to a wider audience. Post the corporate plan reset it will be important to build on this to agree future priorities and reduce the number of strategies. As part of this review peers were pleased that an audit of strategies had already taken place.

Plans to improve performance management and reporting including a new digital offer should make it easier for audiences to see outcomes, KPIs and targets and give directors, corporate managers and portfolio members more detail on their areas of



accountability.

Peers were pleased that the first representative resident's survey had taken place over Summer 2022 in both districts and used to inform the developing performance measures. An end of term report for each district had also been published.

The team welcomed the comprehensive improvement on risk management including the appointment of a lead officer, the new risk strategy, aligned to the government's Orange Book, which is agreed by both Cabinets and has a clear escalation process. The focus SLT were giving to risk, including reviewing it on a quarterly basis, the new strategy driving a risk improvement programme and bringing risks to life and ensuring everyone understands their responsibilities were also strengths. The risk lead has taken time to meet with corporate managers and work through risk registers. They have also provided an outreach, challenge and support role across the councils. The team feels risk management is now much clearer with the new lead helping people to feel more confident with risk.

Workshops with members have taken place to unpack risk appetite and oversight. It was recognised this is maturing and there is a need to continue working with members to develop knowledge and confidence in this area. Post-election in May 2023 the councils knew they will need to spend time with the new elected members to understand risk, agree risk tolerance and discuss commercial risk appetite.

### **3.2. Communications (Recs. 4 and 8)**

The appointment of a new corporate manager for communications and engagement is a welcome addition which will enable B&MSDCs to be more in control of communications content. Peers were pleased to hear work has started on developing a communications and engagement strategy, and hoped this would improve communication especially with elected members and include the development of place narratives.

### **3.3. Programme management**

The approach to programme management has not progressed as fast as the councils would like, but they are determined to press on with this in the coming months. Five corporate programme themes have been identified and agreed, but officers accept they need more refinement and buy in across the councils.

Peers recognised the positive introduction of the good start board – providing a gateway/filter to ensuring projects meet with priorities before being commenced. The board provides a safe space to talk about projects and deliver supportive challenge. They also welcomed the projects register and felt the register would be helpful to explore and test dependencies. The team suggested quarterly reviews of activities to ensure they align to strategy.

Although a new SharePoint site has been developed detailing all the projects, there is still a need for corporate level programme oversight of everything that is going on and the interdependencies between projects/transformation. Mapping and tracking this will enable the senior leadership team to identify peaks and troughs in resource requirements across services at different times and support decision making on any new initiatives.

### **3.4. Finance, Efficiency, Contracts and Procurement**

The new Director for Corporate Resources is leading a transformation programme which will see benefits delivered to both officers and members in the way finance is managed, monitored and scrutinised. A new financial management system is being procured which will provide dashboards and timely financial information to budget holders to enable better decision making, more personal responsibility and accountability and support better procurement and contract management.

Officers and members have worked together to suggest efficiencies across the councils which led to finding £2m savings within each. These budget sessions will be repeated annually to help balance budgets against pressures (£4m inflation pressure for both next year). Both Housing Revenue Accounts (HRA) and Capital programmes are being reviewed to ensure borrowing is linked to investment, regeneration and a programme of repairs whilst ensuring total borrowing does not exceed payback abilities. Changes to the treasury management process will also be factored in.

Support and development is also planned for cabinet members to help them better understand the financial responsibilities of their portfolios and to horizon scan for financial risks and opportunities as opposed to simply budget monitoring each quarter.

B&MSDCs established a Building Services Transformation Programme in the latter

half of 2022, commencing with a series of deep dive diagnostic exercises to fully understand the 'as is' position to inform a targeted change programme. When the Health & Safety diagnostic identified under compliance in a relatively small number of properties in its housing stock the councils referred themselves to the Social Housing Regulator in November. Significant progress has been made to address the immediate under compliance and key actions are already in train to ensure long term, sustainable change. Learning from the issues that led to the self-referral including data, systems, skills and contracts are being embraced by the organisation. There is also a strong corporate governance approach in place to support the Building Services Transformation, including a Transformation Board comprising a range of SLT members.

### **3.5. Member and Officer Relations (Recs. 5,8,9,10)**

On returning to B&MSDCs peers clearly recognised the genuine benefits of the one team approach (one officer team working across two councils). There is still an opportunity to further promote the successes of the partnership and the great work being undertaken by the one team.

