

# Colchester Borough Council

Corporate Peer Challenge

26 – 29 September 2022

Feedback report





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## 1. Executive summary

Following the May 2022 local government elections, Colchester Borough Council (CBC/the Council) has a new and strong political partnership in place with an administration consisting of an alliance between Liberal Democrat, Labour, and Green Councillors. This approach to political partnerships has served the Council well for many years and it is clear that the Strategic Plan for 2020-23 has maintained this and provided a strong focus for the Council.


CBC also has a new Chief Executive, who is quickly setting her own culture of people centred leadership alongside building her officer leadership team.

In November 2022, Colchester will become a city, presenting considerable opportunities for the economic and cultural development of the area. In addition, the CBC has ambitious plans with partners in Tendring District Council and Essex County Council, to deliver a 7,500 home Garden Community on Colchester's eastern border. They have also secured an £18.2m investment in the town centre through the Towns Fund and, with strategic partners, has a large capital investment programme including delivery of the Northern Gateway.

The peer team believes that with the opportunities afforded by their plans for growth, the new Member and Officer Leadership team and, most crucially, city status, the CBC and Colchester the place is on the cusp of something great.

CBC has good self-awareness and understands the communities it serves and the economy across the borough. Colchester has an incredible heritage and culture offer that competes nationally and CBC has worked hard over the years to develop resilient and productive relationships and partnerships to ensure this heritage and cultural offer can thrive. The Council has many compelling stories to tell about what it has achieved and should ensure it celebrates this both internally and externally.

It was clear during the corporate peer challenge that CBC is a driven Council and has a strong desire for achievement and delivery, with fantastic people, including staff, councillors, and partners. However, the drive for delivery would benefit from the focus that an overall vision and clear corporate delivery plan would bring. A corporate delivery plan would support CBC to refine its priorities and ensure sufficient resource is available to achieve its goals.



The peer team recommends that the Council along with its partners and communities quickly come together to discuss and agree what city status really means for Colchester. This approach will help inform the narrative and vision for Colchester the place. It will also enable the Council to develop a clear understanding of its priority areas and to subsequently undertake a stakeholder mapping exercise against them, identifying key anchor institutions, partners and stakeholders across the borough and beyond. This will enable the Council to focus on those areas that are of most benefit to the communities of Colchester.


The new leadership team also needs to maximise the opportunities that city status brings and seek to extend their focus beyond Colchester. For example, the Devolution/Local Government Reform (LGR) agenda is very live in Essex and requires immediate attention. CBC needs to quickly agree its position to ensure it can advocate for a deal that works for Colchester. The peer team understands that to undertake this activity appropriately the Council will need to identify the required resources to ensure it can continue to deliver its ambitions whilst maximising the opportunities that Devolution/LGR can bring.

CBC has an impressive and very well engaged set of partners. Many of these partners consider CBC to “punch above its weight” and provides the “glue” that holds them together. The NE Essex Health and Wellbeing Alliance is an exemplar and should be used as a tool and model to guide your approach to further develop your key stakeholder relationships.

We heard throughout the CPC that resources and capacity across the council are stretched and that in some areas this is impacting on performance. There is, therefore, an urgent need to refocus on delivering ‘Brilliant Business As Usual’ services that maintain the high standards expected by the communities of Colchester.

One area the peer team recommends the Council urgently addresses is its capital programme. With the current external financial environment this has never been more important.

The senior leadership team and Cabinet should undertake an urgent review of the entire capital programme and, as part of this review, consider all the risks including commercial risk to projects or programmes.



To enable the Council to deliver its ambitious agenda it must, as a matter of urgency, implement changes to improve planning, prioritisation, management, oversight and delivery of all capital projects and programmes.

The Council's housing stock of 5,905 homes is managed by an arm's length housing management organisation, Colchester Borough Homes (CBH). The Council's wholly owned group of commercial companies Colchester Commercial Holdings Ltd (CCHL) is delivering on the Council's commercial trading, housing and energy activities.

