


# LGA Corporate Peer Challenge

Harlow Council

Monday 27<sup>th</sup> February to Thursday 2<sup>nd</sup> March 2023

Feedback report





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# 1. Executive summary

People both within the council and externally talked with passion about the “massive” ambition, potential and opportunities for Harlow as a place. These can be seen to be turning into a tangible reality, reflected in the Harlow and Gilston Garden Town project and the £100m of investment that has been secured for the town centre. Drawing together the positive, dynamic and inspiring story that there is to tell, as a ‘place narrative’ underpinned by a vision for the future of the town, represents an important next step and the process of doing so should ensure the widest possible range of interests and insights are taken into account.

External partners are seeing an increasing re-engagement from a council that ‘punched above its weight’ previously but is felt to have been largely internally focused in recent years. They are keen for this engagement to be extended further. Partners want the council and Harlow to succeed and are keen and able to help. They are looking at the council to act as a true leader and advocate of place.

The ambitions of the Administration have been very clearly stated and include regeneration of the town centre and the town’s estates; building council houses; protecting and investing in “much-loved discretionary services”; and becoming a low-tax authority. The task of officers now is to work with the political leadership to align the delivery of these ambitions with the resources available to the organisation – reflected in a revised Corporate Strategy and MTFP. This requires mature dialogue across the senior political and managerial leadership. Such dialogue needs to be founded upon a clear evidence base and necessitates officers being able to outline to elected members the options and choices available to them as they seek to strike difficult balances. Once determined, the new Corporate Strategy will need to be translated into a delivery plan, with clear accountabilities and timescales mapped out.

There is widespread acknowledgement amongst the officers and elected members we met that recent years have been difficult for the council in terms of relationships internally. Things feel much harder in the organisation than they need to. There is an urgent requirement to re-set relationships across the political and managerial leadership of the council. There is a shared desire and responsibility to move forward constructively on this.

There has been a significant degree of change across the senior political and managerial leadership in the last 18 months or so. As people at these levels adapt to new roles, external support for them is essential. Training and development for councillors more generally needs a much higher profile; a greater degree of importance to be attached to it; and a comprehensive programme to be established.

The creation of the Assistant Director tier within the organisation has injected energy and drive to the organisation. The organisational understanding is that change at this level was always intended to be supplemented with structural change at more senior levels and the time is widely seen to be ripe for this.

Whilst the council's Constitution has been "overhauled" recently, people reflected widespread confusion around decision-making in the organisation. Revised arrangements are being considered shortly. Once any revisions have been agreed, crystal clear understanding of them needs to be established on the part of both elected members and officers. The necessary processes and systems to ensure adherence to them, and that there is transparency around their application, also then need to be put in place.

Investment in a number of areas that are priorities for the Administration were agreed in February. Translating these investments into a reality now becomes the task. This, supplemented with what needs to be delivered in terms of town centre regeneration and fulfilling Harlow's potential, requires having the appropriate capacity deployed in the right areas.

Another essential requirement is ensuring that the council secures the revenue savings that have been agreed for 2023/24, with this necessitating clear accountabilities being established; rigorous monitoring; and regular reporting of progress to elected members.

The council currently has a very limited evidence base for decision-making and this risks anecdotal evidence being relied upon instead. Work is taking place to devise a new set of performance measures but this requires comparator data being woven in to make them meaningful. The 'voice of the resident' feels very quiet in the council's considerations. This contrasts with the high profile and 'loud' voices that are 'heard'

through social media regarding the council. The council being able to draw much more fully upon insight and intelligence will see it being better placed to demonstrate the rationale and support for decisions.

The council is demonstrating an increasing willingness to engage in external challenge and learning. Ensuring the findings from this are shared with all key stakeholders and consistently translated into action will increase confidence that things are being made to happen. Looking outward more will provide the council with wider insights and understanding; enhance self-awareness; and enable the organisation to capitalise upon the learning of others. Whilst some parts of the council engage in this, it needs to be encouraged and enabled to take place on a much more widespread basis and form a core aspect of the desired culture of the organisation.

Our strong sense is that there is latent capacity within the council. The organisation is tired but things are exacerbated in Harlow by the negative energy being absorbed by the relationship and cultural issues within the organisation. Turning this round, crucially involving confidence being boosted and people being empowered, is an obvious starting point for a council with capacity pressures.

The increased staff engagement that the Chief Executive has established is welcomed and appreciated by the officers we met. The commissioning of a staff survey to take place in the coming months is very positive and the results of this need to be widely shared and discussed. There is likely to be benefit in looking at how managerial approaches and expectations around them are 're-set' in the organisation. Providing appropriate support to enable managers to operate at the required level will be important.

Enabling a more strategic approach to HR and organisational development (OD) will be important if the way the organisation functions is to be enhanced. At present, strategic OD opportunities risk being missed by the council. Work on culture change represents a key required area of focus. This must include the development over the coming months of a shared set of organisational values and behaviours.

