

To all Members of Stroud District Council

08 May 2019

You are hereby summoned to attend the Annual General Meeting of the **STROUD DISTRICT COUNCIL** in the Council Chamber, Ebley Mill on **THURSDAY 16 MAY 2019** at **7.00 pm.**



Kathy O'Leary  
Chief Executive

**Please Note:** This meeting will be filmed for live or subsequent broadcast via the Council's internet site (www.stroud.gov.uk). By entering the Council Chamber you are consenting to being filmed. The whole of the meeting will be filmed except where there are confidential or exempt items, which may need to be considered in the absence of the press and public.

## **AGENDA**

- 1 **CHAIR OF COUNCIL**  
To elect a Chair of Council for the Civic Year 2019/20.
- 2 **VICE-CHAIR OF COUNCIL**  
To appoint a Vice-Chair of Council for the Civic Year 2019/20.
- 3 **APOLOGIES**  
To receive apologies for absence.
- 4 **DECLARATIONS OF INTEREST**  
To receive declarations of interest.
- 5 **MINUTES**  
To approve the Minutes of the Council meeting held on 25 April 2019.
- 6 **ANNOUNCEMENTS**  
To receive announcements from the Chair of Council and the Chief Executive.
- 7 **APPOINTMENT TO COMMITTEES**  
To confirm the membership of each committee.

In accordance with the Local Government and Housing Act 1989, the allocations are as per the relevant 2016 AGM report. The 2019/20 nominations received by the Democratic Services and Elections Manager from Group Leaders will be reported to or otherwise made at the AGM.

**8 APPOINTMENT OF COMMITTEE CHAIRS AND VICE-CHAIRS**

To appoint the Chair and Vice-Chairs of the following committees:

- a. Audit and Standards Committee
- b. Community Services and Licensing Committee
- c. Development Control Committee
- d. Environment Committee
- e. Housing Committee
- f. Strategy and Resources Committee

Nominations received by the Democratic Services and Elections Manager from Group Leaders will be reported to or otherwise made at the AGM.

**9 OTHER APPOINTMENTS**

- a. To appoint one lead and one substitute Member representative for the following bodies which are led by Gloucestershire County Council:
  - i. Health and Care Overview and Scrutiny Committee
  - ii. Police and Crime Panel
  - iii. Gloucestershire Economic Growth Scrutiny Committee
- b. To appoint three Mental Health Champions

Nominations received by the Democratic Services and Elections Manager from Group Leaders will be reported to or otherwise made at the AGM.

**10 RECOMMENDATION FROM AUDIT AND STANDARDS COMMITTEE ON 7 MAY 2019**

*The relevant committee report is available on the website page for this Council meeting.*

Audit and Standards Committee Annual Report 2018/19 (Agenda Item 8)

**RECOMMEND to Council the Annual Report is approved.**

**11 CIVIC TIMETABLE 2019/20**

To agree a revised timetable for the civic year 2019/20.

**12 CORPORATE DELIVERY PLAN AND KEY ACTIONS FOR 2019-2020**

To agree the Corporate Delivery Plan and Key Actions for 2019-20.

**13 LGA CORPORATE PEER CHALLENGE REPORT**

To inform Members of the feedback from the LGA Corporate Peer Challenge team.

**COUNCIL MEETING****25 APRIL 2019****7.00 pm – 9.45 pm****5****Council Chamber, Ebley Mill, Stroud****Minutes****Membership:**

Martin Baxendale	P	Trevor Hall	P	Nigel Prenter	P
Dorcas Binns	A	Nick Hurst	P	Skeena Rathor	A
Catherine Braun	P	Julie Job	A	Sue Reed	P
Chris Brine	A	Haydn Jones	P	Mark Reeves	P
George Butcher	P	John Jones	P	Steve Robinson	P
Miranda Clifton	P	Norman Kay	P	Mattie Ross	P
Nigel Cooper	P	Darren Loftus	A	Tom Skinner	A
Doina Cornell	P	Stephen Lydon	P	Nigel Studdert-Kennedy	P
Gordon Craig	P	John Marjoram	P	Haydn Sutton	P
Rachel Curley	P	Phil McAsey	P	Brian Tipper	P
Stephen Davies	P	Karen McKeown	P	Chas Townley	P
Paul Denney	P	Jenny Miles*	P	Jessica Tomblin	P
Jim Dewey	P	Dave Mossman	P	Ken Tucker	P
Jonathan Edmunds	P	Gill Oxley	P	Martin Whiteside	P
Chas Fellows	A	Keith Pearson	A	Tim Williams	A
Colin Fryer	P	Simon Pickering	P	Tom Williams	P
Lindsey Green	P	Gary Powell**	P	Debbie Young	P

\*\*Chair \*Vice-Chair P = Present A = Absent

**Officers Present:**

Chief Executive  
 Interim Head of Legal Services & Monitoring  
 Officer

Democratic Services & Elections Manager  
 Head of Finance & Section 151 Officer  
 Democratic Services & Election Officers

**CL.058 APOLOGIES**

Apologies for absence were received from Councillors Binns, Brine, Fellows, Job, Loftus, Pearson, Rathor, Skinner and Tim Williams.

**CL.059 DECLARATIONS OF INTEREST**

The Interim Head of Legal Services and Monitoring Officer declared an interest in Agenda Item 8, Designation of Monitoring Officer and left the chamber before this item was discussed.

**CL.060      MINUTES**

**RESOLVED** To approve the minutes of the Council's meeting held on 21 February 2019.

**CL.061      ANNOUNCEMENTS****Chair of Council**

- This year the Council's Charity is Allsorts a charity which supports children with additional needs and their families throughout Gloucestershire.
- Members were reminded that a photographer will be taking photos outside the Council Chamber from 5.00 pm – 7.00 pm prior to the Annual General Meeting on 16 May 2019.
- Councillor Lindsey Green was welcomed to her first meeting of Council.

**Chief Executive**

- An additional Development Control Committee for the football stadium will be held on 12 June 2019 at 6.00 pm.
- Because 23 May 2019 is the date for the European Parliamentary Election and the next scheduled meeting date of the Strategy and Resources Committee, May's meeting has been postponed until 13 June 2019.

**CL.062      PUBLIC QUESTION TIME**

There were none.

**CL.063      RECOMMENDATION FROM STRATEGY AND RESOURCES COMMITTEE ON 7 MARCH 2019****Options for Providing Temporary Accommodation for Homeless Households in the Stroud District**

Councillor Townley, Chair of Housing Committee outlined the above report which had been discussed at length at Housing Committee. At Strategy and Resources Committee it was also discussed, together with additional financial information. If the sale were to go ahead it would provide temporary accommodation to homeless persons and applicants who were being investigated.

Councillor Townley answered Members' questions.

Councillor Pickering seconded the Motion, reiterating the options and that the proposal was the subject of a business case. The figure of £500k was an estimate.

Members debated the topic. Councillor Townley clarified that if the project did not go ahead discussions would take place at Housing Committee.

On being put to the vote, the Motion was carried.

**RESOLVED** That delegated authority is granted to the Head of Property Services in consultation with the Head of Finance and Chairs of Housing and Strategy and Resources Committee:

1. To purchase the former Salvation Army building in Stroud utilising the General Fund; and

2. To commission the conversion of this property into temporary accommodation; and
3. To commission the management of the completed property as temporary accommodation for homeless households.

Subject to a satisfactory business case being made and due diligence being undertaken.

#### **CL.064 CAPITAL BUDGET FOR TEMPORARY ACCOMMODATION**

Councillor Cornell, Chair of Strategy and Resources Committee referred to the above report and stated that this report was to ensure that a capital budget was in place for the purchase of temporary accommodation, at an estimated cost of £500k.

Councillor Hurst suggested an amendment by adding the words “and renovation” after the word “purchase” to the decision box.

Councillor Townley confirmed that costs for providing temporary accommodation had been increasing steadily since 2014 and neighbouring Councils were in a similar position.

Councillor Pickering seconded Councillor Hurst’s amendment. On being put to the vote the amendment was carried.

Members voted on the substantive Motion which was also carried.

**RESOLVED To approve a £500k budget for the purchase and renovation of temporary accommodation.**

#### **CL.065 RECOMMENDATIONS FROM STRATEGY AND RESOURCES COMMITTEE ON 11 APRIL 2019**

##### **(a) Support for the Foundation of Avon Mutual**

In outlining the above report Councillor Cornell referred to the Members’ Information Evening where the topic was discussed and questions answered. For clarification the funding would be grant funding from the business rates reserve. The bank would support the local economy, local businesses and align with the Council’s priorities.

Councillor Whiteside seconded the Motion and in summing up acknowledged that there was a risk but this was an important opportunity.

On being put to the vote, the Motion was carried.

**RESOLVED 1. To approve the use of £50k of the Business Rates Reserve for purchase of shares in Avon Mutual.**  
**2. To delegate authority to the Head of Finance in consultation with the Head of Legal to conclude the share purchase.**

##### **(b) Repairs and Maintenance Service 2020**

Councillor Townley outlined the above report confirming that the option to bring the day to day repairs in-house had been agreed by the Housing Committee. The planned maintenance would remain with an external contractor.

The Motion was seconded by Councillor Kay.

Councillor Townley confirmed that figures were based on the current take up and demand may increase. A considerable amount of resources were currently spent on managing contractors. Budgets and performance would be closely monitored.

A few Members suggested that the project had been rushed and not thought through enough and a risk management plan had not been undertaken. Councillor Townley referred to the detailed appraisal which formed part of the papers to the Housing Committee.

Councillor Ross confirmed that the report had been discussed at length at Housing Committee and stated it was not always about money; it was about a better service for our tenants. A risk assessment had been carried out by the report author and could be monitored through excelsis, it was time to bring this service in-house.

Councillor Kay confirmed that there were problems with the current system and this would improve the quality and reliability of works carried out.

A briefing session had been provided for Members by the consultant.

Councillor Townley summed up. On being put to the vote, the Motion was carried.

**RESOLVED To approve an additional revenue budget of £53k in 2019/20 and £132k in 2020/21 to cover the one-off implementation and set-up costs, and a new capital programme for HRA IT systems totalling £175k over 2019/20 and 2020/21.**

**(c) Recommendations of the Constitution Working Group (CWG)**

The Interim Head of Legal Services and Monitoring Officer outlined the above report. The three topics that the Working Group were asked to look at had been completed.

Councillor Kay stated that he had put forward other topics which had not been actioned. The Monitoring Officer stated that the CWG had to work to the remit set by the Strategy and Resources Committee as set out in the report. After discussion it was agreed that Councillor Kay would supply the Monitoring Officer with his letter to the previous Monitoring Officer.

The Interim Head of Legal Services and Monitoring Officer confirmed that topics may well come forward as a result of the recent Peer Review, but at the moment he was unable to say what this could be. It was apparent that the Working Group would have more work to do in the new civic year.

Councillor Studdert-Kennedy, in the absence of Councillor Pearson, who had Chaired the Working Group, confirmed that they had discharged their duty.

On being put to the vote, the Motion was carried.

**RESOLVED That the Role Profiles for Councillors section of the Council's Constitution be amended as shown in the Appendix to this Report, in accordance with the recommendations set out in this report.**

**CL.066**      **COMMITTEE MEMBERSHIP**

**RESOLVED** To note the following appointments:-

1. **Community Services and Licensing Committee - Councillor Tipper filled the vacancy.**
2. **Housing Committee – Councillor Skinner was replaced by Councillor Green and Councillor Dewey was replaced by Councillor Pickering.**
3. **Environment Committee – Councillors Haydn Jones and Mossman replaced Councillors Skinner and Tipper.**
4. **Audit and Standards Committee – Councillor Binns filled the vacancy.**

The Interim Head of Legal Services and Monitoring Officer left the Chamber.

