

APPENDIX A

LGA Corporate Peer Challenge

Uttlesford District Council

3rd to 5th December 2024

Feedback report



Corporate Peer Challenge



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1. Introduction

Corporate Peer Challenge (CPC) is a highly valued improvement and assurance tool that is delivered by the sector for the sector. It involved a team of senior local government councillors and officers undertaking a comprehensive review of key finance, performance and governance information and then spending three days at Uttlesford District Council to provide robust, strategic and credible challenge and support.

CPC forms a key part of the improvement and assurance framework for local government. It is underpinned by the principles of Sector-led Improvement (SLI) put in place by councils and the Local Government Association (LGA) to support continuous improvement and assurance across the sector. These state that local authorities are responsible for their own performance; accountable locally not nationally; and have a collective responsibility for the performance of the sector.

CPC assists councils in meeting part of their Best Value duty, with the Government expecting all local authorities to have a CPC at least every five years.

Peers are at the heart of the peer challenge process and provide a 'practitioner perspective' and 'critical friend' challenge.

This report outlines the key findings of the peer team and the recommendations that the council are required to action.

2. Executive summary

There is a strong sense of an Administration that has been growing further into its role during this, its second term leading the council. This is reflected in it maintaining a strong sense of ambition for Uttlesford whilst balancing that with pragmatism born out of experience around the complexity of the challenges facing the district and the organisation. Ambition around the Local Plan is high and addressing climate change and securing "genuinely affordable" housing in the district are key priorities of the Administration.

The council is seen both internally and externally to be a very different organisation to that of a few years ago. Central to this is the strong drive that is being seen for improvement. This includes a clear willingness now to invite external challenge and to engage and draw in learning from others. The council is comparing itself more to others and regulatory standards, self-assessment tools and complaints information are also being used as drivers for improvement by the organisation. Assisted by these types of approaches, the culture of the organisation is seen to be changing and improving, with it demonstrating an increasing 'opening up'.

The council has experienced some high-profile instances of things going wrong in recent years. The Administration has been very up front about these, showing strength of leadership, and elected members and officers have put effort into drawing constructive learning from what has occurred. Inevitably what has been experienced has impacted trust and confidence on the part of residents and other stakeholders.

The council is seen by partners to attach importance to local partnership working and is also well engaged on a North Essex level. However, partners see the need for a step-change in the council's attitude and approach to engagement on a wider regional level. They also see a need for the council to have a stronger and much more strategic focus on economic development. The council has a number of willing and able partners within Essex who want to be more meaningfully engaged by a council that is more open to exploring potential opportunity.

There are strong bilateral relationships between Cabinet Members and senior officers. Cabinet and Corporate Management Team meet informally regularly and this provides time and space both to prepare for forthcoming Cabinet meetings and consider key strategic issues facing the organisation and the district. Relationships between elected members and officers more generally are seen to be largely good. A key contributory factor here is elected members seeing officers being accessible and responsive.

The council has worked hard in recent years to put 'key basics' in place in relation to

the governance and functioning of the organisation. Overview and Scrutiny is seen to have progressed a long way, with this having emerged through the creation of a constructive and enabling environment in which this key governance function can act as a “force for good and improvement”. The councillor induction programme and on-going elected member training and development offer are seen to be comprehensive. The way the training and development activity is offered and delivered is designed to enable people to take part.

Work on establishing and embedding aspects of governance remains a ‘work in progress’, however. Take up of the elected member development offer is seen to be variable and there is a shared desire amongst officers and many elected members for a wider range of councillors to participate. There is also an ‘undercurrent’ of tensions which emerge periodically around advice from statutory officers to some councillors. The council’s statutory officers need to be fully supported by the political leadership, on a cross-party basis, in seeking to ensure adherence to good governance.