CBH has been operating since 2003 and it would be timely to undertake an internal review to understand if there is an overlap between Council services and the work of CBH.

CCHL and its three subsidiaries has been operating for over four years and, and whilst delivery has no doubt been impacted by the Coronavirus pandemic, it is recommended that an independent review is commissioned to assess whether the companies are realising the benefits they were established to deliver, that the risks associated with the companies are understood and that the governance arrangements are robust.

There is a lack of clarity how about what hybrid working will mean for the Council when the Council's headquarters Rowan House reopens. The Council needs to define what 'hybrid' means for Colchester and provide a clear definition and communication of where the Council aims to be, and what this means for staff.

Finally, the peer team heard from a wide range of both internal staff and councillors and external partners and stakeholders, including business partners, that the current election cycle of election by thirds, is holding back the Council and making it difficult to make the tough decisions that are needed. The peer team therefore strongly encourages CBC to consider whether moving to a quadrennial election cycle may help build stability.



## 2. Key recommendations

There are number of observations and suggestions within the main section of the report, but following completion of this corporate peer challenge the peer team recommends that Colchester Borough Council should urgently:

1. Focus on city status. Use this is an opportunity to galvanise partners, improve the borough's economic and cultural strength and raise the voice of Colchester;
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;
3. Co-design a compelling and longer-term place-based narrative/city vision to define Colchester for the future;
4. Strengthen your political and officer 'leaders of place' roles and look beyond Colchester – map your anchor institutions, partners and stakeholders;
5. Review your priorities and projects and refocus on delivering 'Brilliant Business As Usual' and strengthen your corporate resources;
6. Strongly consider whether changing your election cycle will help you achieve your goals, ambitions and deliver improved services for Colchester's communities;
7. Better define with your staff what 'hybrid working' means for CBC and provide a clear definition. Also, clarify how the new CBC values will be designed and embedded, communicating to staff how these define the Council and will help achieve Colchester's ambition; and,
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.

### 3. Summary of the peer challenge approach

#### 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 based on their relevant expertise. The peers were:

- Lead Member Peer – Cllr Steve Darling, Torbay Council
- Chief Executive Peer – Donna Nolan, Watford Borough Council
- Member Peer – Cllr Natalie McVey, Malvern Hills District Council
- Member Peer – Cllr Steve Siddons, Scarborough Borough Council
- Officer Peer – Verna Connolly, Hastings Borough Council
- Officer Peer – Claire Upton-Brown, New Forest District Council
- Peer Challenge Manager – Gary Hughes, LGA
- Project Support Officer – Rachel Stevens, LGA

#### 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. **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?
2. **Local priorities and outcomes** - Are the council's priorities clear and informed by the local context? Is the council delivering effectively on its priorities?
3. **Organisational and place leadership** - Does the council provide effective local leadership? Are there good relationships with partner organisations and local communities?
4. **Governance and culture** - Are there clear and robust governance arrangements? Is there a culture of challenge and scrutiny?
5. **Capacity for improvement** - Is the organisation able to support delivery of local priorities? Does the council have the capacity to improve?



In addition, CBC asked the peer team to provide feedback on the following:

6. **Transformation and Organisational Development** – CBC needs to reset and realign its organisation to reflect resource pressures and significant changes in working arrangements to support residents effectively, as Colchester's communities grow.
7. **Regeneration and Growth** - Colchester, now a city, plays into some important strategic arrangements and has a strong place-based focus when exploring the opportunities ahead for devolution through the Levelling Up and Shared Prosperity Funds.

### **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 or to undertake a forensic analyses of CBC's financial situation. 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 reviewed this through a strategic lens.

The peer team prepared by reviewing a range of documents and information, including a Position Statement prepared by CBC, to ensure they were familiar with the council and the challenges it is facing.

