

## **CABINET**

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**Date of Meeting:** 9 June 2020

**Report Title:** Cheshire East Council Corporate Peer Challenge Report

**Portfolio Holder:** Cllr Jill Rhodes, Public Health and Corporate Services

**Senior Officer:** Jane Burns, Executive Director of Corporate Services

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### **1. Report Summary**

**1.1** In January 2020, Cheshire East Council hosted its first Corporate Peer Challenge (CPC). Facilitated by the Local Government Association (LGA), a peer team consisting of councillors and senior officers from local authorities around the UK who examined the Council's leadership, governance, financial planning and capacity to deliver its priorities. This is part of a commitment to local government leading its own improvement.

**1.2** The team spent four days on-site in Cheshire East, during which they:

- Spoke to over 180 people including a range of council staff together with councillors and external stakeholders.
- Gathered information and views from more than 40 discussions, focus groups and observing regular meetings as well as additional research and reading.
- Visited key sites of the borough to look at practice in action and engaged with staff at other locations.
- Collectively spent c. 270 hours on-site to determine their findings, the equivalent of one person spending eight weeks in Cheshire East.

**1.3** A final report of their findings has now been received.

**1.4** The CPC Peer Team, in its feedback presentation when on site and final report now received (Appendix A), delivered the following key observations and recommendations:

## **Observations:**

- The Council has made good progress over the past few years.
- It delivers a number of high-quality services to the residents of the borough which we should be proud of.
- The culture change programme has made a profound difference to the way the organisation functions and the experience of staff.

## **Key recommendations:**

1. Continue with the Council's commitment to staff culture and wider workplace wellbeing.
  2. Develop and launch a new Corporate Plan.
  3. Provide clarity regarding the process, decisions and timelines for the introduction of the Committee System.
  4. Finalise technical and political decisions that will underpin the new Committee System.
  5. Consider the strategic and operational context in which the Committee System will be operating.
  6. Refine the council's approach to strategic finance and create dialogue regarding collective appetite to risk.
  7. Communicate priorities for working in a partnership environment and learn the lessons of historic practice and approaches.
  8. Refine the work programme and focus of Scrutiny Committees to support internal challenge and improvement.
  9. Develop new approaches to engage councillors in neighbourhood working.
  10. Review the findings of the 2019 Resident Survey to inform future relations with residents.
- 1.5** Since the delivery of the informal feedback in January, progress has been made on a number of these recommendations, including workplace wellbeing and the transition to a committee system.

**1.6** Over the last 2 months the Council's attention has been focussed on the management of the COVID-19 pandemic. With the careful relaxation of the 'lockdown' and the move towards a recovery phase, there will be an opportunity to pause and reflect on the CPC recommendations, considering the learning and changes we would want to make as a result of our recent experience.

## **2. Recommendations**

That Cabinet

- a) Approve the Corporate Peer Challenge report for wider publication;
- b) Note the progress to date, and the delivery of key actions since the informal feedback was received in January 2020;
- c) Agree to take forward the further work identified on strategy and finance, governance, culture and partnerships and support the development of required action plans; and
- d) Monitor progress on a six monthly basis.

## **3 Reasons for Recommendations**

**3.1** The recommendations made by the Corporate Peer Challenge Team are about the Council's overall strategic direction and planning, rather than specific operational issues. They have been used to reflect on the future direction of the Council and to inform the refresh of the council's corporate plan.

## **4 Other Options Considered**

**4.1** The Council welcomed the opportunity to host a corporate peer challenge visit and would want to demonstrate positive action to respond to the recommendations. Some councils decide not to publish their CPC report. This was not considered desirable or appropriate given our commitment to openness and transparency.

## **5 Background**

**5.1** Since 2012 the Local Government Association (LGA) has provided, as part of its support to the sector, the facilitation of Corporate Peer Challenge (CPC) reviews whereby senior members and officers from other local authorities, supported by LGA staff, visit the Council with the objective to provide constructive feedback to inform improvement plans and support corporate learning. It is designed to be forward looking, and to facilitate reflection on issues and how they may be

resolved. While it can be used as an external 'health check' on the councils' corporate governance, the peer challenge is not a form of inspection.

**5.2** The peer team considered the following five lines of enquiry which form the core components of all corporate peer challenges. These are the areas believed to be critical to councils' performance and improvement:

- **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?
- **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?
- **Capacity to deliver:** Is organisational capacity aligned with priorities and does the council influence, enable and leverage external capacity to focus on agreed outcomes?
- **Political and managerial leadership:** Does the Council provide effective political and managerial leadership through its elected members, officers and constructive relationships and partnerships with external stakeholders?
- **Governance and decision-making:** Is political and managerial leadership supported by good governance and decision-making arrangements that respond to key challenges and enable change to be implemented?

