

LGA Corporate Peer Challenge – Progress Review

Coventry City Council

22 November 2024

Feedback



Corporate Peer Challenge



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1. Introduction

The council undertook an LGA Corporate Peer Challenge (CPC) during 15-18 January 2024 and promptly published the full report with an action plan.

The Progress Review is an integral part of the Corporate Peer Challenge process. Taking place approximately ten months after the CPC, it is designed to provide space for the council's senior leadership to:

- Receive feedback from peers on the early progress made by the council against the CPC recommendations and the council's RAG rated CPC Action Plan.
- 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 Coventry Council for their commitment to sector led improvement. This Progress Review was the next step in an ongoing, open and close relationship that the council has with LGA sector support.

2. Summary of the approach

The Progress Review at Coventry council took place (onsite) on 22 November 2024

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

- City Centre working
- Workforce
- Finance and the MTFS
- Transformation
- Communication
- Performance management

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

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Local Government Association company number 11177145 Improvement and Development Agency for Local Government company number 03675577

Chair: Councillor Louise Gittins

Chief Executive: Joanna Killian

President: Baroness Grey-Thompson

involved:

- Cllr Eamonn O'Brien, Leader of Bury Council
- Pam Smith, Chief Executive Newcastle City Council
- Rupaben Raghwani, Assistant Director: Finance Transformation & Change, Southwark Council
- Eamon Lally, Peer Challenge Manager, Local Government Association

3. Progress Review - Feedback

The peer team welcomed the opportunity to return to Coventry City Council to see what progress the council has made over the past year in meeting the recommendations from the original CPC Report. At the CPC held in January 2024 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. During the peer team's return to the council for the Progress Review, it heard more examples of improvement and success, which was gratifying. The peer team also 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. The peer team also heard again of the strong and visible leadership provided by the Leader of the council and the Chief Executive. 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 reserves to balance the accounts is not sustainable and that it must continue to work to secure meaningful service and organisational transformation.

The councils Progress Review updated position Statement November 2024 provides commentary on progress against the CPC recommendations. Overall, the peer team were impressed at the level of progress made by Coventry City Council since the CPC and noted the structured approach taken by the council for making improvements and changes to achieve the peer team's recommendations. The council has been open about the continuing challenges it faces.

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City centre: During its onsite visit in January 2024 the peer team noted that Coventry was an ambitious place and the team are pleased to see that this ambition remains strong. The council is central to the development of the city and is working on a range of investment opportunities. 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.

Workforce: The peer team recognise that a lot of work has been done to change human resource and organisational development practices within the council. The peer team heard that since its visit in January 2024, amongst other actions, the council has: developed an action plan to address the issues raised in the staff survey; established a leadership development programme; been introducing a more targeted and challenging appraisal process; introduced a psychological safe place programme; and 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. The council said that it would be looking at the data in the new year to consider the impact of these changes. However, in the view of the peer team the council has not yet seen the full impact of these changes on the workforce composition. Part of the equation is for the council to continue to find opportunities to sell itself as an employer to communities. More direct approaches with communities might be applied. The peer team noted the initiative undertaken in Newcastle where

accelerated recruitment rounds have been undertaken in communities in an approach which embraces the 'see me not CV' tag line.

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.

Financial management: The council continues to be financially well managed. That said, 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 resultant impact, as of quarter 2, is an in-year overspend of £10.2mil. The council expects the overspend will reduce by year end and that all anticipated savings will be achieved in due course. In our CPC report we were concerned to ensure that all underlying assumptions around demography, inflation and policy issues were taken into account. This has been taken on board and there is now a need to continually monitor and review these assumptions.

