CABINET
23 JUNE 2020

PART 1 – PUBLIC DOCUMENT

TITLE OF REPORT: CORPORATE PEER CHALLENGE ACTION PLAN

REPORT OF: DEPUTY CHIEF EXECUTIVE

EXECUTIVE MEMBER: LEADER AND DEPUTY LEADER OF THE COUNCIL

COUNCIL PRIORITY: BE A MORE WELCOMING AND INCLUSIVE COUNCIL

1. EXECUTIVE SUMMARY

1.1 Cabinet on 24 March 2020 and Full Council on 2 April 2020 (decisions taken under delegated decision following emailed consultation with Members) noted the final report from the Local Government Association Corporate Peer Challenge (CPC) and requested that an Action Plan be developed by the Leader, Deputy Leader, Chief Executive and Deputy Chief Executive to respond to the recommendations within the report. This report submits a draft Action Plan to Cabinet for approval.

2. RECOMMENDATIONS

2.1. That the draft Action Plan at Appendix A be approved.

2.2. That agreeing the timescales for the actions within the Action Plan be delegated to the Leader, Deputy Leader and Managing Director.

2.3. That Cabinet recommend to Full Council that the Special Reserve be used to fund a small transformation team for a period of 18 months from October 2020, with an estimated total cost of £150k (£50k in 2020/21 and £100k in 2021/22).

3. REASONS FOR RECOMMENDATIONS

3.1 To ensure that the Council responds to the matters identified within the CPC report, ensuring that the benefits of the CPC process are realised.

4. ALTERNATIVE OPTIONS CONSIDERED

4.1. The ‘do nothing’ option of not creating an action plan to follow up on the report has been discounted, as the Council committed to undertake the CPC and should therefore seek to gain benefit from that process.

4.2. There is no prescribed format for the Action Plan, so it could have been developed in a different format, however having looked at a number of different approaches from other Councils the proposed draft seemed to present the required information in an easily accessible way. Different actions could have been proposed to respond to the recommendations, however the draft has been developed in consultation with the Leadership Team and Executive Members.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

5.1. All staff and councillors who took part in the CPC were invited to attend the feedback session on the final day. The feedback report was presented to Cabinet on 24 March and Full Council 2 April 2020. Executive Members and their deputies, in particular the Leader and Deputy Leader, have been consulted on the draft Action Plan.

6. FORWARD PLAN

6.1 This report contains a recommendation on a key Executive decision that was first notified to the public in the Forward Plan on the 5 May 2020.

7. BACKGROUND

7.1. The background to this report is set out in the report to Cabinet of 24 March 2020.

8. RELEVANT CONSIDERATIONS

8.1. The Action Plan at Appendix A seeks to positively embrace the recommendations from the Peer Challenge and look for ways to implement improvements in the way we work. The recommendations listed include both those obviously marked as such in the CPC report (key, Planning, Overview and Scrutiny) and any recommendation contained within the text in the body of the report.

8.2. Members will note that much of the timescale column is currently blank. Due to the current pandemic and the impact of it on the Council's work it is very difficult to populate with accurate and meaningful dates. Therefore, it is proposed that the Leader, Deputy Leader and Managing Director agree these dates in due course.

8.3. It is important to adopt the Action Plan in a timely way so that the Council can commence work on the various actions set out, in particular developing an internal transformation programme reimaging the customer experience and progressing the already agreed Shaping our Future organisational development programme to ensure the Council is able to deliver on its programme.

8.4. The approach to the third main element of the Action Plan, developing an ambitious place narrative to shape our future agenda, is suggested to be based around sustainability as a central theme. This is recognised as an issue that effects all of our communities across the district, links to the Council declared climate emergency and is consistent with the Council priorities of communities, environment, economy and homes. The key will be to develop a clear simple vision, that is both meaningful but does not stifle opportunities. It is proposed that initially workshops would be held with officers and members to develop proposals, followed by engagement with the community and partners to develop a vision which we can collectively work to deliver. The timing of this work is to be determined and needs to take into account the Local Plan process and the wider place narrative for the whole of Hertfordshire being developed through the Growth Board.

9. LEGAL IMPLICATIONS

9.1. Cabinet's terms of reference include at paragraph 5.6.13 "To consider the reports of external review bodies on key aspects of overall service delivery".

9.2. The CPC is a voluntary process and therefore there is no legal obligation to either host a CPC or act upon the recommendations. However, it is best practice to undertake a CPC and having done so, to act upon the issues identified.

