LGA Corporate Peer Challenge

High Peak Borough Council and Staffordshire Moorlands District Council

Monday 24th January to Friday 28th January 2022

Feedback report

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1. Executive summary

Both councils can be seen to have been well managed organisations over many years. There is sound financial management and attention is paid to maintaining good governance and to managing risk. Both are performance-focused and can demonstrate the delivery of services that are high performing and low cost, with a Value for Money focus.

There has been good delivery to date of the ambitions within the councils' Efficiency and Rationalisation Strategies. A revised Medium Term Financial Plan (MTFP) is being developed for each council and the intention is to ensure that the revisions address risks that have emerged in recent times. Overall, we see the need for better alignment between the councils' aspirations and their resource allocations.

The councils have a track record of growing and developing people and enabling career progression. Staff spoke of having good access to training, although there seems to be an emphasis placed upon the technical aspects of people's roles and we see benefits in an increased focus on 'soft skills' development. There has been an issue across the two councils concerning pay progression since the inception of the Alliance. There are two fundamental issues at the heart of this situation. The first is that it now needs to be addressed effectively, after many years, with significant risks being faced. The second is that 'fairness' is key – there are key issues around staff motivation and retention that need extremely careful handling.

The councils can articulate a high-level understanding of the places they serve and the respective Corporate Plans reflect distinctions and differentiation across each area. We would encourage the councils to develop approaches and systems that provide for a more sophisticated and detailed understanding across and within the geographies they serve in order to inform policy and service design more.

Good community capacity is being tapped into, particularly in relation to the maintaining and enhancement of the environment. The pandemic has enhanced

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links between the councils, communities and partner organisations. We see real benefit in the development, in partnership, of shared aims and aspirational visions for High Peak and Staffordshire Moorlands respectively over the coming months. This would provide the opportunity to demonstrate further the uniqueness of each place and enable effort and resource from across partner organisations to coalesce around shared priorities.

The role of councils is changing and is fundamentally different to the traditional remit of local authority service delivery. There is a range of achievements that the councils can be proud of and which reflect them fulfilling this changing role. What has been delivered is made more impressive given the complex environment that the organisations are operating within. There are a variety of opportunities that can be realised by the respective councils. The organisations need to be well-placed to capitalise upon these and, in so doing, increasingly demonstrate that they are making the shift from more traditional roles and ways of operating.

It is clear that staff and elected members across both organisations quickly and smoothly adopted new ways of working in a context of the pandemic and the requirements to work from home wherever possible. Certain benefits have derived from this and people expressed a desire to hang on to them. It is important for both councils now to be developing a sense of what the expectations and arrangements are for the return and conveying these to staff and elected members.

There is a question regarding how clear the councils are on what the role and shape of the organisations is into the future. People are keen to see a re-balancing in the focus of the running of the organisations – with a reduction in the time spent on day to day management and an increase in the focus on the strategic.

There are a lot of plans and strategies coming into being within the councils over the coming months. The cost implications of these need to be reflected in the MTFPs and/or the capital strategies. Also, developing and implementing these strategies will take time and effort. Expectations will need to be managed in terms of available

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funding and the capacity to deliver – thus prioritisation will be key. There is an issue around capacity within the councils in the context of their ambitious plans for the future.

The focus on the development of plans and strategies cannot detract from delivery. Some of the over-arching themes that came through our work relate to a need for greater pace in the way the organisations work, an increased focus on tangibles and delivery and identifying the ways of securing the greatest impacts from limited capacity and resource going forward. The pandemic has demonstrated the ability of both councils to achieve precisely this. There is a task around jointly determining a clear set of key priorities to make things more manageable – and developing a 'road map' to deliver them. There is also a case for further modernisation of the organisations, including changing cultures and skills sets and developing a stronger corporate core.

In 2019 both councils declared a climate emergency and in the intervening period there has been a lot of activity and engagement. Jointly developed plans and strategies have emerged as a result. The commitments that the councils have made to achieve Net Zero by 2030 are ambitious, especially in a context of this not just relating to the councils' own impacts and footprints but also across the geographies as a whole. Strong political leadership will be important in driving the agenda forward if these ambitions are to be fulfilled.

Investment is being made in the climate change agenda, particularly in the form of recruitment of additional and expert capacity. This is being viewed positively across the councils but there is a sense of people waiting for the injection of this capacity when the reality of what is required is ownership right through both organisations of the climate change ambitions and related delivery. To deliver on the commitments and expectations, climate change and sustainability need to be corporately owned and driven.