**5.3** In addition to these, the Council asked the peer team to provide feedback on the workforce culture, as well as the organisational approach to internal assurance.

**5.4** The CPC team comprised of:

- Team Leader and Chief Executive – Tracey Lee, Plymouth City Council
- Member Peer (Labour) - Cllr Chris Read, Leader, Rotherham Council
- Member Peer (Independent) - Cllr Hannah Dalton, Epsom and Ewell Council
- OD/Culture - Sarah Messenger, LGA
- Corporate Director - Neil Thornton, Rochdale Council
- Audit/Finance - Tim Watkinson ex Audit Commission now LGA
- LGA Programme Manager - Matthew Dodd

**5.5** In terms of the process undertaken; the peer team were based at Westfields, Sandbach during the four-day review. There was an initial 'scene setting' attended by Cabinet and the Corporate Leadership Team and regular informal feedback.

**5.6** Meetings and discussion sessions took place with a range of officers, members and other stakeholders/partners enabling the peer team to explore the issues relevant to the purpose, scope and terms of reference for the peer review.

**5.7** At the end of the initial on-site activity (13th – 16th January), there was a feedback session and members of Cabinet and the Corporate Leadership Team were invited to attend and presented with the findings of the review.

**5.8** This has been subsequently followed by a formal report (Appendix A), summarising the peer team's feedback with their recommendations for improvement. There has been a delay to the original timelines because of the impact of COVID-19.

**5.9** During the five months between the CPC visit to the publication of the final report, the Council has made considerable progress on a number of the key recommendations, examples of this are;

**5.9.1 Recommendation 1: Continue with the council's commitment to staff culture and wider wellbeing.**

- The Council has developed an organisational action plan to respond to the findings of the Big Conversation staff survey.
- The staff wellbeing strategy and supporting action plan has been reviewed and updated, and more recently in light of the Covid-19 pandemic and mobile working arrangements. Wellbeing forms a key part of the culture work and is discussed regularly within teams and forums, along with the internal staff newsletter 'Team Voice' and Covid-19 staff briefings.
- We continue to engage and develop our Brighter Future Champions and held a development day at the end of January 2020. The champions have been encouraged to get involved in the Brighter Future Transformation Programme, with individual champions now identified for each workstream. We acknowledge an important role for the champions as we progress plans to implement the committee system.

**5.9.2 Recommendation 2: Develop and launch a new Corporate Plan.**

- The senior leadership team and cabinet members have developed a draft corporate plan for the period 2020-2024.
- The Council is keen to ensure that there is full and robust consultation on the draft corporate plan, and a comprehensive consultation and engagement schedule has been prepared.
- The original intention was to begin public consultation in March 2020 just before the Covid-19 restrictions were imposed. New dates for consultation need to be agreed.
- We are currently exploring opportunities for a digital consultation that can be meaningfully delivered during this pandemic.

**5.9.3 Recommendations 3,4 & 5: Provide clarity regarding the process, decisions and timelines for the introduction of a committee system.**

- In January 2020, a letter signed by all Group Leaders was sent to all staff and members to outline the continued commitment to move from the current Leader and cabinet form of governance to a new committee system, with a new intended implementation date of May 2021.
- In March 2020, the Constitution Committee agreed to the detailed design of the proposed committee system, including the structure of the committees, roles of the leader and deputy leader and the role and power of committee and sub-committee chairs and urgency provisions.
- A formal resolution vote of full Council has been scheduled for July 2020. This will be a legally binding vote to implement the new model.
- Consider the strategic and operational context in which the Committee System will be operating. – See above

**5.9.4 Recommendation 6: Refine the council's approach to strategic finance and create dialogue regarding collective appetite to risk.**

- The Council set the 2019/20 budget in February 2020. Since then the outturn has been finalised (see report elsewhere on this agenda). The financial implications of COVID-19 started to emerge in March. It is already clear that there will be both significant additional costs and falls in income which will require a new Medium-Term Financial Strategy to be developed to take account of the Council's changed circumstances.

**5.9.5 Recommendation 7: Communicate priorities for working in a partnership environment and learn the lessons of historic practice and approaches.**

- Strong partnership working has been a vital part of the response to Coronavirus. We are using the recovery process to develop new conversations.

**5.9.6 Recommendation 8: Refine the work programme and focus of Scrutiny Committees to support internal challenge and improvement.**

- This will be led by the scrutiny committees themselves.

**5.9.7 Recommendation 9: Develop new approaches to engage councillors in neighbourhood working.**

- This will be part of the discussions with Members on the new committee structure.

**5.9.8 Recommendation 10: Review the findings of the 2019 Resident Survey to inform future relations with residents.**

- The residents survey concluded in November 2019 with a 46% response rate, (an improvement on the 2017 survey).

- Discussions have taken place with a number of service leads on the findings of the survey, including planning, customer services, highways and countryside rangers. All services are considering the findings and preparing action plans as a result.
- A full report is now at final draft stage with a publication date to be agreed shortly.

