

LGA Corporate Peer Challenge

East Staffordshire Borough Council

6th, 9th and 10th December 2021

Feedback report





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1. Executive summary

East Staffordshire Borough Council (ESBC) is a Conservative led administration with a Labour opposition group and Independents and Liberal Democrat councillors. Following the elections in May 2019 a new Leader and Cabinet was confirmed. The Chief Executive was appointed in 2009 and leads the Corporate Management Team (CMT) including the Heads of Service, Interim Council Solicitor and Interim Monitoring Officer. This is ESBC's first Corporate Peer Challenge (CPC).

During the CPC the peer team heard from the council and its partners that these are exciting times for the borough. There are some really important projects which ESBC is spearheading, particularly regarding 'once in a lifetime' regeneration opportunities that the council is using to meet its ambitions for the borough. ESBC is playing a crucial role with partners and its communities in delivering these and the work happening locally should be widely shouted about - something which the council's partners in East Staffordshire are keen for it to do.

ESBC's Members and officers are enthusiastic and are committed to the council and the borough. There is a passion to deliver for East Staffordshire and its communities and to make the most of some of the significant opportunities, including the £23.8m Towns Deal funding.

Staff the peer team spoke to felt valued, particularly citing the approach taken by the organisation in supporting them through the Covid-19 pandemic, recognising how the council had supported them through home working arrangements and considering the importance of their health and wellbeing. It is positive that the council has and continues to support its staff in this way.

Partners are keen to engage with ESBC and the peer team heard about where this is working well and could be developed further. The Covid-19 pandemic has been a disruptive and very challenging time but ESBC and its partners have come together



to respond for the borough and the peer team support the council's intentions to build on these experiences of working more closely.

The council has 3 corporate priorities: 'Value for Money; Community Regeneration; and Environment and Health & Wellbeing' and these are understood across ESBC. In particular, the peer team found the 'Value for Money' priority was well known and understood by staff, Members and partners. The peer team felt however, that there was a perception that this is ESBC's key priority and is the 'first among equals'. There may be benefit for ESBC in considering what this means for the other two priorities.

There is a tight managerial grip on the organisation. The peer team observed good controls throughout the council and ESBC is strong on its use of checks and balances, with a keen focus on project and programme management techniques.

Officers, partners and other external organisations consider the council to be a well-run organisation. Overall, partners expressed positive views of working with ESBC describing the partnership as 'never working better' and 'very easy to work with politically' and described a willingness to do more together for the delivery of positive outcomes for the borough. Some partners did express a view that although the council are receptive to new ideas and working, change often appears to be largely driven by partners coming forward with ideas, rather than ESBC, and they would welcome it approaching them in a more proactive way.

Members agreed that ESBC is well run but there was a view that there appears to be a disconnect between Member and senior officer's aspirations, and their perceptions around finance. It is crucial to have a shared view of the council's finances and its ambitions for the organisation and the borough as a whole, which everyone can get behind. The peer team felt that clarity was needed for an agreed political and managerial view on the future financial strategy of ESBC. The council is in a reasonable financial position and would benefit from further attention to ensure



Members better understand the council's financial position and strategy and the s151 officer team appreciate the political imperative to deliver against Member ambitions and allocate resources accordingly.

The peer team heard about some significant challenges to effective Member/officer relations and there is some way to go to build officer and Member trust. The council will want to focus on how it can invest time building these relationships to ensure the respective roles are better understood and work more collaboratively in order to deliver the borough's ambitions for the community.

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 council:

2.1. Recommendation 1

Invest in building relationships and trust across the political and managerial leadership teams. A comprehensive programme could include joint Member and senior officer visits to other councils; a LGA Top Team programme to appreciate the respective roles; exploration of good collaboration and constructive challenge; and a review of policies such as values and behaviours to underpin the cultural changes which need to be made.

2.2. Recommendation 2

Ensure there is political and wide managerial alignment on the current financial position and future strategy and that this reflects those agreed priorities. Agree the council's narrative which explains the priorities and invest time as the Leadership Team to agree the strategic approach to savings and investment which will deliver ESBC's priorities.