**CL.067**      **DESIGNATION OF MONITORING OFFICER**

The Chief Executive explained that Patrick Arran had been appointed through One Legal and was not an employee of the Council. It was not a requirement for the Monitoring Officer to be an employee of the Council. Patrick had a huge amount of experience and whilst here would be carrying out a review of Legal Services.

The report was moved by Councillor Powell and seconded by Councillor Townley.

The Chief Executive confirmed that the Council had to have three statutory officers, the Chief Executive, the 151 Officer and the Monitoring Officer.

On being put to the vote, the Motion was carried.

**RESOLVED** To designate Patrick Arran as Monitoring Officer until 26 September 2019.

The Interim Head of Legal Services and Monitoring Officer returned to the Chamber.

**CL.068**      **MEMBERS' QUESTIONS**

There were none.

**CL.069**      **MOTION REGARDING THE MODERN SLAVERY CHARTER**

Councillor Cornell outlined the Motion regarding the Modern Slavery Charter and also referenced the 10 action points, more information on these was available on line. Members were requested to raise their awareness and lend their support.

Councillor Kay had seconded the Motion and also spoke in support of the Charter.

On being put to the vote, the Motion was carried.

**RESOLVED** This Council notes:

**Though slavery was abolished in the UK in 1833, there are more slaves today than ever before in human history. Figures from the International Labour Organisation (ILO) suggest that there are more than 40 million people in modern slavery across the world, with nearly 25 million held in forced labour.**

**There were 3805 victims of modern slavery identified in the UK in 2016. In 2017 the Home Office suggested that there may be at least 13,000 people living in Modern Slavery, however National Crime Agency officials have since asserted that it is far more likely to be in the tens of thousands.**

**Modern Slavery is happening nationwide. Traffickers and slave masters use whatever means they have at their disposal to coerce, deceive and force individuals into a life of abuse, servitude and inhumane treatment. This can include sexual and criminal exploitation.**

**That in Gloucestershire, important work is already being done by the Gloucestershire Anti-Slavery Partnership which was founded in 2016 and brings together local authorities including Stroud District Council, the police, NGOs and other organisations, in a concerted effort to tackle trafficking and slavery across Gloucestershire.**

**This Council believes:**

**That action needs to be taken to raise awareness of modern slavery and the fact that it is happening all over the UK.**

**That the current support for victims is not sufficient and needs to go beyond the 45 days they are currently given by the government.**

**That councils have an important role to play in ensuring their contracts and supplies don't contribute to modern day slavery and exploitation.**

**This Council resolves:**

**To adopt the Co-operative Party's Charter against Modern Slavery to ensure our procurement practices don't support slavery.**

**Stroud District Council will:**

- 1. Train its corporate procurement team to understand modern slavery through the Chartered Institute of Procurement and Supply's (CIPS) online course on Ethical Procurement and Supply.**
- 2. Require its contractors to comply fully with the Modern Slavery Act 2015, wherever it applies, with contract termination as a potential sanction for non-compliance.**
- 3. Challenge any abnormally low-cost tenders to ensure they do not rely upon the potential contractor practising modern slavery.**
- 4. Highlight to its suppliers that contracted workers are free to join a trade union and are not to be treated unfairly for belonging to one.**
- 5. Publicise its whistle-blowing system for staff to blow the whistle on any suspected examples of modern slavery.**
- 6. Require its tendered contractors to adopt a whistle-blowing policy which enables their staff to blow the whistle on any suspected examples of modern slavery.**
- 7. Review its contractual spending regularly to identify any potential issues with modern slavery.**



8. **Highlight for its suppliers any risks identified concerning modern slavery and refer them to the relevant agencies to be addressed.**
9. **Refer for investigation via the National Crime Agency's national referral mechanism any of its contractors identified as a cause for concern regarding modern slavery.**
10. **Report publicly on the implementation of this policy annually.**

**CL.070      MOTION REGARDING THE RIGHT TO WORK FOR PEOPLE SEEKING ASYLUM**

Councillor Butcher outlined the Motion on the Right to Work for People Seeking Asylum. Security checks are carried out on all asylum seekers. Individuals whilst awaiting for their status to be changed want the opportunity to integrate into communities and to work.

Members asked questions which were answered by the Councillors Butcher and Braun.

In summing up Councillor Butcher stated we should do all we can to welcome asylum seekers.

On being put to the vote, the Motion was carried unanimously.

**RESOLVED This Council notes that:**

1. **Since 2002, people seeking asylum have only been able to apply for the right to work after they have been waiting for a decision on their asylum claim for over a year, and only if they can be employed into one of the narrow, highly-skilled professions included on the Government's Shortage Occupation List;**
2. **Asylum decisions are getting slower with over half (53%) of asylum decisions taking more than 6 months in 2017. This situation is getting worse: it was 41% at the end of 2016 and 20% at the end of 2015. People seeking asylum are left to live on a government stipend of £5.39 per day, struggling to support themselves and their families, and left vulnerable to destitution, isolation, and exploitation;**
3. **This issue affects people in our District and County. The organisation Gloucestershire Action for Refugees and Asylum Seekers (GARAS) is currently working with over 900 people in the county, who are asylum seekers, unaccompanied minors and refugees. At any one time, they support around 150 asylum seekers who are not allowed to work. Across the country, the UK spends between £70 and £100 million per year housing and supporting asylum seekers who could be working, earning, and fending for themselves;**
4. **This Council further notes the work of the Lift the Ban Coalition, which includes more than 150 organisations from across the UK who have come together to call on the Government to give people seeking asylum the right to work.**

**This Council believes that:**

1. **People seeking asylum who are unable to work are unable to properly integrate with their local area, can't get to know their neighbours, and find it more difficult to learn English;**

- 2. Restrictions on the right to work can lead to extremely poor mental health outcomes, and a waste of potentially invaluable talents and skills both for the economy of Stroud District and the UK; and**
- 3. We are right to campaign for people seeking asylum to be given the right to work unconstrained by the Shortage Occupation List after they have waited three months for a decision on their initial asylum claim.**

**This Council resolves to:**

- 1. To join the Lift the Ban Coalition.**
- 2. To call on the UK Government to change the law to give people seeking asylum the ability to seek work under the conditions outlined above.**
- 3. To seek to ensure appropriate provision to support asylum seekers in Stroud District, including promotion of education and training to enable them to better integrate into the District and play an active role in the success of the local economy.**

The meeting closed at 9.45 pm.

Chair

Audit and Standards Committee, 7 May 2019 – Agenda Item 8

<b>Report Title</b>	<b>AUDIT AND STANDARDS COMMITTEE ANNUAL REPORT 2018/19</b>
<b>Purpose of Report</b>	<p>The Annual Report summarises the activities of the Audit and Standards Committee during 2018/19 and sets out its plans for the next twelve months.</p> <p>This report provides Council with an independent assurance that the Council has in place adequate and effective governance, risk management and internal control frameworks; internal and external audit functions and financial reporting arrangements that can be relied upon and which contribute to the high corporate governance standards that this Council expects and maintains.</p>
<b>Decision(s)</b>	<p>That the Audit and Standards Committee:</p> <p>a) RESOLVE to agree the Audit and Standards Committee Annual Report 2018/19; and</p> <p><b>b) RECOMMEND to Council the Annual report is approved.</b></p>
<b>Consultation and Feedback</b>	All Members of the Audit and Standards Committee have been consulted on the report content.
<b>Financial Implications and Risk Assessment</b>	<p>There are no financial implications from this report.</p> <p>Andrew Cummings – Head of Finance &amp; S151 Officer Tel: 01453 754115 Email: <a href="mailto:andrew.cummings@stroud.gov.uk">andrew.cummings@stroud.gov.uk</a></p> <p><b>Risk Assessment:</b></p> <p>Audit committees are a key component of an authority's governance framework.</p> <p>The Audit and Standards Committee's Annual Report is part of the overall internal control arrangements and risk management process. By examining and evaluating objectively the adequacy of the control environment through the reports it receives the Committee can, in turn, provide</p>

	assurances to Council on its governance, risk management and internal control frameworks; internal and external audit functions and financial reporting arrangements that inform the Annual Governance Statement.
<b>Legal Implications</b>	There are no specific legal implications arising from this report.  Patrick Arran, Interim Head of Legal Services and Monitoring Officer Tel: 01453 754369 Email: <a href="mailto:patrick.arran@stroud.gov.uk">patrick.arran@stroud.gov.uk</a>
<b>Report Author</b>	Theresa Mortimer, Head of Audit Risk Assurance Tel: 01453 754319 Email: <a href="mailto:theresa.mortimer@stroud.gov.uk">theresa.mortimer@stroud.gov.uk</a>
<b>Chair of Committee</b>	Councillor Nigel Studdert-Kennedy Chair of Audit and Standards Committee Tel: 01453 821491 Email: <a href="mailto:cllr.nigel.studdert-kennedy@stroud.gov.uk">cllr.nigel.studdert-kennedy@stroud.gov.uk</a>
<b>Options</b>	Consideration has been given to not producing an Annual Report however this has been discounted because recommended practice from both the public and private sectors indicates that an audit committee should report directly to the governing body of the organisation. In the case of a local authority, the full Council.
<b>Performance Management Follow Up</b>	In accordance with recommended practice the Audit and Standards Committee will continue to present an Annual Report to Council.
<b>Background Papers/ Appendices</b>	Appendix A – Audit and Standards Committee Annual Report 2018/2019.  Relevant public reports presented to the Audit and Standards Committee during 2018/2019 and minutes of those meetings can be found at <a href="https://www.stroud.gov.uk/council/meetings/audit-standards-committee">https://www.stroud.gov.uk/council/meetings/audit-standards-committee</a> .

## 1.0 Background

- 1.1 Stroud District Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards and that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. In discharging this overall responsibility, the Council is responsible for putting in place the proper arrangements for the governance of its affairs.
- 1.2 A sound corporate governance framework involves accountability to service users, stakeholders and the wider community, within which the Council takes

decisions and leads and controls its functions to achieve stated objectives and priorities. It thereby provides an opportunity to demonstrate the positive elements of the Council's business and to promote public confidence.

- 1.3 Audit Committees are widely recognised as a core component of effective governance. Their key role is independently overseeing and assessing the internal control environment, comprising governance, risk management and control and advising the Council on the adequacy and effectiveness of these arrangements.
- 1.4 In response to the above, the Audit and Standards Committee was established in September 2009 in line with guidance issued by the Chartered Institute of Public Finance and Accountancy (CIPFA). This guidance recommends that audit committees should prepare an annual report to the full Council, which sets out the Committee's work on how they have discharged their responsibilities.
- 1.5 The Annual Report attached at **Appendix A** details the work and achievements of the Audit and Standards Committee during 2018/19 and sets out its plans for the next twelve months.

# Statement from the Chairman of the Audit and Standards Committee

Effective corporate governance is a fundamental feature of any successful public sector organisation. The trend for strengthening governance arrangements has resulted in the joint Chartered Institute of Public Finance and Accountancy (CIPFA) / Society of Local Authorities Chief Executives (SOLACE) good practice publication / guidance '*Delivering Good Governance in Local Government – 2016 Edition*'.

Being well managed and well governed are important attributes in helping the council to improve performance and to reduce the risk of failing to achieve our objectives and providing good services to our community.