The council has a relatively good level of reserves but recognises that its reliance on these to balance the budget in recent years is unsustainable. ‘Blueprint Uttlesford’ is the council’s change programme, representing the key means for both achieving the savings or increased income to address the financial gap and enhancing the culture and operating of the council. The programme delivered tangible savings and increased revenue in its first year of functioning in 2023/24. What has been achieved is significant but is seen to have represented the ‘low hanging fruit’. In this context, the council will wish to reassure itself that the ‘Blueprint Uttlesford’ plans for the future are adequate to deliver what is required to address the projected remaining medium-term financial gap.

The council engaged a few years ago in large scale financial borrowing to fund the purchase of commercial properties. Whilst the overall value of the council’s asset portfolio has increased, the arrangement now represents a net cost to the revenue budget. The council is taking a proactive approach to reducing the impact of these arrangements on the revenue account, seeking to rationalise the asset portfolio. We

see a strategic approach to this as being crucial. This area is flagged as a key risk for the council in its risk register, with the need for a prudent approach to managing the impact in 2025/26 and beyond. Progress on this will need to be very closely monitored.

The council's Corporate Management Team is felt to need to "lead the way more" and model more in the way of corporate and collaborative working and staff are keen to see information flow more readily from it. The Senior Management Team have a strong desire to be more empowered and more informed and involved on strategic issues.

The council established its Workforce Plan in October last year. It outlines ambitions of the council being positioned as an 'employer of choice' with a highly performing, diverse and agile workforce. The need to draw additional expertise and skills into the organisation is highlighted. Things have moved forward positively and quickly in a number of areas in relation to the Plan, including the introduction of a revised appraisal system and the development of a new set of desired organisational values and behaviours.

The challenges around developing a more stable workforce and the risks in relation to the profile of an ageing workforce are understood. These are reflected in the Workforce Plan and good progress has been made in the council 'growing its own'. Increased stability is being seen through the reduction in the council's reliance on agency staff. Recruitment is also taking place to a number of key roles within the organisation, including in the areas of finance, transformation and training and development.

The need for change and for the securing of significant financial savings is widely recognised and understood in the organisation. However, there is a strong and widespread appetite for a re-think of the council's approach, entailing a shift to focusing on driving genuine 'transformation' through investment in technology and necessary expert capacity. This is in a context of 'Blueprint Uttlesford' being seen by

many people we spoke to as more of a traditional savings programme than a 'transformational' agenda.

Another key consideration in relation to 'Blueprint Uttlesford' is ensuring existing teams right across the organisation have the necessary capacity to deliver on both the 'day-to-day' and the change agenda. Teams should be, and want to be, involved in the design and implementation of transformational working policies and practices but this inevitably comes in addition to their existing service delivery activity. It is important for there to be acknowledgement that capacity is limited and this needs to be factored in when managing expectations in a context of the range of demands and priorities facing them.

3. 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:

3.1 Recommendation 1

Respond to the need partners see for a step-change in the council's attitude and approach to engagement on a wider regional level and for it to have a much stronger and more strategic focus on economic development

3.2 Recommendation 2

Develop the Corporate Management Team so that it "leads the way more", models the way more in relation to corporate and collaborative working, is more 'fleet of foot' and has information flowing more readily from it

3.3 Recommendation 3

Empower the Senior Management Team and ensure they are more informed and involved on strategic issues

3.4 Recommendation 4

Undertake a re-think around the approach to 'Blueprint Uttlesford', focusing on driving genuine 'transformation' through investment in technology and necessary expert capacity

3.5 Recommendation 5

Ensure the key risks for the council's financial position related to the borrowing and the asset portfolio are effectively managed and very closely monitored, with regular updates to the Medium-Term Financial Strategy

3.6 Recommendation 6

Reassure yourselves that the 'Blueprint Uttlesford' plans will deliver the level of savings and income required to meet the projected medium-term financial gap

3.7 Recommendation 7

Respond to the desire from staff for:

- The staff conferences to have a 'refresh' through which they enable more engagement and participation and what is shared becomes more meaningful to people
- Much greater communication with those whose services and functions have been subject to review under 'Blueprint Uttlesford'

