



# LGA Peer Challenge – Progress Review

South and East Lincolnshire Councils  
Partnership

28 September 2023

Feedback





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# 1. Introduction

The South and East Lincolnshire Councils Partnership (SELCP) undertook an LGA Peer Challenge (CPC) during 10 – 14 October 2022 and promptly published the full report with an action plan.

The Progress Review is an integral part of the Corporate Peer Challenge (CPC) process. Taking place approximately ten months after the CPC, it is designed to provide space for the Partnership'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 peer challenge'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 SELCP for their commitment to sector led improvement. This Progress Review was the next step in an ongoing, open and close relationship that the councils have with LGA sector support.

# 2. Summary of the approach

The Progress Review at SELCP took place on 28 September 2023.

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

## **THEME 1: DEFINING AND COMMUNICATING FUTURE DIRECTION**

- Develop and communicate widely a collective understanding of the Partnership's purpose, future direction, and timescales for delivery.
- Invest in enhancing communications – both internal and external – to match the scale of the Partnership's aspirations.
- Define long term strategic place-shaping ambitions across the Partnership and consider if appropriate committing to one shared set of priorities.

- Embrace opportunities to join up around a single approach for key place-based risk and opportunities - such as flood risk, climate adaptation, housing delivery and economic strategy - and commit resources accordingly.

## **THEME 2: GOVERNANCE AND FINANCE**

- Bring consistency to structures, systems, and governance, building on best practice from across the Partnership and elsewhere.
- Further align performance, risk and financial reporting and management, ensuring Assistant Directors drive service plans that contribute towards each council's MTFS budget gaps.

## **THEME 3: TRANSFORMATION AND SYSTEMS**

- Develop a single Transformation team, approach and long-term rolling plan - linked to MTFS - across the Partnership and PSPS Ltd.
- Prioritise 'getting the basics' in place and working well:
  - a. Speed up provision of a single IT platform for all three councils
  - b. Agree and communicate scale of service, staff and policy integration and likely timescales
  - c. Undertake an organisational skills audit
  - d. Consider how the councils can optimise their use of Section 113 agreement to facilitate further collaboration and cultural change
  - e. Undertake a timely review of the terms and conditions of all staff from across the three councils including salary structures
  - f. Increase focus on supporting staff
  - g. Consider whether the arms-length local authority trading company model (LATCo) remains the optimal vehicle to deliver SELCP's long-term ambitions
  - h. Develop a holistic performance reporting framework for the Partnership
  - i. Continuously learn and share best practice from and with elsewhere

For this Progress Review, the following members of the original CPC team were



involved:

- Arthur Charvonia, Chief Executive, Babergh and Mid Suffolk District Councils
- Cllr Spencer Flower, Leader, Dorset Council
- Cllr Jim McKenna, Member, Cornwall Council
- Helen Standen, Deputy Chief Executive, East Herts Council
- Jez Dyer, Programme Manager, One Public Estate, Cabinet Office and LGA
- Frances Marshall, Senior Regional Adviser, LGA

The Peer Team undertook some pre-onsite engagement, and met face to face in South East Lincolnshire over the course of a day with over 55 representatives from the councils and partner organisations.

This report provides a high-level summary of the Peer Team's reflections based on the pre-engagement, fieldwork meetings, Reflections Roundtable and SELCP provided pre-reading. The following summary is not intended as an exhaustive record of activity undertaken by the Partnership in response to the peer challenge.

### 3. Progress Review - Feedback

#### OVERVIEW

When South and East Lincolnshire Councils Partnership (SELCP) undertook a peer challenge in October 2022, the Partnership had been operating for 12 months. Since then, a significant amount of activity has taken place, including taking forward the recommendations from its peer challenge. This has been against a backdrop of significant changes to the Partnership's operating environment. Notably, the local elections in May 2023 bringing about changes in the political composition to all three-councils, and new Leaders at Boston Borough Council and South Holland District Council.

The Partnership has a lot to be proud of and build on. One of its principal achievements is the fact that the concept and value of the Partnership are widely recognised and uncontested. Other key developments include securing £186m in external funding, continued delivery of Towns Fund and Levelling Up Fund projects,

development of a Sub-regional Strategy, and championing employee development through its Future Leaders' Programme, to highlight a few.