The Leader and political colleagues deserve huge credit for commissioning the corporate peer challenge. The findings provide a clear baseline for the organisation

to move forward from. The changes that have taken place at Chief Executive level provide the managerial leadership and stability necessary to respond to the findings.

## 2. Key recommendations

There are a number of observations and suggestions within the main section of the report. The following are the peer team's key recommendations to the council:

- Fulfil the commitment to develop a new Corporate Strategy, aligned with a refreshed Medium Term Financial Plan, by December this year and underpin it with a delivery plan – with the approach taken to this being as important as the outputs
- Develop jointly, across all stakeholders, a vision and narrative of place
- Extend the increased external engagement with partners – ensuring the council is appropriately represented at all of the key tables going forward and is seen as a willing partner that delivers
- Consider how to respond to what is seen as the time being ripe for structural change at the Senior Management Board level
- Identify and implement the relevant approaches to re-setting relationships across the political and managerial leadership of the council
- Develop clear understanding at all levels of respective officer and elected member roles and responsibilities and the norms of relationships between them
- Establish clear understanding of decision-making processes within the organisation

- Fulfil the intention to adopt a more joined up and inclusive approach to the budget process going forward
- Position the council to take informed decisions by drawing on appropriate evidence bases and then use this to inform the development of key strategies
- Complete the devising of a new set of performance measures and ensure comparator data is woven into performance reporting
- Ensure the findings from external reviews are consistently translated into action, with clear accountabilities and rigorous monitoring of progress
- Establish a hybrid working policy
- Undertake the planned staff survey and ensure the results are widely shared and discussed

## 3. Summary of the peer challenge approach

### 3.1. The peer team

Peer challenges are delivered by experienced elected member and officer peers. The make-up of the peer team reflected the focus of the peer challenge and peers were selected on the basis of their relevant expertise. The peers were:

- Trevor Holden, Managing Director of Broadland District Council and South Norfolk Council
- Councillor William Nunn, Breckland District Council
- Michelle Howard, Director for Housing and Communities and Deputy Chief Executive, Melton Borough Council
- Elizabeth Warhurst, Head of Legal and Commercial Services and Monitoring Officer, North West Leicestershire District Council
- Gereint Stoneman, Head of Strategy, Warwickshire County Council
- Chris Bowron, Peer Challenge Manager, LGA

### 3.2. Scope and focus

The peer team considered the following five themes which form the core components of all corporate peer challenges. These areas are critical to councils' performance and improvement.

1. **Local priorities and outcomes** – Are the council's priorities clear and informed by the local context? Is the council delivering effectively on its priorities?
2. **Organisational and place leadership** – Does the council provide effective local leadership? Are there good relationships with partner organisations and local communities?
3. **Governance and culture** – Are there clear and robust governance arrangements? Is there a culture of challenge and scrutiny?
4. **Financial planning and management** – Does the council have a grip on its current financial position? Does the council have a strategy and a plan to address its financial challenges?
5. **Capacity for improvement** – Is the organisation able to support delivery of local priorities? Does the council have the capacity to improve?

In addition, the council asked the peer team to consider key elements of the housing agenda in Harlow, to help inform the thinking and planning of the authority and its partners around the following:

- Developing a robust contract/programme management process with HTS Limited that will drive a culture of performance improvement
- Identifying how to best develop short, medium and long-term priorities for the housing repairs and maintenance programme
- Thinking on implementing estate renewal programmes given the complexities



of stock condition and mixed tenures

- Ensuring a joined-up agenda between officers and elected members

### **3.3. The peer challenge process**

Peer challenges are improvement focused; it is important to stress that this was not an inspection. The process is not designed to provide an in-depth or technical assessment of plans and proposals. 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 by reviewing a range of documents and information in order to ensure that they were familiar with the council and its context. The team then spent three and a half days onsite, during which they:

- Gathered information and views from more than 25 meetings, in addition to further research and reading
- Spoke to more than 130 people including a range of council staff, elected members and external stakeholders

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

## **4. Feedback**

### **4.1. Local priorities and outcomes**

The council plans to develop a new Corporate Strategy, covering the period from 2024 to 2027, by the end of the current calendar year. The intention is for this strategy to be fully aligned and integrated with a refreshed Medium Term Financial Plan (MTFP). This needs to be approached as a joint endeavour across the political and managerial leadership of the council, reflecting learning from the approach following the change in Administration in 2021. This saw the senior-most political

leadership having to work largely on its own to devise the current strategy. As a consequence of the very limited engagement that this enforced approach resulted in, the current Corporate Strategy – running through to next year – has very little ‘currency’ within the organisation.

