

# LGA Corporate Peer Challenge – Progress Review

Spelthorne Borough Council

16 November 2023

Feedback



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# 1. Introduction

The council undertook an LGA Corporate Peer Challenge (CPC) during 15-17 November 2022. The full report was published on 1 February 2023 and an Outline Action Plan was published on 17 July 2023 with a subsequent development of a Detailed Action Plan due to be published at a later date.

A Progress Review is an integral part of the Corporate Peer Challenge process, usually taking place approximately ten months after the CPC. 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 originally '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 Spelthorne Borough Council for their commitment to sector led improvement. This Progress Review was the next step in an ongoing, open, and close relationship that the council has with LGA sector support.

## 2. Summary of the approach

The peer team originally visited Spelthorne in November 2022 resulting in a detailed report and 12 recommendations. The council subsequently produced an Outline Action Plan setting out how the recommendations will be achieved, which was agreed at Spelthorne's Corporate Policy and Resources Committee on 17 July 2023.

The Progress Review at Spelthorne Borough Council took place on 16 November 2023 as an opportunity for the peer team to review the council's progress. Prior to coming on site, a position statement was sent to the peer team setting out progress on the recommendations under the following theme headings:

### **Vision and Priorities**

- **Recommendation 1:** All Members need to identify what they have in common in terms of shared priorities and objectives for your borough and your residents and use them to progress the delivery of your shared ambitions for Spelthorne.

- **Recommendation 2:** Then share your agreed political ambitions for the borough to create a longer-term vision embodied in a broadly agreed Corporate Plan.
- **Recommendation 5:** Take the time today to plan for tomorrow. Do not put off the 'non-urgent strategic' work you need to do.

### **Member/Officer Relations and Behaviour**

- **Recommendation 3:** Take the opportunity you now have, to reset the officer / member working relationship and agree how it will work differently going forward for the benefit of your residents.
- **Recommendation 4:** The discrete but complementary roles of officers and members need to be better understood by all to improve working relationships.
- **Recommendation 6:** Members need to respect officers' roles and give them the time and space to focus on delivering the important priorities you have agreed.
- **Recommendation 7:** Recognise the risk of continued poor behaviour by some members and the likely impact on the organisation and your reputation as a Council and a place. Take steps to address it.

### **Financial**

- **Recommendation 8:** Continue your efforts to address the issue of outstanding audits of the financial accounts.
- **Recommendation 10:** Engage in financial training for members to promote a better understanding of financial implications, project viability and creating robust business cases.

### **Committee**

- **Recommendation 9:** Review the working of the committee system by looking at best practice elsewhere to consider how to create a system that is fit for purpose.

### **Engagement**

- **Recommendation 11:** Improve the balance between communication and meaningful engagement whereby people feel listened to and heard. Use this in the context of evidence and need, to drive priorities and take people with you

## **Support**

- **Recommendation 12:** Consider how the LGA can continue to assist with the above recommendations on this reset journey.

## **Peer Team**

For this Progress Review, the following members of the original CPC team were involved:

- **Kathy O'Leary**, Chief Executive, Stroud District Council
- **Chris Hossack**, LGA Peer and former Conservative Leader of Brentwood Borough Council
- **Councillor Sarah Rouse**, LGA Improvement and Innovation Board member and former-Leader of Malvern Hills District Council
- **Sophie Poole**, Senior Regional Advisor, Local Government Association (Sophie Poole replaced Marcus Coulson, the original PCM who was unable to join the CPC).

