Havering
LONDON BOROUGH

OVERVIEW AND SCRUTINY BOARD
4 September 2019

Subject Heading:	Local Government Association (LGA), Corporate Peer Challenge 2019: Review of the agreed improvement action plan.
SLT Lead:	Jane West, Chief Operating Officer
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Policy context:	This is the Council's Action Plan to implement the improvements identified through the LGA Corporate Peer Challenge recommendations. These improvements will help the delivery of outcomes required in the Council's 2019/20 Corporate Plan and associated key policies and strategies.
Financial summary:	There are no direct financial implications arising from the implementation and monitoring of the improvement plan. The improvements themselves may require additional funding; if this is the case any such decisions will be progress via the appropriate channels as and when they materialise.
Is this a Key Decision?	No
Is this a Strategic Decision?	No
When should this matter be reviewed?	Given the strategic nature of the action plan, and the role of Overview and Scrutiny Board, progress of delivery against the action plan should be reviewed on at least a six monthly basis.
Reviewing OSC:	Overview and Scrutiny Board

The subject matter of this report deals with the following Council Objectives

Communities making Havering	[X]
Places making Havering	[X]
Opportunities making Havering	[X]
Connections making Havering	[X]

SUMMARY

This report focuses on the Council's Action Plan, developed in response to the Local Government Association Corporate Peer Challenge Review Team's key Improvement Recommendations.

This action plan was agreed at Cabinet on 09 July as well as also agreeing that Cabinet and the Overview and Scrutiny Board will review progress of the delivery of the actions plan on a six monthly basis.

RECOMMENDATIONS

The Action Plan sets out what needs to be done and the timescales to achieve this. Members are asked to:

- **Note** the LGA peer review in Appendix 1
- **Review** the Action Plan in Appendix 2

<div style="border: 2px solid black; text-align: center; font-weight: bold;">REPORT DETAIL</div>

1. Background

1.1. The Local Government Association Corporate Peer Challenge is a key element of their overall sector-led improvement Programme. The Peer Team, comprising eight senior Members and Officers from other local authorities spent four days in Havering, between 26th February and 1st March 2019.

1.2. The peer team considered the following five questions which form the core components looked at by all Corporate Peer Challenges:

- Understanding of the local place and priority setting: Does the council understand its local context and place and use that to inform a clear vision and set of priorities?

- Leadership of Place: Does the council provide effective leadership of place through its elected members, officers and constructive relationships and partnerships with external stakeholders?

- Organisational leadership and governance: Is there effective political and managerial leadership supported by good governance and decision-making arrangements that respond to key challenges and enable change and transformation to be implemented?

- Financial planning and viability: Does the council have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully?

- Capacity to deliver: Is organisational capacity aligned with priorities and does the council influence, enable and leverage external capacity to focus on agreed outcomes?

1.3. In addition to these questions, the council asked the peer team to consider its approach to social care improvement, housing and regeneration.

2. The peer challenge process

2.1. It is important to stress that this was not an inspection. Peer challenges are improvement focussed and tailored to meet individual councils' needs. The Council provided a self-assessment, which was used by the peer team initially to prepare for the review. They are designed to complement and add value to a council's own performance and improvement. 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.

2.2. The peer team prepared for the peer challenge by reviewing a range of documents and information in order to ensure they were familiar with the

Council and the challenges it is facing. The team then spent 4 days onsite at Havering, during which they:

- Spoke to more than 150 people including a range of Council staff together with councillors and external partners and stakeholders.

- Gathered information and views from more than 45 meetings, visits to key sites in the area and additional research and reading.

- Collectively spent more than 320 hours to determine their findings – the equivalent of one person spending more than 9 weeks in Havering.

2.3. The peer team gave a short presentation before they left Havering and produced a report for the Council (Appendix A). The peer challenge is a snapshot in time and acknowledges that some of the feedback may be about things the Council is already addressing and progressing.

3. The Peer Teams Key Feedback for Havering

3.1. Members and officers understand the borough and how it is changing. Havering differs from many London boroughs due to its high level of green-belt land and primarily suburban nature. On some key metrics, Havering is closer to neighbouring Essex, and other counties, than the capital. However, the council recognises that the borough is now changing at pace with increasing population levels, a shifting demographic profile and new opportunities for growth and regeneration. The council has a key role in communicating these changes, and their potential benefits, to residents, partners and wider stakeholders.