The over-arching and very clear message that has come through our discussions around climate change is that people now want to see action. In that context, we

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would encourage the councils to communicate the progress being made against the action plans in order to build confidence.

There are good relationships between officers and elected members, founded upon mutual trust and respect. There is a different atmosphere politically within each council, with it being felt that there is closer collaboration across the elected membership in the more politically marginal of the two councils. Within Staffordshire Moorlands there is cross-party support for greater engagement and involvement from the Executive level.

Both councils undertook a review of their Overview and Scrutiny arrangements in the last year or so. This has highlighted the issues, with the reports being clear on what needs to be undertaken. The findings are at the outset of being responded to now. In both councils, there are examples of good engagement by scrutiny members and a meaningful difference being made, with this tending to come at working group level. We see benefit to be gained by focusing scrutiny effort and attention more on what represent the corporate priorities for each council and strategy and policy. There is also a requirement for increased working programming of scrutiny.

The elected member training and development that is provided across both councils is valued. This is positive but we would encourage the councils to adopt a more proactive approach, offering more tailored and targeted provision.

2. Key recommendations

There are a number of observations and suggestions within the main section of the report. The following are the peer team's key recommendations to the councils:

- There is partnership development of aspirational visions for each place – generating a clearer focus on outcomes
- Undertaking regular residents' and staff surveys
- Undertaking 'top team' development across the political and managerial

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leadership in different formats

- Taking forward the findings from the Centre for Governance and Scrutiny reports
- Ensuring climate change ambitions and delivery is owned right through both organisations
- Effectively addressing the pay progression issue
- Jointly determining a clear set of key priorities to make things more manageable – and developing a 'road map' to deliver them
- Bringing forward the communications and engagement strategy (covering both internal and external)
- The councils reassuring themselves that the work that has taken place to map needs around capacity will address the issues – following this by translating them into a clear delivery plan
- Reflecting the financial pressures from emerging plans into the MTFP

3. Summary of the peer challenge approach

3.1. The peer team

Peer challenges are delivered by experienced elected member and officer peers. The make-up of the peer team for High Peak and Staffordshire Moorlands reflected the focus of the peer challenge and peers were selected on the basis of their relevant experience and backgrounds. The peers were:

- Gary Hall, Joint Chief Executive, Chorley and South Ribble Borough Councils
- Councillor Alyson Barnes, Leader, Rossendale Borough Council
- Councillor Philip Sanders, Devon County Council
- Kathy Nixon, Joint Strategic Director, Babergh and Mid Suffolk District Councils
- Greg Campbell, Director of Environment and Communities, Brentwood

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Borough Council

- Hannah Cornish, Strategy Manager for Sustainability and Climate Change and participant in the National Graduate Development Programme (NGDP), Barnsley Metropolitan Borough Council (shadowing capacity)
- Chris Bowron, Peer Challenge Manager, LGA

3.2. Scope and focus

The peer team considered the following five themes which form the core components of all corporate peer challenges. These areas are critical to councils' performance and improvement.

1. **Local priorities and outcomes** - Are the councils' priorities clear and informed by the local context? Are the councils delivering effectively on their priorities?
2. **Organisational and place leadership** - Do the councils provide effective local leadership? Are there good relationships with partner organisations and local communities?
3. **Governance and culture** - Are there clear and robust governance arrangements? Is there a culture of challenge and scrutiny?
4. **Financial planning and management** - Do the councils have a grip on their current financial position? Do the councils have a strategy and a plan to address their financial challenges?
5. **Capacity for improvement** - Are the organisations able to support delivery of local priorities? Do the councils have the capacity to improve?

In addition, the councils asked the peer team to provide observations and feedback in relation to the councils' approaches to climate change

3.3. The peer challenge process

Peer challenges are improvement focused; it is important to stress that this was not

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an inspection. The process is not designed to provide an in-depth or technical assessment of plans and proposals. The peer team used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read.

The peer team prepared by reviewing a range of documents and information in order to ensure they were familiar with the councils and the challenges they are facing. The team then delivered five days of activity virtually with people within the councils and in partner organisations, during which they:

- Gathered information and views from more than 50 meetings, in addition to further research and reading
- Spoke to more than 100 people including a range of council staff, elected members and external stakeholders

This report provides a summary of the peer team's findings. In presenting feedback, they have done so as fellow local government officers and members.