Audit Committees are widely recognised as a core component of effective governance. Their key role is to independently oversee and assess the internal control environment, comprising governance, risk management and control and advise the council on the adequacy and effectiveness of these arrangements.

In response to the above, the council established an Audit and Standards Committee in September 2009 in line with CIPFA's guidance '*Audit Committees – Practical Guidance for Local Authorities and Police - 2013 Edition*'. The Committee is currently reviewing its effectiveness against the revised CIPFA guidance 2018. The Committee's priorities are to maintain and if and where necessary, improve our governance procedures. We are a major source of providing assurance on the council's arrangements for managing risk, maintaining an effective control environment and reporting on internal and external audit functions and financial and non-financial performance. As Chairman, I also consider training and refresher training a key priority for members in order for us to undertake our roles effectively.

The Committee undertakes a substantial range of activities and works closely with the Chief Financial Officer (Section 151 Officer) and both internal and external auditors, in achieving our aims and objectives. We have developed and implemented a work plan for the year to enable key tasks to be considered, undertaken and delivered. To summarise, through our work plan we have:

- provided independent assurance on the adequacy of the governance, risk management framework and associated control environment;
- provided independent scrutiny of the council's financial and non financial performance to the extent that it affects the council's exposure to risk and weakens the control environment; and
- overseen the statutory financial reporting process.

The Committee has continued to make a positive contribution to the council's overall governance and control arrangements, including risk management and is satisfied that the council has maintained an adequate and effective internal control framework through the period covered by this report.

This year the Committee included in its work a review of working relationships between Members and Officers. Whilst the regard for high standards of conduct was commonly understood, improvement was found to be needed in some areas. The Member /Officer

Protocol will be subject to some additional work by the Committee in the coming year to address the issues raised.

The Committee has paid particular attention to Procurement Procedures including the Multi Service Contract and Car Parking Review. Those present at the meeting of Council on 18th October 2018 will recall the concern raised by the Audit and Standards Committee.

It is pleasing to note that at the January 2019 meeting of the Committee all these matters had been properly addressed and progress made. The Risk Register and Procurement Procedures will continue to be monitored by the committee. The Risk Register and its upkeep is now in the Committee's programme as a standing agenda item.

I wish to record my thanks the members of the Committee for their work during the year. Due to the untimely passing of Councillor Wride the Committee sadly lost a valued and stalwart member. I also wish to record my thanks to Internal Audit (Audit Risk Assurance) and to Officers of the Council, for their help and support.

It is clear that future years will increase the work of the Audit and Standards Committee because Local Authorities must look to increase their income streams and investments to maintain the levels of service.

**Councillor Nigel Studdert-Kennedy**  
**Chairman of the Audit and Standards Committee**  
**February 2019.**

## Background

Stroud District Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards and that public money is safeguarded, properly accounted for and used economically, efficiently and effectively. In discharging this overall responsibility, the council is responsible for putting in place the proper arrangements for the governance of its affairs.

A sound corporate governance framework involves accountability to service users, stakeholders and the wider community, within which the council takes decisions and leads and controls its functions to achieve stated objectives and priorities. It thereby provides an opportunity to demonstrate the positive elements of the council's business and to promote public confidence. Audit Committees are widely recognised as a core component of effective governance.

The Audit and Standards Committee is responsible for overseeing the council's corporate governance, audit and risk management arrangements. The Committee is also responsible for approving the Statement of Accounts and the Annual Governance Statement. The Committee's specific powers and duties are set out in the council's Constitution.

The Chartered Institute of Public Finance and Accountancy (CIPFA) issued guidance to local authorities to help ensure that Audit Committees are operating effectively<sup>1</sup>. The guidance recommends that audit committees should report annually on how they have discharged their responsibilities. The key benefits to the council of operating an effective Audit and Standards Committee are:

- Maintaining public confidence in the objectivity and fairness of financial and other reporting;
- Reinforcing the importance and independence of internal and external audit and any other similar review process;
- Providing a focus on financial reporting both during the year and at year end, leading to increased confidence in the objectivity and fairness of the financial governance arrangements operating within the council;
- Assisting the co-ordination of sources of assurance and, in so doing, making management more accountable;
- Providing additional assurance through a process of independent and objective review, via the Internal Audit function;
- Raising awareness within the council of the need for governance, including ethical governance, internal control and the implementation of audit recommendations; and
- Providing assurance on the adequacy of the council's risk management arrangements, including the risk of fraud and irregularity.

<sup>1</sup> CIPFA – Practical Guidance for Local Authorities and Police, 2013



## Membership and Meetings

The Committee has enjoyed the benefit of a relatively settled membership over the last two years. This has helped to build and retain the expertise within the Committee, which has led to the Committee being able to demonstrate that they are operating within a best practice framework.

There are nine Members of the Audit and Standards Committee namely:

- Councillor Nigel Studdert-Kennedy (Chair)
- Councillor Skeena Rathor (Vice-Chair)
- Councillor Rachel Curley
- Councillor Stephen Davies
- Councillor Keith Pearson
- Councillor Simon Pickering
- Councillor Mark Reeves
- Councillor Tom Williams
- Councillor Penny Wride (until November 2018)

During the 2018/2019 Civic Year, the Audit and Standards Committee has met on five occasions, in accordance with its Programme of Work:

- 10th April 2018
- 26th July 2018
- 9th October 2018
- 20th November 2018
- 29th January 2019

The Committee is also supported by council officers, principally the Chief Financial Officer (S151 Officer), Monitoring Officer, Head of Audit Risk Assurance (Chief Internal Auditor) and the council's External Auditors (Deloitte).

## Work Programme

During this period, the Committee has assessed the adequacy and effectiveness of the council's risk management arrangements, control environment and associated counter fraud arrangements through regular reports from officers, the internal auditors (Audit Risk Assurance) and the external auditors (Deloitte).

The Committee has sought assurance that action has been taken, or is otherwise planned by management to address any risk related issues that have been identified by the auditors during this period. The Committee has also sought to ensure that effective relationships continue to be maintained between the internal and external auditors and between the auditors and management. The specific work undertaken by the Committee during 2018/2019 is set out below.

## Internal Audit Activity

With effect from May 2016, the Internal Audit service is provided by Audit Risk Assurance under a shared service agreement. The Committee has continued to monitor the work of Internal Audit and has:

- been provided with an evaluation of the effectiveness of Internal Audit and has noted that the service complies with the Public Sector Internal Audit Standards (PSIAS). The standards require periodic self-assessments and an assessment by an external person every five years. The Chartered Institute of Internal Auditors (CIIA) (the professional body who sets internal audit standards for public bodies) assessment of Audit Risk Assurance concluded that the work of Internal Audit was in compliance with the required professional standards. The Committee therefore takes assurance that the internal audit practices meet the required standards and continued reliance can be placed on the internal audit arrangements operating within the council;
- contributed towards, received and approved the Internal Audit Plan for 2018/19 The plan ensures that internal audit resources are prioritised towards those systems, processes and areas which are considered to be deemed high risk, or which contribute most to the achievement of the council's corporate objectives;
- monitored the delivery of the annual Internal Audit Plan through regular update reports presented by the Head of Audit Risk Assurance;
- received, considered and monitored the results of internal audits performed and high risk activity identified, in respect of specific areas i.e. the Procurement Action Plan, Multi Services Contract, Capital Programme, Local Government Pension Scheme, Car Parking Review and ICT Business Processes and monitored the progress made by management, during the period, to address identified control weaknesses;
- considered the council's overall counter fraud arrangements and response in the light of national guidance Fighting Fraud and Corruption Locally – The Local Government Counter Fraud and Corruption Strategy 2016 – 2019 which is supported by CIPFA Counter Fraud Centre;
- received updates on the outcomes of special investigations / counter fraud activities undertaken by Internal Audit / Gloucestershire Counter Fraud Unit, along with progress made in the investigation of queries arising as a result of the National Fraud Initiative (NFI) data matching exercise; and
- considered the Internal Audit Annual Report of the Head of Audit Risk Assurance, which provided a satisfactory opinion, with the exception of the matters relating to the ICT service as detailed within the Society for IT Practitioners in the Public Sector (Socitm) review, on the effectiveness of the council's internal control environment, to enable the achievement of the Council's outcomes and objectives.

The summarised Internal Audit activity upon which that opinion was based, provide the Committee with reasonable assurance that there is a generally sound system of internal control in place at the council.

## Activity relating to Treasury Management

During the year, the Audit and Standards Committee:

- received and approved the quarterly Treasury Management activity reports which monitor treasury activity against the 2018-2019 strategy and recommended to full council for approval amendments to the 2018-2019 strategy as part of the Treasury Management mid-year update. Also considered and recommended to full council the annual report setting out the Treasury Management Strategy, the Annual Investment Strategy and Minimum Revenue Provision Policy Statement 2019/2020. This report also set the council's prudential indicators for 2019/20. Treasury Management is a key area for the Committee to monitor and they continue to consider and recommend to full council for approval amendments to the investment strategy in response to constantly changing market conditions. The 2019/20 Investment Strategy recommended by Committee included a number of new investment options as the Council looks to increase its risk appetite.

## External Audit Issues

The External Audit service is now provided by Deloitte, who have taken over the work from KPMG. The Committee has monitored the work of the council's external auditors and has:

- considered and approved the External Audit Plan 2018/19 which sets out external audit's work to be undertaken on the accounting statements and to provide a value for money opinion. It reported on risks they have identified which would receive attention during the audit, the results of interim work, which did not reveal any material weaknesses, and the dates for the completion of the audit.
- considered the External Audit Report 2017/18 i.e. 'Report to those charged with Governance' in accordance with the requirements of International Standard on Auditing 260 (ISA) which summarises the key findings arising from their audit work in relation to the council's financial statements and work to support the council's arrangements to secure economy, efficiency and effectiveness in its use of resources (Value for Money (VFM) conclusion). The audit concluded with an unqualified opinion on the financial statements and VFM conclusion;
- considered and approved the Statement of Accounts for 2017/18 of the council and received KPMG's audit opinion. The Acting S151 Officer together with the Chairman of the Committee signed a letter of representation on behalf of the Committee and Council to KPMG, to enable the 'unqualified' opinion to be issued;
- considered and accepted the Annual Audit Letter 2017/18. This letter summarises the outcome from audit work at the council during this period;
- received and considered the Annual Report on grant claims and returns 2017/18. This report summarises the results of the work undertaken on the council's 2017/18 grant claims and returns; and
- received and considered regular external audit progress reports.

## Risk Management Activity

During the year the Committee has:

- received regular risk management update reports (including the review of the corporate risk register) and being presented with the actions taken by the council to identify and address corporate risks. The Committee recognised that the corporate risk register required further review and enhancement, which has been addressed; and
- Included risk management as a standing agenda item for all Audit and Standards Committee meetings.

## Corporate Governance

In relation to corporate governance the Committee:

- considered and approved the council's 2017/2018 Annual Governance Statement and Local Code of Corporate Governance 2017/2018 which reflects the principles of good governance as per CIPFA / SOLACE Delivering Good Governance in Local Government 2016 edition. The Committee also reviewed the progress made by management to address the significant issues identified in the 2017/2018 Annual Governance Statement Improvement Plan; and
- with the responsibility in relation to review of standards of conduct applicable to all Councillors, a Task and Finish Group was appointed to review the Council's ethical framework. Meetings of this Committee produced the terms of reference for the review, namely (a) the content of the Member Code of Conduct (in particular the general requirements); and (b) the existing investigations and determinations procedure. Recommendations on changes (if any) to the framework to ensure standards are promoted and upheld by the Council will be reported back to this Committee.