2.3. Recommendation 3

Together, Members and officers should review and strengthen ESBC's Member Development programme to ensure that training and support is available and welcomed throughout councillors' time in office.

2.4. Recommendation 4

Monitor capacity in key areas of the organisation to deliver your ambitions and priorities e.g., regeneration, tourism and climate change and adjust accordingly to deal with pressures.

2.5. Recommendation 5

In delivering your changes to scrutiny arrangements, identify and provide training and support for Members and officers on the hallmarks of good scrutiny to ensure that these arrangements provide a robust check and balance and are as effective as possible.

2.6. Recommendation 6

Continue working with partners to capitalise on the joint work delivered in response to the Covid-19 pandemic. There is a particular opportunity to consider how to work with Staffordshire County Council and health partners to address health inequalities and to also further explore the potential around shared services.

2.7. Recommendation 7

Building on the positive partnership work with Staffordshire County Council in relation to the Towns Deal, there is now an opportunity to proactively engage in the emerging County Deal discussions to support ESBC's regeneration and growth objectives.

2.8. Recommendation 8

Continue to make the most of the 'Politics not Personalities' agenda to ensure that



across all parties in ESBC, the tone of debate is both respectful and courteous, recognising that ESBC needs to be a leader in setting the tone of civility and respect in all its dealings, internally and externally.

2.9. Recommendation 9

Communications – shout loud about the council's successes and achievements!

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 reflected the focus of the peer challenge and peers were selected on the basis of their relevant expertise. The peers were:

- Rob Mitchell (CEX) Charnwood Borough Council
- Cllr Marc Bayliss (Leader) Worcester City Council
- Emma Foy (Head of Corporate Services and s.151 Officer) Hart District Council
- Pranali Parikh (Director for Growth & Regeneration) Melton Borough Council
- James Millington (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 council's priorities clear and informed by the local context? Is the council delivering effectively on its priorities?
2. **Organisational and place leadership** - Does the council 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** - Does the council have a grip on its current financial position? Does the council have a strategy and a plan to address its financial challenges?
5. **Capacity for improvement** - Is the organisation able to support delivery of local priorities? Does the council have the capacity to improve?

The team were specifically asked to consider the financial management arrangements and comment on the appetite for risk.

3.3. The peer challenge process

Peer challenges are improvement focused; it is important to stress that this was not 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 council and the challenges it is facing. The team then spent two and a half days onsite and virtually at ESBC, during which they:

- Gathered information and views from around 50 meetings onsite and virtually, in addition to further research and reading.
- Spoke to more than 110 people including a range of council staff together with 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

ESBC has a good insight and understanding of the borough's communities which it uses to develop its priorities. The council utilises data and information from a variety of sources to understand the challenges facing the borough and identify opportunities for improvement. This was articulated in the position statement produced by the council ahead of the peer review and in ESBC's strategic documents and performance monitoring information. Performance data is viewed as important for the council and this is monitored regularly and reported to CMT and Cabinet. ESBC also utilises wider benchmarking information, for example through the 'Kettering' benchmarking club and LG Inform.

The peer team were impressed by the awareness of the council's three overarching corporate priorities of 'Value for Money; Community Regeneration; and Environment and Health & Wellbeing' both inside the organisation and by ESBC's partners. These have been clearly set out and communicated by ESBC. However, ESBC may wish to consider the balance between these as from peer team conversations 'Value for Money' currently appears to have become the dominant priority, particularly for staff. Re-emphasising the other corporate priorities, around place and regeneration would signal the importance of all three for Members and officers.