**5.10** The progress to date demonstrates the Council's commitment to continuous improvement.

**5.11** The ten key recommendations from the CPC are shaping priorities for further improvement. These will be developed into actions with measurable targets, focussed on four strategic themes:

- Strategy and Finance
- Governance
- Partnerships
- Culture

**5.12** We are using the opportunity of the unprecedented changes resulting from COVID-19 to reflect on the next stages of improvement. The publication of the final report of findings provides the Council with the opportunity to engage and collaborate with its staff, Members and key stakeholders, ensuring that there is clarity and ownership about the next steps of our improvement journey.

## **6. Implications of the Recommendations**

### **6.1 Legal Implications**

**6.1.1** Engaging in the LGA corporate peer challenge and acting on the feedback is not mandated. The actions taken and progress to date, will however, assist the Council to meet its duty to secure continuous improvement in the way in which its functions are exercised having regard to a combination of economy, efficiency and effectiveness (s 3 LGA 1999).

**6.1.2** As work progresses and actions are identified, any direct legal implications which will be considered individually and in line with the actions required. For example, the recommendations related to the introduction of a committee system will be incorporated into the ongoing programme of work.

### **6.2 Finance Implications**

**6.2.1** The cost of the corporate peer challenge is included within the authority's annual subscription to the LGA. Other costs are internal and related to officer time. The cost of implementing any actions resulting from the recommendations will be met from current budgets (unless separately identified and agreed as part of the budget setting and approval process).

**6.2.2** There is no direct impact on the council's Medium-Term Financial Strategy (MTFS) arising from this report.

### **6.3 Policy Implications**

**6.3.1** Participating in the corporate peer challenge supports the Council's commitment to being a responsible, effective and efficient organisation. The findings will be used to drive improvement and will support the development and refresh of council policy.

### **6.4 Equality Implications**

**6.4.1** The CPC feedback report will be published on the council's website ensuring compliance with the Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018.

### **6.5 Human Resources Implications**

**6.5.1** Implementing any required actions will require the support and contribution of a number of officers and members, including the brighter future champions, equality champions and named officers identified in the action plan. This will be achieved within existing resource with management arrangements in place to consider skills and capacity.

**6.5.2** The feedback report has clearly recognised the positive contribution of the council staff and members in engaging with the workforce culture programme, and a key recommendation is to ensure that this progress is continued and sustained.

### **6.6 Risk Management Implications**

**6.6.1** The Corporate Peer Challenge report does not identify any serious concerns or recommendations. As such, there are no identified risks arising from it.

### **6.7 Rural Communities Implications**

**6.7.1** Implementing any required actions will have indirect implications for our rural communities, which will be considered individually and in line with the actions required. For example, the launching of a refreshed Corporate Plan will include priorities and commitments which will impact rural communities. These impacts will be considered and reported through individual work programmes as they are developed.

### **6.8 Implications for Children & Young People/Cared for Children**

**6.8.1** Implementing any required actions will have indirect implications for children and young people/cared for children, which will be considered individually and in line with the actions required. For example, the launching of a refreshed Corporate Plan will include priorities and commitments which

will impact children and young people/cared for children. These impacts will be considered and reported through individual work programmes as they are developed.

## **6.9 Public Health Implications**

**6.9.1** Implementing any required actions will have indirect implications for public health which will be considered individually and in line with the actions required. For example, the launching of a refreshed Corporate Plan will include priorities and commitments which will impact the wider public health of the borough. These impacts will be considered and reported through individual work programmes as they are developed.

## **6.10 Climate Change Implications**

**6.10.1** Implementing any required actions will indirectly support the Council to reduce its carbon footprint and achieve environmental sustainability. For example, the launching of a refreshed Corporate Plan will include priorities and commitments which will directly and specifically support environmental priorities and initiatives.

## **6.11 Ward Members Affected**

**6.11.1** The CPC ten recommendations will affect all residents across all areas of the borough and therefore all ward Members.

## **7 Consultation & Engagement**

**7.1** In preparing for the Corporate Peer Challenge the Council engaged with all officers and members, not only to raise awareness and understanding of the challenge week, but to seek representation and support to attend the 1-1 and focus group discussions.

**7.2** As reported by the LGA over 180 people were spoken with during the four-day visit, and feedback sessions were offered to those that attended the meetings.

**7.3** The Council will continue to consult, engage and collaborate with residents, officers and key stakeholders to determine the scope and focus of the work to be delivered over the short to medium term.

## **8 Access to Information**

**8.1** Further information on the LGA's Corporate Peer Challenge programme can be found at:

<https://local.gov.uk/our-support/peer-challenges>

## **9 Contact Information**

**9.1** Any questions relating to this report should be directed to the following officer:

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