4. Feedback

4.1. Local Priorities and Outcomes

The councils can articulate a high-level understanding of the places that they serve, including having above average employment rates, relatively low levels of crime and, whilst scoring low on the Indices of Multiple Deprivation (IMD) nationally, experiencing pockets of deprivation and social inequality. Around 30 per cent of each area is classed as rural and both have ageing populations, with those aged over 65 set to form the largest demographic within 10 years.

Priority setting workshops were held for all of the elected members on each council

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shortly after the 2019 elections, in order to inform the development of each authority's Corporate Plan – with these being adopted in October of that year. The plans reflect clear high-level priorities that are consistent across both organisations and are centred on:

- A healthier and safer environment for communities
- Financial resilience and value for money
- Economic growth and local regeneration
- Improving and protecting the environment and responding to the climate emergency

Within the respective Corporate Plans, there are distinctions within each broad aim in order to reflect differentiation, priorities and points of emphasis in each area. As an example, the plan for High Peak features the management and maintenance of the council's own housing stock plus tackling issues of food and fuel poverty, social isolation and health inequalities. Within Staffordshire Moorlands there is an emphasis on bringing empty homes back into use. In High Peak, the regeneration ambitions and plans for Buxton and Glossop feature prominently whilst for Staffordshire Moorlands the Churnet Valley ambitions are to the fore.

All of the above reflects a degree of understanding of each place but this comes across as being at quite a high level. We would encourage the councils to develop approaches and systems that provide for a more sophisticated and detailed understanding across and within the geographies they serve in order to inform policy and service design more. The work being undertaken across the Alliance to develop an Active Communities Plan to deliver a wider range of services to local residents through council leisure centres, founded upon work with a range of partners locally to develop a more detailed understanding of needs in different localities, acts as a good example to follow. We would encourage this type of approach to be scaled-up and made more systemic in the organisations and it is positive that the councils are, to this end, already indicating they have ambitions to extend engagement and consultation with communities.

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Good community capacity is being tapped into, particularly in relation to the maintaining and enhancement of the environment. This has derived positive benefits across parks and open spaces (including the establishment of new play equipment), countryside sites and wildlife habitats. There has also been good community involvement in developing a number of Neighbourhood Plans across both council areas. The pandemic has enhanced links between the councils, the communities they serve and partner organisations, including injecting capacity to aid people who have been shielding and supporting local businesses through the distribution of government grants. Of course, it is not just during the pandemic that this has been seen, with the Toddbrook Dam and related flooding incidents having seen people in High Peak and across partner agencies working tirelessly together to safeguard lives, property, livelihoods and well-being.

Both councils are performance-focused organisations, with a joint performance framework that is annually reviewed and service plans that guide delivery. Performance is reported monthly to the Alliance Management Team, with a joint performance and finance report to Overview and Scrutiny in each council on a quarterly basis. The councils can demonstrate the delivery of services that are high performing and low cost, with a Value for Money focus.

The following paragraphs outline performance information drawn from the LG Inform system that the Local Government Association hosts for the sector. The data is the latest available, which is from 2020/21, and the comparator groups ('nearest neighbours') are the fifteen councils nationally that High Peak and Staffordshire Moorlands are each deemed by the Chartered Institute of Public Finance and Accountancy (CIPFA) to be most similar to. Each council sits in a separate group of 'nearest neighbours' – again reflecting the differentiation between the two places.

Both councils perform well on collection rates for council tax and non-domestic rates – with High Peak being the best performing within its 'nearest neighbours' group in

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relation to the latter. High Peak is also the best performing in relation to the percentage of household waste sent for reuse, recycling and composting – which contributes to its levels of residual household waste being the second lowest within its comparator group. Staffordshire Moorlands has the fourth lowest level of residual waste within its comparator group and has the second highest percentage of household waste sent for reuse, recycling and composting.

Staffordshire Moorlands has the third lowest number of households on the housing waiting list whilst High Peak is the fourth lowest. In relation to the number of households living in temporary accommodation, Staffordshire Moorlands has the second lowest amongst its 'nearest neighbours'. High Peak is amongst the better performing councils in relation to key health measures such as smoking prevalence and obesity. It is the best performer in relation to the percentage of adults who are physically active. Statistics in relation to smoking prevalence and obesity in Staffordshire Moorlands are less positive, whilst the percentage of adults who are physically active is average.

Areas that should be the subject of attention in both councils include the time taken to process housing benefit changes in circumstances; the proportion of dwellings that are vacant; and affordable housing delivery.