The team deployed a hybrid approach with four days on site in Colchester but with some interviews conducted remotely. During this time, they gathered information and views from more than 45 meetings, in addition to further research and reading, meeting either virtually or in person with over 150 people across the period of the challenge.

This report provides a summary of the peer team's findings. In presenting feedback, they have done so as fellow local government members and officers.



## 4. Feedback

### Local priorities and outcomes

The borough of Colchester is the largest in Essex with a population of over 192,000 and covers an area of 324 square kilometres in North East Essex. It borders Suffolk in the north, along with three Essex districts – Tendring, Braintree and Maldon. At its centre is the historic soon to be awarded city of Colchester, surrounded by villages and smaller market towns of distinct and complementary character. The city centre of Colchester is a focal point for the whole borough – containing one of the East of England's busiest shopping destinations, as well as nationally important heritage including Colchester Castle, Firstsite - a visual arts organisation based in Colchester which was voted the national Art Fund's Museum of the Year in 2021, the Mercury Theatre producing highly regarded original work under the title "Mercury Productions" and also receiving touring shows and many other notable culture and arts attractions.


Colchester also hosts the University of Essex with 17,000 students, predicted to rise to 25,000 in 10 years and is also a Garrison Town, home to the 16 Air Assault Brigade.

CBC is a driven and ambitious Council, with a notable track record of delivery and accessing funding. The award of £18.2m funding from the Government's Town Deal for the town centre and the Council's successful bid for £20m as part of the Governments Levelling Up Fund illustrates this drive.

The Council understands its communities and throughout the Coronavirus pandemic was recognised and valued by all partners. In response to the pandemic, the Council and its partners developed a comprehensive programme and action plan to help the borough, residents, businesses, and the Council itself recover from the impact of the pandemic and national lockdown regulations.

The Council is in the final year of delivering a three-year Strategic Plan. The 2020-23 plan sets out how the Council will address the key challenges facing the borough through five strategic priority themes:

1. Tackling the climate challenge and leading sustainability
2. Creating safe, healthy and active communities
3. Delivering homes for people who need them

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4. Growing a fair economy so everyone benefits
  5. Celebrating our heritage and culture.


The Strategic Plan is recognised throughout the borough as the glue that provides a shared purpose, binding partners and politicians together. It was positive to hear that the Council has started the process to develop a new Strategic Plan for adoption in February 2023. The process CBC will use builds on the learning from their current plan and has a greater focus on prioritisation and co-production with partners and residents. This approach is to be applauded.

As part of this approach, it was clear that CBC acts as a proactive convenor bringing together partners and resources from a wide range of sectors. The peer team heard throughout the corporate peer challenge, the value that partners and stakeholders place on the Council's role and the Council is encouraged to continue this. Colchester was amongst a small number of towns granted city status as part of the late Queen's Platinum Jubilee Civic Honours. This will be a great boost for the communities of Colchester as it will no doubt open up new opportunities. The peer challenge team have concluded that city status presents a timely opportunity to strengthen Colchester economically and culturally; an opportunity to take the borough to a new level in terms of its identity and harnessing its unique character.

The peer team recommends that the Council harnesses the excitement and benefits that city status offers and seizes this opportunity with both hands, using it as the platform to raise Colchester's voice - why not convene a cross borough event or summit to celebrate and start dialogue across the city on a new place narrative and vision?

A new vision or place-based narrative will in turn support the development of CBC's new four to five-year strategic plan, which should be developed following engagement with councillors, staff, and stakeholders.

This strategic plan should be clearly linked to a robust resourcing plan for people and finance as well as the Council's wide portfolio of programmes and projects. Having an annual delivery plan will help monitor delivery but will also enable the Council to be fleet of foot. It is also timely to review the authority's KPIs to ensure they are relevant for the future.



The need for a ‘golden rope’ linking all the Council’s strategies and operations is critical if all staff and councillors are to be enabled to buy-in to the future direction and decisions regarding resourcing. This is critical due to CBC’s stretched resources.

