

Corporate Peer Challenge – Six Month Progress Review

Knowsley Metropolitan Borough Council

September 2022



1.0 Executive summary:

Knowsley Metropolitan Borough Council undertook a Peer Challenge revisit in December 2021, considering the Council's progress against their last full Corporate Peer Challenge in 2017. This revisit recognised the length of time which had passed since the Council's previous corporate peer challenge as well as the significant changes which had affected their operating context, most notably, the Coronavirus pandemic of 2020 and the associated social impacts.

The 2021 revisit highlighted the progress that Knowsley Council had made in this time. This included the contribution of the Knowsley Better Together Programme in supporting the Council to move towards a more '*enabling*' and '*empowering*' culture. This move away from more traditional and directive approaches was valuable in the Council's response to Covid-19, supporting the development of networks and partnerships within the borough. The revisit also praised the progress of the Council in their approach to economic growth and regeneration, and the homes and employment opportunities this has brought for residents. This has been illustrated by the Shakespeare North Playhouse in Prescott which opened this year as part of the borough of culture events.

Through the revisit process, additional recommendations were put to the Council. This included a suggestion to further embed their desired organisational culture, refining their approach towards community development, and developing a new Council Plan and associated performance reporting methods. The 2021 revisit took place shortly following the Ofsted's full inspection of Children's Services which had assessed services as "Requires Improvement" the same standard that they were rated in 2017. The Council has been clear that improvement in this area continues to be a shared political and managerial priority.

As part of the 2021 'revisit' it was agreed that the LGA would conduct a review against the recommendations which had been put to the Council six-months following the publication of their Action Plan which took place in April 2022. This provides an opportunity to consider the progress of the organisation, any wider changes in operating context, as well as any potential refinements or future recommendations. The review was completed by two Members of the original peer team discussing progress against recommendations. Ahead of this, the Council shared an overview of their Action Plan and updates which helped to structure conversation.

Finally, this Progress Review also highlighted new pressures which have emerged since the team were on-site, including impact of the cost-of-living crisis, and the inflationary pressures which are facing local government more widely and have increased demand for services and support in the borough, and further financial pressures on the Council's budget. The challenges of further financial savings for the Council is set against growing demand for services (as seen across the sector) and a reduction in per-head of population spend of £485 per resident of population since 2010. This level of reduction is significantly above the English average of £188 and is largely because of the Council's exposure to settlement funding (Revenue Support Grant and Business Rates) which is the highest amongst statistical neighbours.

2.0 Background:

The six-month progress review is an essential part of the LGA Corporate Peer Challenge (CPC) process. These reviews are designed to take place approximately six-months from the Council's publication of their original CPC report and supporting action plan. These reviews typically completed online with some members of the original Peer Challenge Team provide opportunity for feedback on the early progress and consideration of next steps. It is not the intention of these reviews to revisit first-principles or previous findings. This review was completed by Cllr Sir Steve Houghton and Matt Dodd (Senior Regional Advisor) on 28 September 2022.

3.0 Peer team, scope, and context:

The original CPC (in November 2017) was supported by Officers and Councillors from across the sector as listed below.

- **(2017 CPC) Lead Peer:** Donna Hall (Chief Executive Wigan Council)
- **(2021 Revisit) Lead Peer:** Jim Taylor (Previously Chief Executive of Salford Council).
- **Labour Member Peer:** Cllr Sir Steven Houghton (Leader of Barnsley Council).
- **Senior Officer Peer:** Richard Parry (Director of Commissioning, Public Health and Adult Social Care, Kirklees Council).
- **(2017 CPC) Peer Challenge Manager:** David Armin (Local Government Association)
- **(2021 Revisit Challenge Manager):** Matt Dodd (Local Government Association).
- **Shadow Officer Peer:** Bushra Jamil (Economic Growth Advisor, LGA).