9.3. The CPC makes various recommendations relating to the Council's Constitution. These are matters for Full Council to determine in accordance with paragraph 4.4.1(p) of the Council's constitution and were the subject of a separate report to Annual Council.

9.4 The Financial Regulations provide at 10.2 that the 'creation and movements in reserves need to be formally approved by Full Council, which is incorporated into the Revenue Budget Outturn report'. The Council's terms of reference include at 4.4.1 (dd) 'to determine those financial matters reserved to Council by the Financial Regulations.', therefore recommendation 2.3 falls to Full Council for approval.

10. FINANCIAL IMPLICATIONS

10.1. The recommended minimum level of reserves referred to in the CPC feedback report only applies to General Fund reserve. When the Council sets its budget each year, there is a requirement for the Chief Finance Officer to recommend a minimum level. This minimum level is set after considering other factors, including the level of specific revenue reserves. The Council's General Fund reserves are currently significantly above the minimum level, but this should not be seen as a target to get down to. Indeed the recent pandemic (and the cost implications arising from that) has shown that events can happen that are not fully reflected when setting the minimum level. It has been a policy of the Council to maintain reserves at a higher level to allow time to adjust to the expected reduction in funding in the medium term. However, having said that there is scope for a level of reserves that is lower than the current level, which is still prudent. This would then provide some limited funding for projects that positively benefit the Council. It could not be used for ongoing revenue costs.

10.2. It is proposed that the costs of the transformation team which are estimated to be £150k (£50k in 2020/21 and £100k in 2021/22) are met from the Special Reserve. This is based on a part-time (0.4WTE) Service Director Transformation and two supporting officers for a period of 18 months from October 2020. The balance of the Special Reserve as at 1st April 2020 was £1.175m. Whilst there are other known and expected calls against this reserve, it is not expected that (even with this additional spend) it will all be used. The biggest unknown is discretionary spend in relation to the response to Covid-19. However as this has not been committed to yet, if it came to it then this Covid-19 spend would have to be scaled back to be contained within the available funding.

10.3. The Peer Review, alongside many other services and support, is included within the Council's annual subscription to the Local Government Association. For 2019/20 this cost was £12,540.

11. RISK IMPLICATIONS

11.1. The CPC recommendations identifies that staff, partners and citizens frequently describe the Council as risk averse. The revised Risk Management Framework referred to in the Action Plan is intended to assist in moving the Council to a position of being 'risk aware' and focused on significant risks. This is an important part of the ongoing push to develop commercial income generating projects, but to move away from being 'risk averse' there would also be a need for a general shift in the level of risk that the Council is prepared to take.

12. EQUALITIES IMPLICATIONS

12.1. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.

12.2. There are no known equalities implications that apply to this report. Individual actions on the plan may require equalities impact assessments in due course as solutions are developed.

13. SOCIAL VALUE IMPLICATIONS

13.1. The Social Value Act and "go local" requirements do not apply to this report.

14. ENVIRONMENTAL IMPLICATIONS

14.1. There are no known Environmental impacts or requirements that apply to this report. Individual actions on the plan may require environmental impact assessments in due course as solutions are developed.

15. HUMAN RESOURCE IMPLICATIONS

15.1 The work set out in the Action Plan will be incorporated into the work programmes of the relevant service areas. The Shaping Our Future programme is a commitment to, and investment in, our staff to ensure that the organisation is able to deliver the programme envisaged. It has been identified that the transformation programme will need additional resource to be delivered and Human Resources will help support the development of (and recruitment to) the proposed new temporary part time Service Director Transformation post and other roles which may be suitable for secondment. Recruitment and secondment to the project will be from existing staff where possible.

16. APPENDICES

16.1 Appendix A – Draft Corporate Peer Challenge Action Plan

17. CONTACT OFFICERS

17.1 Anthony Roche, Deputy Chief Executive
anthony.roche@north-herts.gov.uk; ext 4588

17.2 Ian Couper, Service Director Resources
ian.couper@north-herts.gov.uk; ext 4243

17.3 Jeanette Thompson, Service Director: Legal and Community
Jeanette.thompson@north-herts.gov.uk ; ext 4370

17.4 Reuben Ayavoo, Policy and Community Engagement Manager
reuben.ayavoo@north-herts.gov.uk; ext 4212

17.5 Kerry Shorrocks, Corporate Human Resources Manager
kerry.shorrocks@north-herts.gov.uk; ext 4224

18. BACKGROUND PAPERS

18.1 Report to Cabinet, 24 March 2020 – Corporate Peer Challenge Report