The peer team use the term ‘Golden Rope’ as opposed to golden thread as it reflects the scale of the multi-layers and multi-faceted approach the Council will need to consider in achieving the full breath of its ambitions.

### **Organisational and place leadership**

The new Chief Executive has established positive and valued relationships across partnerships with trust and respect from both staff and partners. We heard that

*“Pam is a catalyst for change” and “my ideas are welcomed and valued”*

In addition, the political leadership is also highly valued and respected, and we heard that:


*“The Leader is appreciative and wants to help”*

The new leadership team brings complementary styles and should work together across the borough, County and wide sub-region to promote Colchester.

The Council has a range of innovative and inclusive partnerships and is well regarded in the system by statutory and local partners. We heard that the Council ‘punches above its weight’ and ‘is the dollop of glue that binds us together’. However, there are times when resources are stretched, and the peer team recommends that CBC maps its key anchor institutions, partners and stakeholders to ensure the relevant resources and engagement is focused on the relationships that will have most impact on the residents of the borough and enables the delivery of the Strategic Plan.

It was clear that councillors across the borough bring passion, enthusiasm, drive and a real a love for Colchester. This needs to be harnessed better to ensure that all the authority’s councillors are aware of, engaged in and supportive of the Council’s future plans, particularly the opportunities that city status bring.

The North East Essex Health and Wellbeing Alliance is an exemplar and could be used as a tool to guide Colchester’s approach to further develop its key stakeholder



relationships. Having the Alliance Director on the Council's Senior Leadership Team provides opportunities to continue the great work on health, but the Alliance has a challenging agenda to fundamentally change the lives of local people and it is now critical to identify additional internal strategic resource to work alongside the new Alliance Director.

There is also a need to strengthen the Council's political and officer 'leaders of place' roles. It is time for the Council to look beyond Colchester and beyond Essex and to look nationally and internationally.

A new place narrative or vision will give CBC the platform to paint a picture of the future, inspiring and carrying the community and focussing its energy into those partnerships that will improve the lives of local people and fundamentally transform communities for the better. It is important to ensure that members lead, and officers deliver this exciting agenda.


Many in local government will know that the Devolution and Local Government Reform (LGR) debate switches on and off on a regular basis. However, it seems that the devolution agenda is very much alive in Essex. It requires attention by the Council. CBC must assess its position to advocate for a deal that works for Colchester. Active participation in LGR can be resource intense and therefore the peer team recommends that CBC fully consider the resources required to ensure that it can continue to deliver its priorities whilst maximising the opportunities that devolution/LGR could bring for Colchester.

### **Governance and culture**

It was clear that the political partnership in Colchester is strong and in a good place. There is mature cross party-political relationships and considerable respect for the new Leader of the Council. The example of the Leaders' Alumni session is positive and supported by the peer team.

There are positive relationships between officers and councillors, as well as trust and respect between councillors. The peer team welcomes that scrutiny in Colchester is led by the opposition group.

With the recent elections, officers have introduced some new engagement methods with 'all councillor briefings' being delivered and being well regarded.



The peer team also heard strong recognition of the support to Members and Parish Councillors received from the Democratic Services Team and Planning Team.

This cross party, mature political working is to be congratulated and demonstrates the positive focus on Colchester the place rather than the politics of the area.

During the days on site in Colchester, the issue of the current election cycle, and the feasibility of moving to quadrennial all-out elections, was raised. The peer team was struck by the number of times and by the variety of people that raised this issue. The peer team also recognises that this is a significant political decision for the Council, but the overwhelming feedback from staff, partners and stakeholders is that greater political stability would help deliver better outcomes for the communities of Colchester.


If the Council is going to explore a move to quadrennial elections, the peer team recommends that CBC engages with all councillors across the Council on this immediately, to avoid the risk of using precious officer time investigating an option for which there is no political appetite.