## Other

In addition, the Committee:

- continued to monitor and accept the achievements against the Procurement Action Plan and considered the actions required to further improve the council's performance and contract management arrangements.

## Training

The following training was made available to Members of the Audit and Standards Committee in 2018/19 to support the Committee in discharging its responsibilities:

- Things Councillors Need to Know – 24<sup>th</sup> May 2018 open to all members
- Standards Workshop on 27th September 2018
- Homelessness and Notice of Proceedings for Possession (NOPP) Review Panel Refresher Training on 9th October 2018

- Housing Revenue Account (HRA) Finance – open to all members on 11th September 2018
- HRA Finance – open to all members 14th November 2018
- Budgets – 21st November 2018
- Capital Strategy and Treasury Management Information Evening on 4th December 2018
- Risk Based Internal Audit Planning Workshop – 11th December 2018
- Procurement Priorities on 7th April 2019 – all members invited

## Future Work

During 2019/2020, the Audit and Standards Committee continue with the existing aim of being an important source of assurance about the organisation's arrangements for managing risk, maintaining an effective control environment, and reporting on financial and other performance.

The Committee will undertake a review of its effectiveness in line with the new CIPFA guidance '*Audit Committees – Practical Guidance for Local Authorities and Police - 2018 Edition*'. Any improvement actions identified will be addressed during 2019/2020.

In particular, they will continue to support the work of Internal and External Audit and ensure appropriate responses are given to their recommendations, continue to monitor the implementation of the Procurement Action Plan and the effectiveness of the procurement arrangements operating across the council, the issues identified in relation to the capital Programme, the multi service contract management arrangements, the ICT strategy and associated business arrangements and any actions arising from the Annual Governance Statement action plan 2018/2019, to ensure the council continues to adopt the latest good practice.

In addition, with risk management being a key contributor to good governance the Committee will continue to seek assurance from management that risk management continues to operate effectively within the council and they will look to Internal Audit to provide the independent assurance that risk management continues to be embedded into the council's key business activities.

## Conclusion

The Audit and Standards Committee has had a successful year in providing the council with assurances on the strength of its governance and stewardship arrangements and in challenging those arrangements.

The Committee's work programme is a dynamic programme and will continue to be reviewed to ensure the Committee maximises its contribution to the governance and control framework at the same time managing agendas to ensure that all meetings are focused on the key issues.

Details of all reports as noted within this report can be found at <https://www.stroud.gov.uk/council-and-democracy/meetings/audit-standards-committee>

**REVISED CIVIC TIMETABLE 2019/20**

All meetings will be held in the Council Chamber	Community Services & Licensing	Environment	Housing	Strategy & Resources	COUNCIL	Audit & Standards	Development Control
	Thu 7pm	Thu 7pm	Tue 7pm	Thu 7pm	Thu 7pm	Tue 7pm	Tue 6pm
May 2019	30			<del>23</del>	16 (AGM)		
June 2019		06	11	13			04 & 12
July 2019				11	18	<del>16-25</del>	23
Aug 2019							
Sep 2019	05	12	10				03
Oct 2019		<u>24 prov</u>		03	17	08	15
Nov 2019	<u>28 (Budget)</u>					<u>19</u>	26
Dec 2019	<del>05 (Budget)</del>	<del>05 12 (Budget)</del>	10 (Budget)	<u>12</u>	<u>19</u>		
Jan 2020	23			<del>30 16 (Budget)</del>	<del>23 (Budget)</del>	28	07
Feb 2020		06	11		20 ( <u>Budget/Council Tax</u> )		18
Mar 2020	26		31	05			
Apr 2020		02		16	23	28	07
May 2020					21 (AGM)		

**Background**

- Strategy & Resources Committee – 23 May is changed to the 13 June due to the European Parliamentary Elections taking place on the 23 May
- Audit and Standards Committee – July Committee meeting needs to be rescheduled to the following week to allow External Audit to complete some work and an additional meeting is also required in November for treasury management reporting.
- Environment Committee – provisional date to discuss the Local Plan (if required).
- Council – January Council (Budget) will be merged with February Council (Ctax). After consulting with Tenant Services and Revenue & Benefits, Council in February must be held during half term to allow for Gloucestershire County Council to set their Council Tax rates and to give Tenant Services enough time to send rent increase letters.

An additional meeting of Council is also required in December to close the gap between Council meetings between October and February. Community Services and Licensing, Environment and Strategy and Resources Committees in December were impacted by the amendment to Council meetings and needed to be changed to reflect this.

## STROUD DISTRICT COUNCIL

AGENDA

COUNCIL

ITEM NO

**12**

16 MAY 2019

<b>Report Title</b>	<b>CORPORATE DELIVERY PLAN AND KEY ACTIONS FOR 2019-20</b>
<b>Purpose of Report</b>	To recommend that Council adopts the proposed updated Corporate Delivery Plan setting out the Key Actions for 2019/20.
<b>Decision(s)</b>	<b>Council RESOLVES to: Adopt the updated Corporate Delivery Plan setting out the Key Actions for 2019-20 as set out in Appendix 1.</b>
<b>Consultation and Feedback</b>	There have been two senior management workshops and a workshop involving senior managers and alliance group members of the Strategy & Resources Committee.
<b>Financial Implications and Risk Assessment</b>	Resources exist within the MTFP for all of the key actions in 2019/20. CDP Priorities will be used to inform the upcoming budget setting process. Andrew Cummings, Head of Finance & S151 Officer Tel: 01453 754115 Email: <a href="mailto:andrew.cummings@stroud.gov.uk">andrew.cummings@stroud.gov.uk</a>  There are no risks arising from this report. Risks relating to individual projects will be recorded on Excelsis.
<b>Legal Implications</b>	There are no legal implications arising from this report. Patrick Arran, Interim Head of Legal Services and Monitoring Officer Tel: 01453 754369 Email: <a href="mailto:patrick.arran@stroud.gov.uk">patrick.arran@stroud.gov.uk</a>
<b>Report Author</b>	Kathy O'Leary, Chief Executive Tel: 01453 754292 Email: <a href="mailto:kathy.oleary@stroud.gov.uk">kathy.oleary@stroud.gov.uk</a>
<b>Options</b>	The Council is not required to have a Corporate Delivery Plan, however, it is a useful way of drawing together the political and managerial key actions for 2019/20 and setting them in the context of the Council's priorities and 4 year focus. It enables the Council to set out what it is seeking to achieve and gives the public and partners a means by which they can be informed and hold the Council to account.
<b>Performance Management Follow Up</b>	The actions arising from the CDP will be recorded and monitored on Excelsis with quarterly updates to Committee.
<b>Background Papers/ Appendices</b>	<a href="#">2018-2022 Corporate Delivery Plan incorporating Key Actions for 2018/19</a>

## 1. INTRODUCTION / BACKGROUND

- 1.1 To help the Council deliver its vision, “Leading a community that is making Stroud district a better place to live, work and visit for everyone”, we produce a 4-year rolling Corporate Delivery Plan (CDP), which is reviewed annually. This allows us to maintain a focus over the medium term and ensures that we plan financially and adapt what we do to the changing demands of local people and the Government. Our annual budget consultation continued to show high levels of satisfaction with 79% of residents and 68% of businesses satisfied with how the Council runs things. Also within the survey the residents and businesses reinforced that our focus around our key priorities of Economy, Affordable Housing, Environment, Health & Well Being and Delivery are still important to them.
- 1.2 We made good progress in delivering most of our CDP actions during 2018/19, with 90% either fully completed or marking the completion of the first phase of an ongoing programme.
- 1.3 Our key successes for the year 2018/19 are set out below and our ongoing actions appear in the proposed Corporate Delivery Plan incorporating Key Actions for 2019/20 set out in Appendix 1.

- **Economy**
  - We were successful in being awarded £890,000 development stage funding from the National Lottery Heritage Fund to progress our bid for £23m to link the canal at Stonehouse with the national network at Saul.
  - We helped a local internationally recognised facility, Rush Skate Park to plan to relocate within the district by identifying a site within Stratford Park, subject to planning permission.
  - We have lobbied Government to raise the profile of local infrastructure to improve its chances of gaining strategic infrastructure investment with a focus on junctions 12, 13 & 14 of the M5.
  - Working in partnership we supported the delivery of the fourth Stroud Ambitions careers event at Stratford Park Leisure Centre, linking young people with local businesses.
  
- **Affordable Housing**
  - We delivered 228 new homes in our first 5-year council house building programme and are on track to deliver a further 16 homes at Southbank Woodchester and Tanners Piece in Nailsworth.
  - In our ongoing endeavour to tackle fuel poverty we have invested £6.8m in new heating systems and boiler upgrades in 181 council homes, with a further 35 receiving new external wall insulation.



- We have made excellent progress in modernising our sheltered housing schemes, completing the refurbishment of all communal areas at Sherborne House on time and on budget.
  - Members have agreed to invest £500,000 to secure temporary homeless accommodation for people in our district which will help reduce our dependence on expensive hotel and B&B options.
  - Our continued efforts to lobby government have resulted in the lifting of the debt cap on our Housing Revenue Account, allowing us to invest further in our housing stock.
- **Environment**
    - In partnership with Ubico we have been recognised by the Department for Environment, Food and Rural Affairs (Defra) as the highest performing council for recycling in the south west. We achieved a household recycling rate of 61.2%, which means our residents threw away the least amount of residual waste in England. In addition we have been shortlisted for two national Waste & Recycling awards.
    - This year we made a £213,000 fund available to help our town councils maintain and improve the vibrancy of five market towns in our district.
    - We declared a Climate Change Emergency and committed to the challenge of working towards a carbon neutral district by 2030 and ending our use of single use plastics.
- **Health and Wellbeing**
    - A cross-council team is driving mental health awareness to support the wellbeing of the public and staff. This included a coordinated mental health week offer, better training for staff and managers, partnering with mental health services on a number of initiatives, promoting access to support through our District Health & Wellbeing Partnership and promoting awareness via our three elected member Mental Health Champions.
    - Through our ongoing partnership with Severn Wye Energy Agency to support households in fuel poverty, 111 properties in the district were improved by the installation of energy efficient measures; 21 properties have had first time central heating installed through the Warm and Well fund and a further 29 have been approved. Energy efficiency advice was given to 510 households and 54 home visits made – 73% were to people with health conditions making them vulnerable to cold.
    - Our Healthy Lifestyles programme continues to run well with 7321 attendees at Stratford Park Leisure Centre, The Pulse and other community venues. Our successful girls' football festival

attracted 240 children this year and attendance has reached over 3000 at walking sports events, showing that participation across all areas is going from strength to strength.

- **Delivery**
  - We continue to look at our operations and service delivery to make best use of our assets making efficiencies where practical, with Stroud Subscription Rooms being transferred to a local community trust.
  - We have promoted good employment practice through adoption of the 'Modern Slavery Charter' and are working to incorporate both this and the 'Construction Charter' in our procurement process.
  - The options for the future delivery of housing repairs and maintenance were considered and Members voted to bring the service in-house, with a view to giving us a greater degree of control over service quality and ultimately achieving improved customer satisfaction for our tenants.

1.4 In respect of other Key Actions for 2018/19: a change in policy resulted in a decision not to introduce parking charges (Delivery); our offer of a commercial loan for the redevelopment of Merrywalks was not required (Economy); and we have completed the nine units at Littlecombe Business Park in Dursley and let or sold three of them, and continue to work on letting or selling the remaining units (Economy).