Based on more recent data which the councils hold, performance is seen to be good in relation to the processing of Planning applications of different types, with mostly above average and top quartile performance.

4.2. Organisational and Place Leadership

The role of councils is changing. Coming to the fore nowadays are requirements and responsibilities around influencing, engaging and focusing on outcomes and localities in order to help shape places. This is fundamentally different to the traditional remit of council service delivery and generates a different set of demands for how local

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authorities, and many of the people within them, operate. Strategic visioning and planning; stakeholder and community engagement; and looking outwards all become pre-requisites of the way councils work and people are required to lead and embrace change more; act increasingly as 'intelligent' clients; and ensure a focus on longer-term horizons whilst continuing to address the immediate challenges.

As we outline throughout this report, there is a range of achievements that the councils can be proud of and which reflect the changing role of local authorities. What has been delivered is made more impressive given the complex environment, in terms of geography, partnership structures and funding uncertainty, that the organisations are operating within. There are also a variety of opportunities that can be realised by the respective councils over the coming months and years, with examples including the types of projects that are the target of the government's Levelling Up Fund; initiatives and funding at the Local Enterprise Partnership (LEP) level; the development of a Buxton Community Hub to deliver joined up care and links to other public services; opportunities for closer locality working with Staffordshire County Council; and the investment potential of Your Housing.

The councils need to be well-placed to capitalise upon these opportunities and, in so doing, increasingly demonstrate that they are making the shift effectively from more traditional roles and ways of operating. Fulfilling the changing role of local authorities, and what this requires in terms of a focus on localities, engagement and outcomes, needs to become more systemic in High Peak and Staffordshire Moorlands. This will both enable existing opportunities to be capitalised upon and ensure the councils are ready to seize future opportunities as they emerge.

As a simple example, with the areas both councils serve being given Category One status for 'Levelling Up' monies – reflecting higher levels of need – the opportunity existed to submit bids for priority projects but the decision was taken to use the capacity funding to help prepare robust bids for the anticipated round two funding. The principle we are highlighting here is that whilst different funding streams will come and go, the direction of travel is clear in terms of councils, with their partners,

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being expected to compete nationally for pots of money in order to help deliver their ambitions for place. Having a continuous stream of 'shovel ready' projects that reflect local need and can be adapted in line with changing criteria for funding mechanisms, will be key. The councils have a good track record of accessing external funding in recent years and this needs to be able to continue by ensuring they are on the front foot.

Political leaders in both councils are engaged in a number of key bodies and forums locally and regionally, including both LEPs, Staffordshire County Council and local health partnership arrangements in High Peak. This provides opportunities for influence, keeps both councils close to key developments, for example around emerging 'County Deals', and offers valuable networks.

'Vision Derbyshire', as a strategic collaboration of the nine local authorities within the county, acts as an example of the importance and benefits of a shared vision and agenda for a locality. It has galvanised effort and attention around a number of key themes. We see real benefit in the development, in partnership, of equivalent shared aims and aspirational visions for High Peak and Staffordshire Moorlands respectively over the coming months. This would provide the opportunity to demonstrate further the uniqueness of each place and enable effort and resource from across partner organisations to coalesce around shared priorities.

Whilst the councils indicate they have reviewed 'partnerships' across their localities, we see the need for something more meaningful to be undertaken – including extending the geography of this to consider sub-regional and regional engagement. The objective here should be to identify where the councils need to focus their engagement and effort, through both elected members and officers, in order, ultimately, to secure the greatest benefit for local communities.

A question emerges from what we have outlined in this section of the report, regarding how clear the councils are on what the role and shape of the organisations

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is into the future. Much has changed over the years, not least the shift to the Alliance arrangement and the establishment of Alliance Environmental Services (AES). Also, and as we outline in more detail later in this report, it is clear that they have been well managed organisations over many years. The question is how they will look and operate into the future.

Organisational development (OD) strategies are emerging for each council, focused on ensuring strong leadership and management; skilled, flexible and motivated workforces; innovation; and equality and diversity. Investment is being made in Heads of Service through the management and leadership development programme and the establishment of the Alliance Leadership Team (ALT – comprising the Chief Executive and Directors) and Alliance Management Team (AMT – involving Heads of Service joining ALT colleagues) are very positive developments with the increased sense of inclusivity that this provides. People at AMT level are keen to build on this new arrangement, in the form of an increased focus on jointly exploring key strategic issues. This will necessitate spending more time together but people are keen to see that being secured through a re-balancing in the focus of the running of the organisations – with a reduction in the time spent on day to day management and an increase in the focus on strategic thinking and the demonstration of leadership.