To assist SELCP in driving delivery of its aspirations and continuing its change journey, the Peer Team suggested the Partnership consider:

### **Theme 1: Defining and Communicating Future Direction**

- Providing greater clarity to staff beyond the Corporate Management Team (CMT) on current and future organisational plans to promote greater understanding of organisational structures, roles and responsibilities.
- Further strengthening two-way communications between the Senior Leadership Team (SLT) and staff to ensure corporate messages are effectively cascaded and understood on key issues, and staff views on pressures are fed-back up.
- Defining the Partnership's 'DNA' alongside the new political leadership and communicating this identity widely to strengthen the Partnership's narrative.

### **Theme 2: Governance and Finance**

- Opportunities for combining the delivery of certain services, where appropriate, to realise revenue savings and service improvements.
- Further simplify and streamline processes to unlock capacity, productivity and speed of decision making.

### **Theme 3: Transformation and Systems**

- Reflecting on approach to reviewing Terms and Conditions and Pay to ensure it is widely understood by staff, streamlined, and seeks to mitigate future risks.
- Reflecting on workforce capacity, with organisational stretch being report by staff across all levels of the organisation, and increasingly impacting on wellbeing.
- Further addressing the challenges felt by both Public Sector Partnership Services Ltd (PSPSL) as a client, and SELCP as a customer, to mitigate risk this slows the Partnership's transformation delivery.



- Building on the early success of the Transformation Board by ensuring 'systems' expertise is included to enable to it have further impact.

## **THEME 1: DEFINING AND COMMUNICATING FUTURE DIRECTION**

External communication and narrative: Since the peer challenge, the Partnership has continued to mature and evolve through changing circumstances. Testament to this is the fact that progress has continued through changes in political leadership and regardless - but still mindful of - wider debates around local government reorganisation and devolution. The new energy and direction from new collective political leadership is welcomed. Peers heard that significant efforts had been made to increase the profile of the Partnership and embed a narrative for the Partnership within its communications activity. There did not however appear to be a shared vision for the Partnership. With a refreshed political leadership, now is an opportune time for SELCP to define the Partnership's 'DNA' alongside the new political leadership. Communicating this identity widely – including with residents - would further strengthen the Partnership's narrative internally and externally. From those the Peer Team spoke with; the Partnership was seen externally as a real positive. There were however concerns raised by partners about capacity, communication, and relationships to deliver external funding.

Internal communications: A range of activity to strengthen SELCP's internal communications approach had been completed since the Peer Challenge. This included agreeing a Partnership-wide Communications Strategy, undertaking and implementing outcomes from an internal communications review and creation of additional communications posts. The Peer Team heard that these changes had been welcomed and made a positive impact. The Peer Team commended the progress made, whilst inviting SELCP to reflect on the following to further its positive direction of travel:

- If the growth in core capacity of the communications service is sufficient to match the Partnership's aspirations.
- Opportunities to route communications expertise into the work of the Senior Leadership Team and Corporate Management Team (CMT) to enable this to be considered at an early stage.

- Strengthening two-way communications around key issues for staff. Whilst staff recognised the broad improvements in internal communications, this positivity was not reflected in their experience of communications around issues such as pay and Terms and Conditions, or in senior leadership's awareness of the capacity pressures they are operating within.
- Providing greater clarity to staff on current and future organisational plans, including organisational-wide structure charts. Whilst a clear understanding of the purpose of the Partnership was apparent between the senior political and officer leadership, this appeared to be less embedded beyond the CMT level. Promoting a greater understanding of organisational structures, roles and responsibilities would support further collaboration, productivity, and staff buy-in.

## **THEME 2: GOVERNANCE AND FINANCE**

Governance: The Peer Team heard that positive changes had been taken to implement practical opportunities for alignment across the Partnership. This included alignment of contract procedure rules, HR policies, staff appraisals, assets, on-going Constitution Review and commencement of joint scrutiny. The Peer Team encouraged SELCP to celebrate its successes thus far, but to also be aware that meaningfully embedding changes would inevitably take time. Frustration remained within the workforce in relation to unlocking more empowered and timely decision making, from CMT level throughout the organisation. The Peer Team encouraged SELCP to bring greater consistency across its operations to realise untapped capacity, productivity and speed of decision-making benefits. The Constitutional Review would be a key tenet of this, and the Joint Scrutiny Committee arrangements provided great potential. Considering alignment of political portfolios was one area SELCP may wish to consider as an enabler in making a further step change.