Linked with the peer team's recommendation regarding ensuring a steady external focus, it also recommends that CBC further strengthen political and officer leadership engagement with Essex County Council. The peer team heard it is getting better, however there is still more opportunity for improvement.

As is common in three tier local government areas, there can be confusion about responsibilities and a risk of duplication. The peer team encourages CBC to lead the development of a working framework. The peer team does not view this as an action for CBC alone, but one to develop with Essex County Council and parish/town councils to provide clarity to the community on how all the constituent parts will work together.

The peer team also recommends that CBC consider how scrutiny can add greater value and impact through effective programming. This will take resource, but with support scrutiny can provide an invaluable mechanism to challenge and drive forward the work of the administration. Proactive scrutiny can help shape the future direction of the Council and be effective in changing lives in the community.

To enhance the equality and diversity work, and to ensure the Council continues to



comply with its duty under the Equality Act, CBC commissioned an independent external audit in 2021. As part of the audit, an external consultant reviewed the existing HR policies and processes including recruitment, learning and development, the profile of CBC's workforce by protected characteristics and how far equality and diversity was embedded in the Council at all levels and across all services. This is a very positive piece of work that is driving improvement and, in conjunction with the Council's 'Communities Can' approach, building on the strengths that already exist to make improvements or changes that are important locally. The developing work on Asset Based Community Development (ABCD) is also to be supported. However, CBC has identified that it needs to be more proactive in dealing with equality and diversity issues – Colchester has a young, diverse and dynamic community and it should work to harness that diversity better.

### **Financial planning and management**


The strategic approach to the Council's 2023/24 budget and MTFF 2023-28 was agreed by July 2022 by Cabinet. In setting the 2023/24 budget, CBC is taking the following approach:

- Collaborative rather than siloed across services and system partners
- Working in tandem with setting a new Strategic Plan 2023-28
- Including a comprehensive review of the capital and investment programme
- Requiring savings to be generated progressively through the Council's transformation programme
- Revising its strategy to use reserves to balance short term temporary issues but aiming to achieve a long-term sustainable position.

Although the Council has significant savings to identify (£1.5m in 22/23 and £5m in 23/24), it has a good record of delivering agreed savings and councillors and officers fully understand the budget gaps and challenges ahead to close them.

Colchester has a positive approach to financial management and has effective governance and controls in place, nevertheless the financial challenges ahead will be difficult. It is critical that everyone is prepared to tackle these challenges.

External audit delays have caused some disruption to CBC. The Council has yet to



receive an audit opinion for 2020/21 due to long delays with the auditor's BDO. The audit of the 2021/22 accounts is also currently not scheduled to begin by BDO until Summer 2023. In this challenging environment, it is important that external auditors support councils to deliver their savings.

There is one area about which the peer team had significant concerns. The Council's capital programme requires immediate attention. There is a record of underspending on its capital programme. The peer team understands that this is due to a lack of planning, as well as to insufficient strategic finance capacity and resource to progress capital projects. This is crucial and with the current external financial environment has never been more important.

To enable the Council to deliver its ambitious agenda it must, as a matter of urgency, implement changes to improve planning, prioritisation, management, oversight and delivery of all capital projects and programmes. The Council should implement a benefits realisation approach to ensure that it is monitoring the benefits that its projects and programmes deliver.

The senior leadership team and Cabinet should also undertake an urgent review of the entire capital programme and given the external economic environment, as part of this undertake a commercial risk assessment to appropriate projects and programmes.


The peer team understands that there would be a strong appetite from both councillors and partners to take part in budget discussions, and in an exercise to prioritise the scheme of capital projects and programmes. Some partners felt that relationships had matured, and it was now the “time to put our cards on the table”, be more honest and share the challenges with them to collectively problem solve.

### **Capacity for improvement**

As the peer team has referenced elsewhere, CBC has great staff who feel valued and are committed and loyal. The Council's focus on wellbeing and the Cost of Living is positive and staff value this.

