

# **LGA Corporate Peer Challenge – Progress Review**

North Norfolk District Council

12<sup>th</sup> December 2024

Feedback



**Corporate Peer Challenge**



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# 1. Introduction

The council undertook an LGA Corporate Peer Challenge (CPC) during September 2023 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 North Norfolk District 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 North Norfolk District Council took place onsite on 12<sup>th</sup> December 2024.

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

### **Finance**

Recommendation 1 - You need a stronger focus on strategic finance (given the financial challenges the sector is facing);

- Medium term financial strategy – implement a three plus one rolling year to allow better and more accurate considerations and forecasting
- more regular monitoring and reporting of the budget and capital programme -

to better inform decision making and promptly identify under/overspending so that issues can be addressed

- alignment of financial capacity with corporate priorities – statutory officers are overloaded.

### **Priorities and strategic alignment**

Recommendation 2 - The Corporate Plan needs to drive the delivery of new priorities alongside key core services which are:

- aligned to the MTFS and properly resourced – to make sure there are the funds to deliver aspirations and enough skilled and experienced officers to deliver them
- connected by the golden thread through the delivery plan, service plans, team plans and check ins – so everyone knows how they contribute and can feel pride in achieving them.

### **Organisational development**

Recommendation 3 - There is a need for a comprehensive Organisational Development Plan which includes:

- labour market analysis and workforce planning - to help research future jobs in the local area, understand the skills needed for certain roles and the demand for future employment working with business partners
- talent management/learning and development - to attract, identify, develop, engage, retain, and employ officer's valuable to the council
- employee survey and action plan – this is needed and will help to improve organisational culture by delivering on the results
- Organisational Cultural Plan – to help attitudes shift and make the council more agile to future demands.

### **Continuous improvement**

Recommendation 4 - To continue to improve the council needs to rethink:

- senior leadership of change and transformation – establish who is responsible for driving this in the organisation

- distributed leadership that considers ownership, responsibility, and accountability – management team? need to work in sync and provide more operational capacity for transformation and change, and compliance with programme and project management governance creating more space at corporate leadership team for strategic planning
- digital vision and strategy to drive improved outcomes and cost efficiencies – agree how digital services will enable the delivery of modernised, streamlined delivery of services and priorities
- use data to inform decision-making, improve performance and drive commercial aspirations – smarter, clearer, more targeted performance measures which are effectively used to drive improvements along with more articulated reports, submitted on time and with clear recommendations.

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

- Liberal Democrat member peer – Dave Hodgson, former Mayor of Bedford
- Conservative member peer – Gareth Barnard, Conservative Group Leader at Bracknell Forest Council  
(replaced Cllr Duncan McGinty, Sedgemoor Council who was on the CPC team but unable to attend the progress review)
- Chief executive peer - Andy Bates, CEX South Hams District Council and West Devon Borough Council
- LGA peer challenge manager - Kirsty Human

### 3. Progress Review - Feedback

Due to the availability of peers and the summer general election, it is over a year since the peer team visited North Norfolk District Council (NNDC) to complete the corporate peer challenge (CPC). Over the past 15 months, the council has made good progress on all the recommendations, recognising that in many cases, there are no fixed end points and work will continue to refine and improve over time.

The uncertainty around the local government financial settlement, devolution and local government reform and continued pressure around homelessness, temporary accommodation and asylum resettlement schemes continue to move the goalposts around service delivery expectations.

Within this complex and ever-changing environment NNDC is doing the best it can to support and deliver for the residents of North Norfolk.

Out of the CPC's four recommendations, the council's RAG rated Action plan reports that 60 per cent of actions are completed and 40 per cent continue to be progressed.

### **Finance**

Peers commented on the much-improved presentation of the medium-term financial strategy (MTFS) and the level of detail it contained to support better understanding of the situation and future challenges.

A high-level review of services had been undertaken in preparation for the 2025/26 budget enabling elected members to consider difficult financial decisions including: increasing fees and charges of beach huts and car parks, proposed transfer, sponsorship or closure of some public toilets and the potential cessation of the North Norfolk Visitor Centre service.

