

Public report

Cabinet

Scrutiny Co-ordination Committee 06 March 2025
Cabinet 18 March 2025
Council 25 March 2025

Name of Cabinet Member:

Cabinet Member for Policy and Leadership - Councillor G Duggins

Director approving submission of the report:

Chief Executive

Ward(s) affected:

ΑII

Title:

Local Government Association (LGA) Corporate Peer Challenge 2024 – Outcome of Progress Review

Is this a key decision?

No – although the proposals affect more than two electoral wards, the impact is not expected to be significant.

Executive summary:

The Local Government Association (LGA) is the national voice of local government, working with Councils to support, promote, and improve local government. The LGA's Corporate Peer Challenge offer is effective and well regarded by the sector and provides robust, strategic and credible challenge and support to Councils.

It is expected that all Councils receive a Corporate Peer Challenge at least every five years covering core areas and any specific areas requested by the Council. Coventry City Council's second Corporate Peer Challenge took place from 15th to 18th January 2024.

The visit focused on five core themes (local priorities and outcomes, organisational and place leadership, governance and culture, financial planning and management, and capacity for improvement). These areas are critical to Councils' performance and improvement.

We also asked the Peer Team to provide feedback on the organisation's corporate capacity and plans for service transformation, recognising the opportunity to receive some external challenge and feedback on future delivery plans.

At the time of the Corporate Peer Challenge in January, the Peer Team recognised that Coventry is an ambitious place that is on the up, with examples of innovation and a willingness to embrace change, whilst not forgetting its heritage. The Peer Team also noted that the Council is well-run, with strong officer and political leadership.

Following the Peer Challenge, the Council reflected on the Peer Team's findings in order to determine its response to the recommendations that were made. The link to the Council response is provided below (see background papers).

<u>Corporate Peer Challenge – Progress Review</u>

All Corporate Peer Challenges now include a progress review which takes place approximately 10 months after the original Peer Challenge visit. This review provides space for a Council's senior leadership to report to the Peer Team on the progress made against the key recommendations, discuss early impact or learning and receive feedback on the implementation of the action plan.

The LGA Corporate Peer Challenge progress report is provided as an appendix to this report (Appendix A). This report provides a detailed response on findings, including a number of observations and suggestions within the main section of the report.

Overall, the Peer Team were impressed at the level of progress made by Coventry City Council since the Corporate Peer Challenge. Work has been undertaken to respond to the recommendations including actions which were already underway prior to the original Peer Challenge and the Peer Team acknowledged the structured approach for making improvements and changes to achieve the Peer Team's recommendations.

In summary, during the progress review, the Peer Team:

- heard more examples of improvement and success, which was gratifying;
- saw that the Council was showing a confidence to make adjustments to its improvement journey where this was necessary, for example in reconsidering its approach to transformation;
- also heard again of the strong and visible leadership provided by the Leader of the Council and the Chief Executive;
- noted that the Council continues to be financially well managed but is facing similar demand and inflation pressures as other Councils and there is a strong recognition that the Council's use of reserve to balance the accounts is not sustainable and that it must continue to work to ensure meaningful service and organisational transformation.

More detailed feedback was provided under six key themes which includes acknowledgment of the progress made and some suggestions for continued improvement. These areas are described in the 'Progress Review - Feedback' section of the LGA's progress review report (see Appendix A to the report) and a summary of these findings can be found from section 1.14 below.

Recommendations:

Scrutiny Co-ordination Committee is requested to:

- 1) Support the recommendations to Cabinet.
- 2) Identify any further recommendations to Cabinet in relation to the outcome of the Progress Review.

Cabinet is requested to:

- 1) Support the work to deliver the actions which respond to the recommendations made by the Peer Team.
- 2) Consider any comments made by Scrutiny Co-ordination Committee in relation to the outcome of the Peer Challenge.

Council is requested to:

1) Note the content of the Peer Team's progress review report and support the work to deliver the actions which respond to the recommendations made by the Peer Team.