## **Peer Meetings**

### **In preparation**

The peer team had a number of pre-conversations before coming on site, so that members and officers were able to feedback individually or with their group peers, on the council's progress on the recommendations. These conversations included:

One to one:

- **Daniel Mouawad** Chief Executive
- **Cllr Joanne Sexton** Leader
- **Cllr Chris Bateson**, Deputy Leader/Liberal Democrats
- **Cllr John Button** Labour Group Leader
- **Cllr Lawrence Nichols** Lib Dem Group Leader
- **Cllr Malcolm Beecher** Green Group Leader
- **Cllr John Boughtflower** Conservative Group Leader– the opportunity to meet was offered but not taken up

## Groups

- **Lee O'Neil** and **Terry Collier**, Deputy Chief Executives
- Group Heads, as set out below
- All councillors were also invited to an evening virtual drop in session

## **On site**

Once on site, the peer team collectively met the following senior members and officers together from the council:

### Senior Members

- **Cllr Joanne Sexton**, Leader/Leader of Independent Spelthorne Group
- **Cllr Chris Bateson**, Deputy Leader/Liberal Democrats
- **Cllr Malcolm Beecher**, Leader of the Green Group
- **Cllr Jon Button**, Leader of the Labour Group
- **Cllr Lawrence Nichols**, Leader of the Liberal Democrat Group

### Senior Officers

- **Daniel Mouawad**, Chief Executive
- **Terry Collier**, Deputy Chief Executive and Chief Finance Officer (s151)
- **Lee O'Neil**, Deputy Chief Executive

### Group Heads

- **Sandy Muirhead**, Group Head for Commissioning and Transformation
- **Coralie Holman**, Group Head for Assets
- **Karen Sinclair**, Group Head for Community Wellbeing
- **Jackie Taylor**, Group Head for Neighbourhood Services
- **Farida Hussain**, Head of Corporate Governance (Monitoring Officer)
- **Heather Morgan**, Group Head for Place, Protection and Prosperity
- **Karen Wyeth**, Principal Committee Manager
- **Jennifer Medcraft**, Head of Communications and Customer Experience

### 3. Progress Review – Feedback

The Peer Team welcomed the opportunity to return to Spelthorne to see what progress the council has made over the past year in meeting the recommendations from the original Corporate Peer Challenge Report.

Since the Peer Team were last on site in November 2022, there has been a change of political leadership. When the team originally visited the council, Spelthorne was under no overall control, and led by a Conservative minority administration. At the May 2023 election, a total of 22 councillors out of 39 were newly elected and the council remained under no overall control. However a new joint administration was formed with a new Independent Leader of the Council, Cllr Joanne Sexton, a new Liberal Democrat Deputy Leader of the Council, Cllr Chris Bateson (who is also the Deputy Leader of the Liberal Democrat Group), along with Group Leaders from the Green, Labour and Liberal Democrat Groups. The Peer Team understands the Conservative Group, were also invited to join the administration.

This change of political leadership from a Conservative minority authority to an administration led by a coalition of Group Leaders, has meant there has been a significant period of adjustment post-election for both members and officers since the original peer challenge, and a culture shift has been required to establish the new working arrangement.

#### **Vision and Priorities**

Following the May 2023 election, the council focused its attention on the Local Plan as the new administration's main manifesto commitment. However this appeared to have 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.

Engagement with group leaders in a strategic discussion about the Corporate Plan has taken place, which has resulted in the production of a high level document with a refreshed group of headings which was presented to the peer team. However, on the day of the review, the council did not produce a Corporate Plan setting out the detail of the strategy and actions that were due to be presented at full council in December 2023 and how it will be delivered for the residents of Spelthorne.

The Peer Team's view is that agreeing the vision and priorities of the council had not progressed as far as they should and that completion of a refreshed detailed

Corporate Plan must be a priority. The council recognises the need for there to be a correlation between the budget and Medium-Term Financial Plan (MTFP) so that the funds are available to deliver the Corporate Plan. However strategy and budget setting should be complementary, but the Peer Team sensed this was not the case and advised as such on the day. The Corporate Plan is also essential in ensuring that members and officers have a shared understanding about what the council's priorities are, and that officers are clear about their role in delivering them alongside service provision.

## **Member/Officer relations and behaviour**

Member / officer relations and behaviour was a key area of concern for the Peer Team when they visited in November last year and unfortunately it is where the least amount of progress has been made.