It was also clear that senior managers and staff across the Council value councillors' insight and engagement. The peer team heard of several examples of where councillors bring new ideas and positive engagement to service areas – with this





there is always a risk of a 'grey area' of roles and responsibilities and councillors should always be aware that their role is to represent their wards and make decisions, whereas the role of officers is to give advice, to deliver services and to carry out the decisions of councillors.

There are many exemplars of best practice across the Council, such as the work during the Coronavirus pandemic, the support and work with refugees and asylum seekers, and the Neighbourhood Model being deployed across the town centre, with system partners working collaboratively to tackle the complex needs of Colchester's most vulnerable residents. It would be powerful if this practice was shared more widely throughout the organisation and across services. There is an opportunity to use this approach as a peer-to-peer support network and to bring the organisation together. Consider initiatives such as 'lunch and learn' sessions, with a balanced focus on the lunch as well as the learning. When this is embedded, assess whether this approach could be shared wider to include partners and to provide an opportunity to share projects across the system.

The Council has impressive project and performance management systems, but these systems are not used as effectively as they could be across the organisation. The peer team asks whether they are becoming overly bureaucratic and could be streamlined, or whether there is insufficient resource to make best use of the project and performance management systems already in place?


It was clear that the Council has some excellent and highly engaged voluntary and third sector partners who also want to step up and lean in to support the Council. CBC should therefore continue to capitalise on its ABCD way of working and utilise the passion and support that is available.

During the verbal feedback, the peer team shared its concerns regarding stretched resources, declining performance and too many projects and the need to focus on delivering 'Brilliant Business As Usual' and strengthening corporate resources.

The peer team does have concerns about capacity. To be successful in delivering a new strategic plan and achieve the ambitions for the borough, there is a need to focus on priorities and resourcing.

CBC should consider if it is possible to deliver all the programmes successfully and how and where it can build extra capacity and resilience within the organisation.





There are many ways this could be achieved, but based on the peer team's conversations and reflections the following is recommended:

- Undertake a review of all services, and make some difficult decisions about future levels of service delivery – the peer team heard enthusiasm from both officers and councillors to focus on delivering basics brilliantly
- Avoid continually chipping away at corporate support services as the impact of this is being felt across the entire Council. Proactively involving corporate support services at the project initiation stage will also ease capacity, as the services will spend less time solving problems that would not have arisen with earlier engagement.

As previously mentioned, the peer team would strongly recommend CBC bolsters strategic finance and reflects on the capacity within its Human Resource and Organisational Development teams to ensure there is sufficient capacity to change and achieve continuous improvement and deliver the authority's People Strategy. In terms of the Council's people approach, the peer team suggests further developing a corporate apprentice and graduate programme – great for Colchester's young people and great for CBC.

CBC has recruitment and retentions challenges; like many Councils' and with the current external environment this is not unusual. The peer team recommends that CBC develops its 'employer of choice' approach whilst also working with partners to identify and develop opportunities for shared services – this might not only be in Essex, but beyond county boundaries.

As mentioned, CBC is not alone with its recruitment and retention challenges. Shared services discussions with other Essex Councils should continue to be pursued, and the agenda around devolution/LGR could also be used as a route to look more strategically at the issues.

Throughout the visit to Colchester, the peer team have seen excellent performance and project management systems. However, we would recommend that the Council considers developing its project and programme management approach. With the depth and breadth of CBC's ambition it does not appear that programme and project management methodology have been adequately defined. Given the issues with delivery of the capital programme, we would recommend that the Council reflects on

its approach and investigates the option of re-creating the project management office (PMO) in the corporate centre of the organisation.

Re-establishing a strong corporate PMO would enable the Council to improve the rigour, of its monitoring and provide strategic oversight and better control of resources across all its projects and programmes. It would enable the Council to clearly identify the inter-dependencies between projects and provide clear identification of any pinch points or duplication. One area the peer team identified would be to improve and share lessons learned and identify good practice across projects, to ensure a high level and consistent approach which would improve the management of risk and create manageable workloads, allowing effective prioritisation and creating a strong framework for the golden rope.