We see some 'top team' development activity, constructed in a range of different ways, being helpful to build on and explore key elements of what we have outlined here and elsewhere in this report. These different constructions might, for example, comprise each Cabinet/Executive, ALT, both the Cabinet and Executive together, and ALT with each Cabinet/Executive.

4.3. Governance and Culture

Both councils can be seen to have been well managed organisations over many years. There is sound financial management and attention is paid to maintaining good governance and risk management across the organisations through, amongst other mechanisms, the Risk Management Group and Corporate Governance Group.

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The council has sought and received external validation of its risk management arrangements and the respective Audit Committees play an active role in relation to risk.

There are good relationships between officers and elected members, which are founded upon mutual trust and respect. The Chief Executive meets regularly with the Leader and Deputy Leader of each council and ALT and the Cabinet/Executive for each council also meet together. Collective meetings between the Chief Executive and the Group Leaders in each council have also now been established. Elected members can address any committee in their council, which we see as positive and open. We would encourage the councils to be mindful of an issue highlighted to us around the timeliness of committee papers being made available to elected members – along with issues of reports not always being as easy to read as they might be.

There is a different atmosphere politically within each council, with it being interesting that there is felt to be closer collaboration across the elected membership in High Peak given this is the more politically marginal of the two councils. Within Staffordshire Moorlands there is cross-party support for greater engagement and involvement from the Executive level. There would seem to be benefits to be gained from increased collaboration and earlier involvement in issues, in the form of increased fulfilment for councillors and capitalising upon available capacity in the form of skills, insight, knowledge and experience. An example, which applies in High Peak too, relates to extending opportunities for elected member engagement in budget development and doing so earlier. This would seem to apply at political group level within Staffordshire Moorlands as well as at the level of the elected membership as a whole.

Both councils undertook a review of their Overview and Scrutiny arrangements in the last year or so, with both pieces of work being delivered by the Centre for Governance and Scrutiny. This has highlighted the issues, with the reports being clear on what needs to be undertaken. The findings are at the outset of being responded to now. In both councils, there are examples of good engagement by

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scrutiny members and a meaningful difference being made. This tends to come at working group level and/or through a focus on topical issues that capture people's attention. As examples, good work has taken place in both councils in relation to waste and recycling and we saw good engagement, in the week we delivered our work, around car parking in Staffordshire Moorlands and leisure provision and care home provision in High Peak.

Our activities left us with a sense that the scrutiny process in High Peak feels more engaging and effective generally. In Staffordshire Moorlands it is more effective on big topics. There could usefully be a reduction in the extent to which it is used in that council as a source of sharing or gleaning information. We also see benefit to be gained by focusing scrutiny effort and attention more on what represent the corporate priorities for each council. We recognise the ambitions and opportunities in both places for scrutiny to engage more externally, both in terms of the issues being considered and who inputs.

Areas for improvement identified in the Centre for Governance and Scrutiny reports and common to both councils are the need for:

- Greater focus on strategy and policy
- Earlier access to, and involvement with, core policy and decision-making activities
- Increased working programming across scrutiny and on a basis that is more elected member-led

Additional findings relating to Staffordshire Moorlands include:

- All elected members having a duty to uphold their responsibilities as a scrutineer, attend meetings and work towards shared goals as a committee
- There being limited challenge of Executive decisions

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There is an additional question that we would pose regarding what sits behind the relatively high level of Call-ins at Staffordshire Moorlands and the extent to which that relates to some of what we have outlined in this section of the report?

The elected member training and development that is provided across both councils is valued. There are three main elements to this: an induction programme following elections; what is required for councillors to sit on quasi-judicial committees such as Planning and Licensing; and briefings open to councillors on key and topical issues, such as new and emerging national-level policies and the financial position of the authority. The councils also circulate information on other elected member development opportunities, including those offered through the likes of the Local Government Association (LGA), to councillors.

An elected member development working group has now been established in each council and an on-line questionnaire has also been made available to enable councillors to highlight areas that they would welcome the council providing development around. This is positive but we would encourage the councils to adopt a more proactive approach, involving individual discussions with elected members around their perceived needs now and into the future – thus offering more tailored and targeted provision.