3.8 Recommendation 8

Regularly communicate to staff the progress being made in response to the findings from the staff survey, on a basis of 'you said, we did'

4. Summary of peer challenge approach

4.1 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 by the LGA on the basis of their relevant expertise. The peers were:

- Paul Wilson, Chief Executive, Derbyshire Dales District Council
- Councillor Julian German, Cornwall Council (Independent)
- Karen Sly, Executive Director – Resources, Great Yarmouth Borough Council
- Simon Jackson, Director of Finance, Governance and Contracts and Deputy Chief Executive, Charnwood Borough Council
- Ian Edwards, Director of Economy and Environment, Wychavon District Council and Malvern Hills District Council
- Chris Bowron, LGA Peer Challenge Manager

4.2 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? Is there an organisational-wide approach to continuous improvement, with frequent monitoring, reporting on and updating of performance and improvement plans?

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? What is the relative financial resilience of the council like?
5. **Capacity for improvement** - Is the organisation able to bring about the improvements it needs, including delivering on locally identified priorities? Does the council have the capacity to improve?

As part of the five core elements outlined above, every Corporate Peer Challenge includes a strong focus on financial sustainability, performance, governance and assurance.

4.3 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. This included a position statement prepared by the council in advance of the peer team's time on site. This provided a clear steer to the peer team on the local context at Uttlesford District Council and what the peer team should focus on. It also included an LGA finance briefing (prepared using public reports from the council's website) and an LGA performance report outlining benchmarking data for the council across a

range of metrics. The latter was produced using the LGA's local area benchmarking tool called 'LG Inform'.

The peer team then spent three days onsite at the council, during which they:

- Gathered evidence, information, and views from more than 25 meetings, in addition to further research and reading.
- Spoke to more than 120 people including a range of council staff together with elected 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 elected members.

5. Feedback

5.1 Local priorities and outcomes

There is a strong sense of an Administration that has been growing further into its role during this, its second term leading the council. This is reflected in it maintaining a strong sense of ambition for Uttlesford whilst balancing that with pragmatism born out of experience around the complexity of the challenges facing the district and the organisation. This can be seen in a focused set of ambitions in the Corporate Plan (2023-2027), developed in tandem with the council's Medium-Term Financial Strategy (MTFS) and which are presented jointly at the annual budget-setting meeting. The council's ambitions are encompassed by the following four strategic priorities:

- Protecting and enhancing our environment
- Building strong communities
- Encouraging economic growth

- Putting residents first

The strategic priorities are underpinned with clear commitments on what will be delivered in 2024/2025, with actions such as:

- Installing clean-air heating solutions and developing measures to retro-fit council homes
- Completing the Uttlesford Local Walking and Cycling Infrastructure Plan
- Preparing a draft Local Plan for public consultation
- Undertaking regular reviews to ensure the council's commercial asset portfolio provides Best Value

The growing experience and insight of the Administration is reflected in the focus it has brought to the council's thinking and activity on the issue of 'rurality'. The galvanising effect this insightful and cross-cutting approach is delivering is demonstrated in a November 2024 managerial update on the planning and progress being made. The initial phase is involving the identification of the council's existing insights and activities linked to rural issues. This includes analysis of Office for National Statistics and other demographic and socio-economic data and insights; analysis of broadband and mobile network connectivity effectiveness; assessment of rural transport provision; and an outlining of activity that the council is already engaged in to engage with and support those communities, such as the Local Plan and 'Assets of Community Value' programme helping to maintain the provision of village pubs and shops.

It is recognised that this approach of looking through a specific 'lens' (that of rurality in this case) to aid the delivery of the council's ambitions for the district is at the outset. However, it is reflective of the council's desire to utilise data and insight to support evidence-led decision-making and drive improved outcomes. It recognises

this is a 'work in progress'. The council also acknowledges that its approach to resident engagement to date has been limited. It is seeking to enhance things in this regard and has recently undertaken a residents' survey, the findings of which should emerge shortly. The council's self-awareness around this agenda is strong, reflected in how it assessed itself against the Government's Best Value Standards in such areas as data sharing; understanding its customers and their experience of services; and exploiting the potential of artificial intelligence.