Greater capacity has been created within the resource's directorate with a new assistant director (AD) for finance and assets recruited in July to work alongside the assistant director for legal and governance under the director of resources. The new AD is bringing fresh ideas and a new perspective to the role. The additional post will enable the monitoring officer (MO) to focus on their statutory specialism and clarify roles and responsibilities. A capacity issue does remain in the legal and governance service due to operational vacancies which has also led to the delay in implementation of some actions.

Work to improve the committee report style and cycle of meetings has not progressed due to this lack of capacity. The appointment of the AD for finance and assets means there is work planned to clarify and improve the relationship between Cabinet, Overview and Scrutiny (O&S) and Governance Risk and Audit Committee (GRAC). Peers suggest a meeting of the three chairs to agree roles and

responsibilities followed by regular meetings to forward plan which meeting will receive what reports which would help to clarify the confusion. In its simplest form, GRAC should look backwards, Cabinet forwards and O and S should hold Cabinet to account along with a role in oversight of corporate performance and partners delivery as well as scrutinising development of the budget.

It was clear to peers that the O&S committee is working much better. The workshop in May, revised arrangements in July and training on constructive questioning, new pre-agenda, and workplan arrangements from September have all supported better attendance, debate, and outcomes. Of particular note was the work completed by the homelessness task and finish group, the pre-scrutiny of some key budget decisions and the meetings with external organisations to hold them account for their work in the district.

Improvements in report writing were evident but there is still work to be done. Elected members are still receiving late reports or reports to follow and some reports are not seeing the correct officer oversight ahead of being presented to members. There was a recent example of a paper containing the wrong financial assumptions which had to be corrected following the committee meeting. Peers appreciate there are operational capacity issues within this area and were assured these issues will be addressed as a priority.

In discussion with managers, peers found there to be a lack of responsibility and accountability around finance. There appeared to be a belief that balancing the budget was the responsibility of the finance team, Corporate Leadership Team (CLT) and Cabinet. Efforts to coordinate a collective proposal from all service areas around future savings had not been successful. It was indeed a time of transition with an interim finance officer drawing up the initial proposals, and peers felt ADs should have a better understanding of their corporate responsibilities and the role they play in shaping the council's budget proposals.

### **Priorities and Strategic alignment**

The [Corporate Plan](#) drives the councils' key priorities. It is an ambitious plan which seeks to deliver better outcomes for residents against the following five priorities:

- our greener future

- developing our communities
- meeting our local housing need
- investing in our local economy and infrastructure
- a strong, responsible and accountable council

A great deal of progress has been made on the current Corporate Plan with peers hearing about work to deliver the Fakenham Leisure and Sports Hub using Levelling Up funding, delivery of £25m coastal protection schemes at Cromer and Mundesley, delivery of UK Shared Prosperity Fund (UKSPF) and Rural England Prosperity Fund programmes and working with partner authorities unlocked development delayed by nutrient neutrality issues.

Peers raised questions as to whether the plan was still achievable given the changing financial context and the imminent announcement of the financial settlement. The annual delivery plan, whilst listing the projects to be delivered, doesn't have much detail around who is responsible, the timeline for delivery and for the longer-term ambitions, what element of the overall project will be delivered annually. Peers warned of a potential expectations gap if the council doesn't look to realign the annual delivery plan within the new financial envelope.

For example, the removal of the rural services delivery grant and new homes bonus are just two elements of the governments financial settlement which will require a refresh of the council delivery plan against the available future resources. Now is the time to be upfront about the challenges and the impact it will have on NNDC's priorities.

There is an opportunity to further strengthen the strategic alignment of plans and the 'golden thread' from the Corporate Plan through to the annual delivery plan, service plans and individual objective setting. Strengthening the golden thread will ensure the council's goals, vision and values inform and are informed by its processes, systems, and people. It will also help all staff to recognise where individually and as teams they are helping to contribute to the delivery of the council's priorities.

In discussion with managers, the service plan process seemed disjointed. Some service areas thought it was optional, whilst some put a lot of work into them. As the key building blocks for delivery in the organisation it is essential these are mandatory.



If an action is not in the service plan, it is unlikely to happen. All key actions from the Corporate Plan and annual delivery plan need to be included to avoid a disconnect and prevent ambiguity.

The introduction of the performance board provides a key opportunity for reflective key performance oversight of the council's Corporate Plan, priorities and key performance indicators. Peers saw real benefit in the introduction of this and the other boards. With regards to performance, the board provides a structure for key managers to come together to discuss and share learning and to support each other with ideas around how to improve performance where there are challenges.