We would also see it as being helpful if the councils could ensure elected members know the council is keen to support their development and that there are resources available. It was clear from our discussions with councillors that there was a reluctance to undertake development activity that might come at a cost to their council in a context of the financial situation being faced. Whilst we understand the thinking here, we feel it is important that elected members are supported in being able to fulfil their roles to the greatest effect and that value is attached to the councils looking outwards more to draw in learning from elsewhere. A principle around training and development, whether related to elected members or officers, is that many of the answers around the challenges that councils are facing and the 'improvement' already exist – thus High Peak and Staffordshire Moorlands

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encouraging and enabling people to engage externally more will reap rewards

We have outlined already the way in which the councils are seen to have responded externally to the pandemic. It is clear that staff and elected members across both organisations also quickly and smoothly adopted new ways of working in a context of the requirements to work from home wherever possible. Certain benefits have derived from this and people we met expressed a desire to hang on to these, for example where work-life balance has been aided or it has enabled engagement to take place without the need for travel. Every organisation is currently in a phase where considerations around the 'return to the workplace' are coming to the fore. It is important for both councils now to be developing a sense of what the expectations and arrangements are for the return and conveying these to staff and elected members in order that people can plan effectively.

We recognise the work that has been taking place in recent months on an 'agile working' policy for the councils, which is clearly related to the issue of 'return to the workplace'. This policy is nearly finalised and has evolved significantly and positively as a result of the good opportunities provided for staff and trades unions to engage and shape it.

4.4. Financial Planning and Management

Both councils are seen to demonstrate sound financial management and good financial reporting. They demonstrate a Value for Money ethos, reflected in them being in the 20% of councils nationally with the lowest per capita costs. The councils have been at the forefront of creative thinking in terms of establishing the Alliance and the shape of their organisations. The Alliance arrangement has generated savings of over £15m across the course of the 14 years it has existed. The creation of AES, under 'Teckal' rules, has led to savings of over £800,000 over the last four

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years. Other such innovations are also being considered, most notably a potential arrangement with Norse Group for the delivery of facilities management and housing repairs. Whilst such arrangements have had a focus on efficiency, this has been combined with an objective of securing greater resilience through being part of larger organisations – with a recent example being the maintaining of driver capacity during the recent national heavy goods vehicle (HGV) driver shortage. The AES arrangement has gone beyond an efficiency and resilience agenda as well, however, demonstrating an embracing of the councils' ambitions around climate change, a culture of continuous improvement and scanning the horizon well to identify and adapt to emerging opportunities and threats.

There has been good delivery to date of the ambitions within the councils' Efficiency and Rationalisation Strategies. These ran across the period from 2017/18 to the current year and identified both expenditure reductions and income increases that would deliver over £3m in Staffordshire Moorlands and £2m in High Peak respectively. Only £200,000 of the total target has not been achieved – representing a major achievement. The question that now emerges is 'where next?' in relation to whether further such strategies are required for the coming financial year or beyond.

Overall, we see the need for better alignment between the councils' aspirations and their resource allocations. Both councils have seen year on year under-spends but this is counter-intuitive to the demands that exist for additional resource capacity across the organisation. Whilst the pandemic has clearly skewed things in relation to many councils' finances, the trend in High Peak and Staffordshire Moorlands for under-spends pre-dates this. It is important that the situation comes to be fully understood in order that both councils can be reassured that resources are appropriately dedicated to priority areas.

A revised Medium Term Financial Plan (MTFP) is being developed for each council with a view to it being adopted alongside the respective budget in February this year. Such a plan clearly has a crucial part to play in ensuring the alignment of resources with ambitions and key considerations. The intention is to ensure that the revisions

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address risks that have emerged since the previous versions were adopted, particularly in relation to projections around inflation levels and income derived from economic and housing growth. It would be good to see the MTFPs reflecting best and worst-case scenarios in relation to government funding. We also urge the inclusion in them, and within the capital strategies where relevant, of the forward forecasting of the costs of emerging plans, including potential IT investment; what is required to fulfil climate change ambitions; what emerges from an assets conditions survey that has been commissioned; and the key areas requiring greater capacity across the organisations. There is also something to reflect in the MTFPs regarding the councils' respective risk appetites in relation to borrowing going forward – with a key set of discussions needing to be held across the political and managerial leadership around this first. In a similar vein, what is the plan going forward in relation to reserves, with each council having increased levels in 2020/21?