Peers heard there had been progress in developing a place-based approach with the appointment of the communications and engagement corporate manager, but it was an area to continue developing as part of the CPC action plan. The introduction of community locality officers appears to be positively received by members, although there were some comments around developing consistency in their skill sets. These officers could be a valuable asset to B&MSDCs supporting them to deepen the engagement with communities and develop compelling place narratives.

There have been some positive steps to improving the overview and scrutiny process and there is clearly a desire to see it improve and be more effective. In Mid Suffolk District Council an opposition member has been appointed chair. A self-assessment of the effectiveness of overview and scrutiny across B&MSDCs has commenced and a new scrutiny protocol has been developed and agreed by both Cabinets but not yet embedded. It was positive to hear the scheduling of scrutiny meetings will be aligned better with Cabinet so there is time for scrutiny to review papers and genuinely feed views into Cabinet. However there remains some misunderstanding and mistrust in

the scrutiny process which needs addressing. There is an intention to use the new member induction process to develop the scrutiny role, but peers still believe the councils would benefit from an independent review.

Proposals for the new member induction were welcomed by peers. The team felt the developing member induction plans were an opportunity to build more trust in the scrutiny process as well as an opportunity to develop member buddies and the LGA offered post-election support with member development. The induction plans included providing navigation information on who to contact for what, shadowing and informal opportunities to meet other members, buddying with officers and members and training on equalities, diversity and inclusivity. Members requested opportunities for training and development to be in person to support developing relationships. This also provides opportunity to have mature conversations about respecting each other, the differences between people and how to respond to unacceptable behaviour.

As both councils have a number of commercial arrangements having an independent person on the Joint Audit & Standards Committee with commercial skills would be an advantage along with regular member development on their roles, responsibilities and accountabilities with regard audit and risk and the difference between finance and commercial awareness.

During our visit, peers picked up some frustration from a few members that they don't understand what is going on or are unable to get the information they need to present to parish meetings for example. It appeared to peers that some of the occasional poor behaviour witnessed previously, maybe borne out of frustration around getting answers from officers. By clarifying expectations and response times and consistently applying these peers hope the relationships between members and officers can be repaired.

### **3.6. Organisational development**

There is a clear commitment to equalities, diversity and inclusion with renewed training having already taken place for SLT and the extended leadership team to explore diversity in its widest sense. A broader ED&I development Programme is now being commissioned for the whole organisation and ED&I Champions from service areas are also currently being recruited to. The councils are auditing and reviewing ED&I through every stage of the employee lifecycle and HR policies are

being updated. The councils are now exploring how this positive work can be replicated with members.

Building on the Leadership development work cited when the Peer Team last visited, the councils have recently agreed a new leadership programme that will focus on those at different stages of their leadership journey - aspiring leaders considering their first management role; current and new managers requiring upskilling and/or working towards senior management roles; and existing senior managers.

In recognition of the ongoing change landscape both locally and nationally and in response to feedback from officers, a set of cross functional change workshops took place in the autumn of 2022 and were attended by just over 300 people.

A new HR system, Oracle, has also been introduced since the last peer visit, which will enable better data and insight, increased efficiency and self-service processes and improved tracking of learning and development.


In addition to the ongoing focus on apprentices, apprenticeships for existing officers continues to be an area of focus, with 22 people from across the organisation currently on an apprenticeship programme, with approximately 50% at level 7.

The whole organisation pay and reward review is well underway. More than 300 job roles are currently being evaluated through an inclusive approach whereby post holders are directly involved in evaluation meetings about their role with an external evaluator. Bench marking of pay and reward packages with external organisations is also taking place. There is a substantial financial sum in the proposed 2023/24 budgets for both councils to support this review and all salary increases will be back dated to 1<sup>st</sup> April 2023.

To further support the organisation's commitment to its people, HR/OD capacity has also been increased.

B&MSDCs have had the same council values for five years. Officers recognise there is an opportunity to review them and make them more fit for the future. Aligning this review with development of a new corporate plan will enable the full involvement of officers and members in their shaping and commitment to upholding them.

## 4. Final thoughts and next steps



The LGA would like to thank B&MSDCs for undertaking an LGA CPC progress review.

We appreciate that senior managerial and political leadership will want to reflect on these findings and suggestions in order to determine how the organisations wish to take things forward.

Under the umbrella of LGA sector-led improvement, there is an on-going offer of support to councils. The LGA is well placed to provide additional support, advice and guidance on a number of the areas identified for development and improvement and we would be happy to discuss this.

As discussed, there is a range of support available to officers and members, pre- and post-election which we would be happy to discuss further.

Rachel Litherland (Principal Adviser) is the main point of contact between the authority and the Local Government Association (LGA)

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