With four recommendations relating to member and officer relations and behaviour, the Peer Team invested a significant amount of time speaking separately to members and officers before coming on site, as well as collectively on the day of the Progress Review. In those discussions, it was clear that relationships had deteriorated further than when the Peer Team were originally on-site last year notwithstanding previous comments regarding a change in administration and political leadership.

It is appreciated that there is usually a bedding in period following a change of leader and administration. Opportunities to reset the relationship have been missed following the original Corporate Peer Challenge in November 2022 and following the change of administration in May 2023. This feedback provides the council a milestone opportunity, yet again, to work on resetting relationships. This opportunity should be seized as further opportunities to do so are limited.

While officer and members are cordial towards each other, it is evident that there are still a number of unresolved tensions on both sides due to a lack of understanding and respect around the roles and responsibilities, which has resulted in a breakdown in trust. The council informed the peer team that they use a personality profiling tool called DISC, to improve understanding of individual behavioural styles and how this could be used to both understand and relate to each other better. However it was evident, that more work is needed to extract the benefits of this personality profiling exercise and apply them to their relationships within the organisation.

It is important that both the officer and political leadership of the council take



responsibility for the current tensions and get an immediate grip on this. The Peer Team advised arranging a series of mediation sessions so a way forward can be agreed.

Until there is an acceptance that the solution to resolving the current differences lies with both the officers and members and that they are equally accountable for their actions, the current blame culture will continue. The council told the Peer Team efforts have been made to improve communication by introducing a portal for members case work, however at the time of the review, the Peer Team heard that there was dissatisfaction from members about the functionality and the system was being refreshed.

While the council has good relationships with its third sector partners, there is further potential for the council to explore partnership working or share services with other councils to reduce cost of delivery or generate income. Having a reputation as a reliable, stable and trusted partner is essential in achieving this. The Peer Team understands the council has partnership arrangements with London Borough of Sutton for insurance and Mole Valley District Council for finance. If the current situation around relationships and behaviour continues, this could impact on the Spelthorne's external reputation and credibility as a trusted and stable partner, in maintaining and establishing future partnerships.

While the Peer Team was pleased to hear that the Leader and the Chief Executive have started to build a more open working relationship since May, this needs to continue. There was also clear evidence on the review day that this needs to extend to all of the senior officers and members so that the council can start to create a culture of openness and transparency.

Refreshing the Corporate Plan will be a helpful platform to focus conversations around and work together on, as an officer/member team. Having clarity around roles and responsibility in its delivery and clear expectations around timescales would also help to alleviate some of the tensions that exist. Continuing to build on the post election member induction programme, with sessions that clearly set out roles and responsibilities of members and officers would also be helpful. The Peer Team were encouraged to learn that new officer inductions now involve meeting the political leadership as part of the Chief Executive's presentation. Further opportunities to improve communication and trust should continue.

An integral part of moving forward in this area is to learn from good practice in other local authorities and invest in the learning and development of the senior leaders and officers. The LGA provides a Leadership Academy and Leaders Programme to support members in their leadership roles. We recommend that this support is taken

advantage of at the earliest opportunity. The LGA also grant fund Solace's Ignite, Total Leadership and Springboard Programme for senior officers. The Chief Executive and Deputy Chief Executive are LGA peers. However there is an opportunity to extend this to a wider group of members and officers to become peers too and join a future Corporate Peer Challenge as part of the Sector Led Improvement offer, learn from other local authorities as well as sharing their own knowledge and experience.

## **Financial**

It is acknowledged that due to the ongoing national audit resource crisis, the council has not progressed any further in resolving five years of unaudited accounts which has not helped to build confidence in their financial position. Despite this, Spelthorne has continued to publish all of its draft statement of accounts on time, being one of only thirty per cent of councils to meet the 31 May 2023 target date for publishing the draft 2022-23 Statement of Accounts. The Audit Committee has also created an action plan to address the findings of the Public Interest Report (PIR) produced by KPMG, which was published after the Peer Team were on site in November 2022. The council's high level of borrowing continues to be a high profile risk. Members and officers need to jointly manage this risk. Particularly in light of the fast changing economic situation and ongoing volatile financial and political climate, now and in the future.