4.5. Capacity for Improvement

There is a longstanding issue across the two councils concerning pay progression. This essentially concerns the ability of employees to progress beyond the bar within the pay grade. There are two fundamental issues at the heart of this situation:

- It now needs to be addressed effectively, after many years, with significant risks being faced. One of those risks relates to the costs that are potentially involved – with this needing to be woven into the MTFP of each council.
- 'Fairness' is key. There are key issues around staff motivation and retention that need extremely careful handling. These are issues that have existed for some considerable time but the dynamics are changing. More and more people are reaching the top of their grade and therefore cannot progress further in terms of remuneration – meaning the situation becomes more frustrating for individuals and differentials, where they exist, become more prominent. There is also a consideration emanating from the pandemic, around changed ways of working for organisations, with current council employees having increased opportunities to work elsewhere without needing to give up the quality of life they have living in or around High Peak and Staffordshire Moorlands.

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The councils have a track record of growing and developing people and enabling career progression, including through apprenticeships and secondment arrangements. Staff spoke of having good access to training and the councils' expenditure per capita in this area has traditionally exceeded the national average across local government. There does seem to be an emphasis placed upon the technical aspects of people's roles though, particularly within defined professional domains such as accountancy, legal or Planning. We see benefits in an increased focus on 'soft skills' development – relating to what we highlighted earlier in this report regarding the changing roles of councils and what this then demands of the people working within them. The approach to determining people's development requirements also needs to be made more systematic, with many of the staff we spoke to not having had a form of personal development review (a PEP as the councils refer to them) for two or three years.

A new communications and engagement strategy is emerging, which needs to cover both internal and external aspects. This presents an opportunity to enhance approaches to external communications, including developing a greater focus on the use of social media and extending community engagement and consultation activities beyond largely specific projects or initiatives. We see benefit in undertaking engagement on more generic issues and would encourage the introduction of a residents' survey on a regular basis as part of this.

There is a range of internal communications mechanisms already in place for staff and elected members, including the fortnightly 'Keeping You Informed' E-bulletin and the monthly 'Team Talk'. We see the chance to refine and enhance these approaches. Elected members highlighted how highly they had valued the Chief Executive's informal e-mail updates during key stages of the pandemic and see benefit in a form of this continuing, although obviously less frequently and covering a wider range of issues. There is also the potential to develop more two-way engagement for staff, whether face to face or virtually, that would give them greater exposure to the Chief Executive and the wider ALT. Also, whilst a staff survey has

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taken place relating to the impact of the pandemic on people's well-being and working circumstances, undertaking a regular and comprehensive staff survey would offer significant benefit.

As can be seen from this report, there are a lot of plans and strategies coming into being within the councils over the coming months and, as we have touched on, the cost implications of these need to be reflected in the MTFPs and/or the capital strategies. Also, developing and implementing these strategies will take time and effort. Expectations will need to be managed in terms of available funding and the capacity to deliver – thus prioritisation will be key. There is an issue around capacity within the councils in the context of their ambitious plans for the future. Whilst some work has taken place to map the capacity needs to see where they are greatest and what investment is potentially required, the councils will need to reassure themselves that what has been identified will address the issues and then translate the ambitions into a clear delivery plan.

The focus on the development of plans and strategies cannot detract from delivery. Some of the over-arching themes that came through our work relate to a need for greater pace in the way the organisations work, an increased focus on tangibles and delivery and identifying the ways of securing the greatest impacts from limited capacity and resource going forward. The pandemic has demonstrated the ability of both councils to achieve precisely this. There is a task around jointly determining a clear set of key priorities to make things more manageable – and developing a 'road map' to deliver them. There is also a case for further modernisation of the organisations, including changing cultures and skills sets and developing a stronger corporate core. The latter would entail greater strategic thinking and planning capacity; additional 'intelligent' client capacity; increased strategic capacity within HR/OD; an approach to drive climate change activity as a council-wide endeavour; and ensuring adequate project and programme management capacity to deliver change.

The councils demonstrate a principle of drawing in capacity from external sources

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where needed. This is focused upon those areas where the councils lack the necessary expertise in-house. This is a sound principle but it is important that the relevant expertise is sourced early enough in order to shape adequately what is being sought and that such capacity is deployed for a clearly defined and relatively short duration. We noted instances of an on-going set of arrangements with some providers, where such capacity has been sourced part way through an initiative or the scope of the work and/or the period of time involved has evolved or extended. The councils will wish to reassure themselves that they are thinking sufficiently early about where additional expertise could usefully play a role; are mitigating against inadvertent 'mission creep' with some providers; and that there aren't thresholds being reached where the councils might be better positioned if they established their own permanent capacity.