Ambition around the Local Plan is high. One aspect of this is what the Local Plan is seeking to achieve. Another is the positivity to be generated through being able to leave behind the challenges and difficulties linked to the existing Local Plan dating from 2005 and initial efforts to develop its successor. The new document will cover the period through to 2041 and outlines the new homes, jobs growth and necessary supporting infrastructure, including a new country park, for the district. There have been two rounds of public and stakeholder consultation to date.

Addressing climate change is a key theme running through the Local Plan. The Administration is driving, as a joint endeavour with officers, strong ambition around this and biodiversity – reflected in a 'low carbon and high nature' theme. Examples include reducing water usage in new-build properties to 90 litres per day and establishing a 20% biodiversity net gain target, which is double the nationally required figure. The council is dedicating its own funding to this agenda, including the Zero Carbon Communities Grant Scheme. It has also been very successful in securing external funding to help deliver the ambitions, including securing £3.8m from the Social Housing Decarbonisation Fund to retrofit and establish renewable energy measures in 276 council properties. A Department for Environment, Food and Rural Affairs (DEFRA) grant of £500,000 has been drawn in to support pollution awareness projects with local schools and businesses.

The Local Plan is also reflective of the council aspiring to secure some of the highest building standards nationally in local developments and a renewed emphasis and drive are also being seen around the affordable housing agenda. The council acknowledges progress in the securing of affordable homes has proved very

challenging to date but is now focusing on securing close to 25 per cent “genuinely affordable” housing in the district.

The council has experienced instances of things going wrong in recent years, including specific challenges with refuse collection and postal voting arrangements which have attracted a high profile. The Administration has been very up front about these, showing strength of leadership in acknowledging where things have gone awry. Inevitably what has been experienced has impacted trust and confidence on the part of residents and other stakeholders. A further impact can be seen with a degree of blurring in respective roles and responsibilities at Cabinet Member and senior officer level, as elected members seek to reassure themselves that such experiences won't be repeated.

5.1.1 Performance

Looking at the 'LG Inform' data and performance information system which the Local Government Association hosts on behalf of the sector, the following can be seen for Uttlesford when comparing it with the other councils in its CIPFA 'family' grouping of similar authorities, using the most recently available data:

Where Uttlesford is amongst the better performers:

- *The percentage of council tax collected as a percentage of council tax due*
- *The percentage of non-domestic rates collected as a percentage of non-domestic rates due*
- *The timeliness of processing of major Planning applications*

Where Uttlesford is less high performing:

- *The number of affordable homes delivered*
- *The timeliness of processing minor Planning applications*
- *The timeliness of processing 'other' Planning applications*

Where performance in Uttlesford is around the average:

- *The percentage of vacant dwellings as a percentage of all dwellings in the area*
- *The number of households on the housing waiting list*
- *The time taken to process housing benefit new claims and change events*
- *The number of households living in temporary accommodation per 1,000 households*
- *The amount of residual waste per household*
- *The percentage of household waste sent for reuse, recycling and composting*

The following is a link to the 'Headline Report' for Uttlesford in the LG Inform system:

https://lginform.local.gov.uk/reports/view/lga-research/lga-research-report-headline-report-bar-charts?mod-area=E07000077&mod-group=CIPFA_Near_Neighbours&mod-type=comparisonGroupType

5.2 Place leadership

Key characteristics of Uttlesford include the population generally being comparatively “healthier, wealthier and safer” than many other parts of the country. Uttlesford was described to us as a district that is ‘disparate’, with different parts of the area ‘facing’ in different directions depending upon their geography – with the north of the district looking more towards Cambridge; the east linking more to Chelmsford; and the south gravitating towards Hertfordshire and London. A ‘sense of place’ is thus seen to be linked more to individual towns and villages within the district than with Uttlesford overall. The district’s proximity to London provides employment opportunity but also inevitably impacts the affordability of housing. Within this, there is also a challenge for local employers, including the council, to compete in terms of workforce.