Following the CPC in January 2024, the team stressed the need for the council to move quickly to publish its outstanding financial accounts. It is important to acknowledge that the slow pace of auditing annual financial accounts is a national issue that reflects, to a large extent, challenges in the audit sector rather than specific issues with councils' accounts. Coventry council's statements of accounts for 2020-21, 2021-22, and 2022-23 were approved by the council's Audit and Procurement Committee on the 24th November 2024 and were subsequently published, meeting the 13 December 2024 Backstop date. These accounts have been published with a disclaimer of opinion by the external auditor. The accounts for 2023/24 were published on 29 November and are now subject to audit by the council's external auditor. The Backstop date for these accounts to be audited is 28 February 2025. It is the opinion of the council that the delay in publication of the reports has not impacted on its financial standing or its ability to attract investment into the area.

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. The council's financial management over past years has meant that its financial standing overall is sound. The council has healthy reserves and, as with the last financial year, can draw on these to cover overspends. However, the council realises that this is not sustainable and is looking to transformation to deliver the changes required to reinforce financial stability as well as improving service delivery.

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 were told that the focus of the Board will be on strengthening accountabilities and identifying issues and solutions. The peer team thought that these changes made sense and that they should improve the focus and pace. However, 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. It will be important to make sure there is a link to customer value and making sure the community is fully engaged in the reform. Achieving savings through the transformation programme will be critical to supporting the council to meet financial challenges. Currently the transformation plan, which is a one-year plan for 2024/25, and which we understand will be further revised, anticipates total estimated savings of £12.22m in 24/25 rising to £16.07m in 25/26 and £16.89 in 26/27. As we have said above, these savings are being achieved more slowly than expected. Making sure arrangements are in place to achieve the identified savings through having a tight hand on activities, savings and accountabilities will be critical. 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.

Communications: 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 engaged in proactive campaigns such as Fairer Coventry,

Working for You, Electric City/Future City, Love Cov and One Coventry (internal campaign). Digital communications are now much stronger with bulletins reaching significantly more people and with budget survey responses doubling. The council is undertaking a residents' survey, and this will give further feedback on the new communications approach. It is expected to highlight greater visibility by the public. 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.

As part of its revised Communications Strategy, the council has undertaken re-branding work to raise communities' awareness of its activities through campaigns such as Working for You and Love Cov. It primarily operates under two logos, the council's own brand and the One Coventry brand which emphasises when the council is acting in partnership, with extensive partnership working taking place across the city. The peer team thought that this was useful work enabling the council to strengthen its identity.

Internal communications: the council is also strengthening its internal communications. It has undertaken roadshows to explain the organisational narrative, but as importantly, to listen to staff; this included engaging with the staff networks. 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 greater level of planning around communications, through the establishment of an internal communications board, with communications and Human Resource involvement, is providing a solid framework for engagement, although the council recognises that there is still more to do to ensure better internal coordination.

Performance management: the council's approach to performance management, as set out in its framework, has been to build on the systems and processes already in place, rather than to establish a further layer of bureaucracy. During the progress review 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, as set out under transformation above, and the plans for strategic recruitment will place the council in a stronger position to ensure that performance informs resource allocation and that the council can focus on areas that require improvement. This understanding should help to inform design and delivery of transformation programmes. In the CPC report, the peer team raised the need for consistently developed service plans and the council has responded by ensuring that service plans will be in place for the next financial year 'creating a golden thread from the corporate One Coventry to individual performance and management objectives'.

Key recommendations from the Corporate Peer challenge report

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

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. Member training

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.

4. Final thoughts and next steps

The LGA would like to thank Coventry City Council for undertaking an LGA CPC Progress Review.

We appreciate that senior managerial and political leadership will want to reflect on



these findings and suggestions in order to determine how the organisation wishes to take things forward.

Under the umbrella of LGA sector-led improvement, there is an on-going offer of support to councils. The LGA is well placed to provide additional support, advice and guidance on a number of the areas identified for development and improvement and we would be happy to discuss this.

Helen Murray (Principal Adviser) is the main point of contact between the authority and the Local Government Association (LGA) and their e-mail address is helen.murray@local.gov.uk