Following the Peer Team's visit in November last year, DLUHC (Department for Levelling Up, Housing and Communities) commissioned CIPFA (Chartered Institute of Public Finance and Accountancy) to undertake a Capital Review. The report is not yet publicly available and therefore the council was not able to share its contents.

Following discussions with a number of councillors in preparation for coming onsite, the peer team continues to be concerned that members do not fully understand the implications of being an elected member for a local authority which operates a £1 billion property portfolio, alongside running council services because of the complex investment strategy, the moving picture in local government finance and the time it takes for new members to fully understand the council finances.

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 results in members not being able to understand the financial implications of the decisions they are being asked to take.

It is clear officers are taking steps to address this. A Member Financial Reporting

Group has been set up which has created a summary template to be used for finance reports produced. The finance team provide regular councillor budget briefings and updates on the budget position are provided at fortnightly all councillor briefings. In addition, the Chief Finance Officer and Chief Accountant have regular sessions to update the members of the administration who are finance leads, on the budget and council's financial position.

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. However, there is a need to think through how to balance the reports and not to oversimplify the finances, as it is imperative that that the council can demonstrate that members have carried out their due diligence when making decisions.

Previously the council's approach to finance had less councillor engagement. However since moving to a committee governance model, councillors are getting more involved, and a more collaborative approach is developing the MTFs. Officers understand the importance of increasing members' understanding of the finances of the council. A member workshop to look at the council's asset strategy was recently organised and members that the Peer Team spoke to, were complimentary about the new summary reports and the finance training they had received. There is also an ambition to bring in specific external expertise to sit on subcommittees to help and advice members where required and this should be implemented as soon as possible.

Despite progress the need will remain for the organisation to continuously challenge itself in the context of the council's high financial risk and ensure members have the appropriate information and knowledge in order to be able to make effective decisions that are in the best interests of the people of Spelthorne.

A structured member induction programme consisting of 22 sessions including a focus on finance was provided after the May elections which was well received by those the Peer Team spoke to. With 22 out of 39 councillors newly elected it is important that the council continues to invest in member development, so all councillors are alive to their financial responsibilities as elected members.

The Peer Team would also advise that the council build in further member training around risk management and audit. In tandem with member development, using the council's Administrative Committee effectively to scrutinise Spelthorne's financial decisions and embedding this into the forward plan as a longer term piece of work, is imperative.

The LGA offers a series of Leadership Essential sessions for members who hold a leadership role in a range of areas including audit, and finance. Historically Spelthorne has engaged with the LGA on sector led improvement around finance. The peer team would encourage the continuation of this engagement as deemed appropriate by the council.

## **Committee**

Some progress has also been made on creating a committee system that is fit for purpose, with officers working with members to identify ways to make the system more efficient. The council has identified good practice in other authorities as part of a review. The number of committees has also been looked at to reduce duplication of the same issues going to different committees. A proposal has also been drafted and will go to Full Council with the intention for changes to be adopted at the beginning of the new municipal year.

Other changes include Chairs and Vice Chairs presenting reports at committee instead of officers, so that members are more accountable and taking ownership, and officers taking more of a supportive role providing further details if required.

## **Engagement**

While communications were clearly an area that everyone felt has significantly improved, this relates to information that is being broadcast to residents and communities.

The Peer Team heard how the council is working hard to engage with resident associations and is arranging both site visits as well as inviting groups to meet with members and officers at the council. There have also been moves to create a citizens panel. Officers also explained to the Peer Team that they conducted regular consultations in the event of any service or policy change.

However, there is an opportunity for the council to seek broader quantitative evidence and insight of its residents by conducting a borough wide resident survey. The Peer Team was told that the last resident survey was several years ago. This important insight would help inform the council in developing its Corporate Plan and prioritising its budget, understanding the priorities that matter to a wider group of residents, not just those who are already engaged with the council's activities.

