

11 January 2023		ITEM: 15
Cabinet		
Corporate Peer Challenge 2022 Update		
Wards and communities affected: All	Key Decision: Non-key	
Report of: Councillor Jack Duffin, Cabinet Member for Central Services		
Accountable Assistant Director: n/a		
Accountable Director: Karen Wheeler, Director of Strategy, Engagement and Growth		
This report is public		

Executive Summary

This report advises members of the findings of the Local Government Association (LGA) Peer Team following their visit in January 2022 and highlights the council's initial response to their recommendations.

The full report of the LGA Peer Team is shown at Appendix 1 and the Action Plan at Appendix 2.

The LGA Corporate Peer Challenge (CPC) process provided some useful insight and recommendations to support the council to deliver its vision and priorities for its residents, businesses and other stakeholders.

The council published the CPC report and action plan on its website on 30 June 2022. A motion was supported at the Council meeting on 13 October 2022 requesting the CPC report and action plan were presented to Corporate Overview and Scrutiny Committee and Cabinet. This report was presented to Corporate Overview and Scrutiny Committee in December 2022.

In September 2022, the government appointed commissioners to support the council with the financial challenges it faces. As part of this intervention, the council was required to submit an Improvement and Recovery Plan to government by 3 December 2022. The CPC Action Plan has, therefore, been subsumed into and superseded by intervention and the IRP.

The IRP will be shared with members in the new year after the publication of the government response to the Best Value inspection and commissioner's reports and a further iteration of the plan prepared to address their recommendations and any additional directions.

1. Recommendation(s)

- 1.1 Note the outcomes of the LGA Corporate Peer Challenge in January 2022 and the actions as part of the wider response to the Best Value inspection and intervention process.**
- 1.2 Feedback on any specific areas which Cabinet members feel should be focussed on in future iterations of the Improvement and Recovery Plan.**

2. Introduction and Background

- 2.1 The council invited the Local Government Association (LGA) to undertake a Corporate Peer Challenge (CPC) in January 2022. Earlier LGA Corporate peer challenges have taken place in 2011, 2016 and 2018.
- 2.2 The scope and focus of the visit in 2022 were the five core themes for all LGA Corporate Peer Challenges plus an additional focus at the council's request:
 - local priorities and outcomes
 - organisational and place leadership
 - governance and culture
 - financial planning and management
 - capacity for improvement
 - additional focus: delivery ambition
- 2.3 The council published the CPC report and action plan on its website on 30 June 2022. Councillor John Kent presented a motion at the Council meeting on 13 October 2022 (originally submitted for the meeting scheduled for 21 September 2022) requesting the CPC report and action plan were presented to Corporate Overview and Scrutiny Committee and Cabinet. It was confirmed that they were on the forward plan and the Motion was carried.

3. Issues, Options and Analysis of Options

- 3.1 Following the receipt of the LGA Peers' report (Appendix 1), an action plan was developed around their recommendations - see Appendix 2
- 3.2 Since the CPC Action Plan was developed, the government has appointed Essex County Council as commissioners to support the council with the financial challenges it faces. As part of this intervention, the council was required to submit an Improvement and Recovery Plan to government by 3 December 2022. The CPC Action Plan has, therefore, been subsumed into and superseded by the intervention and IRP.
- 3.3 The themes in the IRP are:
 - financial sustainability
 - governance and scrutiny
 - strategic direction

- place leadership and growth
- leadership and culture

There is a correlation to the focus of LGA Peer Reviews at 2.2. above.

- 3.4 The IRP will be shared with members in the new year after the publication of the government response to the Best Value inspection and commissioner's reports and a further iteration of the plan prepared to address their recommendations and any additional directions.

4. Reasons for Recommendation

- 4.1 The LGA Corporate Peer Challenge process provided useful insight and recommendations to support the council delivering for its residents, businesses and other stakeholders. Since the CPC Action Plan was developed, the government has appointed Essex County Council to support us with the financial challenges we face. As part of this intervention, the council was required to submit an Improvement and Recovery Plan to government by 3 December 2022. The CPC Action Plan has, therefore, been subsumed into and superseded by the IRP.