The council is seen by partners to attach importance to local partnership working. It has been instrumental in the recent re-invigoration of the Uttlesford Health and Wellbeing Board and there is seen to be good joint working through the Community Safety Partnership. The council is also leading the re-establishment of a Local Strategic Partnership for Uttlesford. There is widespread engagement with town and

parish councils, with there being 57 parishes across Uttlesford. This engagement includes a quarterly forum open to all the councils, featuring workshop sessions to share good practice and consider topics such as community safety and river and stream regeneration. There is also a training and development offer for town and parish councils, including the likes of the Code of Conduct and Planning. Eleven Neighbourhood Plans have been developed at parish level, with varying degrees of input and support from the district council.

The council is well engaged on a North Essex level, working with seven other district and borough councils and Essex County Council as 'North Essex Authorities' across that geography. The councils have jointly funded a Director to head up this organisation and a 'North Essex Economic Board' has also been established under its auspices, with a focus on skills development, supporting businesses and developing economic strategy to increase inward investment. Activity on a North Essex level has included a joint response to Government on the National Planning Policy Framework.

Whilst the council's partnership engagement at both local and North Essex levels is viewed largely positively, partners see the need for a step-change in the council's attitude and approach to engagement on a wider regional level. They also see a need for the council to have a stronger and much more strategic focus on economic development.

Some people we spoke to described the council as "working at its best" when faced with a crisis. This is seen to include an increased willingness on those occasions to work with partners across a wider geography. One example is the work with other councils and agencies to source accommodation and related support for a number of Sudanese refugees following their arrival at Stansted Airport. Another is the lending from a neighbouring council of their vehicle fleet during the period of difficulty with the district's refuse collection.

These instances of looking beyond the organisation more and collaborating with partners across a wider geography demonstrates the council's ability to do it but

partners would be keen to see this become more a 'default' way of operating for the council. There is felt to be much to 'play for' at this broader geographical level, whether that be around economic growth potential, the local government Devolution agenda, further shared services arrangements with other councils and in a context of the anticipated local government White Paper. The council has a number of willing and able partners within Essex who want to be more meaningfully engaged by a council that is more open to exploring potential opportunity.

5.3 Governance, culture and organisational leadership

The council is seen both internally and externally to be a very different organisation to that of a few years ago. Central to this is the strong drive that is being seen for improvement. This includes a clear willingness now to invite external challenge and to engage and draw in learning from others. One example is the undertaking of a review by the Planning Advisory Service, with the progress being made in delivering the related improvement plan giving the council confidence about seeking de-designation by Government of its Development Management function. Other examples include a recent review commissioned from the Chartered Institute of Public Finance and Accountancy (CIPFA) of the council's approach to financial management plus the corporate peer challenge. Also, the Chief Executive is placing an emphasis on senior officer colleagues developing their networks with counterparts in wider Essex and beyond. The council is also comparing itself more to others, including the use of benchmarking with CIPFA statistical neighbours, plus Braintree District Council, in its corporate performance reporting.

Regulatory standards, self-assessment tools and complaints information are also being used as drivers for improvement by the organisation. Examples here include self-assessing against the Government's Best Value Standards; undertaking a self-assessment against the National Procurement Strategy; and the creation of the role of 'Lead Councillor for Complaints'. The council is also using the standards and targets set by the Regulator of Social Housing (RSH), and related self-referral, to drive improvement in its housing management. The self-referral to the regulator of the council's repairs and maintenance service is leading to the letting of a new

contract for the service, commencing in April next year. The council is ambitious to deliver a fully compliant housing service against the RSH's new Consumer Standards and is currently self-assessing as achieving at or close to 100 per cent in the most significant compliance areas.