The Peer Team also made the council aware of the LGA's benchmarking tool, LG Inform, where the council can compare its performance against other local authorities and understanding where its key areas of focus should be in terms of the

corporate plan.

## **Support**

In terms of support, the council has engaged the LGA to assist them with the recommendations that were made as part of the Corporate Peer Challenge Report. The LGA has already put in a significant amount of support particularly since the elections in May following a change of leadership.

The LGA has invested time during this period with mentoring for the Leader and Deputy Leader, Chair, and Vice Chair training, Effective Councillor training and Top Team development for officers and jointly with members and officers collectively. The Peer Team encourages that the council continues to work with the LGA including investing in further learning and development around leadership training for officers and members, both collectively and individually, which are set out in this report.

The authority also completed a full Corporate Establishment Review undertaken by The South East Employers Group (SEE)

## **4. Final thoughts and next steps**

The LGA has discussed some of the options available with the Chief Executive to continue helping the authority reset their journey. The LGA would propose a series of development sessions for both officers and members, as set out in this report. The council already uses DISC as a profiling and personality tool. The peer team would encourage the council to evaluate how this tool is helping to create an understanding between member and officer leadership. There are also other tools available to increase self-awareness and create better understanding of members and officers preferred styles of working which the council could explore, in collaboration with members.

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

Under the umbrella of LGA sector-led improvement, there is an on-going offer of support to councils and the LGA will continue to engage with and support the council to achieve the recommendations. 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.

Will Brooks (Principal Adviser) is the main point of contact between the authority and the Local Government Association (LGA), and his e-mail address is [william.brooks@local.gov.uk](mailto:william.brooks@local.gov.uk)

**Development opportunities mentioned in the body of the report are set out below:**

### **Leadership Essentials**

'Leadership Essentials' is a series of series of programmes and workshops' designed as themed learning opportunities for councillors. Each event concentrates on a specific portfolio or service area or a specific theme.

- Adult social care:
- Audit Committees
- Being an effective cabinet member
- Children's services
- Communication and media: political leadership masterclass
- Cultural services
- Digitalisation
- Effective scrutiny
- Finance
- Finance for Non-Finance Cabinet Members
- Financial governance
- Getting your message across
- Leading Healthier Places
- Licensing
- Prevent and Counter-Extremism
- Risk Management Political Leadership Masterclass
- Sport and Physical Activity

<http://www.local.gov.uk/our-support/highlighting-political-leadership/leadership-essentials>

### **Leadership Academy**

The Leadership Academy is the LGA's flagship development programme for councillors in leadership positions. The programme is recognised by The Institute of Leadership, the UK's leading award-winning body for leadership and management.

<https://www.local.gov.uk/our-support/highlighting-political-leadership/leadership-academy>

### **Leaders Programme**

The Leaders' Programme is a modular cross-party leadership development

opportunity designed around the needs of council leaders.

<https://www.local.gov.uk/our-support/highlighting-political-leadership/lga-leadership-development-leaders-programme>

### **LGA and Solace Group managerial leadership programmes**

LGA sponsored programmes, including Ignite, Total and Springboard are designed by the Solace Group, to deliver managerial leadership programmes to ambitious rising stars and executive leaders in the public sector.

<https://www.local.gov.uk/our-support/councillor-and-officer-development/officer-development/lga-and-solace-group-managerial>

### **Political Awareness Training for officers**

The LGA South East Regional Team would be happy to discuss options for political awareness training for your staff.

### **LG Inform**

LG Inform is the local area benchmarking tool from the Local Government Association

<https://lginform.local.gov.uk/>

### **Becoming a Peer**

Details of how senior members and officers can become a peer and take part in Peer Reviews across the country, is set out below:

<https://www.local.gov.uk/our-support/council-assurance-and-peer-support/become-peer/express-your-interest#:~:text=Member%20peers&text=We%20ask%20that%20members%20interested,where%20we%20require%20more%20peers.>