The full report from this Peer Team is available on the Knowsley Council website [here](#). The December 2021 Peer Challenge revisit made a series of nine recommendations to support the Council's ongoing improvement journey. For the purposes and structure of this report, these have been clustered under the following themes:

- Organisational culture and transformation.
- Working in partnership with communities.
- Council Planning and performance reporting.
- Communications and engagement.

Whilst this six-month review focuses on the progress made against the Council's Action Plan, it also allows consideration of changes in the Council's operating environment over this time. This can often mean new opportunities or challenges, or wider changes in context since the team were last onsite. As part of this review the Council provided further information on this context, most notably including:

- The financial context of the Council has been impacted by inflationary pressures. With national inflation now at 10%, it is the highest level that it has been for 40 years, and this has naturally impacted on associated energy and staffing costs for this Council. This has contributed towards a forecast £10m financial gap for 2023-2024.
- The Council has paused the development of a cinema in Kirkby town centre due to increased costs due to inflation and rising interest rates. Whilst the Council remains fully committed to this development, the costs have risen by £5 million. This is illustrative of wider pressures facing the sector, and the impact of inflation on capital programme business cases.
- The impact of inflation and the wider cost of living crisis is recognised as an issue within the borough, including residents seeking support who were not previously known to the Council.
- The Deputy Leader of the Council lost her seat in the elections of May 2023. The elections did not impact on the political leadership of the Council, with Labour losing two seats but maintaining a clear majority (19 seat majority).
- The Council has been responding to the psychological impact and press interest following two recent shootings in the area. This has sadly included the death of a nine-year old girl who attended school in the borough, and the death of a member of staff.

- There has been increased police activity in the region following these instances, with Police visiting 594 individuals in relation to their investigations. This has resulted in increased demand on Children’s Services.
- The Council had processed all payments to residents entitled to a Council Tax rebate by the end of June.

4.0 Organisational Culture and Transformation:

Under this theme, consideration was given to activity against the following recommendations which were made as part of the original onsite work in (November 2021):

- **Recommendation One: Embed and extend the emerging culture of empowerment across the organisation:** The way in which Councils, including Knowsley, have had to respond to the pandemic has inevitably resulted in staff and communities feeling more empowered to act and do what they see as the right thing to do. It is important for the Council to build on the progress that they had made prior to and during the pandemic, but recognise that this work will be iterative, and will require time, effort, and energy to avoid the risk of reverting to previous approaches. The success of this culture will be dependent upon the continued visible support of Councillors and Senior Officers. This progress was supported by new ways of working developed in response to the COVID-19 pandemic, and these should be carefully considered as the Council looks to define their ‘new normal’ as part of the approach towards organisational development.
- **Recommendation Six: Complete the transition in the approach and methodology to ‘reviewing’ services which builds on the principles of Knowsley Better Together rather than being a financially led exercise.** There is still an organisational legacy of the previous approach that was necessary to secure financial resilience. This will support the Council to maximise the wider contributions of services towards outcomes beyond traditional costs and output models and will further support and empower middle managers to improve their service offers and develop new ways of working through new approaches.

The Council has responded positively to these recommendations, including the launch of the updated second version of the Knowsley Better Together “Journey” which tells the story of the borough’s response to COVID and how the contribution of these principles. This remains mandatory training for new staff and Councillors and has also been used for those who did not engage with the first version of the programme. It is a positive development that an amended version has been developed in partnership with Knowsley’s Place Director for use with NHS Cheshire and Mersey staff working in the borough as part of the Integrated Care Partnership.

The Council has continued to make progress with the Knowsley 'offer', containing a mixture of universal and targeted service standards. This work has provided further clarity to the role of the Council in shaping local place, rather than as the direct deliverer of services. This has been supported by resident engagement throughout the summer and autumn of 2022. The Council will reflect on this feedback ahead of launching their first full version in January 2023.

In discussion with the Council, it was recognised that the context for service reviews had altered over the past six-months. Whilst these reviews still account for consultation and co-design, this process has been understandably paused whilst the Council refines their budget position and assumptions ahead of 2023-2024 (reflecting challenges facing the sector). In this context, it may be necessary for this toolkit to become more focused on savings and finances. It is right for the Council to pause communications on this process for these reasons and consider how this is communicated to staff, partners, and residents in the most appropriate manner.