Assisted by these types of approaches, the culture of the organisation is seen to be changing and improving, with it demonstrating an increasing 'opening up'. As we touched on earlier, the council has experienced instances of things going wrong in recent years. It has, however, drawn constructive learning from these. Overview and Scrutiny has played an integral role here, including the undertaking of a review of operational resilience to identify risks, including potential 'single points of failure'. Another example is the 'lessons learnt' exercise emanating from a legal judgement relating to Stansted Airport, and the resulting awarding to them of significant costs. Learning included the importance of ensuring an organisational culture which enables the ability to 'speak truth to power' as a fundamental aspect of good governance.

Overview and Scrutiny is seen to have progressed a long way in recent years. This has emerged through the creation, jointly by the Chair and the Committee and the Administration, of a constructive and enabling environment in which this key governance function can fulfil its desire to act as a "force for good and improvement". There is very good officer support for Overview and Scrutiny and a considered, strategic and effective approach to work programming for the Committee and related task and finish activity.

The councillor induction programme following the elections in 2023 and 2019, plus the on-going elected member training and development offer, are seen to be comprehensive. Examples include the recent training on the Code of Conduct and Civility in Public Life and committee-specific training which goes beyond the typical quasi-judicial areas of Licensing and Planning to also include Overview and Scrutiny and Audit and Standards. The way the training and development activity is offered and delivered, including repeat sessions, different geographical locations and different times of the day are designed to enable people to take part. Despite this,

uptake is seen to be variable – for example 27 of the 39 councillors have participated to date in the Code of Conduct training – and there is a shared desire amongst officers and many of the elected members we spoke to for a greater uptake of the training and development offer by a wider range of the elected membership. An elected member training and development working group has been established and will have securing increased participation as a key focus of its work.

There are strong bilateral relationships between Cabinet Members and senior officers. Informal Cabinet Briefing, which brings Cabinet together with the Corporate Management Team, meets regularly and this provides time and space both to prepare for forthcoming Cabinet meetings and consider key strategic issues facing the organisation and the district.

Relationships between elected members and officers generally are seen to be largely good. A key contributory factor here is elected members seeing officers being accessible and responsive. The dedicated e-mail mechanism that the council has established to assist elected members with casework is highly valued by them. Elected members also feel well supported by the council in terms of IT provision, support from Democratic Services and the timeliness and quality of council reports.

There is, however, an ‘undercurrent’ of tensions which emerge periodically around advice from statutory officers to some councillors. The council established a ‘Statutory Officers Group’ nearly 18 months ago, ahead of such a body being recommended in the ‘Code of Practice on Good Governance’ (established in June this year) developed jointly between the Society of Local Authority Chief Executives (SOLACE), CIPFA and Lawyers in Local Government. The council’s statutory officers need to be fully supported by the political leadership, on a cross-party basis, in seeking to ensure adherence to good governance.

The council’s Corporate Management Team is widely felt, amongst staff that we met from different levels of the organisation, to need to “lead the way more” and model more in the way of corporate and collaborative working. With this forum comprising what is a relatively large grouping of officers – around ten in total – it is also seen to

need to be more 'fleet of foot'. This may come in the form, for example, of smaller or larger groupings at points, according to the issues under consideration. This might include extending sessions to include the Senior Management Team, who have a strong desire to be more empowered and more informed and involved on strategic issues. Equally, there may be occasions when it would be appropriate and more conducive for the forum to be smaller, comprising for example the Chief Executive and three Strategic Directors. Also, council staff are keen to see information flow more readily from the Corporate Management Team.

The council has worked hard in recent years to put 'key basics' in place in relation to the governance and functioning of the organisation. Examples include the creation of a corporate risk register, contracts register and contract management framework plus related training for officers and Cabinet members. The council has also sought to clarify the expectations it has of managers including, for example, budget management, undertaking return to work interviews and adherence to procurement rules. Work on establishing and embedding aspects of governance is still a 'work in progress', however, with more to do in such areas as programme and project management.

