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| Report to: | Cabinet | Date of Meeting: | 4 April 2024 |
| Subject: | Peer Review | | |
| Report of: | Chief Executive and Executive Director of Corporate Services and Customer Services | Wards Affected: | (All Wards); |
| Portfolio: | Leader and Cabinet Member - Regulatory, Compliance and Corporate Services | | |
| Is this a Key Decision: | No | Included in Forward Plan: | n/a |
| Exempt / Confidential Report: | No | | |

Summary:

This report sets out the key findings from the LGA Peer Review undertaken in October 2023 and seeks approval of the action plan that will allow the council respond to the peer team's recommendations subject to comments and observations.

Recommendation(s):

Cabinet is asked to:

- (1) record their thanks to the LGA peer team and welcome the feedback report;
- (2) consider the LGA peer review report and comment/make observations on the feedback received;
- (3) consider the recommendations and subject to the above accept the Recommendations; and
- (4) approve the associated action plan

Reasons for the Recommendation(s):

Peer Reviews are a proven tool for sector-led improvement and the Council has always been open to learning from others and sharing our good practice. The challenge provided external recognition of the things it believes the Council is doing well, highlighted where the Council can learn from other councils in light of best practice elsewhere and has recommended a number of key actions.

Alternative Options Considered and Rejected: (including any Risk Implications)

There are no alternative options

What will it cost and how will it be financed?

(A) Revenue Costs

There are no revenue costs arising.

(B) Capital Costs

There are no capital costs arising

Implications of the Proposals:

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| Resource Implications (Financial, IT, Staffing and Assets): | |
| There are no direct resource implications arising- any financial implications will be addressed as part of the decision making associated with the implementation of the action plan | |
| Legal Implications: | |
| There are no legal implications arising | |
| Equality Implications: | |
| There are no equality implications. | |
| Impact on Children and Young People: Yes | |
| Recommendation 4 is focused on Children and Young People and reinforces the Council's approach to improving Children's Services. The recommendation notes that progress has been made, but also stresses the importance of ongoing attention to ensure focus and resources from across the council increase the pace of improvement for out number one priority. Other recommendations will also underpin this improvement journey from the focus on children and young people in inclusive growth (Recommendation 5) to the work to review and refine the Council's performance framework to ensure we know ourselves and the quality of services and support (recommendation 8). | |
| Climate Emergency Implications: | |
| The recommendations within this report will | |
| Have a positive impact | No |
| Have a neutral impact | Yes |
| Have a negative impact | No |
| The Author has undertaken the Climate Emergency training for report authors | Yes |

Contribution to the Council's Core Purpose:

The implementation of this action plan will support the delivery of the Council's core purpose and each of the objectives listed below.

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| Protect the most vulnerable: |
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| Facilitate confident and resilient communities: |
| Commission, broker and provide core services: |
| Place – leadership and influencer: |
| Drivers of change and reform: |
| Facilitate sustainable economic prosperity: |
| Greater income for social investment: |
| Cleaner Greener |

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD.7621/24) and the Chief Legal and Democratic Officer (LD.5721/24) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

n/a

Implementation Date for the Decision

Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting

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Appendices:

- Appendix 1- Peer Review Report
- Appendix 2- Agreed Implementation Plan

Background Papers:

There are no background papers available for inspection.

1. Introduction/Background

- 1.1 The Council commissioned the Local Government Association (LGA) to conduct a peer review as an independent check on how it is doing in terms of planning for and delivering against our ambitious plans for the future.
- 1.2 The peer review took place in October 2023 and the peer review team was made up of experienced elected member and officer peers.
- 1.3 The peer team considered the following five core themes:
 - **Local priorities and outcomes:** Are the Council's priorities clear and informed by the local context? Is the Council delivering effectively on its priorities and achieving improved outcomes for all its communities?
 - **Organisational and place leadership:** Does the Council provide effective local leadership? Are there good relationships with partner organisations and local communities?
 - **Governance and culture:** Are there clear and robust governance arrangements? Is there a culture of respect, challenge, and scrutiny?
 - **Financial planning and management:** Does the Council have a grip on its current financial position? Does the council have a strategy and a clear plan to address its financial challenges?
 - **Capacity for improvement:** Is the organisation able to support delivery of local priorities? Does the Council have the capacity to improve?
- 1.4 The peer team prepared for the peer challenge by reviewing a self-assessment plus a range of documents and information to ensure they were familiar with the Council and the challenges it is facing.
- 1.5 The peer team then spent 4 days onsite at Sefton, during which they:
 - Completed one-to-one phone calls with Council colleagues to support understanding before arriving 'onsite'.
 - Collectively spent 280 hours 'onsite' to determine and refine the reviews findings;
 - Completed approximately 50 interviews, focus groups, and meetings to gather information across the Council; and
 - Spoke with approximately 110 Councillors, staff, and partners.
- 1.6 The overarching conclusion from the LGA peer team following the review is that there are clear and exciting opportunities for the borough over the coming years, including the regeneration of Bootle Strand, Crosby Town Centre, and the development of the Southport Marine Lake Events Centre, however the Council, like all councils, is facing significant and pressing challenges.