The council has established an internal Business Assurance Group (BAG) and associated project management governance and methodology to manage its projects. This provides critical project governance and assurance and the peer team saw how this is embedded within the council, effectively monitoring delivery and lessons learned. This now incorporates the Towns Fund programme. The peer team heard from the partners we spoke to how relationships with ESBC overall are good, with both Members and staff visible and engaged and how the new political Leadership of the council has improved these relationships. The Covid-19 pandemic highlighted the important role the council has in supporting its communities and



businesses, and the active role it has played was acknowledged by partners. Positive feedback from partners included how ESBC changed the way it operated, reallocating resources and being flexible and agile in its response throughout the pandemic. This response has been a strength for the organisation.

Consistently cited in the council's response was the positive role it played in responding to the needs of particular communities and a good example of this was the approach to the delivery of Muslim burials. This was important given the demographics of the borough and it was widely recognised that the council played an important role. This also demonstrated the council's commitment in responding to the borough's equalities needs - clearly important to ESBC. The council will want to consider how it can continue, and build on its approach, to meet the different needs of its communities. Finding the time and resources to continue this level of engagement on a consistent and ongoing basis with communities will be challenging.

Through the preparation of the Uttoxeter masterplan and Burton Town Investment Plan, the council has transitioned from consultation to meaningful engagement with its communities. ESBC recognised that engagement with the public was not previously an area of strength for the organisation. So, in the development of the Uttoxeter Masterplan, following an initial limited consultation response, the council invested further time and effort undertaking an additional 7-week public consultation which included 6 drop-in sessions and delivered leaflets to around 11,000 properties. This led to a response rate more than 5 times that of the original exercise. ESBC should be encouraged by this outcome which demonstrates the value of this approach. The council should extend its commitment to this approach to all outward facing initiatives and projects delivered across the council where meaningful engagement is important.

The council is developing its new 'Beyond Communications: A Strategy for communication, engagement and consultation 2021-2024'. The peer team endorse ESBC's strategic approach which will increase community participation. Communication of the council's priorities, achievements and commitments to staff,



Members, residents and partners can be enhanced by exploring a range of tools and mechanisms which the Strategy identifies. The peer team heard about the achievements of the council and the exciting plans and projects which it has in place. Communicating what has been achieved, and what will be achieved is important for the council and East Staffordshire as a whole. The peer team encourage the council to shout loudly about its successes and achievements.

4.2. Organisational and place leadership

The peer team saw how the council is working with partners to deliver positive change locally and lever in funding to the borough by getting groups of stakeholders together and submitting successful funding bids. The Towns Deal is a great example where the Burton upon Trent Town Investment Plan has been awarded Government funding of £23.8m. Through the Town Deal Board ESBC is working with partners to develop business cases for each of the projects within the programme – with the council leading on the business case for the High Street Linkages Project. The peer team heard very positive comments from partners on the council's critical role in the success of attracting this funding for the borough and highlights the enabling and facilitation role the council has with partners, including those in the public and private sector.

The peer team heard that many partners across the public and private sectors enjoyed good positive working relationships with the council. This included commercial organisations and Staffordshire County Council who are keen to support the borough's regeneration ambitions; and statutory and community sector partners which had worked particularly closely with the council on the Covid-19 response. Reflections from partners highlighted improvements in joint working over the last 2 years. There is an opportunity to continue the momentum and build on this further. Partners felt that ESBC is positive in warmly inviting opportunities to collaborate in some of its some projects, such as the Washlands Enhancement Project, but could build on this approach to be more proactive in approaching them with plans and suggestions for improvement in other areas too. The peer team would recommend



that ESBC reaches out to understand this perception so partners feel there is a consistent level of engagement and collaboration. Partners would further support the development of the council's legitimate role as a place-shaper and convenor in bringing organisations and communities together and providing a bridge to bring different interests together. For example, voluntary sector partners and others would welcome a programme of regular meetings to discuss collective priorities across the borough, and feel this would deepen relationships.

The council has aspirations for developing its place branding and promotion and these strands will be included in the new Communications, Consultations and Engagement Strategy. Telling the story of the borough is an important part of the council's place leadership role and through brigading assets within the borough, ESBC can work with the community on some of the place branding work it is setting out.