The ambitions of the Administration have been very clearly stated and include:

- Regeneration of the town centre
- Building council houses
- Regeneration of the town’s estates – including ensuring the environment is well cared for and that local amenities are maintained to a high standard
- Avoiding over-development by protecting certain parts of Harlow
- Protecting and investing in “much-loved discretionary services”
- Being an efficient council
- Becoming a ‘low-tax authority’

These ambitions reflect the democratic mandate provided to the Administration through the elections. The task of officers now is to work with the political leadership to align the delivery of these ambitions with the resources available to the organisation – reflected in the Corporate Strategy and MTFP. This provides the opportunity to develop a real sense of priorities which guide people’s efforts and activities and provide the necessary focus.

This process requires mature dialogue across the senior political and managerial leadership. In this respect, the approach, demonstrating that lessons have been learnt from what went before, is as important as the outputs. The space needs to be created for the informal discussions that are essential in any council to help shape and determine strategic direction. It is therefore positive that a series of ‘planned engagements’ between Cabinet and the Senior Management Board (SMB) has been scheduled through the second half of the calendar year. Such engagement needs to be frequent and informal enough to enable those involved to get to the real heart of the issues and do so on a timescale that fulfils the ambition of having a refreshed, aligned and integrated Corporate Strategy and MTFP ahead of the formal budget-setting activity in the early months of the new year.


This dialogue needs to be founded upon a clear evidence base and demonstrate a willingness to explore ‘the art of the possible’. The political ambitions of the Administration are significant, whilst the council’s resources are diminishing – representing a difficult ‘circle to square’. This necessitates officers being able to outline to elected members the options and choices available to them as they seek to strike difficult balances. This entails detailing the opportunities, impacts and trade-offs around the range of avenues available to the Administration and the evidence base behind each option in order to inform decision-making. We will outline later the issues that seem to exist in relation to the council currently having an evidence base that is very limited and the risks this generates.

Once determined, the new Corporate Strategy and the priorities it outlines will need to be translated into a delivery plan, with clear accountabilities and timescales mapped out and everybody uniting behind what has been agreed. The effective monitoring and reporting of progress will also be crucial in enabling elected members to feel suitably ‘in control’ in the fulfilling of their mandate.

#### **4.2. Organisational and place leadership**

People internally and externally talked with passion about the “massive” ambition, potential and opportunities for Harlow as a place. Central to this are:

- Harlow’s geographical location and connectivity, with good road and rail links; London being within easy reach; the proximity to two international airports; and being located within the ‘UK Innovation Corridor’
- The emergence of the Harlow and Gilston Garden Town project which aims to create 23,000 homes and enable Harlow to grow to the size of a small city – backed by £171m of Housing Infrastructure Grant via Homes England to deliver jobs, transport, schools and health facilities
- The town’s relatively affordable land and house values
- The vision in the current Corporate Strategy for Harlow to be “the best town in the country to live, to work and to raise a family”



These ambitions, potential and opportunities can be seen to be turning into a tangible reality. This is reflected in the external funding being drawn in, including £23.7m of Towns Fund monies and £20m of Levelling Up funding, and the creation of a £50m Harlow Investment Fund – meaning £100m of investment for the town centre. This is further enhanced by key strategic investments on the part of the council, including the purchase of the Harvey Shopping Centre and Occasio House, to position it as one of the largest landowners in the town centre.

The recent communications peer challenge recommended that the authority:

- “Reinvigorate the council’s approach to place leadership to build and develop a compelling narrative for Harlow”

In doing so it highlighted that:

- “There is a positive, dynamic and inspiring story to tell about Harlow as a place”

Drawing together this narrative, underpinned by a vision for the future of the town, represents an important next step. It will enable current and future place-shaping initiatives and strategies to be determined and refined within the framework of an over-arching plan that provides coherence and shared understanding. This necessitates the vision and narrative being jointly developed and owned across all those with a stake in the future of Harlow, including local communities; partners at the regional and sub-regional levels as well as the local level; and the wider elected membership of the council.

The process should ensure the widest possible range of interests and insights are taken into account. This includes the stark socio-economic challenges that exist in the district, including levels of educational attainment and health inequalities. The addressing of these needs to be made central to the vision and narrative. Regeneration and economic development need to be integrated in their thinking and planning in order to ensure the benefits of growth are widespread. Partners and stakeholders also need to be given confidence that the vision and narrative are ‘future-proofed’ by being able to transcend any future political change in the council.

External partners are seeing an increasing re-engagement from a council that 'punched above its weight' previously but is felt to have been largely internally focused in recent years. They are keen for this to be extended further by the authority's political leadership and the Chief Executive.

It is vital for the council to ensure it is appropriately represented at all of the key tables going forward. This is essential in order to ensure Harlow's interests are progressed, opportunities are maximised and the council is seen as a willing partner that delivers. As an example, it is in everybody's interests for the council to help shape and steer the Harlow and Gilston Garden Town development through the engagement of the highest levels of leadership. Another example is the council ensuring it has a stake in any development of a future 'County Deal' or similar devolution initiative.