5.0 Working in Partnership with Communities:

Under this theme, consideration was given to activity against the following recommendations which were made as part of the original onsite work:

- **Recommendation Two: Develop, launch, and monitor the delivery of a comprehensive Community Development Plan aligned to Knowsley Better Together:** The Council has invested in their relationships with staff and partners through the Knowsley Better Together Programme. The ambition to extend these principles to how the Council works with residents to integrate new communities, as well as the opportunities presented through economic growth and regeneration in the Borough, will require the Council to set-out a consistent and structured approach to community development. This includes consideration of the resources required for this work and the monitoring of delivery, impact, and outcomes.
- **Recommendation Three: The Council has been presented with the opportunity to play an active role in 'place leadership' and can bring together and build relationships directly between voluntary, community and faith organisations to build on their joint responses to COVID-19.** The joint work that has taken place in this context has embodied the principles of Knowsley Better Together, and these groups

should be supported through a continued enabling rather than transactional relationship with the Council. There is a significant opportunity for these groups to contribute towards the development of the Stronger Communities Strategy.

In responding to these recommendations, the Council has developed a Stronger Communities Delivery Plan overseen by a Stronger Communities Steering Group. This Plan brings into one place the actions, owners, outcomes, and reporting that will be central to the Council's community development aspirations. This will be presented to Cabinet in November 2022, and has been aligned as far as possible, to the revision of the Knowsley Better Together offer. This Plan acts as a conduit between the Knowsley 2030 Strategy for the borough, and the 2022-2025 Council Plan.

The Steering Group overseeing this work includes key leaders from: faith sector, leisure service (Volair), Merseyside Youth Association, Livv Housing Group, Merseyside Fire and Rescue Service, the Cheshire, and Merseyside Integrated Care Board, Healthwatch, Merseyside Police, the Merseyside Police and Crime Commissioner's Office, and the Council's refugee/asylum seekers and Business Growth teams. This breadth of input has built upon the network relationships which were developed during COVID 19.

Beyond Knowsley, the Council is engaging positively with the wider Liverpool City Region on issues of Place Leadership. This includes a Steering Group at a Liverpool City Region level being established and working with Liverpool John Moores University to establish a single place leadership programme for the six local authorities. It is expected that this will be in place by the end of the 2022/23 financial year. This will be especially important in taking forward the Integrated Care Partnership across Merseyside and Cheshire. In this context, it is important that Knowsley continue to capitalise on the benefits of working collectively with partners through the opportunities presented through the Liverpool City Region Combined Authority.

6.0 Council Planning and Performance Reporting:

Under this theme, consideration was given to activity against the following recommendations which were made as part of the original onsite work:

- **Recommendation Four: Use the development of a new Council Plan to provide clarity on political priorities in a “post-pandemic” Knowsley.** This plan will enable

the Council to provide clarity to staff, partners, and residents on the priorities in the context of available resources and the “recovery” from the pandemic. This plan also presents the opportunity to illustrate the relationship between the values of Knowsley Better Together and the political priorities and principles of the administration. This plan will also enable the Council to set out milestones and actions associated with their improvement plans for children’s services.

- **Recommendation Five: Bring together existing performance reports to create a single overview of services for Elected Members.** The Council would benefit from increased transparency and accountability by bringing together existing performance reports into a single public place. This should include a proportionate number of measures being selected to reflect the content of the new Council Plan, the development of challenging and realistic targets for services, as well as any comparator information which will support understanding of relative performance.

The Council has developed and approved a new Council Plan for 2022-2025. Following this Plan being approved, departmental and service plans were developed including priorities and milestones for the coming year. This is a positive development and will help to translate medium-term targets into short-term activity.