The peer team heard examples of staff working across teams to deliver and multidisciplinary team-work. This sophisticated way of working is an exemplar as it demonstrates a can-do culture, keeping customers at the heart of decision-making. There was absolutely no evidence of silo working, which is to be commended.

ESBC is committed to developing its staff and has invested in a training and support programme. Staff are enthusiastic and positive citing opportunities including Post Graduate Certificates and Masters programmes as being examples of how they feel valued and supported by the council. The peer team also heard how there was a real focus on wellbeing, delivered through the Workplace Health Strategy, with staff still feeling supported and energised, and this has been particularly welcome through the pandemic. The peer team support the staff development programme in order to identify and manage talent and support staff with their professional development.

The peer team met with a talented and capable group of 'middle managers' at ESBC. The council recognises that these aspiring leaders have an important role in the



organisation and as well as investing in training development opportunities, may also want to consider how to support them in their continuing skills development, for example in developing their 'political antenna' and in addition to the regular range of formal meetings already in place to discuss reports and advice, may wish to revisit the basis on which they create space to develop the relational connections.

4.3. Governance and culture

The council's Annual Governance Statement illustrates a strong level of internal controls in place already. ESBC has been considering how to make its governance structures as effective as possible for the organisation and as part of its Corporate Plan commitments this year it is reviewing its committee structures, including scrutiny arrangements. Aligning the committee structures (including scrutiny and creating a separate Audit Committee) more squarely with corporate priorities make sense and the peer team supports this. The council may also want to consider what else may be required in future e.g., development and training on effective scrutiny for Members; officer support specific to scrutiny; and ways of engaging opposition Members.

Staff the peer team met with viewed internal officer communications positively and referenced the weekly staff briefing which the CEX introduces and the recent meetings with staff during September and October regarding the return to work, Corporate Plan and Towns Fund. This could be strengthened further by progressing the reintroduction of staff roadshows, last delivered at the end of 2019 prior to the pandemic. It is understood that this was seen as desirable and only postponed due to Covid. Staff valued these opportunities to hear about the organisation's priorities directly and the peer team would encourage the council to bring these kinds of engagement opportunities with staff back as early as is appropriate to do so.

There appears to be a good member-member culture in the vast majority of cases. However, it was felt that a small group of Members and some Parish councillors may



be using the standards process inappropriately. In response to these ESBC is developing its own 'Politics not Personalities' agenda. This has involved mediation work to tackle specific issues and the development of a protocol which the Leader and CEO are intending to roll-out to the wider council Membership. Setting the tone of respect and civility in public life is vital and the team welcomes ESBC's leadership on this agenda. There is potential learning for other areas from this approach too as ESBC further embeds these ways of working.

The peer team heard from some Members that they perceived that they are not consistently getting the responsiveness from officers in respect of information, queries, and suggestions for new ideas that they might expect. The peer team heard specifically about a disconnect between Members and some senior managerial leadership. From discussions the peer team had it appears that Member and senior officer relations do require some urgent attention to foster a more collaborative approach. Trust and respect about the complementary roles needs to be built and this will require commitment and energy and give and take from both Members and officers. A key issue to improving the relationship is achieving a shared understanding of the council's financial position.

ESBC has codes of conduct for members and officers in place along with a Protocol for Councillor / Officer Relations and is also undertaking a Constitution Review, which will include a survey and Member working group. The Review is a positive step but is unlikely to address all of the issues raised. Therefore, the peer team would encourage the council to develop an organisational development plan which would more directly address some of the cultural issues which are evident. This could include work to better understand the respective roles of members and officers; good collaboration; constructive challenge; and working in a political environment. Further, ESBC may wish to consider a LGA [Top Team programme](#) including additional elements of leadership styles, team building, working with Cabinet Members and techniques for partnership working. Investing time in building relationships and trust will help reset some fundamentals across the organisation. Visits to other councils may also help to support the relationship between senior officer and Members as it



examines its financial position and its approach to the Medium Term Financial Strategy (MTFS).