5. Consultation (including Overview and Scrutiny, if applicable)

- 5.1 The LGA Peer Team met with many stakeholders and partners, both internally and external to the council, including staff, members, businesses, public sector partners and the voluntary and community sector.
- 5.2 The report and action plan were considered by Corporate Overview and Scrutiny on 8 December 2022. Feedback included on the role of the council within and leading projects where other partners may be better placed for delivery. There are positive examples of partnership working including development of the Health and Wellbeing Strategy, Backing Thurrock implementation group and Thames Freeport, however, it was recognised that that the council did not always need to be the lead organisation and effective delivery and outcomes were key. This will be further considered in the development of the IRP and Corporate Plan.
- 5.3 It was also recognised that the CPC report was not widely shared when it became available to the council and there was little opportunity for discussion or input into the action plan at that time especially for Members. A commitment was reiterated by the Leader that this would not be the case for the IRP and all Members would have the opportunity to input to it moving forward.

6. Impact on corporate policies, priorities, performance and community impact

- 6.1 The findings of the LGA Peer Team included recommendations on how the council should be clear about its strategic priorities and involve stakeholders in the co-production of key strategic documents. This was included in

Appendix 2 Action Plan and is reflected as part of the Improvement and Recovery Plan.

7. Implications

7.1 Financial

Implications verified by: **Joanne Freeman**
Finance Manager

The LGA Corporate Peer Challenge made some recommendations around financial matters. This will now form part of the wider Improvement and Recovery Plan which was required to be submitted to our commissioners and the government by 3 December 2022.

7.2 Legal

Implications verified by: **Gina Clarke**
Corporate Governance Lawyer and Deputy Monitoring Officer

By virtue of Directions made under the Local Government 1999, the council is now subject to a government intervention package relating to the management of the council's finances and a Best Value Inspection of its governance, audit (internal and external), risk management, overview and scrutiny functions. Essex County Council has been appointed as Commissioner to conduct the intervention and has appointed Best Value inspectors.

The Directions require the council to take certain actions which includes to prepare and agree an Improvement and Recovery Plan to the satisfaction of the Commissioner (which may include or draw upon improvement or action plans prepared before the date of the Directions) within three months, to include at a minimum: a. an action plan to achieve financial sustainability and to close any short and long-term budget gaps identified by the council across the period of its medium-term financial strategy (MTFS), including a robust multiyear savings plan; b. an action plan to ensure the council's capital, investment and treasury management strategies are sustainable and affordable; c. a strict debt reduction plan and an updated minimum revenue provision (MRP) policy; d. an action plan to ensure the Authority is complying with all relevant rules and guidelines relating to the financial management of the Authority; and e. a suitable scheme of delegations for financial decision-making. The Commissioner's first report is expected to be handed to the government alongside the Improvement and Recovery Plan in early December.

The legal requirement to prepare and agree an Improvement and Recovery Plan, has now superseded the CPC review and action plan. However, the

Plan may include any appropriate/ relevant actions identified from the CPC review and action plan which members consider relevant for inclusion.

7.3 **Diversity and Equality**

Implications verified by: **Roxanne Scanlon**
**Community Engagement and Project
Monitoring Officer**

There are some recommendations put forward from the Peer Team which relate to diversity and equality specifically around involving our communities. These are being considered as part of the wider work around community engagement and involvement in developing plans moving forward. Any such actions will be considered separately as and when they are developed.

7.4 **Other implications** (where significant) – i.e. Staff, Health Inequalities, Sustainability, Crime and Disorder, and Impact on Looked After Children

Individual projects arising from the recommendations may have implications on some of the above, in particular in relation to staff, which will be considered separately as and when they are developed.

8. **Background papers used in preparing the report** (including their location on the Council's website or identification whether any are exempt or protected by copyright):

n/a

9. **Appendices to the report**

- Appendix 1: LGA Corporate Peer Challenge Report, January 2022
- Appendix 2: Corporate Peer Challenge 2022 Action Plan

Report Author

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Strategy, Engagement and Growth