Following the development of this Plan the Council reviewed their performance management framework, this includes quarterly performance reports for each of the service areas. These reports are used for briefing and engaging portfolio holders and then ‘made available’ to all members. Whilst plans are monitored and reported quarterly, there remains further work to be done on bringing together this respective portfolio information into a holistic view of the Council’s services and progresses. This would bring significant benefits, including increased accountability, transparency, and dialogue on improvement. The Council should also consider the relationship between these reports and Scrutiny, to ensure that Committees capacity is applied to priority areas.

7.0 Communications and Engagement:

Under this theme, consideration was given to activity against the following recommendations which were made as part of the original onsite work:

- **Recommendation Seven: Build on and extend the communication channels and tools which have been developed to support managerial leadership to provide**

more visibility to political leadership. There is an opportunity to implement a Leader's Blog or questions and answers session with the Leader which mirror those which are in place for the Chief Executive. This will provide the opportunity for messages regarding political priorities to be delivered directly and will support officers to better understand prioritisation and build more effective relationships with elected Members across all tiers of the Council.

- **Recommendation eight: Extend engagement processes which have been developed through the Council's response to COVID-19 and as part of the Knowsley Better Together Programme.** The success of this programme going forward will be strongly linked to the embedding of consultation and engagement methods, which build on the current pulse surveys completed with staff and members, alongside service specific consultations. The Council could consider, as an inclusive employer, if it has sufficient insights into the experience of different groups of staff (for instance working carers, LGBTQ+ staff, and other groups) that will enable it to respond to their specific needs in the future. This will strengthen the "*you said, we did*" feedback to staff about how they have influenced the organisation.
- **Recommendation Nine: The Council should work on communicating their progress and success with different audiences, including the development of a wider organisational narrative.** It is important for the Council to consider how they communicate their vision and progress with different audiences, including external partners, internal staff, and the wider sector. This will help the Council to get better at 'telling their story'. This will bring the benefits of supporting internal coordination, whilst also enabling external audiences to better understand both priorities and progress. There are things that Knowsley are doing that other Councils could learn from, and the Council should consider how it can tell its story to the sector

Following the Corporate Peer Challenge, the Council completed a review of communication channels, concluding that the Council's existing arrangements of joint and individual communications work effectively for sharing political priorities with staff. These arrangements include Chief Officer representatives continuing to attend all Operational Working Group Meetings. These Operational Working Groups are also consulted on issues of significant change (e.g., the Council's new Hybrid working policy and arrangements for the Council's new Headquarters). The Council has also committed to consulting all staff (alongside Trade-Unions) on the Council's approach to post-pandemic working.

The Council is also working to share their progress and 'story' beyond the borough and raise the profile of the organisation. This has included recent national media coverage for the

opening of the Shakespeare North Playhouse, which was covered extensively on TV, in print and online. There has also been favourable media coverage of the Council's Levelling-Up fund applications. This positive coverage helps to build momentum for this narrative and build positive working relationships with outlets.

6.0 Summary and next steps

The LGA appreciate the continued relationship with Knowsley Council and the opportunity to discuss their progress against these recommendations. This is especially helpful within the context of the original Peer Challenge being completed in 2017 and helps to maintain regular contact and support between the Council and the wider sector. It is not expected that recommendations would be completed in full at the point of a six-month review. This process helps to ensure and illustrate that there has been a purposeful and considered response to findings, and that there is an organisational awareness of what is required next. This also illustrates the Council's commitment to external insight, and the value of peer challenge to the Council, supporting ongoing improvement and assurance.

Whilst it is the intention of this six-month review to consider progress against existing recommendations rather than providing new guidance, the Council is encouraged to consider the support and resources required to support children's services and ensuring that their financial planning reflects the emerging demands and pressures that they are facing. Both issues would be aided through regular and public reporting of performance and financial information.

It is recognised that senior political and managerial leadership will want to consider, discuss, and reflect on these findings. To support transparency, the council is advised to publish this note. Claire Hogan is the LGA's Principal Adviser for the North West and can be contacted on Claire.Hogan@local.gov.uk