A very positive example of the new leadership demonstrating drive, goodwill and partnership commitment is that of helping to fulfil a long-standing desire amongst a range of stakeholders for the creation of a multi-agency community safety hub within the civic centre, which comes into being shortly.

The elected members and officers of the council are the stewards of a place with massive potential and the opportunity to make a huge positive difference to people's lives. Partners want the council and Harlow to succeed and are keen and able to help. They are looking at the council to act as a true leader and advocate of place.

The Leader and political colleagues deserve huge credit for commissioning the corporate peer challenge, which should come to represent a seminal moment for the organisation. It was a brave move two months prior to the elections and involved the Leader staking a lot in making it happen. The findings provide a clear baseline for the organisation to move forward from. The journey of council improvement is a continuous and demanding one, requiring sustained effort in order to embed new approaches, and it can start right now.

The changes that have taken place at Chief Executive level, under the drive of the Leader, provide the managerial leadership and stability necessary to respond to the findings of the peer challenge. People are very welcoming of the Chief Executive's

appointment, recognising and taking confidence from what he delivered in his previous role and how he went about it. They are keen for him and the council to succeed. As a key aspect of this, it is vital that he is enabled by the wider organisation to dedicate the necessary time and focus to the outward facing elements of his role.

The creation of the Assistant Director tier within the organisation around a year ago has injected energy and drive and we were impressed by the people we met at this level. The intention of enhancing strategic capacity within the council, by providing those appointed to these roles with the necessary time and space has, however, not yet been enabled to materialise.

The organisational understanding is that change at Assistant Director level was always intended to be supplemented with structural change at the SMB level. Expectation around this happening is clear and the time is widely seen to be ripe, with the post of Director of Strategic Growth and Regeneration, previously held by the now Chief Executive, being vacant and the Director of Communities and Environment moving on from the organisation imminently. This creates a situation in which those in substantive Director roles will have a disproportionately internal focus, at exactly the same time as the council is required to be looking outward much more.

This also represents an opportunity to re-think SMB as a forum and, as part of this, the role of the Wider Leadership Team (comprising the Chief Executive, Director and Assistant Director levels). There is a desire across all the tiers of staff that we met for the council to engender greater drive and more transparent and speedier decision-making at the SMB level. Whilst those at Assistant Director self-organise to come together as a cohort and engage as part of the Wider Leadership Team, these forums are seen to be sporadic and to lack a clear focus. This can be addressed, and those at Assistant Director enabled to play a more fundamental and strategic role, through a revised set of arrangements for the senior-most management forum.

In addition to the Assistant Director grouping, we were impressed by the tier of managers below that level. The people in these 'team leader' type roles do not currently come together as a cohort. Nor do they have an opportunity to engage with the senior management levels beyond attendance at the recently introduced staff

briefings by the Chief Executive and what their individual line management arrangements allow for. Addressing this will aid better shared understanding of the agendas facing the council and future direction; enhanced joint working across the organisation; and personal development, career progression and succession planning.

### **4.3. Governance and culture**

There is widespread acknowledgement amongst the officers and elected members we met that recent years have been difficult for the council in terms of relationships internally. Things feel much harder in the organisation than they need to.

Having the right organisational culture is fundamental to good governance. Certain ways of working and behaving currently are contributing to the relationship issues that exist and generating risks. With the ambitions of the Administration having been clearly outlined, it is right for Cabinet members to be able to expect senior officers to focus on translating these into a reality and, in the process, appraising them of any potential legitimate barriers and implications that may not have been considered. Fundamental within this is senior officers providing elected members with the necessary options and choices around achieving their objectives. It is the clear responsibility of officers to go on to deliver what is then agreed – and to be trusted to do so – and to keep councillors informed of progress.

There is an urgent requirement to re-set relationships across the political and managerial leadership of the council so that they operate in the above way. Mutual respect and trust are fundamental. There is a shared desire and responsibility to move forward constructively on this, founded upon recognition that the engagement necessary to support a new Administration assuming political control was not adequately undertaken at the time. Addressing this, under the leadership of the new Chief Executive, can represent a fresh start but restoring relationships to where they should always have been will not be easy and external support around it would be beneficial.

Relationships between officers and elected members more generally, at other levels of the organisation, are also strained at times, with behaviours sometimes being



demonstrated that aren't conducive to a constructive working atmosphere. That said, the backbench councillors that we met emphasised just how highly they valued the support, expertise and responsiveness of the frontline staff that they engage with.

The addressing of the above situations needs to be centred upon developing a clear understanding at all levels of respective officer and elected member roles and responsibilities and the norms of the relationships between them. This should form a key strand of the elected member induction programme following future elections and on-going officer training and development but it also needs sustained effort and on-going monitoring. What is required goes beyond, for example, the development of revised role outlines and a one-off round of training initiatives. Instead, there has to be a 'living and breathing' of effective joint working.

