

# Peer challenge programme

## The LGA's Annual Report 2018/19

26 June, 2019



## Executive summary

Corporate peer challenge and other service peer challenges continue to be a highly effective tool at the heart of the Local Government Association's (LGA) sector-led improvement (SLI) programme. The programme aims to help local authorities to continue to improve and reform, by building the capacity and capability of the sector to enhance its effectiveness and resilience.

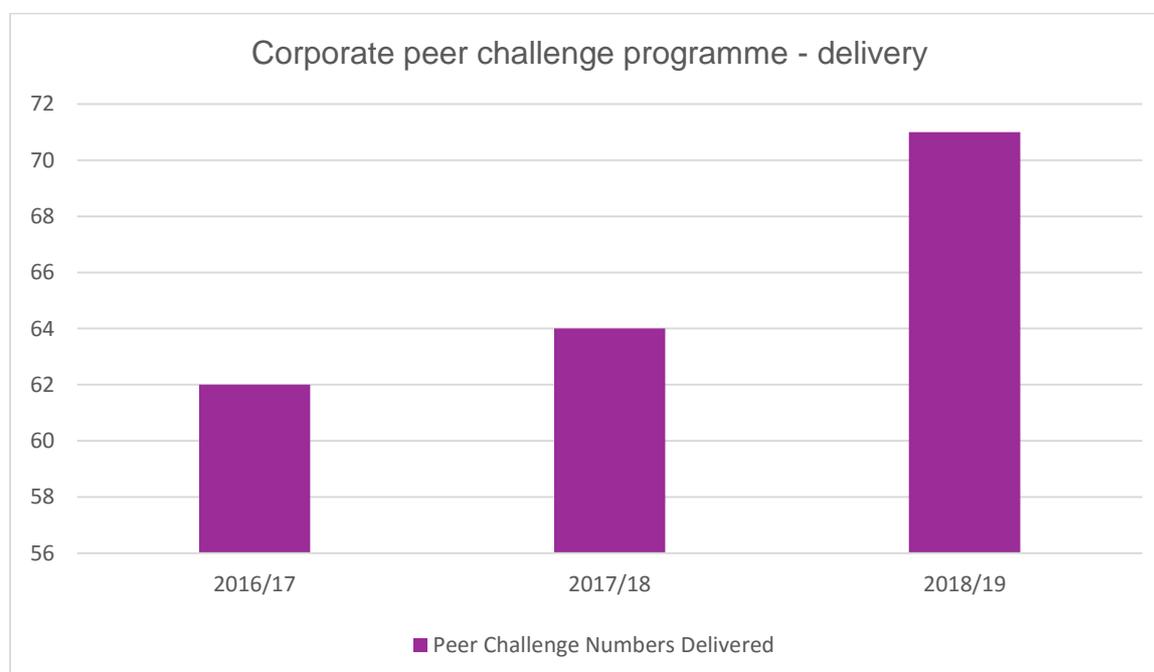
The sector remains fully committed to SLI and its guiding principles:

1. councils are responsible for their own performance and improvement and for leading the delivery of improved outcomes for local people in their area
2. councils are primarily accountable to local communities and stronger accountability through increased transparency helps local people drive further improvement
3. councils have a collective responsibility for the performance of the sector as a whole.

With the role of the LGA to maintain an overview of the performance of the local government sector in order to identify potential performance challenges and opportunities, and to provide tools and support to help councils take advantage of the approach.

### Engaging councils

This commitment continues to be demonstrated by the levels of take-up, with 71 councils having engaged in a corporate peer challenge, finance/commercial peer review, or a corporate peer challenge follow up visit during 2018/19. This is an increase on 2017/18 and 2016/17.



Twenty-five councils received a corporate peer challenge (CPC) for the first time during 2018/19 and we are now seeing many councils undertaking their second CPC and using peer challenge follow up and other improvement support as key tools for their business improvement processes.

In addition 74 councils, fire and rescue services and other public sector organisations have engaged in service specific peer challenges including communication peer challenges, planning peer challenges, children’s and adult services peer challenges.

<b>Peer challenge type</b>	<b>Delivered</b>
Adult services	7
Bespoke	5
Children’s services	18
Communications	7
Culture	4
Equality	2
Fire and rescue	3
Health	18
Highways	5
Planning	5
<b>Total</b>	<b>74</b>

Despite these positive figures the LGA’s target of reducing the number of councils that had not had a corporate peer challenge since 2011/12 by 50 per cent in 2018/19 was not achieved. Sixty-three councils are still to have a CPC or finance peer review from the target of 56 councils. Although positive conversations are underway with many of the councils and we are confident that this number will continue to reduce, and all councils will have had a CPC or finance peer review by March 2022.