## **2. UPDATING THE KEY ACTIONS FOR 2019/20**

2.1 The 2018-2022 Corporate Delivery Plan incorporating the Key Actions for 2018/19 is available on our website. The proposed Corporate Delivery Plan incorporating Key Actions for 2019/20 (set out in Appendix 1) has been drafted following a number of officer and member workshops.

2.2 The workshops explored the Key Actions for 2018/19 that were achieved, not achieved and those that needed to be rolled forward and updated for 2019/20. The achievements for 2018/19 are reflected in section 1 above, and a number of Key Actions which were not completed in 2018/19 have been updated for the year ahead, notably:

- We continue to seek a development partner for Brimscombe Port having undertaken flood modelling of the site with the Environment Agency and designed the key infrastructure.
- Work continues to revise our 30-year Housing Revenue Account business plan, with a focussed 5-year delivery plan now being formulated.
- Working with our partners we will continue our efforts to secure the best management option and improvement programme for all aspects of Stratford Park, which has retained its Green Flag status for the last 15 years.

- We will continue to explore the best digital options to enhance service delivery and have already invested in upgrading our phone system and IT servers.

2.3 Consideration has also been given to emerging priorities and challenges, and key deliverables for longer-term projects in 2019/20. The result is the proposed Key Actions for 2019/20 set out under the unchanged vision and key priorities, at Appendix 1. Where necessary, the 'Four Year Focus' for the key priorities has also been updated.

## **DRAFT CORPORATE DELIVERY PLAN 2019/20**

### **FOREWORD**

Welcome to the Corporate Delivery Plan, which maps out Stroud District Council's vision, priorities, and challenges over the coming year.

As our annual resident and business survey showed, our council and the district which we provide services for is well-regarded. We live and work in a beautiful and unique part of the country, rich in natural and built environment and industrial heritage. As a council, we strive to provide the best services we can in that setting.

There are challenges to be faced and we are determined to meet them - they include climate change, the need for more affordable homes, attracting and retaining investment in business and jobs, and improving health and well being for everyone.

Because of cuts in government funding this must be achieved within tight financial constraints, but our focus is on delivering for our residents and finding new sources of funds. We're proud to say that we are the best performing council for recycling in the south west; we have built 228 new council homes; supported the delivery of an average of 120 affordable homes annually; we have endorsed the declaration of a global climate emergency; and we are on track to progress our bid for £23million to link Stroud and Stonehouse with the national inland waterway network.

There is much more to do however, and that's why we have a four year focus in five key areas: economy, affordable housing, environment, health and well being, and delivery – you can read more in this plan about how we will meet these priorities.

Our vision is to lead a community that is making Stroud district a better place to live, work and visit for everyone, and we will work positively and proactively with our communities and partners across all sectors to achieve this.

Councillor Doina Cornell  
Councillor Martin Whiteside  
Councillor Ken Tucker

June 2019

**CDP1. ECONOMY: Help create a sustainable and vibrant economy that works for all**

**4-YEAR FOCUS**

- Promote investment to create rewarding jobs that benefit the local area, with a focus on environmental technologies, engineering and manufacturing, creative industries and high quality social care
- Work with partners to promote safe, accessible and efficient transport that is healthy and does not damage our special environment, with an emphasis on limiting car use through cycling, walking and improvements to public transport
- Work with business, education and the voluntary sector to build skills and employment opportunities
- Promote investment in our high streets and regeneration sites to help sustain and enhance our distinct and varied service provision and cultural heritage
- Lobby for key infrastructure investment, particularly transport improvements to link Stroud to Bristol, the Midlands and Wales

CDP	Key Actions for 2019/20
1.	Continue to allocate funds from the business rates pilot fund in line with the agreed principles: <ul style="list-style-type: none"> <li>• Supporting Local Businesses</li> <li>• Improving the Council’s long-term financial position</li> <li>• Local Wealth Building</li> <li>• Supporting a Zero Carbon District</li> <li>• Reducing inequality</li> </ul>
2.	Support local wealth creation and local business growth through an updated procurement strategy incorporating social value principles.
3.	Progress and deliver the redevelopment of Brimscombe Port by securing planning permission and being ready to seek a development partner.
4.	Submit a bid to the National Lottery Heritage Fund by April 2020 to restore the canal link between Stonehouse and Saul.

**CDP2. AFFORDABLE HOUSING: Provide affordable, energy efficient homes for our diverse and changing population**

**4-YEAR FOCUS**

- Deliver new affordable homes through our council house building programme and new private sector developments
- Implement the sheltered housing modernisation programme
- Reduce the number of empty homes in all tenures
- Drive up standards in private rented housing
- Work with partners to meet a range of housing needs including extra care and vulnerable young people
- Continue to deliver high quality services for council tenants and build on tenant engagement

CDP	Key Actions for 2019/20
5.	Contribute to our identified local housing need, by building new council homes through: a) submitting planning applications for 56 units on 6 sites b) agreeing an approach to purchase more land
6.	Adopt the Housing Revenue Account 5-year delivery plan
7.	Commence improvements to the sheltered housing schemes in Nailsworth (Concord) and Minchinhampton (George Pearce House).
8.	Provide high quality, safe temporary accommodation for homeless single people and families within the district.
9.	Work to bring the reactive maintenance service in-house by 1 April 2020, providing better customer service and efficiencies.
10.	Adopt the housing strategy incorporating the delivery of community-led housing.

**CDP3. ENVIRONMENT: Help the community minimise its carbon footprint, adapt to the changing climate and continue to improve recycling rates**

**4-YEAR FOCUS**

- Reduce the number of households in fuel poverty through energy efficiency measures
- Adopt the revised Local Plan by 2022
- Reduce household waste going to residual treatment through cost-effective recycling
- Design and implement a cycling and walking plan
- Embed carbon reduction measures in service design and delivery

<b>CDP</b>	<b>Key Actions for 2019/20</b>
11.	Implement the revised Environment Strategy and develop an action plan with partners to incorporate our commitment to being a Carbon Neutral district by 2030 (CN2030).
12.	Work with partners to implement the next phase of the cycling and walking strategy, focussing on routes between Dudbridge-Nailsworth; Dursley–Cam-Uley; Wotton-Kingswood-Charfield.
13.	In our role as statutory waste collection authority, support community groups to phase out single use plastics; whilst also reducing its use across council services
14.	In Partnership with Stroud Town Council and Friends of the Lido submit a bid to National Lottery Heritage Fund for additional funding to refurbish Stratford Park Lido.
15.	Publish an assessment of opportunities to expand the green infrastructure network through the Local Plan Review.

**CDP4. HEALTH AND WELL BEING: Promote the health and well-being of our communities and work with others to deliver the public health agenda**

**4-YEAR FOCUS**

- Work with partners to help deliver the public health agenda including exercise and healthy lifestyles, dementia-friendly and child-friendly Stroud District
- To work with and influence health providers to ensure the delivery of locally accountable services
- Reduce poverty and inequality and help vulnerable people cope with welfare reform
- Support leisure services, arts and culture across the district.

<b>CDP</b>	<b>Key Actions for 2019/20</b>
16.	Adopt a new Health and Well Being Plan to guide council service delivery.
17.	Make a decision extending the contract for the provision of leisure centre services at Stratford Park and consider options for future provision.
18.	Agree a long term investment and management plan for Stratford Park with partners and contractors.
19.	Support the setting up and delivery of a weekly Parkrun in Stratford Park.
20.	Implement the first year's action plan of the Council's Older People's Housing Strategy.

**CDP5. DELIVERY: Provide value for money to our taxpayers and high quality services to our customers**

**4-YEAR FOCUS**

- Deliver our Medium Term Financial Plan (MTFP) and Workforce Plan
- Use IT investment to provide better customer access and enhance workforce productivity and service innovation
- Invest in projects and assets that deliver a return, generate income or deliver savings, so enabling us to continue to fund essential public services
- Develop and implement a self-financing plan for the council

<b>CDP</b>	<b>Key Actions for 2019/20</b>
21.	Create a strategic approach to building more effective partnerships with parish and town councils.
22.	Adopt a clear vision and digital strategy which is fit for purpose to deliver good quality, convenient and efficient services for staff, residents and local businesses.
23.	Explore the opportunities for income generation to help achieve financial self-sufficiency.
24.	Work collaboratively through partnerships and external stakeholders to achieve greater influence to deliver the Council's objectives.

**Budget Survey Consultation Results**

**Resident survey**

- 96% of residents were satisfied with their local area as a place to live
- 80% of residents were satisfied with the way SDC runs things
- 78% were satisfied that SDC is working to improve the environment
- 70% agreed that they get value for money from SDC

**Businesses survey**

- 94% of businesses were satisfied with the local area as a place to do business
- 78% of businesses were satisfied that SDC is working to improve the environment
- 68% of businesses were satisfied with the way SDC runs things



## STROUD DISTRICT COUNCIL

AGENDA  
ITEM NO

## COUNCIL

16 MAY 2019

13

<b>Report Title</b>	<b>LGA CORPORATE PEER CHALLENGE REPORT</b>
<b>Purpose of Report</b>	To inform members of the feedback from the LGA Corporate Peer Challenge team, which visited the Council between 26 <sup>th</sup> and 29 <sup>th</sup> March 2019.
<b>Decision(s)</b>	<b>The Committee RESOLVES to:</b> <b>Note the LGA Corporate Peer Challenge feedback report. An action plan based on the recommendations will be considered by a future Strategy &amp; Resources Committee.</b>
<b>Consultation and Feedback</b>	The Peer Challenge process involved meetings with the Leader, Group Leaders, committee chairs, a number of other members, the CE, senior management and a cross-section of staff, as well as external partners and agencies, including those from the LEP, LSP, Health Service, County and neighbouring District Councils and the Police.
<b>Financial implications and risk assessment</b>	There are no financial implications arising directly from this report. Where decisions are taken as part of the action plan these will be subject to appropriate financial appraisal and included in the MTFP as required. Andrew Cummings, Head of Finance and Section 151 Officer, Tel: 01453 754115 Email: <a href="mailto:andrew.cummings@stroud.gov.uk">andrew.cummings@stroud.gov.uk</a>
<b>Legal Implications</b>	There are no legal implications arising from this report. Patrick Arran, Head of Legal Services and Monitoring Officer Tel: 01453 754369 Email: <a href="mailto:patrick.arran@stroud.gov.uk">patrick.arran@stroud.gov.uk</a>
<b>Report Authors</b>	Kathy O'Leary, Chief Executive, Tel. 01453 754292 Email: <a href="mailto:kathy.oleary@stroud.gov.uk">kathy.oleary@stroud.gov.uk</a> Tim Power, Head of Business Service Planning Tel: 01453 754155 Email: <a href="mailto:tim.power@stroud.gov.uk">tim.power@stroud.gov.uk</a>
<b>Options</b>	The Local Government Association encourages all local authorities to undergo a Corporate Peer Challenge every 4-5 years. Peer challenges are improvement-focussed and tailored to meet an individual council's needs. They are designed to complement and add value to a council's own performance and improvement focus.
<b>Performance Management Follow Up</b>	Members and officers will formulate an action plan from the findings and recommendations of the peer team. The LGA offer a follow-up visit within 2 years to assess our progress against their recommendations.