5.4 Financial planning and management

The council recently commissioned a CIPFA review of its approach to financial management, which is a proactive step to assess a council's processes. The review highlighted:

- "A strong vision from the Leader of the Council, the Chief Executive and the S151 Officer, which emphasises the importance of financial management to strategic decision making"; and
- "High awareness of the importance of ensuring financial sustainability"

The current projected medium-term financial gap for the council over three years is

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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

£7.36m, from within a net revenue budget of £20.3m. The authority highlights the prudent nature of the assumptions made in the MTFs, for example in relation to the local government pay award and the impact of business rates revaluation. The council has a relatively good level of reserves in comparison to other shire districts but recognises that its reliance on these to balance the budget in recent years is unsustainable.

'Blueprint Uttlesford' is the council's change programme, representing the key means for both achieving the savings or increased income to address the financial gap and enhancing the culture and operating of the council. The programme delivered tangible savings and increased revenue in its first year of functioning in 2023/24. This included additional car parking revenue of £540,000; a reduction of £250,000 in voluntary and community sector grants; the discontinuing of a £100,000 contribution to the Local Highways Panel under Essex County Council; and £40,000 savings linked to Saffron Waldon Museum.

What has been achieved is significant, and has included five compulsory redundancies, but is seen to have represented the 'low hanging fruit'. In this context, the council will wish to reassure itself that the 'Blueprint Uttlesford' plans for the future are adequate to deliver what is required to address the projected medium-term financial gap. Intentions include selling the council's Dunmow depot and generating further rental income from council office space.

The council engaged a few years ago in large scale financial borrowing, at over £200m, to fund the purchase of commercial properties. Whilst the overall value of the council's asset portfolio has increased, the arrangement now represents a net cost to the revenue budget. The council is taking a proactive approach to reducing the impact of these arrangements on the revenue account, seeking to rationalise the asset portfolio. We see a strategic approach to this as being crucial. This area is flagged as a key risk for the council in its risk register, with the need for a prudent approach to managing the impact in 2025/26 and beyond. Progress on this will need to be very closely monitored, with regular updating of the MTFs accordingly.

The situation in relation to the council's unaudited accounts across a number of years has been widely profiled. There has been intensive effort to arrive at a situation in which, by the Government's deadline of December 13th 2024, the council will have published its draft audited accounts for those years that currently remain outstanding, up to and including 2021/22. The accounts for 2022/23 will follow shortly thereafter. It is acknowledged that these sets of accounts will contain 'disclaimers', which is the result of the position with the national external audit market.

The council's current finance system and the limited officer capacity within the finance function have placed the council and individuals working in that area under significant pressure as they have sought to contend with the range of simultaneous demands being placed upon them. The council is investing to address this, reflected in the commissioning of a new finance system; the imminent commencement in role of a substantive Director of Finance, Revenues and Benefits (and Deputy Section 151 Officer); recruitment to a new post of Head of Finance; and the strengthening of the accounting function.

5.5 Capacity for improvement

The council established its Workforce Plan in October last year, with this being heavily informed by staff input via focus groups. It outlines ambitions of the council being positioned as an 'employer of choice' with a highly performing, diverse and agile workforce. The need to draw additional expertise and skills into the organisation, in such areas as contract management; performance management; data insight and analysis; and enhanced ways of working with communities and partners is highlighted. Particular priorities around the 'on-boarding' of new staff, the need for the revision of the appraisal process and the enhancement of the council's training and development offer to staff were identified.

Things have moved forward positively and quickly in a number of areas in relation to the Workforce Plan. One example is the revised appraisal system that was introduced in April and has been welcomed by staff, albeit with a recognition of the

need for it to come to be applied more consistently in the months ahead so that all staff are able to undertake one and they see it being approached in the same way by managers. This will be aided by the mandatory training recently provided to staff and managers. Another example is the development earlier this year of a new set of desired organisational values and behaviours, heavily informed by staff input. Also, an Equalities, Diversity and Inclusion Board – including 13 staff volunteers – has been drawn together, although its work is just at the outset.

