

Corporate Policy and Review Committee



15 April 2024

Title	LGA Corporate Peer Challenge – Progress Review
Purpose of the report	To note
Report Author	Daniel Mouawad – Chief Executive Terry Collier – Deputy Chief Executive
Ward(s) Affected	All Wards
Exempt	No
Exemption Reason	N/A
Corporate Priority	Community Addressing Housing Need Resilience Environment Services
Recommendations	Committee is asked to: Note the progress made in addressing the 12 recommendations from the Local Government Association’s Peer Review team following the completion of their Corporate Peer Challenge (CPC), as reviewed on the 16 th November 2023 (Appendix A), and to further note the current progress update as outlined in this report.
Reason for Recommendation	To ensure that the Council fully addresses the issues raised within the CPC report, which is designed to assist this authority to further improve the way it administers and delivers its services to our residents and businesses.

1. Summary of the report

1.1

What is the situation	Why we want to do something
<ul style="list-style-type: none"> The Council had a Corporate Peer Challenge Review take place 15-17 November 2022 Following the Peer Review a detailed report with 12 recommendations was received in February 2023 	<ul style="list-style-type: none"> The CPC report is designed to assist this authority to further improve the way it administers and delivers its services to our residents and businesses.

<ul style="list-style-type: none"> In November 2023 a follow Review visit took place to assess progress against the recommendations 	
This is what we want to do about it	These are the next steps
<ul style="list-style-type: none"> To note the progress made in addressing the recommendations, both A) prior to the Review visit and B) subsequent to the visit 	<ul style="list-style-type: none"> Following the reset to focus on continuing to make progress against the original CPC recommendations and the additional points raised in the report Future progress will be reported on an annual basis to Corporate Policy and Resources Committee

In November 2022 Spelthorne took part in a Local Government Association (LGA) Corporate Peer Challenge (CPC). Following the CPC an Action Plan was developed to address the 12 recommendations contained within the CPC Team’s feedback as approved by the Corporate Policy and Resources Committee in April 2023. In November 2023, the LGA Corporate Peer Team re-visited to undertake a progress review.

2. Key issues

- 2.1 LGA Peer challenges are designed to support councils to drive improvements and efficiency and to assist local authorities to respond to local priorities and issues in their own way to the greatest effect. The CPC team visited Spelthorne from 15-17 November 2022 and the team consisted of peers from across the sector (including senior officers and two Council Leaders).
- 2.2 The Peer Team conducted more than 40 meetings involving over 125 people, including a range of Council employees and councillors as well as external stakeholders and partners. The CPC Team’s detailed feedback [final report \(PDF\) \[302KB\]](#), including 12 recommendations was received on 1 February 2023 and this was considered by Full Council on 23 February 2023 and an action plan was developed to address the recommendations.
- 2.3 The CPC concluded that "Spelthorne Borough Council has achieved many unique things of which they can be rightly proud, ranging from the high profile and strategic to the very local and small scale. Their Covid response was brilliant and a focus on supporting vulnerable people in their community is evident...The Council has a generally friendly and caring staff culture where cross-service working is very good. Partners and officers would benefit from a clear political direction and visibility from the Council for which it needs a cohesive, functioning Councillor cohort. There is an opportunity for councillors to have a clearer strategic vision for the future rather than spending so much time internally focused in the here and now."
- 2.4 The CPC Team would normally revisit the Council within a year after their report is published to assess progress. This is an integral part of the CPC process, designed to provide space for the Council’s senior leadership to update peers on the early progress made and to receive feedback on any new opportunities or challenges that may have arisen since the peer team were originally ‘on-site’ including any further support needs.
- 2.5 The Progress Review took place on 16 November 2023 and focussed on each of the recommendations from the CPC, under the following five theme headings:
- Vision and Priorities;
 - Member Behaviour and Member/Officer Relations

- Financial;
- Committee, Engagement; and
- Support.

To assist the peer team, a position statement was prepared (**Appendix B**) detailing the significant number of measures that had been advanced to address the issues outlined in the CPC Team's comments/recommendations.

- 2.6 Since the peer team were originally on site prior to the progress review visit, a total of 22 new Councillors have been elected to represent the Council (out of a cohort of 39). There has also been a change of political leadership with a new Independent Leader, and a new Liberal Democrat Deputy Leader, along with Group Leaders from the Liberal Democrats, Green and Labour Groups forming the administration. The new administration has striven to adopt a more inclusive approach to governing.
- 2.7 The peer team recognised that since the election, “the council has been focused on the Local Plan which has taken up a disproportionate amount of both member and officer time, limiting the opportunity for members to agree their shared priorities and political ambitions for the borough.” Whilst the peer team felt that the Corporate Plan had “not progressed as far as it should have been”, full Council adopted its five-year ‘CARES’ priorities and ‘PROVIDE’ values in December 2023 with the associated 135 actions across short, medium and long-term likewise agreed at February 2024 full Council.
- 2.8 The peer team appreciated that there is usually a bedding in period following a change of leader and administration. As Member / officer relations and behaviour was a key area of concern for the Peer Team when they originally visited in November 2022, it was “clear that opportunities to reset the relationship have been missed following the change of administration in May 2023” and “that relationships are worse than when the Peer Team were originally on-site”. The reset button was finally pressed on 15th January 2024. External consultant-led facilitated sessions have already taken place with further scheduled capacity building sessions to take place in the near future, focused on relationship building and team dynamics. In addition, the authority has utilised the DISC Personality System for the administration's leadership alongside officers to help understand the impact of behavioural characteristics and communication styles across Team Spelthorne.
- 2.9 The culture of the organisation is the primary reason why officers chose to work at SBC, as verified in the LGA staff survey as well as in the original peer review when it identified that the Council has a “friendly and caring staff culture where cross-service working is very good.” We are now focused on collectively working together towards maximising the potency of Team Spelthorne, making a positive difference for the residents and communities of the Borough, understanding what everyone brings to the table and how we can collectively harness that strength. Regular meetings are being held between the Monitoring Officer (MO) and Group Leaders to discuss standards issues and implement necessary actions in accordance with LGA Best practice. Members have agreed rules of engagement and all Group Leaders have undertaken to address bad behaviour from Members of their groups.
- 2.10 The peer team recognised that financial training and reporting has been tailored significantly on the implications of being an elected member for a local authority which operates a £1 billion property portfolio, alongside running council services. Due to the magnitude of the property portfolio and the enormity of some of the decisions being brought before members, finance reports are long, detailed, and complex. This can result in members not always being able to understand the financial implications of the decisions they are being asked to take. A Member Financial Reporting Group has therefore been set up which has created a summary template to be used for finance reports and agreed a number of other