<b>Background Papers</b>	<p>A copy of the LGA Corporate Peer Challenge team's feedback report is attached at Appendix 1.</p> <p>A copy of the slide presentation given by the Peer Challenge team on 29<sup>th</sup> March is available on the hub at: <a href="https://hub.stroud.gov.uk/resources/corporate-peer-challenge">https://hub.stroud.gov.uk/resources/corporate-peer-challenge</a></p> <p>All participants and all Members were invited to the presentation on 29<sup>th</sup> March. Members and staff who were unable to attend have received an email inviting them to attend a screening in the council Chamber of the Peer Challenge team's presentation.</p>
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## 1. INTRODUCTION / BACKGROUND

1.1. The Local Government Association (LGA) gives all local authorities the opportunity to participate in a Corporate Peer Challenge as part of its sector-led improvement programme. As the Council last undertook a Peer Challenge over 4 years ago, the new Chief Executive and Leader felt that this was the ideal time to take up this offer to review how as a council we are doing and how we can best tackle current and future challenges.

1.2. The review took place between 26 and 29 March 2019 and was conducted by a team of elected members and senior officers from other local authorities, together with advisors from the LGA. They were invited to give us the benefit of their experience of working with and leading similar organisations.

1.3. Every corporate peer challenge considers 5 core components:

- a) How well we understand our local place and priority: do we understand the local context and use this to inform a clear vision and set of priorities?
- b) Leadership of place: do we provide effective leadership through members and officers and form constructive partnerships with stakeholders?
- c) Organisational Leadership and Governance: how effective is this politically and managerially and is this supported by good governance and decision making in response to key challenges and allows the council to change and transform in response to these?
- d) Financial Planning and viability: do we have a plan in place which ensures our long term viability?
- e) Capacity to Deliver: is our resource capacity aligned with priorities?

We also asked the Peer Challenge team's view on:

- How well are we currently meeting customer needs?
- How might we make best use of technology in the delivery of efficient and excellent customer services?
- How well our structure supports our vision and delivery of corporate objectives and how we might improve this?

- How we can best achieve financial self-sufficiency – including making the most of commercial investment and treasury management (with an eye on the benefit to the residents and businesses)?

1.4. The team began the process by reviewing the information submitted in our self-assessment, including the council's key documents. They visited the council for 4 days and conducted site visits, interviews and workshops with a wide selection of staff, councillors, stakeholders and partners. During the time the team spent at Ebley Mill they met with 107 people and held 47 meetings including attending the Environment Committee.

## 2. SUMMARY OF FINDINGS

2.1. The peer team presented their findings on the last day of their visit and have now submitted their feedback report, attached at Appendix 1. It is important to note that the team provide feedback as critical friends, not as assessors, consultants or inspectors.

2.2. The peer team's findings are clearly set out in the report and although the focus is on areas for development and improvement, they also point out 'there is much that SDC does that is of the highest order' (for example, recycling and joint working on health and wellbeing) and have invited the council to share these areas of good practice with other local authorities.

2.3. The headlines in the feedback report are:

- SDC is a good council, providing good services, in a distinctive place that staff are proud to be a part of.
- There is evidence of good partnership working on the ground.
- The unique political alliance is working well. The Leadership and members want to take the next steps towards promoting more effectively the consistent delivery of priorities and ambitions of Stroud District and the council.
- Notwithstanding a relatively strong financial position, there is a need, through clearer articulation of priorities to take difficult decisions where necessary to provide a sound basis for financing priorities into the medium and longer term.
- Governance needs to ensure better collaboration at an early stage in producing options and implications for decisions.
- Staff support the Chief Executive and are keen to be involved in shaping the improvement journey.
- The Chief Executive will need to move quickly to put appropriate senior management capacity in place to enable change.
- There is a groundswell of goodwill to the council from a range of external partners and as such a real opportunity for the council to influence strategic decisions within and outside its borders.
- **The council has the potential to be an exemplar** if we develop our strategic capacity, establish our next 12 months key deliverables (these are set out in the Corporate Delivery Plan and Key Actions for 2019/20 report at item 11 on this agenda), then focus on the key issues that have been identified and make them happen.

2.4. The key recommendations are set out in section 2 on pages 3 to 4 and are separated into short and medium term actions.

### **3. NEXT STEPS**

3.1. Members and officers now have the opportunity to reflect on the Peer Challenge team's findings and determine how we wish to take things forward, with a view to developing a robust action plan. The LGA is available to offer advice and further information to support us through this process. The intention is to bring the action plan to a future meeting of the Strategy & Resources Committee.

3.2. In addition, the LGA offer to return for a 'light touch' follow up visit within the next 2 years to help assess how we have progressed against areas of improvement and development identified by the peer team.



# Corporate Peer Challenge **Stroud District Council**

*26 – 29 March 2019*

Feedback Report

## 1. Executive Summary

Stroud District Council (SDC) serves its residents and communities well. Services are generally good and the council has strong performance in a number of areas, most notably its impressive recycling rates. For these reasons customer experience is good and levels of resident and business satisfaction with the council are high.

The council has worked hard to build an effective partnership base, and through this it purposefully contributes to a range of programmes and initiatives to promote healthier and sustainable communities and employment across the district, e.g. the Littlecombe and Brimscombe Port regeneration, the canal restoration plans, social housing delivery and the tenants engagement project. As such the people it serves and the organisations it works with have confidence in the council; this is a strong foundation for success.

The council has a unique political administration, made up of a cooperative alliance of three parties, which in the view of the peer team, operates successfully. The Leader of the Council, the respective leaders of the alliance and indeed those of all political parties across the council work hard and collaboratively to make this work; this is to their collective credit. The peer team were struck by how SDC's dedicated and passionate political leadership is intent on making a tangible difference to support its communities. The Leadership's ambitions for Stroud are well understood by partners who engage with the Council Leader and her drive and energy to promote them is palpable.

However, there needs to be a greater consensus, ownership and promotion of the ambitions and priorities across the council as a whole, as when we spoke with relevant stakeholders, including external partners and staff, we found those ambitions and priorities, especially when it comes to ordering them or describing programmes of work or outcomes being sought, are less well understood. There is a job to be done for the council, therefore, to refresh its vision and clarify its priorities into the medium term, articulating them coherently, ensuring they are evidence based, understood and bought into by staff, members and partners alike. This would help to maximize collaborative internal effort to deliver key priorities and the council's influence and focus in working strategically with external partners for the benefit of Stroud District's communities and the wider county of Gloucestershire. The council recognises this is an important issue to address and there is clearly a strong positive intent to do so.

That intent is equally evident across a range of issues and it will be important the council manages and sequences this well, maintaining its core community and partner strengths while working with purpose towards its improvement goals. It must ensure it has the capacity to do both, but importantly it cannot do everything at once.

One of those core improvement goals is to move towards a more inclusive and empowering council. In essence this centres on a need to modernise and transform its operating model, culture and systems – the capacity needed to address this and the time and resources required should not be underestimated. Importantly SDC has appointed a new Chief Executive and given her a mandate to lead and steer this change and she has set about this with vigour by engaging key stakeholders, most especially the council's workforce, who clearly are on board with and want to be part of a dynamic council. If that

vitality and purpose is to be sustained SDC needs to ensure as a priority, that the Chief Executive is supported in building a strong senior leadership team around her. For a range of reasons that capacity is currently absent and this is a fundamental foundation stone that must be secured as soon as is practicable.

There is a collective will both politically and managerially to embrace change. This now needs to be galvanized, acted upon and seen through. This will require clarity of purpose, not just about establishing clear priorities, but also what the council may stop or reduce doing, as well as fundamental decisions that will need to be made in respect of investment in infrastructure and staffing, in order to effectively deliver on member policy priorities. Given this is essentially the remit and responsibility of the council's senior politicians and senior officers, we suggest that to plan and implement this well, they create dedicated time, in their respective teams and together, to make the most of opportunities for key strategic conversations to take place about the short term and medium term future of the council. This will promote the building of strong political and managerial relationships and a clear sequenced plan of action for the council to progress.

SDC has achieved a relatively strong financial position and this core strength should be recognised. However, there is a sense that in recent years it has, to some extent been using its reserves to arguably avoid difficult financial decisions around service provision, resourcing and investment. There are therefore real opportunities to review and agree upon the council's aims in respect of transformation, for example in terms of: ICT capacity, approaches to digital delivery, utilising the council's investment opportunities to enable the delivery of priorities and enhance financial sustainability, addressing some clear cultural, staffing and reward issues etc. Importantly, the council's financial position enables it to tackle these areas from a position of strength.

The matters referred to above are core issues on the Chief Executive's and her senior officer team's (when appointed), 'to do' list. They must be informed, shaped and ultimately delivered following the strategic conversations previously referred to. To that end, a core 'golden thread' should be developed and constantly reinforced through the establishment of: a refreshed vision, key priorities - which are outlined in the council Corporate Delivery Plan (CDP), a fully costed Medium Term Financial Plan (MTFP) – which aligns with and underpins the CDP and finally clear targets and a strong performance culture to ensure effective delivery.

The 'to do' is important as at present there is a lack of a 'golden thread' and this means the potential that SDC possesses will be limited unless this is addressed. At its core will be the need to review the effectiveness of the council's governance arrangements, especially to ensure its refreshed priorities and potentially challenging decisions referred to above are seen through. For example, it is evident that there is a need for a longer term forward plan for key decisions. This should enable collaboration at an early stage, in producing options and implications for decisions. The council should review the learning from some recent decisions, as we believe there needs to be more emphasis on building political consensus before decision making reports come to members. To enable this, such reports must be of high quality, based on evidence and presented with the full range of options available to members, with a greater opportunity for testing and rigour being given to them. Ultimately, all of the above proposals are intended to help SDC ensure the most effective decisions are made.

It is an exciting time for SDC. It has good services and good partnerships. It has well respected and engaged political leadership and a new Chief Executive who has been universally welcomed. Therefore SDC possesses many of the attributes to take the council to 'the next level', to which it aspires. The peer team's advice is that SDC should take and make the time to do this well. First it should create the necessary senior officer capacity as soon as it can, to support the Chief Executive to drive change. At the same time it should set realistic, short term goals (next 12 months) after which it can then begin to develop a 'bought into' medium term vision and set of coherent priorities that are properly costed and resourced to support effective delivery – this will of course need to be reviewed in the light of the May 2020 election outcome. It will be crucial that the work over the next 12 months paves the way for the longer term work and creates the necessary foundation on which SDC can truly build to achieve its ambitions.

SDC is aware of the challenges set out in this report and there is a clear desire to act upon them. It is equally important that the range of strengths also referred to are recognised and celebrated – there is much that SDC does that is of the highest order. We met members, senior officers and a staff group who are passionate about the district and want to actively shape how the council best operate to serve its residents. In the view of the peer team SDC has the potential to be an exemplar leader of place.

## **2. Key recommendations**

The following are the peer team's key recommendations to the council. Some are key operational issues to address, whilst others are of greater strategic importance but we have set them out, in sequence (especially recommendations 1-4) to help to show the order in which we suggest they would be best implemented.

In the first instance SDC should:

1. Commence its senior office restructure to ensure sufficient strategic capacity is in place at the top of the organisation;
2. Agree its short-term priorities and actions for the period to May 2020;
3. Ensure the integrity of the current IT system. To that end it would be wise to review the progress and suitability of its current plans, capability and capacity in respect of this, and beyond that to confirm that its emerging plans in respect of ICT development and digital delivery fit with its longer term transformation plans;
4. Work with all key stakeholders over the next year to develop a clear vision and priorities for the council aligned to its medium term financial plan, to be agreed in the next iteration of the Corporate Delivery Plan (CDP) and once approved ensure this is communicated effectively to residents, businesses and other partners.