During 18/19 we have also driven an increased focus on financial sustainability and performance management. As part of the CPC process, teams now receive improved financial and performance management briefings including outliers’ reports.

### **Demonstrating outcomes**

Overall the LGA has facilitated the delivery of 145 peer challenges in 2018/19 and enabled the deployment of 2500 peer days donated by the sector to its own improvement through the peer challenge process.

All 71 corporate, finance/commercial and follow-up visit teams delivered during 2018/19 had representation from women, black, Asian and ethnic minority and disabled peers.

In addition, peer challenge is a very positive development opportunity and in 2018/19 the LGA facilitated 38 shadowing opportunities for officers from councils, government departments and the national graduate development programme. This clearly demonstrates the significant investment by the sector in its own improvement.

In a feedback survey<sup>1</sup> sent to the leader and chief executive in councils that received a CPC between April and December 2018, the key findings were:

- All respondents were very or fairly satisfied with the CPC their council received.
- Ninety-six per cent (48 of the 50 respondents) said their confidence about their council delivering its priorities had increased, having participated in the CPC.
- Ninety-six per cent (48 of the 50 respondents) said that the objectives they had for taking part in the CPC were fully or largely achieved. The remaining two respondents (four per cent) said that they were partially achieved.
- All respondents would be likely to recommend having a corporate peer challenge to other councils if asked about it.

Further, in the most recent survey of the LGA's membership<sup>2</sup>, 83 per cent of respondents said that peer challenges to provide an external view on performance were a very or fairly useful element of the LGA's improvement support offer for councils. In addition, 93 per cent said the LGA should continue to provide peer challenge and peer support (up from 90 per cent in 2016).

In addition to surveying those councils that have undertaken a CPC, the LGA commissioned [Shared Intelligence](#) to undertake a series of in-depth interviews with leaders and chief executives from 18 councils that benefitted from either a corporate peer challenge and/or in-depth SLI support.

The final report can be found on the [LGA website \(www.local.gov.uk/our-support/our-improvement-offer/sector-led-improvement-impact\)](http://www.local.gov.uk/our-support/our-improvement-offer/sector-led-improvement-impact) with four key areas of impact emerging:

- the power of validation as a way of boosting a council's confidence and enabling it to address a further set of challenges and opportunities
- challenging the council to grasp particular issues, in some cases giving the council a wakeup call
- reinforcing messages that are given extra weight through the CPC process
- strengthening the arm of a council's managerial and political leadership and, in some circumstances, providing support when there is a change in leadership.

To monitor the impact of corporate peer challenge, the LGA keeps an overview of progress by capturing action plans and supporting council's improvement through delivery of bespoke support following a peer challenge or a specific follow up visit.

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<sup>1</sup> An online survey was sent to the leader and chief executive in each of the 29 councils for whom a corporate peer challenge had been completed between 1 April 2018 and 31 December 2018 (a total of 59 surveys).

As at 28 March 2019, a total of 50 responses had been received (26 leaders and 24 chief executives) – a response rate of 85 per cent.

<sup>2</sup> The survey report can be found here: <https://www.local.gov.uk/our-support/research/research-publications/lga-perceptions-survey>

A total of 1,004 interviews were undertaken with a representative sample including chief executives, directors, leaders, chairs of scrutiny, portfolio holders, frontline councillors and leaders of the opposition.

## **Future plans 2019/20**

Our ambition is that every council will have received a corporate or finance peer challenge, between 2017 and 2022 and will have acted upon the resulting recommendations to improve their performance

Demand for 2019/20 is at similar levels with our aim to deliver at least 110 peer challenges, of all types (including fire and rescue), of which 70 are corporate or finance peer challenges and to reducing the number of councils that have not had a corporate peer challenge since 2012/13 by 50 per cent. In addition to ensuring positive take up we are continuing our focus on sharing and signposting innovative practice and collecting and communicating the benefits and impact of having a peer challenge. We will continue to aspire to have peer challenge teams that represent the sector in terms of gender, ethnicity and disability and continue to offer peer challenge as an effective way for personal development and to develop the sectors talent, through encouraging national graduates to shadow a peer challenge.