Clearly there has been a significant degree of change across the senior political and managerial leadership in the last 18 months or so, including a new Administration; changes at Leader, Deputy Leader, Portfolio Holder and Chief Executive level; and movement at Director level. As people at these senior levels adapt to new roles, including the Opposition, external support for them both individually and collectively is essential.

Whilst elected member training and development is seen to be delivered following elections and when otherwise necessitated, this seems to be concentrated on those aspects that are more 'statutory' and formal in nature. Examples include the training necessary for councillors to sit on the Licensing and Planning Committees and other quasi-judicial forums plus training around the 'Code of Conduct' and aspects of health and safety. Training and development for councillors more generally needs a much higher profile and a greater degree of importance to be attached to it. A comprehensive programme is needed, founded upon a clear understanding of the requirements of the various roles that elected members have and the identified needs of the individual councillors fulfilling them.

Backbench councillors that we spoke to indicated their desire to be more engaged and informed around what is happening generally in the organisation and the town. The council will need to determine the most appropriate ways of enabling this, and the political groups also carry a responsibility here, but one strand might be moving



to establish a programme of regular elected member briefings on key issues.

Whilst the council's Constitution has been "overhauled" recently, people reflected widespread confusion around decision-making in the organisation. We have already highlighted the desire for more transparent and speedier decision-making at the SMB level. As another example, it was clear from our discussions that there are differences in understanding on the part of senior officers and Cabinet members as to when Portfolio Holders may be being 'consulted' on matters or taking a 'Key Decision' and, when it is potentially the latter, the basis for that decision and how it is being recorded and reported.

The situation would be helped, at least in part, by moving to a position whereby it is at Annual Council that the Leader reports his decision on the Executive arrangements and the exercise of Powers for the year ahead. Whilst this decision is recorded at appropriate junctures currently, this does not seem to be profiled in a way that would aid people's understanding and provide a clear point of reference.

Whilst ultimately it will be a consideration for Council, further clarity will hopefully also be provided through a report to Cabinet this month outlining revised delegated decision-making arrangements at Portfolio Holder level – both individually and as a Cabinet collective. Once these proposed arrangements have been considered by Council, crystal clear understanding of what is agreed needs to be established on the part of both elected members and officers. The necessary processes and systems to ensure adherence to the arrangements, and that there is transparency around their application, also then need to be put in place.

The existence of the cross-party Constitution Working Group and the Corporate Governance Group of officers is very positive. The latter being supplemented by ensuring the council's three Statutory Officers meet formally and regularly going forward will be important. Progress on Internal Audit report recommendations being reported to SMB is also a good aspect of the council's governance.

Chairs of Committees that we met indicated that they feel both they and their committees are well supported by officers within the democratic services and governance functions, for example in relation to the preparation of agendas,

distribution of papers and production of minutes. We gleaned from a couple of councillors that the council could, though, be more on the ‘front foot’ in relation to identifying the need for, and then making, reasonable adjustments around the accessibility of committee papers. Having dyslexia was cited as an example where adapting the way papers are provided would aid those concerned.

Overview and Scrutiny has started to undertake pre-scrutiny of key strategies and this is showing promise. The prime example is that of the draft economic development strategy being considered by the committee and the very constructive and beneficial challenge that was provided. This is a positive direction for Overview and Scrutiny to take. There is still work to do, though, in order for it to work to better effect in providing necessary checks and balances for the council and considering key issues for Harlow and the organisation. Key areas to explore as part of this include the approach to Overview and Scrutiny work programming – developing more of a shared endeavour and corporate approach across the elected membership and senior officers – to identify the most appropriate issues and themes to explore; providing access to expert support internally and externally to help inform and shape the probing that is undertaken by the committee; and training and development activities that would benefit not only the committee but other key stakeholders including Cabinet and the managerial leadership.

#### **4.4. Financial planning and management**

The council outlines in the Position Statement which it drew together to inform the peer team’s activity and understanding, that it has a track record of having “delivered balanced budgets with little or no impact on service delivery”. Our understanding is that what this translates into is the council having made the financial changes necessary to achieve a balanced budget year on year without having to close any frontline services.

The development of future budget proposals and the decision-making around them provides a prime example of the way in which closer working across the senior political and managerial leadership and more informed decision-making has to develop. Taking forward the ambitions of the Administration in a context of an increasing financial challenge requires the type of engagement that identifies fully the

implications of any given potential course of action. As an example, in setting the budget for next year, a £900,000 saving through the deletion of vacant posts was put forward and ultimately agreed but it is unclear how the impacts of this were identified and outlined to elected members. At one level, such a saving does not impact directly in terms of having to close a service or undertake a redundancy. At another level, it will have implications for a service in terms of reduced responsiveness or effectiveness and for the others in the team who have to 'pick up the strain'.

The budget process for next year is intended to be more joined up and inclusive in its approach and this is to be welcomed. Crucially, it involves capitalising upon the knowledge and experience at Assistant Director level in helping to identify, assess and bring forward proposals for consideration by elected members.

