

SCRUTINY PANEL

16 January 2023

Present: - Councillor Laws, Councillor Lilley, Councillor Lissimore, Councillor McCarthy, Councillor Scordis, Councillor Smith, Councillor Willetts

Substitutions: - None

Also present: - Councillors Fox and King

375. Local Government Association Peer Challenge Action Plan

The Panel received a report from the Chief Operating Officer inviting it to consider the report on the Local Government Association (LGA) Peer Challenge Action Plan submitted to Cabinet and inviting it to make recommendations to Cabinet. The Chief Operating Officer attended the meeting to present the report and to assist the Panel.

The Chief Operating Officer stressed the importance and impartiality of the LGA Process. The Peer Review process was a key element of sector lead effectiveness and improvement. The Peer Challenge team was constituted of senior Councillors and officers and they had met over 150 people over the course of three days. The team used a process known as triangulation whereby an issue had to be raised or mentioned three times before it was considered for inclusion in the review. The report and Action Plan addressed the key recommendations made by the Peer Review. The Peer Review Team had also given advice on a wide range of other issues which was being addressed and tracked internally.

Councillor Lilley indicated that he had received a number of queries from a resident, Nick Chilvers, relating to the Peer Review recommendations in respect of Colchester Commercial Holdings Ltd. These had been forwarded to the Chair of the Governance and Audit Committee, who as the Stakeholder Committee, were best placed to address the issues raised.

With the consent of the Chair, a written submission from Councillor Sunnucks was read to the Panel. This stressed the need for the Panel to request proper financial appraisals for all capital project items as part of the Peer Challenge actions. These needed to be hard headed examination of alternative ways of delivering the same outcomes. For example, the Heart of Greenstead project was intended to revitalise a community, but a financial analysis would reveal whether it was being done in the most cost-effective way. With the Northern Gateway project the Council needed to be tracking the pre-let situation as it was taking the majority of the risk. In terms of the investment in social housing, the Council was purchasing housing at market prices and incurring interest costs that fell short of the rent. This was unsustainable

and new approaches that reflected new market conditions were required. It was vital that these appraisals were properly scrutinised by Councillors. The projects would affect Colchester for years to come, and confused appraisals would produce wrong conclusions, as was demonstrated by the proposed West Tey Garden Community project.

The Chair explained that he believed that it was the role of the Panel to look at the overall plan of the projects rather than look at the individual projects in this level of detail.

The Chair indicated that the Panel should first consider whether the Action Plan had identified the most significant issues in the Peer Review report. It should then consider whether the projects in the Action Plan were well defined, properly scoped, with realistic descriptions of the required work and timetable.

Members of the Panel noted that not all the concerns raised by the Peer Review were addressed by the Action Plan, highlighting for example that the concerns around duplication of efforts across the different tiers of local government, scrutiny and diversity, and the recommendation that KPIs were reviewed were not referenced in the Action Plan. The Chief Operating Officer explained that the Key Performance Indicators were being reviewed so that they reflected the new financial realities. The revised KPIs would be reviewed by the Panel at its meeting in March 2023. The Chief Operating Officer reminded the Panel that the Action Plan addressed the key recommendations only and that other issues were being followed up and monitored. There was clear ownership of these issues by named officers. The document tracking these other issues would be circulated to the Panel following the meeting and could be reviewed the Panel in future if it wished. It could also recommend to Cabinet that other issues be included in the Action Plan if it felt they were particularly significant. The Peer Challenge team would review progress against their key recommendations in July, and it was open to the Panel to look again at progress against the Action Plan next municipal year, after this review had taken place.

The Panel indicated that it should look again at the Action Plan again in the next municipal year. It was satisfied that the Action Plan had picked up the most important issues identified by the Peer Review Team and that action was underway to deal with other advice and issues identified. The Panel did not consider that it was necessary to schedule a review of the work on the advice and issues below the key recommendations at this point. Members of the Panel could raise any issues they were concerned about once they had reviewed the tracking document.