# Contents

Introduction and purpose	8
The current corporate peer challenge offer	8
Programme delivery 2018/19	9
Feedback and evaluation	11
Future plans 2019/20	12
Appendix: SLI Stories participant councils	13
Contact details	14

## Introduction and purpose

Peer challenge including corporate peer challenge (CPC) are tools provided by the Local Government Association (LGA) to support improvement in councils and fire and rescue. It is a key part of the sector-led improvement (SLI) offer which is based on the key principles that:

- councils are responsible for their own performance
- stronger local accountability leads to further improvement
- councils have a sense of collective responsibility for performance in the sector as a whole.

Peer challenge involves a small team of local government officers and councillors (and sometimes others) spending time at a council or fire and rescue service as 'peers' to provide challenge and share learning. The process involves engaging with a wide range of people and the findings are delivered immediately. It is a proven tool for improvement and is highly valued by the sector. The LGA aims to deliver 110 peer challenges a year, including corporate, finance, fire, children's, adults and other service focussed challenges. The CPC programme accounts for over half of the peer challenge activity.

This report provides details of the overall peer challenge programme, in terms of peer challenge activity and peer deployment. It also details the feedback messages from councils and peer teams.

## The current corporate peer challenge offer

The current corporate peer challenge offer was launched in the summer of 2011. It is based on the premise that all councils receive a corporate peer challenge (or finance peer review), fully funded by the LGA, every four to five years. The key design principles and features of the offer are:

- The peer challenge is not an inspection, it is a tool for improvement. It is aimed at improving, not judging, councils.
- The peer challenge is delivered at a time determined by the council, recognising there are different drivers, challenges, and considerations in different places.
- The peer challenge will include a focus on leadership, governance, corporate capacity and financial resilience. These will form the core components of all corporate peer challenge (see below).
- The process is proportionate and flexible. The focus of the challenge (within, or in addition to, the core components) is agreed with each individual council to reflect their local needs and requirements.
- A scoping meeting involving LGA representatives is an essential feature. The council's specific needs, the areas it wants to focus on, the make-up of the peer team and the results it wants to achieve will be discussed and agreed.
- There is an expectation that councils will publish their final report and develop an action plan to take forward the recommendations

- All councils who have received a corporate peer challenge can have a ‘follow up visit’ by some or all of the original peer team one to two years after the peer challenge. The purpose of the visit is to help assess and demonstrate progress against the areas for improvement and recommendations identified by the original peer challenge.

All corporate peer challenges focus on five core components. These reflect what we consider to be the critical issues effecting council performance and ability to improve. The current core components are:

1. Understanding of the local context 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?

During 18/19 we have also driven an increased focus on financial sustainability and performance management. As part of the CPC process, teams now receive improved financial and performance management briefings including outliers reports.

## Programme delivery in 2018/19

During 2018/19 we engaged with 71 councils (nearly a fifth of the sector) via the corporate peer challenge programme:

We delivered corporate peer challenges across the range of council types:

<b>Council type</b>	<b>Delivered</b>
County councils	8
District councils	36
London boroughs	5
Metropolitan councils	9
Unitary councils	13
<b>Total</b>	<b>71</b>

Overall we have engaged with 145 councils, fire and rescue services and two other public sector organisations through our service peer challenge programme:

<b>Peer challenge type</b>	<b>Delivered</b>
Adults	7
Bespoke	5
Children	18
Communications	7
Corporate	61
Culture	4
Equality	2
Finance/commercialisation	10
Fire and rescue	3
Health	18
Highways	5
Planning	5
<b>Total</b>	<b>145</b>

### **Peer deployment**

Peer challenge is delivered by the sector for the sector. It is a peer-led process. During 2018/19 we have deployed more than 330 officer and member peers who have delivered 2500 days of challenge and support to councils through the corporate peer challenge programme. Eighty-four of those peers were elected members and 15 peers were from non-local government organisations. Peer teams have been made up of average of 5.3 peers plus an LGA peer challenge manager.

We have continued to recruit and train peers during 2018/19. Sixteen peer training sessions were delivered in 2018/19. Ten of which were for the corporate peer challenge programme. Regional sessions were held in Mid Devon and Preston. This resulted in 123 new peers attending. Of the peers deployed during 2018/19 approximately a third were doing a corporate peer challenge for the first time.

# Feedback and evaluation

## Feedback from councils

Feedback is sought from councils that have received a CPC. This is collated through two surveys sent to chief executives and leaders:

- Feedback survey: survey sent to the chief executive and leader on completion of the peer challenge to ascertain initial feedback about the process and peer team.
- Impact survey: sent to the chief executive and leader 12 months after the peer challenge to ascertain measures and perceptions of impact in the longer term.