Member development would benefit from being strengthened to reflect the ongoing knowledge and skills requirements of councillors beyond the initial post-election period. Following elections and by-elections Members are supported in their roles through an induction process with ongoing development including weekly written briefings from the Leader and CEX. However, support beyond the initial election period would benefit from a review as the peer team heard from a range of Members that officers had suggested there was insufficient budget for training. The new MO will want to review this approach with Members to ensure Members are equipped with all the support to develop their knowledge for their portfolios, but also a set of wider political skills which they can use as they move through into leadership roles. Identifying a Member champion to drive this programme of activity may be helpful. This will ensure Members have all of the development and support needed to be effective in their roles and meet the ambition of ESBC to 'grow' Members into positions.

4.4. Financial planning and management

ESBC is in a relatively sound financial position and has been able to manage the impact of COVID-19 on its budgets well. The quality of the statement of accounts is good and the auditors do not have any concerns – for the 2020/21 accounts the auditor has issued an unqualified opinion.

The council's internal financial controls are robust. In conversations with staff, it appeared that the priority around 'Value for money' was uppermost in their minds and there was an absolute commitment to work towards this for the benefit of the organisation. There are good budget holder/finance team relationships in place and staff understand the requirement to deliver within tight budgets and don't appear to push for additional funds. The messages on responsible spending are embedded



across the organisation and this should be congratulated. The council has in previous years reduced ESBC's operational costs through a series of savings and efficiencies.

The council's level of reserves are healthy and have been increasing from £14m at the start of 2018/19 to the current position of £26.5m. Through 2021/22 to 2023/24 the council is planning to utilise its reserves to support its revenue position, which will reduce the level of reserves by £738K but ESBC has set a minimum level of £1.3m so will maintain this during the MTFs period. However, as part of the council's future financial strategy ESBC will want to consider the timeframes and areas for either income generation or savings opportunities and the relationship with its potential use of reserves. Utilising reserves judiciously for example may smooth some of the investments ESBC may wish to embark on in the commercial agenda.

The peer team felt there was value in the risk appetite of the organisation being further discussed and agreed with Members. Investment in the council's priorities and the MTFs will need to be balanced with efficiencies and future income opportunities. For instance, the Treasury Management Strategy in the opinion of the peer review team appears to be risk averse, and the council may want to revisit this to consider the balance between other investments with higher levels of income which may be needed. Benchmarking and comparisons with other councils on their approaches may be helpful as part of this.

There is a history of underspend at the council. Budget monitoring reports show how the council moves from an overspend position to a position of underspend through the financial year. This is predictable based on past years and the council may want to consider the perception of this and the impact this has on the whole council's view on the need, or otherwise, to make decisions around savings as part of its MTFs. Profiling in this way means that Members could be asked to make difficult decisions around efficiencies which might otherwise be avoided. As part of this a consideration of the merits of more zero based budgeting may be helpful to reset the allocation of funding across the organisation based on cost/benefit principles.



ESBC has a ‘Star Chamber’ process in place to develop the council’s budget which brings together Cabinet Members with the Managerial Leadership and sometimes includes Opposition group members. The peer team observed a session of Leader and Deputy Leader meeting (private Cabinet) considering the output of the recent Star Chambers and noted that discussions were rather nebulous with few decisions and actions while on site. It is noted that this particular session may not have been typical. However, there is an opportunity to make more of these and the peer team would recommend that the council considers how to get the most from this as a forum for rigorous debate, welcome challenge and decision making.

There are some future cost pressures and/or investment which would benefit from being more clearly articulated within the MTFS to draw out some of the budget challenges which the council may be facing. For example, depending on how ESBC progresses its future IT Strategy which may involve a move towards the Cloud, there could be increased revenue costs. There are also additional pressures regarding housing growth and associated operational services such as around demand for waste collection. There will also be areas which the council will want to invest more in to meet its priorities and these should be considered within the MTFS.

