

LGA Corporate Peer Challenge – Progress Review

Gloucester City Council

Corporate Peer Challenge: 22nd – 25th November 2022

Progress Review: 6th October 2023

Feedback





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1. Introduction

The council undertook an LGA Corporate Peer Challenge (CPC) during 22nd – 25th November 2022 and promptly published the full report with an action plan.

The Progress Review is an integral part of the Corporate Peer Challenge process. 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 '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 Gloucester City 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 Progress Review at Gloucester City Council took place on 6th October 2023.

The progress review focussed on each of the recommendations from the Corporate Peer Challenge, under the following theme headings:

- Local Priorities and Outcomes
- Organisational and Place Leadership
- Governance and Culture
- Financial Planning and Management
- Capacity for Improvement

For this progress review, the following members of the original CPC team were involved:

- Huw Bowen, Chief Executive, Chesterfield Borough Council

- Linda Haysey, former Leader, East Hertfordshire District Council
- Kathryn Trant, Peer Challenge Manager, Local Government Association

Following pre-engagement calls with the Leader, Managing Director and Monitoring Officer, the peer team met face to face at Gloucester City Council over the course of 1 day with the following groups from the council:

- Cllr Hannah Norman, Deputy Leader
- Jon McGinty, Managing Director
- Managers Focus Group
- Councillors Focus Group

3. Progress Review - Feedback

Gloucester City Council (GCC) has made progress since the corporate peer challenge (CPC) took place in November 2022. The recommendations arising from the CPC are being progressed through an Action Plan which was updated and shared with the peer team ahead of the progress review taking place, and which sets out in some detail the progress made by the council against each of the original recommendations.

Despite the council applying its best efforts to continue along its improvement journey, the peer team were told that the revenue budgetary position at GCC has deteriorated since the CPC took place. Significant issues with homelessness provision arising from the cost of living crisis, reduction in private sector housing market, migrant and refugee activity and the impact of the Home Office fast track process have all adversely combined so that GCC is now forecasting an in year overspend on the homelessness budget of £1m.

The homelessness issue is one that is prevalent across the sector and not unique to GCC. To address it the council is tackling supply as a matter of urgency and is liaising closely with Gloucester City Homes about availability of more housing units. There are plans for further partnership working by directly intervening in the market and using partners to manage properties although it may take time for the benefits of this approach to be realised.

To further exacerbate the budgetary position, the Aspire Trust that was contracted to provide leisure services on behalf of GCC until September 2024, unexpectedly announced recently that they were going into immediate liquidation.

The council acted promptly to respond to the situation and there is a direction of travel to appoint an interim service provider for 12 to 18 months. The council has been approached by organisations who want to help, and a shortlisting process is being undertaken with a report being presented to an extraordinary council meeting within the next two weeks.

Further adverse budgetary impacts have been reported as in year reductions in both planning and commercial income which on their own would not have prevented the council from balancing the revenue budget at year end, but the additional impacts of both homelessness and leisure have required urgent mitigating action by the council.

The peer team then considered the council's action plan along with the outcome of meetings held during the day and consequently shared the following comments and feedback with GCC.

Performance Management Framework

One of the peer team recommendations was to evolve an outcome focused approach to the council's performance management framework by utilising the Council Plan to create a SMART framework that was qualitative based. The framework would demonstrate progress made against actions to achieve delivery of the Council Plan. The peer team saw evidence of progress in the Council Plan Progress Report presented to Overview and Scrutiny Committee and Cabinet earlier this year. As well as setting out progress against actions, the report drew attention to significant achievements such as the opening of the Learning Hub at the Forum, completion of the Kings Square regeneration project, successful transition to a new waste partnership, and the securing of funding from the Arts Council England for £600k capital investment into improvements in cultural venues.

The next report will be presented in March 2024. The progress made is encouraging, and given the election in May 2024, it will be important to reset the framework with the new Council Plan, as set out in the Action Plan update.

Review delivery arrangements for external communications and Review HR delivery arrangements

Little progress has been made as yet on the recommendations and corresponding actions relating to reviewing the delivery arrangements for external communications and HR. However, GCC has appointed a Head of Transformation and Commissioning, (linked to a later recommendation relating to senior management capacity), and it was always the intention that part of their role will be to progress these actions. The peer team did hear from some that external communications had improved, though this was not a view that was consistently expressed. As part of the review of delivery arrangements it would be beneficial to ensure that GCC is on 'the front foot' and able to 'control its narrative', particularly in addressing public responses that are factually incorrect. Media today is instantaneous and the ability to respond quickly is important to preserve the council's reputation and staff pride in the work they do.