Harlow Council's element of the Council Tax has been frozen for 2023/24 and 2024/25 and an 'efficiency rebate' of £50 has been provided to most households. This is reflective of the Administration's stated objective for the council to become a low tax authority. Investment in areas that the Administration have stated are key, and reflective of their ambitions, were also agreed in setting the budgets in late February. This includes:

- £26m for the development of new council homes
- £122m over the next five years for improvements to existing council homes
- £63m to improve council facilities and buildings
- £6.4m to enhance pride in the town through environmental improvements

Translating these investments into a reality now becomes the task. This, supplemented with what needs to be delivered in terms of town centre regeneration specifically and fulfilling Harlow's potential more generally, requires having the appropriate capacity deployed in the right areas. This clearly links to the crucial issue of prioritisation.

Another essential requirement is ensuring that the council secures the revenue

savings that have been agreed for 2023/24, with this necessitating clear accountabilities being established; rigorous monitoring; and regular reporting of progress to elected members.

The current Medium Term Financial Plan (MTFP) covers the period through to 2025/26. The development of a longer-term horizon for this, and for it to reflect the council's agreed priorities, are important – as is indeed intended with the work over the coming months to refresh it and align and integrate it with a new Corporate Strategy.

#### **4.5. Capacity for improvement**

The availability and use of data and intelligence about Harlow and the population it serves appears to be very limited in the organisation. One of the few places that we saw it being utilised, but even then only to a limited extent, was in the Towns Fund and Levelling Up bid documents. The council drew upon support from Essex County Council in drawing this information together. There is an opportunity to explore working more closely with them in this field on the back of that, tapping into their expertise and capacity. As simple examples, being able to 'mine' effectively what is emerging from the most recent Census and developing ward profiles will be hugely beneficial in aiding the organisation's and individuals' understanding of place – not least the new elected membership following the all-out elections next year in the light of boundary changes.

Work is taking place currently to devise a new set of performance measures that will make performance reporting in the council more meaningful. This activity needs to be a corporate effort in order to determine the most appropriate measures, placing as much emphasis as possible on outcomes for local people. Once the council is satisfied with what is planned to be reported on and the related processes are underway, it needs to be actively used to inform and drive more effective performance on the part of both the council and those contracted to deliver on its behalf. The identified performance measures can only be meaningful if comparator data is woven in, enabling the council to see how it is performing in relation to other local authorities that it can most closely relate to. The revised approach should also be designed to enable the council to understand the extent to which value for money is being secured in key spheres.

As examples, drawn from the LG Inform system which the LGA hosts on behalf of the sector, it is feasible to see the following for Harlow when compared to the 15 other councils in its Chartered Institute of Public Finance and Accountancy (CIPFA) 'family' grouping of similar authorities, using the most recently available data:

- The level of residual waste per household was the third best (2020/21)
- The percentage of household waste sent for re-use, recycling and composting was the fifth best (2020/21)
- The number of new business registrations in the area per 10,000 population was the second best (2021)
- Access to employment by public transport for local residents was the third best (2019)
- The percentage of major planning applications processed on time was the fourth best (2022/23 quarter 2)
- The percentage of non-domestic rates due that was not collected was the poorest (2021/22)
- The percentage of council tax due that was not collected was the fourth poorest (2021/22)
- The proportion of the population aged 16-64 qualified to at least Level 2 was the poorest (2021)
- The time taken processing housing benefit new claims and change events was the poorest (2022/23 quarter 2)
- The number of affordable homes delivered was the second poorest (2021/22)

The following is a link to the LG Inform system - [Home | LG Inform \(local.gov.uk\)](#). Including an overview of performance information from this source is standard practice for corporate peer challenge reports. It is recognised that Harlow Council does not have direct and sole influence over all of the performance measures that have been cited. In addition, the council have highlighted that some areas of performance were impacted by the focus of the Revenues and Benefits function being re-directed to the distribution of Government grants during the pandemic.

The emergence of the Office for Local Government and its remit of acting as a source of information about the performance of local government can provide additional insight for the council in due course and reflects the increasing importance being attached to councils being able to demonstrate how they are performing.

The council's approach to risk management feels as though it needs to be overhauled in a similar way to that being seen with performance management. A more comprehensive and rigorous approach is required to offer improved insights; better inform decision-making and mitigating actions; and provide greater assurance to elected members.

The 'voice of the resident' feels very quiet in the council's considerations. This contrasts with the high profile and 'loud' voices that are 'heard' through social media regarding the council. Moving to a position in which the council can draw much more fully upon insight and intelligence, derived from a range of community engagement mechanisms, the more informed decision-making can be and the better-placed the council is to demonstrate the rationale and support for decisions. The new community engagement strategy agreed last year can be helpful here and the recent communications peer challenge recommended that the council:

- "Address the lack of resident insight (either from data held by partners or through new research) to establish how people access information about the council – and how they want to. Look to commission a resident survey to determine people's views of the council and their communications preference."