List of Appendices included:

The following appendix is attached to the report:

Appendix A – LGA Corporate Peer Challenge Progress Report

Appendix B – Briefing Note from Scrutiny Co-ordination Committee – 6 March, 2025

Background papers:

LGA Corporate Peer Challenge Feedback Report – https://edemocracy.coventry.gov.uk/documents/s60841/04%20Appendix%20A.pdf Council Response to Peer Team Recommendations – https://edemocracy.coventry.gov.uk/documents/s60842/04%20Appendix%20B.pdf

Other useful documents

Local Government Association (LGA) Corporate Peer Challenge 2024 – Outcome of Peer Challenge: Cabinet Report

https://edemocracy.coventry.gov.uk/documents/s60840/04%20Local%20Government%20Association%20LGA%20Corporate%20Peer%20Challenge%202024%20Outcome%20of%20Peer%20Challenge.pdf

Has it or will it be considered by Scrutiny? Yes – 06 March 2025 – Briefing Note attached

Has it or will it be considered by any other Council Committee, Advisory Panel or other body? No

Will this report go to Council?

Yes - 25 March 2025

Report title: LGA Corporate Peer Challenge 2024 – Outcome of Progress Review

1. Context (or background)

- 1.1. Peer Challenge is a core element of the LGA's sector-led improvement offer to local authorities. The activity is improvement focused, with the scope being agreed by the Council and tailored to reflect local needs and specific requirements.
- 1.2. Coventry City Council invited the LGA to undertake a Corporate Peer Challenge in January 2024.
- 1.3. The core components of each Corporate Peer Challenge relate to local priorities, organisational leadership, governance, financial resilience and capacity for improvement. These elements help Councils to check they have the capacity to continue to deliver their priorities.
- 1.4. In addition, Coventry City Council asked the LGA to provide feedback on the organisation's corporate capacity and plans for service transformation, recognising the opportunity to receive some external challenge and feedback on future delivery plans.
- 1.5. The original LGA feedback report highlighted 10 main recommendations, specifying areas for improvement, arising from the Peer Challenge. The recommendations were as follows:

1. City Centre masterplan

The Council should continue to work at pace to develop a city centre masterplan with the support and involvement of partners.

2. One Coventry Plan

The next iteration of the One Coventry Plan needs to include a corporate delivery plan supported by consistently developed service plans and should include a review of the corporate strategy framework to ensure strategies are linked and gaps are identified.

3. Employees

The Council has rich data from the recent workforce survey and should develop actions to address the issues it highlights. A key element of this would be ensuring there is further support for the employee networks.

4. Medium Term Financial Strategy (MTFS)

Future financial modelling within the MTFS should consider the full impact and risk of key underlying assumptions e.g. demographic change, inflation, and policy on issues such as real living wage.

5. Financial accounts

The Council should make swift progress to sign off and publish their outstanding

financial accounts.

6. Transformation programme

The transformation programme is at a very early stage of development, and the Council should focus on rapid engagement and mobilisation of the right skills, capacity and capability needed to deliver.

7. Communications

The Council should develop a refreshed external communication strategy.

8. Performance management

The Council should use the established performance framework to drive improvement and bring greater prioritisation and visibility to areas that require improvement.

9. Elected Member training

Elected Members are keen to engage with opportunities for training and development and the Council should review barriers to take up of the current offer and how these can be addressed.

10. Workforce Diversity

The Council should take further steps to improve diversity across the organisation at all levels.

- 1.6. The Council's response (see link in background papers) describes the work that is being undertaken to address each recommendation. Many of the actions set out in the action plan were already in progress before the Peer Challenge and were not initiated as a direct result of Peer Challenge feedback.
- 1.7. All Corporate Peer Challenges now include a progress review which takes place approximately 10 months after the original Peer Challenge visit. The purpose of this is to help the Council assess the impact of the Peer Challenge and demonstrate the progress it has made against the areas of improvement and development identified by the Peer Team.
- 1.8. The LGA and the Council worked together to agree the timetable of activities for this one day progress review which took place on 22 November 2024.
- 1.9. Four members of the original Corporate Peer Challenge team returned to Coventry for the Progress Review.
- 1.10. The Progress Review focused on each of the recommendations from the Corporate Peer Challenge, under the following theme headings:

- 1.City Centre
- 2. Workforce
- 3.Finance and the Medium Term Financial Strategy
- 4. Transformation
- 5. Communication
- 6. Performance Management
- 1.11. The LGA's progress review report was received following the Peer Team's return visit (Appendix A). This report provides a detailed response regarding these findings and includes recognition of progress and suggestions for the Council to consider. The LGA will also publish the progress report on their website.
- 1.12. Overall, the Peer Team were impressed at the level of progress made by Coventry City Council since the Corporate Peer Challenge. Work has been undertaken to respond to the recommendations including actions which were already underway prior to the original Peer Challenge and the Peer Team acknowledged the structured approach for making improvements and changes to achieve the Peer Team's recommendations.
- 1.13. Extracts from the Peer Team's findings from the progress review are summarised below.

1.14. Theme 1) City Centre

- Since the Peer Team's visit in January 2024 some great work has been done: the Council has begun work on setting out its vision and objectives for the city centre.
 - It approved a reserved matters application for Phase 1 of Coventry City Centre South at the beginning of March 2024; on site work for the City Centre South development is due to start in the new year and to be completed in 2034.
 - High level scoping work has started on a 50-acre, mixed-use regeneration which will be an opportunity for the Council, working with investors, to create new communities in a vibrant city centre.
- The Council's approach will need to enable it to work towards a vision with partners that ensures inclusivity and commercial and physical regeneration that goes hand in hand with meeting the Council's housing ambitions.

1.15. Theme 2) Workforce

- The peer team recognise that a lot of work has been done to change human resource and organisational development practices within the Council. Amongst other actions, the Council has:
 - o developed an action plan to address the issues raised in the staff survey;
 - o established a leadership development programme;
 - o been introducing a more targeted and challenging appraisal process:
 - o introduced a psychological safe place programme; and
 - o established an approach to talent management.

- Diversity remains a key issue for the Council as it seeks to meet the
 expectations of its communities and workforce. The Council has sought to
 improve its recruitment processes and has provided training for recruitment
 panels, to enable them to be more diverse in their make-up and more aware of
 the equalities, diversity and inclusion issues. In the view of the peer team the
 Council has not yet seen the full impact of these changes on the workforce
 composition.
- The peer team recognises the work being done to support staff networks, which
 includes additional support and training for network chairs and continuing
 sponsorship from senior staff.

1.16. Theme 3) Finance and the Medium-Term Financial Strategy

- The Council continues to be financially well-managed.
- As with most other Councils, it has faced significant in-year (2024/25)
 pressures in services such as Adults and Children's Social Care and Housing,
 as a result of inflationary pressures, increased demand and the complexity of
 cases.
- The in-year position also reflects that some of the savings projected at the beginning of the financial year have been slower to materialise.
- The statement of accounts for 2020/21, 2021/22 and 2022/23 were approved by Audit and Procurement Committee in November 2024 and were subsequently published, meeting the December backstop date. The accounts for 2023/24 were also published in November and are now subject to audit by the Council's external auditor.
- The financial position of the Council is well understood by Members and officers and there is a shared commitment to managing the Council's finances effectively.

1.17. Theme 4) Transformation

- The Council has recognised a need for the approach to transformation to be more focused and pacier.
- New governance arrangements for the programme have been put in place.
 There is now a smaller and more tightly drawn Change Board with senior
 representation from Finance, Organisational Development and the continued
 involvement of the Chief Executive. The Peer Team thought these changes
 made sense and that they should improve the focus and pace.
- The Peer Team thought that there was still a need for a clearer narrative on transformation in terms of the distinction between improvement and savings and the link to the Medium Term Financial Strategy.
- Achieving savings through the transformation programme will be critical to supporting the Council to meet financial challenges.
- The peer team consider that there will be a need to bring in additional external expertise, with the right skills, energy and drive so that delivery can be accelerated.