In terms of the impact survey, as at March 2019 a total of 63 responses had been received from authorities that had received a CPC a year previously (ie between April 2017 and March 2018) – a response rate of 68 per cent. Headline findings include:

- 85 per cent of respondents said the CPC (including any further improvement support it triggered) had a positive impact on the council's performance
- 90 per cent of respondents said the CPC (including any further improvement support it triggered) had a positive impact on the delivery of council priorities
- 89 per cent of respondents said the CPC (including any further improvement support it triggered) had a positive impact on the council's external reputation
- 92 per cent of respondents said the CPC (including any further improvement support it triggered) had a positive impact on the culture and behaviours within the council
- 83 per cent of respondents said the CPC (including any further improvement support it triggered) had a positive impact on relationships and partnerships with external stakeholders
- 84 per cent said that the CPC (including any further improvement support it triggered) had a positive impact on the way that services are delivered
- 66 per cent of respondents said the CPC (including any further improvement support it triggered) had a positive impact on the financial sustainability of the council.

In addition to surveying those councils that have undertaken a CPC, the LGA commissioned Shared Intelligence to undertake a series of in-depth interviews with leaders and chief executives from 18 councils (see appendix) that benefitted from either a corporate peer challenge and/or in-depth SLI support. The final report and transcripts from all the interviews can be found on the LGA website ([www.local.gov.uk/our-support/our-improvement-offer/sector-led-improvement-impact](http://www.local.gov.uk/our-support/our-improvement-offer/sector-led-improvement-impact)) with four key areas of impact emerging:

- the power of validation as a way of boosting a council's confidence and enabling it to address a further set of challenges and opportunities
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To monitor the impact of corporate peer challenge, the LGA keeps an overview of progress by capturing CPC action plans and supports councils' improvement through delivery of bespoke peer support following a peer challenge and/or a specific follow up visit.

## Future plans 2019/20

The LGA will support delivery of a resilient and self-aware local government sector that is receptive to challenge and support from peers and committed to the collective ownership of performance and improvement. We will achieve this by:

### 1. **Engaging councils** through:

- delivery of high-quality corporate peer challenge, finance peer challenge or a follow up peer challenge to at least 70 councils
- delivery of a range of high-quality service specific peer challenges to at least 40 councils and fire and rescue services
- reducing the number councils that are yet to have a corporate peer challenge or have not had a peer challenge since 2012/13 by 50 per cent in 2019/20
- maximising our peers by providing regional information to enable better utilisation of peers across a range of SLI deliverables and to support the delivery and demonstrate the value of SLI with:
  - 90 per cent of chief executives of authorities that had received a peer challenge saying their confidence about their council delivering its priorities had increased as a result
  - 80 per cent of respondents from councils receiving a corporate peer challenge a year earlier report it had a positive impact on their council's performance and delivery of their priorities
  - 50 per cent of councils receiving peer challenge provide a member or officer peer as a result to support another council by 2020.

### 2. **Demonstrating the outcomes, benefits and value** of peer challenge through:

- aspiring for our peer teams to reflect the gender, ethnicity and disability breakdown of the sector, with no team made up solely of all white males
- offering peer challenge as an effective way for personal development and to develop the sectors talent
- improving the way we capture and share the impacts and benefits of a peer challenge
- improving the way we capture and share practice and innovation identified through having a peer challenge
- better understanding the focus of councils peer challenges, beyond the five core elements, to inform other SLI programmes
- building sector accountability and ownership of peer challenge and SLI.

### 3. **Communicating success and sharing best practice** through:

- build a cohort of ambassadors to promote and market peer challenge
- drafting a 2019/20 annual report which will capture and share the 'impact stories' of Corporate Peer Challenge and share best practice
- ensuring our member and officer peers understand the impact they make to SLI and have an opportunity to share their stories through the delivery of a member peer conference, regular email communication and better use of social media
- supporting regional colleagues to communicate via regional networks and connections.

## Appendix: SLI Stories participant councils

Leaders and chief executives from the following were proposed by principal advisers:

1. Cambridge City Council
2. Cornwall Council
3. Craven District Council
4. Dudley Council
5. Hertfordshire County Council
6. Leeds City Council
7. City of Lincoln Council
8. Luton Borough Council
9. London Borough of Redbridge
10. Rochdale Borough Council
11. Rotherham Metropolitan Borough Council
12. Sandwell Council
13. Staffordshire County Council
14. Stratford-on-Avon District Council
15. Taunton Deane Borough Council
16. West Somerset Council
17. Thurrock Council
18. London Borough of Tower Hamlets

## Contact details

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