The situation with all of the above – relating to understanding of place, how the council is performing, how effectively it is operating and the risks it needs to manage – means that the council currently has a very limited evidence base for decision-

making. This risks anecdotal evidence being relied upon instead. Establishing a robust evidence base is key to the council being able to demonstrate it is focused on the right issues and providing elected members with all of the relevant options and choices as they seek to take Harlow and the council forward. Drawing on such an evidence base will also be key in informing the future development of essential strategies, which needs to be undertaken in a more structured and collaborative way going forward. There are a significant number of strategies in place or emerging and ensuring they are aligned with the new Corporate Strategy, and appropriately balance ambition with achievability, will be important.

The council is demonstrating an increasing willingness to engage in external challenge and learning, as seen with the inviting of the communications peer challenge and the corporate peer challenge. Another example is the 'forensic analysis' commissioned of various aspects of HTS Limited, a company set up by the council in 2017 and wholly-owned by them with a remit to provide environmental and property (including council housing) maintenance services. Ensuring the findings from such external reviews are shared with all key stakeholders and consistently translated into action will increase confidence, particularly on the part of elected members, that things are being made to happen and progress is taking place. Commissioning such external challenge and review activity is relatively easy – the test is what changes as a result.

Building on the above, looking outward more will provide the council with wider insights and understanding; enhance self-awareness; and enable the organisation to capitalise upon the learning of others. The internal focus of the organisation in recent years is starting to be counter balanced. A willingness to compare itself is an essential element of performance management. Looking at others also enables a council to expedite improvement and deliver progress more efficiently by capitalising upon their experiences and learning. There is some undertaking of this in parts of the council, with us hearing, for example, of a visit by officers and elected members to Bracknell Forest to look at the approach to regeneration. However, it needs to be encouraged and enabled to take place on a much more widespread basis and form a core aspect of the desired culture of the organisation.

Our strong sense is that there is latent capacity within the council. The organisation is tired, inevitably so given what has been required of it in responding to the



pandemic and the range of socio-economic and financial challenges that local authorities are having to address. However, things are exacerbated in Harlow by the negative energy being absorbed by the relationship and cultural issues within the organisation. As one example, officers at a range of levels reflected the challenges resulting from issues not being progressed adequately enough at the SMB level and anxiety around the risk of getting something wrong within the resulting vacuum – risking people simply keeping their heads down. As another example, the public profile of the council and the criticism it comes in for is overshadowing the good work the organisation delivers and impacting negatively on morale and motivation. Turning round such vicious circles will serve to enhance capacity within the council.

This is reinforced by the communications peer challenge finding:

- “Real frustration amongst colleagues with the current approach to staff engagement ... there is an information vacuum in the organisation ... if the council embraced a more engaging and open approach to internal communications there would be a huge amount of goodwill”

In this context, the increased staff engagement that the Chief Executive has established is welcomed and appreciated by the officers we met. This is taking various forms, including a recent round of staff briefings focused on the budget and getting out and about to meet teams. It is recognised that he can't be everywhere and meet everybody but maintaining such initiatives and thus engaging directly with an increasing number of people over time would be highly valued.

The commissioning of a staff survey to take place in the coming months is very positive. Ascertaining informed insights as to how people across the organisation are feeling and how they see things needing to change and improve will be integral in informing a new People Resource Plan. The results of the survey need to be widely shared and discussed. This is important in its own right in order to capitalise upon the insights and learning that are gleaned. However, it is also important in building organisational confidence in the managerial leadership, given what we understand to have been a very limited dissemination of the findings from the last survey undertaken in 2019.

There is seen to be ‘managerial patchiness’ across the organisation, with variability in



the management of individual performance, including the undertaking of appraisals, and the undertaking of team meetings. Access to training and development is also variable and opportunities for progression are seen to be different from team to team. Given the way things are changing, including the adaptations to ways of working through and following the pandemic; the establishment of the tier of Assistant Directors; changes at SMB level; and the commencement in post of the new Chief Executive, there is likely to be benefit in looking at how managerial approaches and expectations around them are 're-set' in the organisation. Providing appropriate support to enable managers to operate at the required level will also be important.

A further area where variability is being seen, inevitably in our view, is that of the approach to hybrid working. Staff we spoke to would welcome the establishment of a hybrid working policy to establish clarity and greater consistency going forward. This does not mean uniformity is required, given the different nature of services and functions and the make-up and circumstances of teams across the council. Rather, what is being sought is a policy that provides an overall framework within which managers and their teams can determine the best approaches focused on meeting customer need and balancing this with enhancing joint working, organisational culture and staff well-being.

Enabling a more strategic approach to HR and organisational development (OD) will be important if the way the organisation functions is to be enhanced. At present, the remit for HR would seem to be largely limited to operational matters, such as supporting recruitment exercises for individual posts; the application of key HR processes; and supporting the well-being of employees. As a consequence, strategic OD opportunities risk being missed by the council. One example would be developing more sophisticated and joined-up approaches to recruitment, which might include the more widespread use of apprenticeships, graduate programmes and enhancing internal staff progression.