Monthly budget monitoring is undertaken, with quarterly reporting to the CMT, political groups, Scrutiny and Cabinet. The council may wish to consider how to ensure that Members have all the information they need to have a fully rounded view of the financial position of ESBC. For example, providing actual expenditure in the year to date, will help Members better understand the financial risks and forecasts. Additionally, clearly articulating the strategic financial position of the organisation provides increased transparency for both Members and the public. Alongside this there may be merit in considering if Members would benefit from some further finance training as regards to the national landscape for local government funding, the budget cycle, the modelling and assumptions set out in the MTFS, as well as budget monitoring and analysis.

ESBC has not yet completed a self-assessment against the CIPFA Code of Financial



Management. The principles and standards within this allow councils to demonstrate their financial sustainability and in 2021/22 is mandatory. The council will benefit from completing this and reviewing the outcomes.

4.5. Capacity for improvement

The peer team heard how the council's CMT is agile and has been able to pull resources across departments to support resilience and to aid the council's response to challenges. This has included responses to the Storm Dennis floods in 2020 and the council's ongoing Covid-19 response. By responding to areas of need and deploying staff accordingly ESBC is able to use its resources to good effect. This is both an endorsement of the strategic leadership of the council and its flexible and willing staff who are ready and able to respond positively to change.

There are good examples of where ESBC has responded proactively to staff suggestions and this is driving improvement. For example, following a staff suggestion the decision to bring the Disabilities Facilities Grant (DFG) service into the council was made. The officer outlined the benefits for this and through a considered process ESBC has taken on the responsibility for providing this service, reducing the timescales handled by the previous provider in 2017/18 from 362 days to 291 days in 2019/20, and the council continues to keep the service under review to drive improvement.

The peer team have seen how ESBC is positioning itself as an enabling organisation and working with stakeholders including the County Council, is leading to impressive outcomes. The council is seen as an important partner for the County Council and in the context of County Deals and the council's regeneration ambitions this relationship is important.

The council is providing strategic support to Oadby and Wigston Borough Council



(OWBC) as it moves IT services in-house. This has been happening for over a year and appears to have had a good start with ESBC providing documentation and consultancy support for OWBC. The peer team recommend that this is something to potentially grow and explore, using ESBC's strengths to support others and generate income for the council.

ESBC is alive to the capacity needs in some areas of the council and has established a 'Professional Reserve' within its budget to bring in external expertise as required. The council will want to continue to keep this under review.

The council has some decisions to make in considering the balance between investing to deliver its priorities and the efficiency programme. For example, the council has an emerging tourism agenda and it is keen to make the most of the offers of the borough for the benefit of the local economy, and also meet its climate change targets following the declaration of a 'Climate Emergency' in August 2020. Both of these areas of focus, and others, may benefit from investment to ensure the council has resources in place to deliver its ambitions and it will need to consider how to do this.

There are significant, complicated and high profile regeneration projects across Burton and Uttoxeter as part of ESBC's 'Community regeneration' priority. ESBC will need to continue to monitor the capacity needs in its regeneration service to deliver the projects and fulfil its ambitions. This will include considering the options for addressing skills gaps in addition to the creation of a Regeneration Head of Service role. There may be other ways of providing capacity, for example in buying in additional resources, as and when it is needed, and the peer team heard some good examples of where the council already expands to meet additional needs and shrinks once the demand has passed.

As part of the council's future plans the peer team understands ESBC's ambitions to explore the opportunities within commercial properties further. ESBC are considering



the council's internal resource and capability in order to do this and we would encourage it to do this in the context of the wider resource implications.

5. Next steps

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

Both the peer team and LGA are keen to build on the relationships formed through the peer challenge. The CPC process includes a review meeting. This will be a short, facilitated session in autumn 2022 which creates space for the council's senior leadership to update peers on its progress against the action plan and discuss next steps.

In the meantime, Helen Murray, Principal Adviser for the West Midlands, is the main contact between your authority and the LGA. Helen is available to discuss any further support the council requires Helen.murray@local.gov.uk.