Similarly with HR delivery, although no formal progress has been made, the peer team heard positive comments about advice being provided, particularly in respect of the recent difficult situation arising with the leisure trust staff. However, the peer team also heard evidence of issues around recruitment that present a less than favourable view first impression of GCC to new starters. The Head of Transformation and Commissioning will be progressing these actions according to the Action Plan.

Develop and maintain robust project governance arrangements

The council responded positively to the recommendation to develop and maintain robust project governance arrangements for major projects, by creating the Major Projects Board. The Board provides leadership and financial oversight and ensures a balance between momentum and risk. Attendees include the Managing Director and s151 officer, and the Leader and Cabinet Member for Performance and Resources. The scale of ambition in the council remains palpable and there is a lot to build on in making Gloucester a tourist destination. GCC responded with confidence to peer team questions regarding the Forum development and continuous review of that business case is now embedded through the Major Projects reporting framework. Large exposure to risk when the sector is under challenge will need to be managed carefully but the governance measures put in place are evidence of positive progress.

Overarching Growth Strategy

Progress has been made on development of an Overarching Growth Strategy which will pull together all strands of the growth and regeneration work. There is a target date for adoption of the strategy in March 2024 and a project plan has been developed. Work is ongoing with external stakeholders to gain views and opinions. Aligning the strategy to the new Administration from 2024 to 2028 is sensible.

Address worklessness and improve the skills and employability of local people

GCC has started to make some progress with this recommendation and there is evidence of specific projects taking place to develop a skills programme to create employment opportunities in construction and hospitality. An understanding of devolution and where the council sits with the county council and the Local Enterprise Partnership will be important if this work is to progress successfully. There are opportunities to work with the college and university and positioning this work within the Overarching Growth Strategy will maintain a focus on this to avoid polarisation of existing residents.

Review staff resources against Council Plan requirements

GCC has made significant and positive progress in responding to this recommendation. A senior management restructure has been implemented and capacity at the senior level has increased. A permanent Monitoring Officer has been appointed which should help to put the statutory stability behind the organisation. The longstanding s151 officer left the organisation but his replacement was an internal appointment and the new s151 officer is establishing himself and dealing with significant budget challenges. Finally, the recent appointment of the Head of Transformation and Commissioning completes the restructured senior management team and the increased capacity at that senior level has already provided essential additional resource necessary to address the critical issue that recently arose with the leisure trust.

Review the role of Members

Code of Conduct protocols have been reviewed by the Monitoring Officer and the

architecture of good governance is being put in place. This is all positive, but the peer team have heard that not a lot has changed in terms of member behaviour. A minority of members behave badly, and the peer team concern is that staff and managers have become conditioned by it. We heard examples of intimidation and bullying behaviour that is accepted by managers as there is a sense of there being no value in reporting it. It cannot be right that bad behaviour is accepted. The council now has a Monitoring Officer with the capacity to act and a wider understanding of the role of the Monitoring Officer will strengthen the link with managers and build their confidence. Staff should be supported in any bullying claims that come forward.

That a work programming event took place for Overview and Scrutiny is positive, and the right people were in the room. However, the peer team have not yet seen evidence of Overview and Scrutiny working in the way it should by providing critical challenge to add value with pre-decision, monitoring and policy development.

There is a huge opportunity with the election in May 2024 to reset the landscape of member/officer relations and behaviour expectations of members with officers. The work of the Member Development Group in reviewing the Induction Programme will help to support a comprehensive new Induction Programme that will ensure members are well informed and understand the role of the councillor and how the council works. Further actions and training linked to this recommendation are planned to align with the timing of the election in May 2024.

Whole organisation review of the cyber incident

GCC has come through the cyber incident well, it was a huge issue, and the council did very well to sustain services. A staff survey has been carried out to support the recommendation of a whole organisation review.

Engagement in the staff survey was positive and it will be important to act on the feedback to support staff morale. Linked to improving morale, the council may wish to consider regular in person sessions for managers similar to the session held earlier with the peer team. Coming together as a group created a positive energy and the peer team believe managers would appreciate the opportunity and it would act as a support mechanism for them.

Develop a strategic priority framework for tackling inequalities

There has been some progress on developing a strategic priority framework for tackling inequalities, and linking to the Overarching Growth Strategy will be important so that resource implications can be managed. Once the council has reset from May 2024, ensure the new Council Plan has sufficient capacity and resources to be delivered. Any preparatory work that can be done in advance to understand resource implications will be helpful.

4. Final thoughts and next steps

The LGA would like to thank Gloucester City Council for undertaking an LGA CPC progress review.

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. 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.

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