Beyond that, over the medium-term SDC should:

5. Create time, once its senior officer team is appointed, for its political and managerial leadership teams, both informally and formally to have the 'strategic conversations', referred to in this report. This will help develop a strong leadership team and help



- them develop clear priorities and plans to be put in place focussed on SDC's improvement, for the district and the wider county and sub region;
6. Establish effective workforce planning and performance management arrangements so that it has a committed and engaged staff group with clarity in terms of the expectations of them and sufficient capacity to deliver its plans. As part of this it should:
    - review its future staffing arrangements, ensuring strategic fit and the development of a 'one council' ethos
    - develop its core transformation plans and ensure sufficient capacity to enable effective delivery and monitoring. This includes consideration of ICT provision
    - establish appropriate pay and reward arrangements for its staff
    - ensure consistent compliance with, and outcomes arising, from core HR policies are delivered e.g. appraisals
    - ensure consistent oversight, management and compliance with key performance management practices;
  7. Building on its relatively strong financial position, review how its investment and commercial plans could be enhanced. A key focus of this will be to help deliver the council's priorities as well as to sustain its financial viability into the medium term;
  8. Consider reviewing its governance arrangements to ensure better decision making, in order to deliver its revised priorities and plans. As part of this it should:
    - look to develop better collaboration at an early stage in producing policy or service options, taking account of expertise available from members where appropriate, together with ensuring that operational, financial and legal implications of options are effectively understood
    - seek to build greater political consensus before decision making reports come to members, with a greater opportunity for testing and rigour.

### **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 your requirements and the focus of the peer challenge. Peers were selected on the basis of their relevant experience and expertise and agreed by you. The peers who delivered the peer challenge at Stroud District Council were:

- Cllr Tom Beattie - Leader, Corby Borough Council
- Cllr Harvey Siggs – Leader, Mendip District Council
- Mel Barrett - Chief Executive, Basingstoke & Deane Borough Council
- Bindu Arjoon – Director , Exeter City Council
- Verna Connolly – Executive Manager, Hastings Borough Council

- Alex Marshall – Peer Placement Coordinator, LGA
- Paul Clarke - LGA Peer Challenge Manager

## Scope and focus

The peer team considered the following five questions which form the core components looked at by all Corporate Peer Challenges cover. These are the areas we believe are critical to councils' performance and improvement:

1. Understanding of the local place and priority setting: Does the council understand its local context and place and use that to inform a clear vision and set of priorities?
2. Leadership of Place: Does the council provide effective leadership of place through its elected members, officers and constructive relationships and partnerships with external stakeholders?
3. Organisational leadership and governance: Is there effective political and managerial leadership supported by good governance and decision-making arrangements that respond to key challenges and enable change and transformation to be implemented?
4. Financial planning and viability: Does the council have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully?
5. Capacity to deliver: Is organisational capacity aligned with priorities and does the council influence, enable and leverage external capacity to focus on agreed outcomes?

In addition to these questions, you asked the peer team to consider/review/provide feedback on the following, which have been addressed within the context of the core components:

- How well SDC is currently meeting customer needs?
- How SDC might make best use of technology in the delivery of efficient and excellent customer services?
- How well does SDC's structure support your vision and delivery of corporate objectives and how you might improve this?
- How can SDC best achieve financial self-sufficiency – including making the most of commercial investment and treasury management? (with an eye on the benefit to the residents and businesses)

## The peer challenge process

It is important to stress that this was not an inspection. Peer challenges are improvement focussed and tailored to meet individual councils' needs. They are designed to complement and add value to a council's own performance and improvement. The process is not designed to provide an in-depth or technical assessment of plans and

proposals. The peer team used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read.

The peer team prepared for the peer challenge by reviewing a range of documents and information in order to ensure they were familiar with the Council and the challenges it is facing. The team then spent 4 days onsite at Stroud District Council, during which they:

- Spoke to more than 107 people including a range of council staff together with councillors and external partners and stakeholders.
- Gathered information and views from more than 46 meetings, visits to key sites in the area and additional research and reading.
- Collectively spent more than 280 hours to determine their findings – the equivalent of one person spending more than 8 weeks in Stroud.

This report provides a summary of the peer team's findings. It builds on the feedback presentation provided by the peer team at the end of their on-site visit (26th-29<sup>th</sup> March 2019). In presenting feedback to you, they have done so as fellow local government officers and members, not professional consultants or inspectors. By its nature, the peer challenge is a snapshot in time. We appreciate that some of the feedback may be about things you are already addressing and progressing.

## 4. Feedback

### 4.1 Understanding of the local place and priority setting

SDC, its councillors and staff have a strong sense of place and are actively engaged in their local communities. When they spoke about their respective communities it was with a sense of enthusiasm, pride and a desire to influence positive outcomes. The evidence on the ground supports this, from the engaged and responsive community wardens to the overall ambition of SDC and its partners to build the capacity of communities, helping them become more resilient and looking to deliver developing council ambitions around 'community wealth building'. This is all reflected in the outcomes from the 2018 resident and businesses surveys which showed strong satisfaction with SDC –reflecting a council delivering good services to communities.

However, that sense of drive and determination around localities and wards is not always as strongly reinforced at a district-wide level. In part, the peer team reflected that this could be because:

- the council's priorities, whilst clear in headline are not always clear in practice
- local initiatives can often draw capacity from SDC as a whole and therefore the council finds it difficult to deprioritise and stop doing things
- council priorities and then planned actions to fulfil them are not always underpinned with a sufficiently strong evidence base to make them compelling when it comes to decision making.

As SDC is planning a refresh of its priorities,(currently they are: economy, affordable housing, environment, health and well-being and delivery) we advise that the council build upon those local strengths but to do so with a collective emphasis on the overall needs of the district and the financial sustainability of the council into the medium term. To that end, it will be important that members are actively engaged in this process. We would expect to see that strong local community leadership role for members shining through as this is a real strength at SDC, However, that could be enhanced by engaging members early in district wide priorities, using their knowledge and understanding of their communities to shape and inform them, and ensuring a strategic focus on financial sustainability and the district as a whole rather than on individual wards.

Therefore it will be equally important that SDC and its members ensure a strong evidence base informs and underpins both their priorities and their decision making processes. We would specifically expect that members are well briefed so that in their community leadership role they have a strong knowledge and understanding of key priority issues. Furthermore, this in turn should be reflected within the council so that reports prepared for the relevant council committees are well prepared, evidenced and argued. It would be a useful exercise for the council to review any learning from recent decision making and gauge whether they sufficiently reflect the approach described above.

In developing the refresh of priorities there are real opportunities to utilise the strong partnership base that SDC has worked hard to nurture. An area which could be enhanced through this, is the relationship SDC has with its town and parish councils. This perhaps, understandably is a 'mixed bag' in terms of some of them feeling engaged with and jointly influencing their places with SDC, to others feeling distant and marginalised by the council. Such is the strength of that local community spirit and focus that working more collaboratively and utilising the capacity and potential of towns and parishes is an area worthy of active reflection. This will draw the districts' towns and parishes, and indeed other partners, into a richer engagement with, and refreshing of, SDC's collective partnership ambitions.

From this a clear narrative for the future for the district, the council and its partnerships can be developed, with the rationale for this made stronger and with measures and impact made more explicit. This can then in turn underpin a stronger and more bold communication message, both externally with partners but internally too with staff of a 'one council' approach. This will be important since both partners and staff told us that the council did act to a large extent in service or place based silos at times and that has been limiting its capacity and impact.

## **4.2 Leadership of Place**

As outlined SDC is community focused, it has great partnerships and it is working proactively at a district level to collaboratively improve outcomes. There are many great projects and approaches which illustrate this including the Littlecombe and Brimscombe Port regeneration schemes, the delivery of social housing and the much longer term very ambitious plans for the whole Stroudwater Canal as a key future driver for tourism. Likewise the multi-agency tenants engagement project will have a lasting social impact on the targeted areas and serve as a blueprint for future engagement elsewhere within the district. These are reflective of many more examples which demonstrate the council's ambitions to lead and influence places and communities proactively with others.

The council works hard to create opportunities to get the right partners in the room at the same time. The Local Strategic Partnership (LSP) is a forum championed by all of its stakeholders. Its Chair is highly regarded, the meetings are well attended and the focus on sharing information, plans and activities is warmly welcomed. The LSP is starting to look at themed issues in meetings e.g. on issues related to younger people, and there is the potential, in the view of the peer team, to use this very popular forum to consider how it may further influence and shape both council and joint partnership priorities.

We found many individuals, or service areas within SDC where it was clear that in terms of leading, influencing and shaping places there was significant knowledge and talent. Yet, that talent wasn't always harnessed as effectively as it might be on behalf of the council, its wider partnerships and the district as a whole. Often the learning from different projects or programmes was left untapped within the lead department, reinforcing a silo based approach. Furthermore, through conversations with partners it became clear that they would particularly value SDC's contribution on a wider footprint than the district; specifically on a county

and sub regional level too. As such there is an opportunity for more members and officers to be bolder, more active and to lever the influence SDC has in terms of strategic planning on the broader stage for the ultimate benefit of its residents, businesses and the wider region.

With the new Chief Executive and Leader there is a great opportunity to revisit the potential those many partnerships present for further informal and formal collaboration, such as influencing more purposefully the wider Gloucestershire 2050 ambitions, or indeed simply working more closely with other districts on shared services or joint priorities. We heard time and again there was an open invitation from key partners to discuss such possibilities and importantly a willingness from the Chief Executive and Leader of the Council to follow this up.

As we have described there is evidence of strong engagement with places and communities around key issues, for example on the local plan (consultation was occurring on potential revision to this at the time of our visit) but it was equally clear that some other approaches, notably the approach to introducing car parking charges in some of the market towns, had been less successful. Again, a theme we observed was that SDC did not systematically learn from its less successful plans for place-shaping and it should strengthen this area, including ensuring, a strong evidence base and engagement in respect of them, which in turn will contribute to more effective decisions.

### **4.3 Organisational leadership and governance**

SDC has a purposeful and passionate Council Leader supported by a collaborative political alliance. The drive, energy and enthusiasm that results from this provides a good foundation on which to build. The time, commitment and sheer will to work together to ensure that the political alliance truly leads – which it clearly does, should not be underestimated. Likewise, there is a respectful and constructive political dialogue with all political parties and that is to the credit of all political leaders.

The new Chief Executive has been given a mandate by the political leadership to implement changes and improvement. We heard many times she has ‘hit the ground running’ and her style and inclusive approach is warmly welcomed by the council’s workforce and partners too. The council has been served very well in the past by its officer leadership but now is the right time for the Chief Executive to review the senior team to ensure SDC has the strategic leadership capacity it needs to continue to be successful in the future.

We encourage the council’s ‘top teams’, both politically and managerially to work as a strong and determined leadership group to focus on the core opportunities and challenges that they are aware of and have been raised in this report. It will be important that they address such matters in sequence, since there is an important range of next steps to be managed. For example, the council needs to be clear about what it can and should achieve in the next 12 months (pre 2020 election), and at the same time it should be setting down the medium to longer term ambitions. To that end it will be important that those key politicians and officers

create the space and time for what we referred to as 'strategic conversations', which will be the places where the future plans for SDC are designed and then subsequently tested out with a wider audience of stakeholders so they are owned and credible.

Member and officer relationships within SDC are overall generally positive and respectful. We have highlighted the unique nature of the current political administration and of the need for change e.g. to ensure clear priorities, strategic conversations, refocussing of the council as a whole. In this context it is even more important that members and officers are aware of their respective roles, responsibilities and accountabilities and have a strong sense of political awareness, so that they respond effectively to lead and deliver improvement. Given both the unique political circumstances but also the changes being planned, it would be a good opportunity now to provide training for staff about operating in a political context - we believe this would help SDC enhance that member-officer relationship further.