In terms of governance, the peer team recommends that there should be more councillor oversight of the delivery of projects and programmes, this could be achieved via a councillor led Major Projects Board.

There is a lack of clarity about what hybrid working will mean for the Council when Rowan House reopens. The Council needs to define what 'hybrid' means for Colchester and provide a clear definition and communication of where the Council aims to be, and what this means for staff.


For example, options could be that centralised staff are told when they must come into the office; team by team, whereby individual teams devise their own patterns to meet service demands; and fully distributed where every individual makes the decision about where and when they work.

In addition, there are some LGA resources that CBC may find useful. These include a roundtable event with over 135 local authorities to discuss the challenges and opportunities of hybrid working - [Feedback from the LGA hybrid working roundtable events May 2021 | Local Government Association](#)

A regularly updated new ways of working website - <https://www.local.gov.uk/new-ways-working-local-government>

And a recent blog from the LGA's Head of Workforce - [June 2021: Hybrid working will be the new normal . . . sort of | Local Government Association](#)

CBC should consider the creation of corporate apprenticeship and graduate schemes



and continue to promote the grow your own approach. The apprenticeship levy is used in some service areas and more use is anticipated particularly for staff at the lower entry level. But the levy should be considered for existing staff to help them advance their careers or to move into a new field such as planning, project management or leisure management.

Finally, the peer team urgently encourages CBC to review its Waste Service. The peer team understands that there are differing models of delivery across the borough so there is a need to consider rationalising the model of delivery to enable increased resilience across the fleet and staff resources moving forward.

Also, as an area of significant cost and budget pressure, every opportunity should be explored to recover reasonable costs associated with delivery of the service. The peer team understands that this will be tough, but we encourage CBC to do it.

## **Transformation and Organisational Development**

The new Chief Executive's people centred approach and focus on wellbeing is welcomed by staff:

- Consultation on the values through the Speak Up Now (SUN) Ambassadors is positive
- The focus of the new Internal Communications Officer with an updated approach to communications which is more inclusive and targets frontline staff
- And the Chief Executive and her senior managers are more visible than ever before.

The new people strategy and management toolkit provides an opportunity to improve training and development and new ways of working across the Council.

The reopening of Rowan House, the Council's Headquarters, provides significant opportunities and staff are looking forward to understanding what the new hybrid working policy will mean. The peer team heard that the new booking system is welcomed.

A new management development programme has begun, and it will be critical that all teams across the Council have a clear understanding of the values and are united



behind them. It is important that the Council's future values are bold and reflect the opportunities city status brings and that they are not just words on a page, they should be lived. To achieve this, it is critical that the SUN group engages across the Council to develop the values and leads the future drive to enact them in everything the Council does.

CBC's People Strategy is critical to enabling the Council to move forward. It should complement the new Strategic Plan by acting as the enabler for improving workforce capability and engagement. There are several areas where the peer team consider there is an opportunity to strengthen the approach:

- Revisit the Reward and Recognition programme to ensure it is inclusive and open regarding nominations and decisions;
- Review ways of improving career progression opportunities through the internal movement and promotion – look at other innovative options and maximise the use of the apprentice levy to support this;
- Become an employer of choice by refocussing on the employee value proposition, repackaging the Council's offer and focussing on what it can provide for future employees;
- CBC has a commitment to talent management but needs to shout about that more – increase the amount of staff information and guidance regarding talent management;
- Finally, to support CBC's internal staff, consider ways of balancing internal upgrading with external recruitment.

### **Regeneration and Growth**

It is clear that CBC has a great team who have a proven record of delivery and a strong track record of accessing funding.