The review confirmed that importantly, the Council is aware of areas that require prioritisation. Most notably, this includes the Transformation and Improvement Plan for Children and Young People that the Council developed and reviewed following an inadequate OFSTED inspection in February 2022. These challenges of service improvement are complicated by the financial challenges facing the Council and the wider sector. This includes low levels of reserves, recent overspends against key demand led budgets, and increased costs associated with the Dedicated Schools Grant driven by their High Needs Block which is forecast as a £24 million deficit by the end of 2023-2024.

- 1.7 The peer review team summarised the Council's strengths as;

- Both Members and Officers of the Council have been unwaveringly clear that their organisational priority is the necessary improvement of Children's Services;
- The Peer Team consistently heard praise for the Council through this process from partner organisations. This included recognition for their creative work with Voluntary, Community and Faith Sector organisations, the development of strategic relationships with statutory partners, and their contribution sub-regionally was appreciated by neighbouring authorities, and the Combined Authority;
- Throughout this process the Peer Team were struck by the positivity, energy, and commitment of Sefton Council staff;
- The organisational culture of Sefton was often described to the Peer Team as 'friendly', 'nice', and 'warm'. This is an asset which the Council should nurture and protect, whilst also recognising the importance of ensuring there is appropriate challenge as set out in Recommendation 9;
- The internal governance of the Council is supported by respectful and trusting relationships across Members and Officers, this was exemplified by the committed and passionate leadership of the Cabinet;
- The Council benefits from internal processes and systems which support their internal governance, including clear financial reporting, pro-active engagement with external audit, and detailed risk registers at a corporate, directorate, and service level; and
- Sefton Council is proud of their borough and heritage, and is aware of the potential that exists for regeneration and growth.

1.8 The peer team also suggested some areas for the Council to consider and these are detailed in the full feedback report at Annex A, together with the council's response at Appendix B.

1.9 Cabinet is asked to record their thanks the LGA peer team and welcome the feedback received.

2. The Findings of the Peer Review

2.1 Cabinet is asked to consider the LGA peer review report at Annex A and comment/make observations on the feedback received.

2.2 The following are the peer team's key recommendations to the Council:

- **Recommendation One: *Review and align corporate capacity to support council priorities:*** The Council should consider the skills, capacity and capabilities that are needed to support issues of transformation, organisational development, and communication.
- **Recommendation Two: *Use the process of developing the Council's Medium Term Financial Plan to develop a widespread understanding and ownership of the Council's financial challenges:*** This will need to include accurate forecasts on costs and demand, and the development of clear saving plans.
- **Recommendation Three: *Increase Financial Reserves:*** The Council is aware that their reserve levels are amongst the lowest in the Country, and

there is a need to increase them over the cycle of their Medium-Term Financial Plan to support resilience against potential unexpected pressures.

- **Recommendation Four: *Maintain the recent progress which has been made regarding improvements to Children's Services:*** The Council is clear in their priority to improve Children's Services following the inadequate OFSTED rating in 2022. This will require ongoing attention, focus, and resources to support increased pace for the coming years
- **Recommendation Five: *Ensure that regeneration opportunities are supporting inclusive growth:*** There are several exciting regeneration programmes taking place across the borough, however there is scope to strengthen its narrative and benefit from Sefton's strategic location as part of the wider Liverpool city region to maximise wider social and economic benefits that will deliver inclusive growth.
- **Recommendation Six: *Develop the wider assurance framework within the Council:*** The Council has key elements of internal assurance and controls in place, including internal audits, pro-active engagement with external audit, and good financial reporting. There is a need for the organisation to consider how these elements combine and are strengthened to support internal assurance, rigor, risk management and challenge within the organisation.
- **Recommendation Seven: *Consider the use of meetings and their impact on capacity:*** The Council articulated their ambition for "fewer meetings and more action" through the CPC process. The Team would encourage the Council to review which meetings can be stood down, including a review of internal governance to support alignment and reduce duplication, to consider the use of communication channels to avoid meetings being used to share information, and ensure that wider meetings are maximising the contribution of Members and senior officers.
- **Recommendation Eight: *Review and refine the Council's performance management framework:*** This year, the Council has introduced quarterly performance monitoring reports to Cabinet. There is potential for this work to go further, and the Team would encourage the Council to ensure that the outcomes reported best reflect the Council vision and priorities, the incorporation of direction of travel and benchmarking to better understand relative performance, and the use of targets to articulate ambition and focus attention on service improvement.
- **Recommendation Nine: *Develop a culture of high challenge, high support behaviours across the organisation:*** Recognising the energy and enthusiasm that exists across Sefton's workforce, an increased focus on performance will accountability, whilst also helping staff with prioritisation of tasks.
- **Recommendation Ten: *Build on the findings of the upcoming staff survey and consider the benefit of a resident survey:*** Consider feedback from a Council wide Staff Survey, and a potential Resident Survey to support prioritisation within the Council, wider issues of improvement, and feedback on services and changes that have been made.

2.3 Cabinet is asked to consider the recommendations and subject to any observations and comments made accept the recommendations.

2.4 Cabinet is asked to subsequently asked to approve the associated action plan at Appendix B.