The Chief Executive has inherited a leadership team that has for a variety of reasons, including retirement, lost the necessary capacity and wherewithal to help her drive the changes she is mandated to and committed to deliver. As outlined addressing that lack of senior capacity now is a first order priority, followed by a more measured but needed review of the overall staffing structure, pay and reward so that these align.

For a period of time the council has been characterised as being, what one stakeholder described to us as a 'steady state' – essentially making incremental changes and responding tactically to circumstances rather than planning strategically in order to lead change. This approach coupled with the lack of capacity referred to, has left the council playing 'catch up' in terms of modernisation. An example of this is the immediate and ongoing need to address its currently creaking and the severely limited ICT capability and capacity. This should be prioritised, as it is an essential building block, if SDC is to realise its plans for the modernisation of processes, systems and importantly is to implement new ways to deliver services, manage demand and deliver modern ways of working for its staff. Importantly SDC has commissioned work to begin to address this and has available to it outline plans to take this forward. It would be prudent for the council to seek some external expertise to review this work to ensure that it is in a position to set out its short, medium and long term priorities.

We heard many times about the ways that service departments respond to the demands and expectations made of them. It is to the credit of the staff who do this, given the lack of effective capacity, infrastructure and currently the apparent cultural barriers which limit working in a 'one council' way. What was refreshing is that all the staff and managers we met with were absolutely supportive of driving deeper and more concerted efforts to work collaboratively, to embrace modern ways and develop a new culture of distributive leadership and accountability. The message is clear - the workforce is ready to embrace change, but this must be done with and through them, and not 'done to them'. That message is being

strongly promoted by the new Chief Executive and it will take time, trust and commitment to see this through.

As the council moves to new and improved ways of working, it clearly needs to review its structures and governance arrangements to ensure they are 'fit for purpose' and future proofed. During our visit we came across several issues that would merit review. Importantly, SDC is well aware that these issues should be tackled, which include:

- reviewing the committee system to gauge how effectively the current way of working operates and especially whether its application in practice enables effective decision making
- developing a longer term forward plan and associated with this, clarity around its approaches to challenge and effective scrutiny to improve decisions, and importantly the quality of reports to underpin this
- supporting the development of Member capacity, through further focused training and development
- reviewing the staffing structure and developing a clear workforce plan to ensure skills and capacity are aligned to the delivery of council priorities
- developing effective mechanisms for staff engagement to promote more effectively the values, behaviours and new ways of working
- putting in place appropriate systems for and application of performance management. The current system could do with improved clarity, purpose, consistent compliance and effective monitoring arrangements
- utilising the existing programme management capacity that is available. The staff undertaking this role are skilled and committed but will benefit from further clarity of role and purpose.

As SDC addresses these matters it will be important that there is effective corporate oversight and practice. The council is aware that important elements of this will require attention, for example: how SDC uses and responds to internal audit recommendations, how it could more effectively involve HR in supporting effective change and good people management practice, how well it manages compliance with standing orders, contract management and procurement practices.

#### **4.4 Financial planning and viability**

We found that relative to local government as a whole, SDCs finances are comparatively strong. This is to their credit and through good financial stewardship it has, for example built up a credible level of reserves, which should enable it to help manage key opportunities and challenges in financial terms. As a first principle therefore it is operating from a position of strength.

However, the council knows that it needs to develop and modernise its financial plans and practices in line with its future ambitions. There are things to attend to, for example, in recent times, the council has been utilising reserves, not just as a means of smoothing and managing its budget but, arguably at times as an



alternative to taking difficult decisions. Given that SDC is no longer receiving a Revenue Support Grant from central government, and that it is projecting the need to make further savings into the medium term, it will be important for both the long term financial sustainability of the council, and just as importantly as a means of achieving a sound platform in terms of the funding of ambitions and priorities moving forward, that the council sets a coherent medium term financial plan (MTFP).

Establishing the MTFP and setting appropriate monitoring mechanisms to underpin this is important. On the surface the council's budget position for 2018/19 looked positive at the time of our visit, as the indications were that SDC would deliver a balanced budget and bolster its reserves. However, that is in part because it had underestimated its income. There is room for some improvement in forecasting. This should be addressed as the council, like all others, requires more clarity and certainty in terms of its future financial plans and associated resource management and decision making.

Importantly, the council has appointed a new Head of Finance who is establishing a solid foundation of trust with members by engaging them early and proactively about the current and future financial challenges. He is intent on building more effective financial plans, based upon that clarity of understanding, insight and transparency. As part of this he is preparing the council well in terms of the savings required for its budget 2019/20 and is working effectively with members and senior officers to reach a point where the council's priorities set the financial strategic framework, not the other way around, which was perhaps reflective of the last workforce savings round (currently paused).

As such, the establishment of a coherent MTFP is key, and should be shaped to help SDC deliver its refreshed priorities and Corporate Delivery Plan. Some of the specific spend areas are clearly being addressed e.g. the resetting of the waste contract budget, but it is essential that this and other significant contracts should be monitored effectively into the future to avoid the uncertainties referred to in respect of the 2018/19 budget.

In setting in place this revised strategic financial framework there will be important issues to review so that stakeholders don't just recognise the issues but tackle them as effectively as possible. This is about ensuring a clear and strong accountability framework owned corporately and consistently applied for priorities with key financial implications including:

- Learning lessons from past decisions where projected savings/ income have not been delivered e.g. introducing car parking charges in some market towns
- Recognise that flexibility to manage budgets is good to in allowing the council to seize opportunities as they arise, but this needs to be managed within a controlled environment, e.g. forecasting income more effectively

- Managing SDC's capacity into the future and recognising that key areas e.g. staffing structure, pay and reward, skills and transformation will require financial planning and commitment
- The Head of Finance has made a good start in increasing visibility and transparency around cost of services and options and this should be supported and progressed.

The council is aware that it is at a relatively early stage in terms of its plans for commercialism as a means of leveraging its finances to more effectively deliver its priorities and help it achieve financial sustainability without government grant. In essence it now needs to develop a coherent plan and action in respect of this, which will become a core component of its MTFP. Some suggestions from the peer team are:

- SDC should internally consider what commercialism means to the council in order to develop a strategy as part of its longer term plan – e.g. how it links investment to priorities, place shaping etc.
- In terms of Treasury management – SDC is regarded as being fairly risk averse and commercialisation opportunities that deliver enhanced return and other policy priorities should be positively considered within a controlled environment in relation to risk and reward
- The council should routinely review its income derived from fees and charges
- SDC should ensure members have sufficient financial and performance information on which to make informed decisions and deliver challenge-again the Head of Finance's ground work is really helping with this.

#### **4.5 Capacity to deliver**

It is important to emphasise that SDC delivers good value for money services that are in turn valued by residents and businesses. This is a real strength and the council should be proud of the fact that it helps build more resilient communities as an effective leader, partner and influencer of change. The challenges we have highlighted already within this report are the need to maintain such satisfaction through change by meaningfully engaging communities and partners to align SDC's capacity and resources to match the refreshing of its priorities.

As reported the new Chief Executive is looking to drive purposeful change, but she will need to appoint senior officers to support her. The existing capacity in this areas is lacking and indeed the current senior structure does not best reflect the structural and cultural changes that are required. As such she should be encouraged to begin that senior staffing changes and appointments as a first order priority. From that, further changes to staffing and capacity can take place but over a longer time period and with the underpinning drive of a new senior officer team, leading the way.

SDC has a committed and dedicated workforce. It was very clear that they are keen to embrace the change in direction and are welcoming the new ways of engaging them, which is being led by the Chief Executive. As referenced she is starting to work collaboratively to address some of the key concerns gleaned from the recent staff survey, including the need to improve morale through more effective engagement with staff. As part of this, staff told us that attention should be given to key indicators of organisational health, for example not just compliance with appraisals but being seen to act upon the outcomes, both in terms of reward and development but also sanctions and addressing poor performance.

SDC has some good joint arrangements in place with other councils and partners to ensure resilience and capacity, e.g. its shared Building Control arrangements. Likewise it is exploring the potential for more besides, for example in terms of 'One Legal', a cross council legal service. Beyond that it was clear that all of the public sector partners we spoke with were very open to review how they and SDC might in the future benefit from further informal and formal joint working arrangements. What was clear is that they all trusted and welcomed SDC as a partner, and with a new Chief Executive and relatively new Leader there is an 'open door' to consider those potential new ways of working now.

What was very evident to the peer team was the openness and willingness to engage in the learning and development opportunities presented by the peer challenge itself. SDC is seeking to develop the attributes of a 'Learning Organisation', and there is a new resolve to learn, share and innovate with others. This again will be welcomed by partners as there is much to learn from SDC itself and the way that it goes about its business.

#### 4.5.1 Transformation and culture

SDC asked the peer team to comment upon its transformation plans and the culture of the organisation in particular. At various times in this report we have captured a flavour of, and expressed views and suggestions in respect of this. Some further key elements that will be required to do this well are summarised below:

- The council's transformation plans need to be developed and clearly articulated. Future plans need to be developed fully in line with the council's vision, priorities, aspirations and finances
- The ICT capability and capacity professionally and across the organisation is lagging. The commissioned work to support the ICT strategy going forward is worthy of a review and a route map developed to gauge its suitability for transformation as well as day to day service delivery. A clear route map and resource plan for implementation is then needed to implement agreed actions
- The council has capacity in programme and change management and the staff group that carry this out are committed, capable and very keen to support SDC through change. This team need to be anchored and purposefully led by senior management so that they are being visibly supported and empowered

- There is a need to address programme management to ensure any key changes are planned, delivered, monitored and reported to senior management (and members as appropriate) who are critical in resolving any issues and blockages
- Following on from the appointments to the senior officer team, it will be important for the council to establish a strong and resilient staffing structure and ensure its workforce planning arrangements are robust-including in respect of pay and reward
- In line with the above the early signs around staff engagement and cultural change are good and now need to be built upon so there are strong: values, behaviours, accountability, ways of working and a 'one council' ethos at SDC
- SDC should consider the need for additional short-term capacity at director level to drive forward the council's digital and wider transformation programme at pace

At our feedback presentation our final challenge to the council was that given its current position: good services, good partner, relatively strong finances and given its current ambitions for place and for the council SDC really does have the potential to be an exemplar council- so it now needs to act on this.

## 5. Next steps

### Immediate next steps

We appreciate the 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.

As part of the peer challenge process, there is an offer of further activity to support this. The LGA is well placed to provide additional support, advice and guidance on a number of the areas for development and improvement and we would be happy to discuss this. Andy Bates, Principal Adviser is the main contact between your authority and the Local Government Association (LGA). His contact details are: Email [andy.bates@local.gov.uk](mailto:andy.bates@local.gov.uk)

In the meantime we are keen to continue the relationship we have formed with the Council throughout the peer challenge. We will endeavour to provide signposting to examples of practice and further information and guidance about the issues we have raised in this report to help inform ongoing consideration.

### Follow up visit

The LGA Corporate Peer Challenge process includes a follow up visit. The purpose of the visit is to help the council assess the impact of the peer challenge and demonstrate the progress it has made against the areas of improvement and development identified by the peer team. It is a lighter-touch version of the original visit and does not necessarily involve all members of the original peer team. The timing of the visit is determined by the council. Our expectation is that it will occur within the next 2 years.

## **Next Corporate Peer Challenge**

The current LGA sector-led improvement support offer includes an expectation that all councils will have a Corporate Peer Challenge or Finance Peer Review every 4 to 5 years. It is therefore anticipated that the council will commission their next Peer Challenge before 2024.