Finance: The Peer Team heard that steps had been taken to strengthen financial management. This included: investing in skills within PSPSL, aligned contract end dates across the Partnership, 2023/24 Annual Delivery Plan aligned to MTFSSs, and the introduction of shared Portfolio Holder meetings. The Partnership reported encouraging progress with efficiency savings in line with the Partnership's business



case (identifying 52% of the original £42m target), whilst also acknowledging the need for the Service Review Programme to support addressing MTFS pressures. The Peer Team noted the progress made whilst also reflecting on the scale of the future financial challenge which will need careful management, capacity, and pace to deliver. The Peer Team echoed the importance of a comprehensive programme of Service Review as being critical to contribute to MTFS budget gaps. Peers also encouraged SELCP to consider opportunities for combining the delivery of certain services, where appropriate, to realise revenue savings and service improvements. Political drive to take this forward will be important.

### **THEME 3: TRANSFORMATION AND SYSTEMS**

A significant programme of activity had been progressed to deliver against the Peer Challenge recommendations to 'get the basics right'. Notable developments include adoption of Digital Strategy and ICT Roadmap; progress towards collective collaboration via Microsoft 365 tenancy; a refreshed Performance Framework, establishment of a single transformation team, creation of a Transformation Board, commencement of skills gap analysis; staff engagement activities on values and behaviours, and an agreed phased approach to Terms and Conditions, and a single shared officer pay structure.

Performance: The Peer Team heard how measures to strengthen and align performance and risk reporting were driving progress. Linkages between Annual Development Plan and performance reporting were in place and starting to show trends. Extending this to finance reporting was underway but remained a work in progress. Similarly good progress had been made in commencing the development of a Sub-regional Strategy articulating long term strategic place shaping ambitions across the Partnership, with local priorities across all three authorities. Peers encouraged SELCP to consider how to safeguard against the annual approach to the Partnership's Delivery Plan cutting across delivering strategic long-term change.

Transformation: The introduction of a Transformation Board with senior sponsorship to drive organisational-wide Transformation was endorsed by Peers. To build on the early success of the Transformation Board, Peers reflected on the importance of dedicating sufficient capacity and bringing in 'systems' expertise to the Board to mitigate against a siloed approach. Whilst a Service Review Programme was in

place and being progressed, Peers encouraged SELCP to bring forward projects at greater pace to address funding shortfalls in future years, and consider how to engage all elected members in this transformation journey.


PSPSL: The Peer Team heard that there had been a step change in the relationship between the Partnership and PSPSL. Measures to strengthen the finance, ICT and HR functions were having a positive impact following successful recruitment. Peers nevertheless heard that challenges were still being felt - by both the provider and customer perspective - with inconsistent views on how best to facilitate the Partnership's ambitions going forwards. Further addressing the challenges felt by both PSPSL as a provider, and SELCP as a customer, will be critical to mitigate the risk this slows the Partnership's transformation delivery. Equally important will be ensuring that PSPSL's Transformation Programme - due to be brought forward in November 2023- is aligned with SELCP's transformation plans.

Workforce and Capacity: The Peer Team heard a multi-layered approach had been taken to increase support to the workforce using the Workforce Development Strategy as the delivery vehicle. The Partnership's investment in the Future Leaders' Programme to support internal talent development should continue to be celebrated and recognised as best practice. Nevertheless, the risk that the Partnership continues to trade on staff goodwill was highlighted. The Peer Team heard that many staff were under significant capacity pressures which were impacting on staff wellbeing. Frustrations around inconsistent Terms and Conditions and Pay across the Partnership were compounding this. Peers encourage SELCP to reflect on its approach to reviewing Terms and Conditions and Pay to ensure it is widely understood by staff, streamlined, timely, and seeks to mitigate future risks. Equally important was considering how to create additional capacity to support its workforce and support the Partnership to deliver its ambitions. A more comprehensive shared services approach, as opposed to using Section 113 agreements on an ad hoc basis was one area the Partnership may wish to consider.

## 4. Final thoughts and next steps

The LGA would like to thank SELCP for undertaking an LGA 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.

Mark Edgell (Principal Adviser) is the main point of contact between the authority and the Local Government Association (LGA) and their e-mail address is [mark.edgell@local.gov.uk](mailto:mark.edgell@local.gov.uk)