1.18. Theme 5) Communication

- Much progress has been made on internal and external communications. The
 new communications strategy has led to greater visibility and channel reach.
 The intention has been to make external communications more strategic, to
 further develop the narrative and to be more responsive through a range of
 channels.
- The Council is undertaking a residents' survey, and this will give further feedback on the new communications approach.
- The Peer Team considered that building on the progress so far, the next steps are how to get further focus on communities that are harder to reach and to gain more customer feedback to improve policy insight, traction and communication on transformation.
- The Council is also strengthening its internal communications. The Peer Team found that there was good and continued visibility of the leadership of the Council and the roadshows have helped with this. The Council recognises that there is still more to do to ensure better internal coordination.

1.19. Theme 6) Performance Management

- The Peer Team heard that the Council recognises the need for a strengthened corporate drive to performance management and to achieve this the Council is harnessing its directorate performance capacity to improve its corporate understanding.
- The Council recognises that it requires the leadership skills to drive the use of data and to embed this across the organisation. To achieve this the Council is seeking to recruit those skills into the organisation.
- The Council has been reviewing its corporate performance management products, including the Leadership dashboard with a view to being able to identify areas for improvement and prioritisation.
- Going forward the changes to programme governance and the plans for strategic recruitment will place the Council in a stronger position to ensure that performance informs resource allocation and the Council can focus on areas that require improvement.
- 1.20. The Peer Challenge process has given us a valuable opportunity to reflect and helped us to identify our strengths to leverage progress to date with renewed momentum. It has also helped us to identify specific areas of focus where we could look to optimise how we work. The Council will continue to reflect on these findings and suggestions in order to determine how the organisation wishes to take things forward.

2. Options considered and recommended proposal

- 2.1. There is an expectation that all Councils will take up the Peer Challenge offer, at a time of their choosing, as an effective tool for improvement. Independent evaluations of the LGA's Corporate Peer Challenge programme have previously concluded that there is a positive impact and a range of benefits from the Council receiving a Peer Challenge.
- 2.2. Cabinet is recommended to support the ongoing work to deliver the actions which respond to the recommendations made by the Peer Team.

3. Results of consultation undertaken

3.1. A range of partner organisations and stakeholders were engaged in the original Peer Challenge which included Council employees, Elected Members, Trade Unions, partners and residents. The progress review was lighter touch and involved a small number of meetings with Council employees and Elected Members.

4. Timetable for implementing this decision

- 4.1. The improvement plan associated with the Peer Challenge will continue to be monitored through the Council's Leadership Board.
- 4.2. The current LGA sector-led improvement support offer includes an expectation that all Councils will have a Corporate Peer Challenge or Finance Peer Review every 4 to 5 years. It is therefore anticipated that Coventry will commission its next Peer Challenge by 2029.

5. Comments from the Director of Finance and Resources and the Director of Law and Governance

5.1. Financial Implications

There are no specific financial implications associated with this report. Should it transpire that the delivery of any of the specific actions require additional resources, these will be sought from within existing resources, ensuring appropriate organisational governance is in place to identify the requirement and the associated funding source.

5.2. Legal Implications

There are no specific legal implications associated with this report.

6. Other implications

6.1. How will this contribute to the One Coventry Plan?

(https://www.coventry.gov.uk/strategies-plans-policies/one-coventry-plan)

Progressing the areas identified during the Peer Challenge will make a positive contribution to the delivery of the Council's priorities, particularly in relation to promoting the growth of a sustainable Coventry economy and improving the quality of life and outcomes for Coventry people.

6.2. How is risk being managed?

The Council's Leadership Board will be responsible for oversight of delivery of Peer Challenge recommendations. Where recommendations are associated with other change or improvement programmes, risk will be managed through individual programme governance arrangements.

6.3. What is the impact on the organisation?

There are no direct implications at this stage.

6.4. Equalities / EIA?

No specific analysis of equality impacts was completed in the course of the Peer Challenge or follow-up visit.

6.5. Implications for (or impact on) climate change and the environment?

None

6.6. Implications for partner organisations?

Although led by the City Council, the original Peer Challenge included a number of partner organisations as well as representatives from various partnership boards across the city and wider geographical area. Progressing the improvements identified will require input and leadership from everyone.

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