The Panel then scrutinised each of the key recommendations in the Action Plan in turn.

1. Focus on City Status. Use this as an opportunity to galvanise partners, improve the Borough's economic and cultural strength and raise the voice of Colchester.

The Panel explored the relationship between this recommendation and recommendation 3. It was suggested that this item was about the work relating to the award of City Status and the creation of a framework for a higher profile and greater investment, whilst the actual work of attracting investment and prospective employers would fall under recommendation three.

Councillor King, Leader of the Council and Portfolio Holder for Strategy, explained that there had been clear discussion with the Policy Panel, other members and partners on the way ahead and the Council would be working with partners and ambassadors to make the most of what the city had to offer. Whilst they were linked there was a clear difference between this recommendation and recommendation 3. The evidence was clear that the award of City Status did give an extra sense of place. It also provided a stronger voice and higher profile with opportunities to network and influence. This translated to investment and social and well-being improvements.

In discussion Panel members explored what benefits City Status would bring to outlying areas of the City, such as Rowhedge. It was likely to generate tourism which would benefit rural and coastal areas in particular. Councillor King emphasised the importance of engaging with communities beyond the city centre. There needed to be an appreciation that Colchester now had multiple centres, including Stanway and Northern Gateway, and of the richness of different parts of the city. City Status should bring more investment and more and better jobs right across the City.

The importance of communications and marketing work was also emphasised to ensure residents remained on board. Whilst it was appreciated that resources were limited, it was important that organisations such as Visit Colchester and the High Steward were involved and this was not clear from the Action Plan. In terms of the Year of Celebration it was suggested by a member of the Panel that Colchester's Roman links were its USP and this should be exploited as far as possible. The Council should seek to learn from the experience of other towns recently awarded City Status. There had also been some missed opportunities which needed to be addressed such as signage, particularly at and from Colchester North Station, and public transport. For instance, there was scope for a Colchester card or app giving access to multiple attractions.

In response the Chief Operating Officer explained that the Council had been in contact with Chelmsford and Southend to benefit from their experiences following the award of City Status. The Panel also needed to bear in mind that the actions involved in bringing forward these recommendations were extensive and that the Panel should consider if there were particular elements that it wished to review and keep oversight of.

Councillor King thanked the Panel for the points raised which would be considered further as the work to build in City Status went forward, although it needed to be appreciated that they were not all straightforward or within the control of the Council.

The Panel considered that all the points that had been raised fell within the framework set out in the Action Plan and that therefore no recommendation was needed to be made to Cabinet in respect of this element of the Action Plan.

2. Get a firmer grip on the capital programme – manage all risks and improve your planning to ensure you have appropriate strategic finance, programme and project capacity and the resources to deliver

Councillor King explained that the capital programme demonstrated the ambition of the Council and was larger and more ambitious than other authorities of a similar size. Whilst it brought considerable benefits to the economy and thus to residents, it needed to be managed well. Cabinet had seen signs of slippage in the programme, and recent national economic problems had compounded the difficulties caused by the pandemic. A review of the capital programme was now underway, looking at the aims of the programme, funding and the level of contingency. The outcome of the review would be reported as soon as practicable.

The Panel considered that the proposed response to the recommendation was well defined and demonstrated that the issues were well understood. There was a clear timetable and an appropriate allocation of resources. There was therefore no need to make a recommendation in respect of this element of the Action Plan.

3. Co-design a compelling and longer-term place based narrative/city vision to define Colchester for the future

The Panel considered that the response to this recommendation needed to be wider than that it was defined in the Action Plan. This referenced the work on legacy from City Status and the development of the Strategic Plan. However, it considered that this needed to be much wider in scope. It should include clear links to the Strategic Plan, the City Centre Masterplan, legacy connections and address longer term place based issues such as public transport.