The boards are still embryonic, and their roles and responsibilities need to be better communicated as they are developed and refined. Peers were confident they will be continuously developed and asked the council to consider and clarify where the boards sit in relation to CLT, Management Team (MT) and members. It is essential to ensure all managers understand their purpose and their function down through the organisation to staff and up through the organisation to elected members.

### **Organisational development**

Following the CPC in September 2023, the council sought support from an external provider to review workforce development. Facilitated staff workshops helped to support the council's thinking along with a number of suggestions from the review.

In addition, NNDC conducted a staff survey in February 2024 which gathered the views of 60 per cent of staff. The results were on a par with the national average. On the five key driver questions the council scored good/to celebrate or moderate/capable of improvement on four of these. The fifth key driver question “the council gives me opportunities to shape the design of change in the organisation” fell in the poor/clear sign to improve category. The completion of the survey now enables NNDC to benchmark results over time and compare with other councils and nationally.

Whilst peers saw the survey results, staff were unclear about whether there was a specific action plan addressing the areas for improvement. The survey has clearly informed the development of the Workforce Development and People Strategy but a “you said, we did” action plan would give staff the confidence that their specific

concerns are being addressed.

The workforce development review, staff survey, Learning and Development Strategy, Role Model Manager Framework and Workforce Development and People Strategy are great pieces of work, but peers felt they worked as standalone documents rather than one coherent plan. The council has all the ingredients for an Organisational Development/Workforce Plan, they just need to be brought together and made specific to what, when and how it will be delivered and what performance metrics will be used to measure success.

The peer team were impressed by the leadership, passion and dedication being given to supporting the council's approach to HR and OD and are confident our recommendations for further improvements will be carried forward.

More work could be done to support the council's cultural change journey. This can't be done by managers or CLT, it needs to be staff led. Engaging the enthusiasm of a group of staff to develop and oversee staff engagement activities would help to drive this forward. For example, relaunching staff led awards to recognise outstanding efforts, organising social events, celebrating success of individual teams to promote a kind and supportive organisation.

### **Continuous improvement**

Three new strategic oversight boards were established in July 2024 to provide clarity of operational and strategic management.

- decarbonisation oversight board
- major projects oversight board
- performance and productivity board

Each board is chaired by a director with a focus on monitoring progress and performance and reporting to members by exception. The boards strengthen the corporate oversight and capacity to deliver against the key priority areas. Continue to refine the boards as they develop to ensure they deliver what you need.

Further work is required at pace to structure the top team (CLT and MT) in a way that supports both groups to work collaboratively whilst also delivering on their respective

roles and responsibilities. Collectively MT are unclear of their role, responsibility and accountability. Reaching agreement between the seven individuals is difficult and the dynamic needs to change. Peers suggest MT are engaged in a different way and their role clearly defined.

Consider regular meetings of the top three tiers to discuss the big corporate issues. For example, hold a wider meeting to discuss the budget, corporate plan, financial challenge and consider inviting other managers/heads of service to join the discussion.

Following weekly CLT meetings, schedule a MT meeting to cascade information that can be shared down through the organisation. This meeting can also be used to allow MT to feed back up to CLT the views of teams/operational services.

An external review of the IT services was completed in November 2024. This provided a helpful digital diagnostic report which identifies the issues. The report now needs to be “North Norfolk’d” and turned into a plan that is specific to NNDC. The council’s IT team have the skills and knowledge to do this, they just need some extra resource to support the work. Peers heard that approval has been given to appoint to a strategic IT manager to drive much of this work. This should be advertised at pace and existing IT resources maintained to ensure there is adequate capacity to deliver the plan. Over time it might prove necessary to review the structure of the team to ensure the council has the right skills in the right place to deliver.

A new performance management system has been developed, to be launched in January 2025. It will allow users to understand the real time performance of services. The data will be presented to the performance and productivity board and then onwards to O and S committee and Cabinet. It is important to be clear on how the data will be used to drive improvement and how the board will facilitate this in its discussions. Peers advised the council to ensure from a political perspective that the “big ticket” items are getting delivered.

## 4. Final thoughts and next steps

The LGA would like to thank North Norfolk District 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.

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