The emergence of a range of new plans and strategies, plus some of the wider agendas we have touched on in this report, is likely to generate significant change. This creates a further set of demands beyond the issues of funding and capacity that we have already touched upon. Essentially, there is a limit regarding how much change can be handled simultaneously by the councils and the individuals within them. This reinforces the issue regarding prioritisation, with a need to ensure a sequencing of changes and improvements – breaking things down into 'bite sized chunks' so that expected progress can be seen and understood. There is also the need for a clear change management policy and approach in order to ensure inclusivity, shared understanding and consistency. It was interesting to note, for example, the level of awareness amongst staff groups we met regarding the work on developing the agile working policy. This contrasted favourably with the lower levels of awareness of, and involvement in, the development of the OD strategies for the organisations.

Good digital progress was made by the councils several years ago, following the creation of a Channel Access Strategy in 2016. The creation of a customer self-service portal and a related campaign the following year saw a 500% increase in website visits and a 45% reduction in phone contacts. A new Access to Service

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Strategy is now emerging, linked to a new IT strategy that will also come forward shortly. The sense, in relation to the latter, is that there is a potential need for significant investment in IT, with the councils seen to be playing 'catch up' on a number of its systems.

4.6. Climate Change

In 2019 both councils declared a climate emergency and in the intervening period there has been a lot of activity and engagement. This includes the development of a Green Infrastructure Strategy in Staffordshire Moorlands, the creation of a working group looking at single-use plastics in High Peak and emerging electric vehicle charging strategies being drawn up with each respective county council. Both councils have become members of the 'UK100' network of councils working towards Net Zero – which forms just one of many great opportunities to learn from elsewhere. Training for elected members and officers around sustainability and climate change, delivered through Keele University, has also been provided.

A climate change working group comprising elected members, officers and community group representatives has been established in each council. Jointly developed plans and strategies have emerged as a result, including the strategic commitments made in the Corporate Plans and the road maps that are being devised to deliver on the 'Path to Net Zero'. External consultancy support has been sourced to support the councils in finding pathways to carbon reduction.

The commitments that the councils have made to achieve Net Zero by 2030 are ambitious, especially in a context of this not just relating to the councils' own impacts and footprints but also across the geographies they serve as a whole. Strong political leadership will be important in driving the agenda forward if these ambitions are to be fulfilled. The fact that dedicated portfolio holders for climate change and the environment have been appointed at Executive/Cabinet level is positive in this regard.

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During the course of our discussions, there were some suggestions made around potential benefits that might be gleaned if the move was made to establish a shared set of objectives around climate change and the environment across the two councils. This would very much be a judgement call for the two organisations to make. We also picked up a message around the importance of ensuring, in Staffordshire Moorlands, an increased balance in the focus on the likes of transport, property and energy sources as emitters, relative to protecting and enhancing the natural environment. The well-established and strong body of community groups with a focus on the latter provides tremendous benefit but it is important that attention and effort is applied equally to wider aspects of sustainability.

Investment is being made in the climate change agenda, particularly in the form of recruitment to a shared Climate Change Officer post and further recruitment planned to take place for a Biodiversity Officer. The imminent arrival of this additional and expert capacity is being viewed positively across the councils. However, there is a sense of people waiting for the injection of this capacity when the reality of what is required is ownership right through both organisations of the climate change ambitions and related delivery. To deliver on the commitments and expectations, climate change and sustainability need to be corporately owned and driven. As we have outlined, there has been a lot of engagement and activity around this agenda in the last few years. The over-arching and very clear message that has come through our discussions around this is that people – whether that be partners, officers or elected members – now want to see action. In that context, we would encourage the councils to communicate progress against the action plans in order to build confidence.

5. Next steps

It is recognised that the councils' senior political and managerial leadership will want to consider, discuss and reflect on these findings.

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Both the peer team and LGA are keen to build on the relationships formed through the peer challenge. The corporate peer challenge process includes a six-month 'check-in' session, undertaken over the course of a couple of hours or so, which provides the opportunity for the councils' senior leadership to engage the peers on progress against the action plan and discuss the next set of steps.

In the meantime, Helen Murray, Principal Adviser for your region, is the main contact between yourselves and the Local Government Association. She is available to discuss any further support the councils require – helen.murray@local.gov.uk.

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