4. Strengthen your political and officer “leaders of place” roles and look beyond Colchester – map your anchor institutions, partners and stakeholders

The Chief Operating Officer explained that the steps set out in the Action Plan were the first step in the response to this recommendation. It was important to map key partners and anchor institutions in order to ensure officer and member time was spent effectively in building relationships. Councillor King explained that relationships were being built nationally and internationally and the Council was looking to build on the experience of the University.

The Panel considered that this response required better definition and that it would be better if it was owned by a defined officer, rather than a group. Whilst officer and executive member roles were well defined, it was suggested that non-executive

member roles were less well defined. All councillors had a role as local leaders. The Action Plan should also explain how relationships would be strengthened once the mapping process was complete.

5. Review your priorities and projects and refocus on delivering “Brilliant Business As Usual” and strengthen your corporate resources

The Panel considered that the response to this recommendation was well defined and had a clear timetable. However, it should highlight the linkages between the Strategic Plan and the budget and be more explicit as to how resources would be matched to meet corporate priorities.

The Chief Operating Officer explained that the Panel would have the opportunity to review the budget and Strategic Plan objectives and may wish to keep this recommendation in mind when it did so.

6. Strongly consider whether changing your election cycle will help you achieve your goals, ambitions and deliver improved services for Colchester residents

The Panel noted that the Working Group established by Full Council to examine options for the electoral cycle would be holding its first meeting in February 2023. The Boundary Review was a key factor in the consideration of this issue and the Panel considered that this need to be explicitly mentioned in the Action Plan and timetable.

7. Better define with your staff what “hybrid working” means for Colchester City Council and provide a clear definition. Also clarify how the new Colchester City Council values will be designed and embedded, communicating to staff how these define the Council and will help achieve Colchester’s ambition.

The Panel considered that the response to this recommendation was reasonably well defined with clear tasks and a timetable and that therefore no recommendation to Cabinet was necessary.

8. Commission an independent review of Colchester Commercial Holdings Ltd and its subsidiaries, also undertake an internal review of Colchester Borough Homes to assess whether the companies are realising the benefits they were established to deliver.

The Panel noted that actions outlined and the proposed timetable in the Action Plan, It was noted that the actions were well underway and that the initial risk assessment of CCHL was due to be reported to Governance and Audit Committee on 17 February 2023. In the circumstances, the Panel did not consider that it was necessary to make a recommendation to Cabinet.

RESOLVED that the Panel review the Peer Review Action Plan again during the course of the 2023-24 municipal year.

RECOMMENDED to CABINET that it consider the following amendments to the Peer Review Action Plan:-

(a) Recommendation 3 (*Co-design a compelling and longer term place based narrative/city vision to define Colchester for the future*) to be more clearly defined as it was wider than the sole reference to City Status in the Action Plan implied. It should include clear links to the Strategic Plan, City Centre Masterplan and legacy connections and other longer-term place based issues, such as public transport.

(b) Recommendation 4 (*Strengthen your political and officer “leaders of place” roles and look beyond Colchester – map your anchor institutions, partners and stakeholders*) to include a wider reference to the role of all Councillors as community leaders and to explain how relationships with anchor institutions, partners and stakeholders would be strengthened following the mapping exercise.

(c) Recommendation 5 (*Review your priorities and projects and refocus on delivering “Brilliant Business as Usual” and strengthen your corporate resources*) to highlight the linkages between the Strategic Plan and the budget and to show how resources will be matched to meet priorities.

(d) Recommendation 6 (*Strongly consider whether changing your election cycle will help you achieve your goals, ambitions, and deliver improved services for Colchester’s communities*) to include a timeline and highlight the Boundary Commission review as an essential milestone in the timeline.

376. Work Programme

The Chair confirmed that there were no changes required to the work programme for 2022-23 and no issues were raised by the Panel.

RESOLVED that the work programme 2022-23 be noted.