actions. The council is also creating dashboard reports which are helpful for both officers and members in creating a more visual presentation of the organisation's financial position.

- 2.11 Spelthorne has continued to publish all its draft statement of accounts on time, being one of only thirty percent of councils to meet the 31 May 2023 target date for publishing the draft 2022-23 Statement of Accounts. The peer team recognised that the resolving of unaudited accounts is not in the Council's control. Since the November 2022 Peer review KPMG have signed off an unqualified opinion to the 2017-18 accounts. However, unaudited accounts is a national issue, and the government has recently indicated its intention, following consultation for a statutory backstop for outstanding external audits up to and including 2022-22 of 30th September 2024 for all councils across the land. Spelthorne, with the other Councils that make up the national backlog of approaching one thousand overdue audits, are in the hands of the process for clearing the backlog being implemented nationally and locally. Spelthorne will be subject to how the Financial Reporting Council, National Audit Office and the audit firms agree to prioritise scarce audit resources. Moving forwards, the Council is developing a good working relationship with its new external auditors (appointed by Public Sector Audit Appointments) Grant Thornton who will be auditing the 2023-24 Statement of Accounts which will be published by 31st May 2024.
- 2.12 Recognition by the peer team was given to the wide range of financial literacy amongst Members which makes it difficult to pitch financial reports at the right level for all Members. The comprehensive, mandatory post-election induction training for ALL Councillors encompassed 22 sessions including dedicated financial sessions one week after election. The LGA Finance Peer Review undertaken in 2020 clearly states that "This is a council that is focused on ensuring finance is given a very high level of visibility; clearly values the ability it has to take on new activities and services and views the commercial income it receives as a key enabler for this; operates suitable practice by adopting a shared approach to financial risk, with key systems owned and devolved appropriately; and where continuous improvement is seen as an organisational norm.
- 2.13 Following the CPC review, the authority also completed a full Corporate Establishment Review in July 2023 undertaken by The South East Employers Group (SEE). Its comprehensive terms of reference included the review of the complete organisational structure including contractors, rate of recruitment, digital transformation, shared services opportunities and recommendations from staff audits. The review concluded that in line with high performing authorities, Spelthorne; constantly reviews and innovates to meet the objectives of the Corporate Plan, achieves cost efficiencies and that staff have a sense of collective purpose and have trust in their senior managers in creating a safe environment to thrive.
- 2.14 Finally, in terms of support, the council has already engaged the LGA and other organisations to assist them with the recommendations that were made as part of the CPC. The LGA continues to provide additional support, advice, and guidance to the administration and has recently facilitated a pan-Surrey session focused on potential service integration.

3. Options analysis and proposal

- 3.1 Option 1 - The Committee is asked to note the Progress Report (Appendix 1) and the subsequent development of the 12 recommendations outlined in the position statement (Appendix 2) as well as the further developments detailed in this report.
- 3.2 Option 2 - The Committee may wish to propose an alternative approach to further advance the 12 CPC recommendations.

4. Financial implications

- 4.1 There was no additional costs for the LGA to undertake a CPC and their follow-up visit as the Council pays an annual £10,000 LGA subscription.

4.2 There will be some financial implications of pursuing a number of the actions proposed to address the CPC report recommendations. The sum is believed to be c£7,500.

5. Risk considerations

5.1 The CPC report makes a wide range of comments and recommendations which are designed to assist the Council in understanding its strengths and where improvements could be made. Failure to recognise those strengths and address some of the key issues raised, could potentially have significant financial, reputational and organisational implications for the Council (including risks to future recruitment and retention of staff).

6. Legal considerations

6.1 There are no direct legal considerations relating the consideration of the CPC Report and its progress report.

7. Other considerations

7.1 There are none.

8. Equality and Diversity

8.1 There are no direct equality and diversity considerations at this stage.

9. Sustainability/Climate Change Implications

9.1 There are no direct sustainability/climate change implications at this stage relating to the CPC recommendations.

10. Reporting of future CPC action

10.1 Future progress will be reported on an annual basis to CPRC.

11. Contact

Daniel Mouawad, Chief Executive: dcm.cex@spelthorne.gov.uk

Terry Collier, Deputy Chief Executive: t.collier@spelthorne.gov.uk

Background papers: CPC Final Report (Link from 2.2)

Appendices:

Appendix A – CPC Review Report

Appendix B – Spelthorne Position Statement