3.2. The council has agreed a new corporate plan which reflects clear political priorities. Positively, the council is seeking to take a more joined-up approach to delivery overseen by new cross-cutting delivery boards which reflect the plan's themes. These changes will need to be supported by disciplined forward planning and robust decision-making in order for the council to fully realise its ambitious agenda. As part of this, the council could consider further options to support Overview and Scrutiny's role, including in relation to policy development.

3.3. Senior leaders – officers and members – are talented and generally well-regarded by both staff and partners. However, there are clear benefits to be realised from a more collaborative 'top team' approach, where officers and members work collectively together to develop strategy and solve problems.

3.4. Although the council is well-respected by partner organisations within Havering, it could articulate the borough's offers and unique selling point (USP) more widely. The borough would benefit from clearer regional and national communications about how attractive Havering is and the merits of living, working and investing in the borough. At a local level, the council could build on its resident consultation work and better utilise community capacity. There is an appetite for greater community involvement and it would help the council to achieve its aim to support residents to reduce, and better manage, their own needs.

3.5. The council is currently in a good financial position, with a strong track-record of delivering savings, and is a low-cost authority compared to many London boroughs. The Government's forthcoming Spending Review provides an opportune time for the council to review its overall balance of savings and reserves in the context of future pressures.

3.6. The council has created a major transformation programme to support organisational change and achieve further savings. Businesses cases and programme management arrangements are being developed to support delivery. This planning work will need to be complemented by a strong focus on cultural change – from the senior leadership to the front-line – in order for the organisational transformation to happen and be sustained the council would benefit from a more strategic approach to workforce development which aligns to the new corporate plan. The existing range of HR initiatives are not explicitly linked to the organisation's current or future needs, and further activity in this area may increase the council's capacity to deliver.

3.7. The council has very clear housing ambitions. Three significant joint venture arrangements have been developed in order to provide the council with the capacity and expertise to deliver more than 6,000 new homes. The council's broader regeneration vision is not as clearly articulated, including its strategic approach to inward investment, skills and employment.

3.8. The council has the right approach to social care improvement and strong leadership to deliver. The organisation's plans to better manage demand, support further integration and prioritise safeguarding will require sustained attention and investment.

4. The Peer Teams Key Recommendations for Improvement

4.1. The following are the peer team's key recommendations for the council and are addressed in the Action Plan in Appendix B to this report:

1. **Build on the momentum to communicate the council's new priorities to staff, partners and residents**
The council has put in place a new corporate plan with a refreshed set of priorities. It is clear that both the council and the borough is changing. Now is an opportune time for the council to communicate its new priorities to employees, local people and key stakeholders.

2. **Consider and articulate Havering's offers and USP to attract inward investment and support managed growth**
The council could set out more clearly its approach to, and priorities for, growth. This includes an explicit articulation of the type of investment the borough is seeking and the benefits of doing business in Havering.

3. **Maximise potential from a more collective one-team approach**
While both the council's political and managerial leaders are generally well-regarded, there are potential benefits from a more collaborative approach. The creation of a series of boards, which seek to bring officers and members together, is a good first step. The administration is new and still finding its feet but this structural change will need to be complemented by a cultural shift,

where senior officers and members work more collectively together, including when developing strategy and problem solving.

4. **Sharpen decision making and delivery through better forward planning**
The council has a clear set of priorities and will be undergoing a significant level of organisational change. The council will need to improve its business management, including decision making and forward planning, to successfully achieve its ambitious agenda.

5. **Ensure there is sufficient focus on developing a single narrative and ownership from SLT to the front-line – this is needed to deliver the council's ambitions**
The new corporate plan and transformation programme are positive developments. Significant staff engagement and involvement – at all levels of the organisation – is now required to support cultural change and delivery.

6. **Develop a strategic approach to the workforce, linked to the corporate plan, to better release capacity to deliver**
Although the council has a range of workforce initiatives, there is not currently a coordinated view of organisational development. A strategic approach to the workforce, explicitly linked to the new corporate plan, may release additional capacity to deliver.

7. **Articulate a broader regeneration vision for place-shaping building upon the council's clear ambitions for housing**
Strong plans have been put in place to deliver on the council's housing priorities. The organisation's wider regeneration vision is not as clearly articulated. In particular, the council could set out its broader place-shaping role more clearly, including its strategic approach to inward investment, skills and growth.