This is underpinned by a strong ethos of collaborative team working across staff, partners, other councils, and the business community. Some examples are

- Staff and partners are committed with a genuine positivity about Colchester the place

- The business community is positive and engaged – messages can always be shared and officers are always accessible
- Work with adjoining authorities has enabled collaborative working to progress – such as the Garden Community initiative,

Impressive growth has been delivered with Colchester one of the fastest growing places in the UK. The council is not sitting on its laurels, rather it is continuing to explore different ways of delivering growth.

The council has high aspirations for Colchester and there are multiple projects and programmes being delivered across services. It would be helpful to develop a plan to link and prioritise these projects and programmes, ensuring a direct link to your new Strategic Plan. This will enable the Council to determine the best approach to resourcing these priorities.

The Council should also take a more proactive approach to target the sectors it wants to attract to its area through its regeneration and growth agenda. Further consideration should be given to how it could use its large asset base to support focused key sector growth. This should be supported by additional work targeting the sectors it wants to attract; engagement with key businesses and investors in the borough on this focused issue would support this approach.; This work would align with work to develop a skills plan for the borough. There would also be merit in considering whether the Council wants to or should play a landowner role within the new garden Community.

The Council's wholly owned group of commercial companies Colchester Commercial Holdings Ltd (CCHL) is delivering on the Council's commercial trading, housing and energy activities. Colchester Commercial Holdings Ltd and its three subsidiaries have been operating for over four years and, whilst delivery has no doubt been impacted by the Coronavirus pandemic, during the corporate peer challenges issues were expressed regarding CCHL as follows:

- that the risks to which the Council was exposed as a result of CCHL were not clear and/or understood.
- there was little evidence that the benefits for which CCHL had been established had been realised or that there were the mechanisms in place to



ensure that there was alignment with the Council's priorities

- the board membership of CCHL could be strengthened by the appointment of independent directors
- senior councillors sitting on the board of CCHL risked conflict between their duty to the company and the interests of the Council, and therefore may be more appropriate for members to act in the capacity of a Shareholder Board (which would need to be established as part of a governance review of the company structure).
- Senior officers sitting on the board questioned whether they had full visibility of the activities of the companies to enable them to make informed decisions as part of the Board and whether they had the appropriate skills and experience to perform this role effectively

With the current challenging external environment, and a number of high-profile failures of council-owned companies it is timely for the Council to take stock of their businesses. The appointment of the new Chief Executive creates an opportunity to refocus on the effectiveness and appropriateness of the existing governance and risk management arrangements in relation to CCHL. A review also provides an opportunity for the Council to obtain external assurance that CCHL is meeting the Council's expectations, delivering real benefits, and providing value for money.

Due to the complexity of the companies, it is recommended that an independent external review is commissioned to assess whether the companies are realising the benefits they were established to deliver, that the risks associated with the companies are understood and that the governance arrangements are robust.

The Council's housing stock of 5,905 homes is managed by an arm's length housing management organisation, Colchester Borough Homes (CBH). CBH has been operating since 2003. Work is underway to recruit a joint post with CBH for an equality and diversity specialist and a dedicated joint post for safeguarding is also now in place.

Similarly, to CCHL it would be timely to undertake a review to understand if there is an overlap between Council services and the work of CBH. The peer team believe the Council has the capacity to undertake this review in-house.



## 5. Next Steps

It is recognised that senior political and managerial leadership will want to consider and reflect on these findings.

To support openness and transparency, the council is expected to publish this report within six weeks. There is also an expectation that an action plan is publicly available alongside the report's publication.

Both the peer team and LGA are keen to build on the relationships and the corporate peer challenge process includes a six-month progress review currently scheduled for June/July 2023. This will be a facilitated session which creates space for the council's senior leadership to update peers on its progress against the action plan and discuss next steps and any further support required.

CBC is already progressing certain aspects and is seeking best practice and working collaboratively with the peer teams' councils.

Rachel Litherland, Principal Adviser for the East of England and Gary Hughes, Peer Challenge Manager are the main contacts between CBC and the Local Government Association. Rachel and Gary are available to discuss any further support.  
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