Understanding the ageing profile of the workforce and considerations around succession planning represent another area of focus for a more strategic HR and OD function. Approaches to maintaining and enhancing employee motivation and morale through the re-establishing of a focus on staff recognition schemes provide a further opportunity. Training and development also seems to be in need of an overhaul and is integral to aspects we have touched on here such as staff retention, progression

and succession planning.

Work on culture change represents another key required area of focus for the council and would logically sit with an HR and OD function with a more strategic remit. This must include the development over the coming months of a shared set of organisational values and behaviours – founded upon engagement from across the council, including elected members.

#### **4.6. Housing – a microcosm of our findings**


There is widespread frustration amongst residents and elected members around the state of council housing in Harlow. The council has a large housing stock of around 9,500 properties, which equates to approximately 25% of housing in the locality. This stock was largely built between the mid-1950s and mid-1970s and is thus ageing at the same rate and the council is very aware that it is not standing the test of time particularly well.

The council housing repairs and maintenance programme is contracted out for delivery through HTS Limited.

The council was keen, through the corporate peer challenge, to gain insights to help inform the thinking and planning of the authority and its partners around:

- Driving a culture of performance improvement within HTS
- Identifying how to develop short, medium and long-term priorities for the housing repairs and maintenance programme
- Thinking on implementing estate renewal programmes
- Ensuring a joined-up agenda between officers and elected members

The broad issues in relation to housing and the approach of the council and HTS have been known about for a long time, with recent years having seen rising levels in the backlog of repairs and growing levels of complaints from residents. Some of these issues have been diagnosed in detail, in the form of the ‘forensic analysis’



commissioned by the council last year of various aspects of HTS. The reports from the organisations who undertook this work have been provided to the council in recent months but appear to have had very limited circulation, leading to questions about what has emerged and what is being done in response.

Our overall conclusion is that the situation which exists is a microcosm of our findings outlined through this report. These are essentially:

- An approach to performance reporting and performance management which does not appear to be impacting – indeed what is contained in the council's most recent 'Performance and Finance Report' would suggest that performance is very good, so there is clearly a significant mismatch occurring somewhere.
- A clear evidence base being needed to support informed decision-making – crucial to helping break things down into a set of defined issues that are mapped out and providing all of the relevant insights, options and choices. As an example, we understand that HTS still rely on a series of systems which are paper-based and require manual inputting and analysis – reducing responsiveness and insight. As another example, key stakeholders we spoke to across HTS and the council were unable between them to pinpoint the existence of a recent stock conditions survey. This demonstrates that the challenges aren't effectively understood and undermines the effective prioritisation of investment and scheduling of repairs and maintenance. This raises a question as to how the £122m figure recently agreed for investment in council housing was determined and will be allocated.
- Clear accountabilities have to be established. At present, HTS and the council are looking at one another and getting frustrated. As an example, there is no shared understanding as to the extent to which HTS are responsible for the undertaking of planned maintenance across the council housing stock. We understand that the 'forensic analysis' undertaken reflects the need for a major overhaul of the governance arrangements around HTS, with accountabilities central to this.

- Delivery plans are required covering the short, medium and long-term, mapping out what, if anything, has already been agreed across the council and HTS in relation to improving council homes and the way the organisations work together. These need to be underpinned by the mechanisms to enable the monitoring of progress, management of risk and reporting to all key stakeholders.
- Looking outward will be important to identify opportunities for support and learning from elsewhere. The scale of the challenge being faced in terms of the deteriorating housing stock is not being faced uniquely by Harlow. With other 'New Towns' having been created at similar points in time to Harlow and with the same approaches having been adopted, other places will be encountering similar challenges and there will be valuable learning that can be exchanged.


It is undoubtedly a complex set of challenges that are being faced but, as elected members are acutely aware, it is the people the council represent and serve who are being impacted and they need to be addressed.

The council will also need to be able to demonstrate its readiness for regulatory change in relation to housing. This further emphasises the importance of the council responding to the issues highlighted here and through the reports relating to the 'forensic analysis' of various aspects of HTS.

## 5. Next steps

It is recognised that the council's senior political and managerial leadership will want to consider, discuss and reflect on our findings.

Both the peer team and LGA are keen to build on the relationships formed through the peer challenge. The corporate peer challenge process includes a 'progress review' session around six months on from the initial activity, with this providing the opportunity for the council's senior leadership to update the peers on its progress against the related improvement planning.



In the meantime, Rachel Litherland, Principal Adviser for the region within which the council sits, is the main contact between your authority and the Local Government Association and is available to discuss any further support the council requires – [rachel.litherland@local.gov.uk](mailto:rachel.litherland@local.gov.uk)