8. **Explore further ways of supporting community engagement and maximising community capacity**
While the council has a track-record of consulting with residents, there is an opportunity for greater engagement and to better utilise community capacity. The peer team identified an appetite amongst some local groups for a greater role. A cross-council approach to developing community resilience may help residents to reduce, and better manage, their own needs.

9. **Support scrutiny to be more effective and play a more positive role in policy development**
The council's existing scrutiny arrangements are atypical with seven committees. A cross-party review of scrutiny was undertaken in 2018 but its findings do not appear to have been taken forward. While many stakeholders identified the potential for scrutiny to improve, there was not a clear consensus on the best approach. The council should consider all options including the importance of officer support, member development and an enabling culture, as well as possible structural governance changes.

10. **Ensure adult social care has sufficient resources to continue its integration and improvement journey with pace**
The peer team is confident that the council has the right approach to adult social care improvement. The council's key plans to better manage demand, support

further integration and prioritise safeguarding will require sustained attention and investment.

11. **Maximise the opportunity to put 'Havering on the map'**
The peer challenge team identified many positives about the council and borough, and there are clearly big opportunities ahead. Now is a good time to undertake further work to put Havering 'on the map' to maximise these potential benefits. This should include more proactive regional and national communications about how the borough is changing and the benefits of living, working and investing in the borough.

5. Next Steps

5.1. The Council has developed its Action Plan to implement the above improvement recommendations, which will be reviewed at least on a six monthly basis by Cabinet and the Overview and Scrutiny Board.

5.2. The Peer Team will undertake a short follow up in spring 2021 to help independently assess the impact of the peer review.

6. Date of Next LGA Corporate Peer Challenge

6.1. This is provisionally scheduled for 2025

IMPLICATIONS AND RISKS

Financial implications and risks:

The Council reviews both its general and earmarked reserves on a regular basis. In the last budget round the Council corporately decided to increase general balances from £11.7m to £20m over the next four years. This decision, which will bring Havering in line with other London Boroughs, is a prudent reflection of the current risks facing the authority and also a recognition of the significant annual challenges the authority faces after a decade of austerity and cutbacks.

Earmarked reserves are similarly reviewed and scrutinised on a regular basis and are all set aside for specific time limited purposes. Each year there are planned drawdowns of these reserves and decisions are taken on any requirement to replenish balances where required. Reserves are only held where necessary and if funding is no longer required the reserve is released for other corporate use. The use of reserves are considered as part of the monthly budget monitoring processes.

The Council's reserves are a prudent backstop against the risks and pressures that are ahead but due to financial constraints are certainly no more than adequate for that purpose. Many other authorities in London have much higher levels of reserves and balances.

There are no direct financial implications arising from this report. The implementation and monitoring of the improvements is anticipated to be contained within existing budgets. If through this processes pressures on budgets materialise these will be flagged and escalated through the appropriate channels as part of regular monthly budget monitoring.

It may be that the improvements themselves require additional funding. If so, any additional funding will be brought back for consideration via the appropriate channels as and when they materialise.

Legal implications and risks

Scrutiny arrangements form part of the Council's executive arrangements as set out in the Constitution and, ultimately, any changes will have to be agreed by Full Council. The Governance Committee is responsible for monitoring and reviewing the operation of the Constitution and, in particular, the role of overview and scrutiny. The Governance Committee can also make recommendations to Full Council about amending the Constitution.

Human Resources implications and risks

There are no HR implications or risks that impact directly on the Councils workforce as a result of the recommendations. Plans are already being developed as part of the Havering Transformation and People and Organisation Programmes to develop a more strategic approach to the Councils workforce.

Equalities implications and risks

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

    (i)   the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;

    (ii)   the need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;

    (iii)   foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are: age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

In line with recommendation 8 of the peer team's report, the Council has recently adopted the Community Cohesion Strategy, which is a 'living' document, and successfully launched the related Community Engagement Forum. The forum increasingly reflects the diversity of the borough and its discussions about potential projects is already tapping into the appetite and enthusiasm of local groups mentioned by the peer team. Over time, evidence of enhanced community confidence, resilience, and self-reliance will be scrutinised as key success factors of the Council's ongoing community cohesion effort in the months and years ahead. We will also continue to explore additional ways of supporting community engagement and maximising community capacity.

BACKGROUND PAPERS

None