The challenges around developing a more stable workforce and the risks in relation to the profile of an ageing workforce are understood. These are reflected in the Workforce Plan and good progress has been made in the council ‘growing its own’ through career-grade schemes and apprenticeships. There are currently eight apprenticeships for Planners, mechanics and accountancy and also in the Building Control function. Skills pathways have been developed for hard to recruit to roles, including in legal, environmental health, finance and Planning. Increased stability is being seen through the reduction in the council’s reliance on agency staff. Recruitment is also taking place to a number of key roles within the organisation, including in the areas of finance, transformation and training and development.

There are established mechanisms for staff communications, including quarterly staff conferences and a weekly e-mail bulletin. Individual directorates also have their own approaches to internal communications to supplement the corporate ones. A staff survey was recently undertaken and the results of this are being shared imminently. Staff are keen to hear these and to then be kept informed – on a basis of ‘you said, we did’ – of progress in responding to them. It was through the latest round of staff conferences, in the week following the corporate peer challenge, that the staff survey results were due to be shared. There is a desire on the part of staff we spoke to for these conferences to have a ‘refresh’ to enable more two-way engagement and participation and for what is shared to be made more meaningful to people.

Staff whose services and functions have been subject to review under ‘Blueprint Uttlesford’ highlighted the need for much greater communication with them. In many instances, they have inputted to the drawing together of information to inform the

review activity. They would like to be better informed and have greater clarity on the stage things are at in the review process and the outcomes.

The council has extensive agile working arrangements in place which are highly valued. They are felt to have had a positive impact on recruitment and retention and, amongst the vast majority of elected members we spoke to, are not seen to have had any negative effect on officer accessibility or organisational responsiveness. The council is, however, conscious of the challenges that the agile working arrangements present for people settling into the organisation who are new to it. This forms part of the current considerations around enhancing the 'on-boarding' arrangements for new staff – wider aspects of which are focused upon enhancing the induction programme and streamlining processes for managers to have everything (such as IT kit and ID badge) in place from day one for people joining the council.

The need for change and for the securing of significant financial savings is widely recognised and understood in the organisation. However, there is a strong and widespread appetite for a re-think of the council's approach, entailing a shift to focusing on driving genuine 'transformation' through investment in technology and necessary expert capacity. This is in a context of 'Blueprint Uttlesford' being seen by many people we spoke to as more of a traditional savings programme than a 'transformational' agenda. The council is shortly to recruit to the new role of Head of Transformation and this provides an ideal opportunity – in terms both of informing the recruitment process and the catalytic effect of the person appointed starting in post – for such a re-think to take place.

Another key consideration in relation to 'Blueprint Uttlesford' is ensuring existing teams right across the organisation have the necessary capacity to deliver on both the 'day-to-day' and the change agenda. Teams should be, and want to be, involved in the design and implementation of transformational working policies and practices but this inevitably comes in addition to their existing service delivery activity. It is important for there to be acknowledgement that capacity is limited and this needs to be factored in when managing expectations in a context of the range of demands and priorities facing them.

6. Next steps

It is recognised that the council's senior political and managerial leadership will want to consider, discuss and reflect on these findings. The LGA will continue to provide on-going support to the council. As part of the CPC, the council are also required to have a Progress Review and publish the findings from this within twelve months of the CPC. The LGA will also publish the Progress Review report on their website.

The Progress Review will provide space for the council's senior leadership to report to peers on the progress made against each of the CPC's recommendations, discuss early impact or learning and receive feedback on the implementation of the CPC action plan. The Progress Review will usually be delivered on-site over a day and a half.

In the meantime, Rachel Litherland, Principal Adviser for your region, is the main contact between your authority and the Local Government Association. She is available to discuss any further support the council requires and can be contacted via rachel.litherland@local.gov.uk