

LGA Corporate Peer Challenge

Teignbridge District Council

Scoping meeting: 7 September 2023

Corporate Peer Challenge: 9 – 11 January 2024

Progress Review date: before 11 November 2024

Feedback report





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1. Executive summary

Teignbridge is a district in South Devon covering 260 square miles and has a varied geography ranging from coastal resorts and busy market towns to rural countryside and the wild moorland of Dartmoor National Park.

Councillors and officers of Teignbridge District Council (TDC) are clearly committed to delivering the best possible services for local people.

Whilst it is recognised that separately senior managers and senior councillors are clearly respected, this is not true of them as a collective 'top team' for the council and this issue is inhibiting progress and damaging the council's reputation. There are clear and obvious tensions between the Executive and the Senior Leadership Team (SLT) and work needs to be undertaken to address this without delay in order that the council can positively progress and deliver improved outcomes for residents. There is much that this 'top team' need to address and importantly, all the key leaders amongst the officers and members recognise the importance of this. Making this happen is the clear and obvious next step.

Previous behaviours have resulted in a culture of mistrust and now space must be created for informal interaction between councillors and officers along with a place for councillors to meet and work within the council offices so that better working relationships can be developed. To support this, a councillor/officer protocol should be agreed and adopted, preferably adopting and building upon examples that have been successfully used elsewhere.

Decision making processes should be reviewed and space allowed for policy development involving Executive members and officers to avoid last minute changes and amendments to reports which impact on the quality of decision making and adversely impact on those member and officer relationships too.

The three Statutory officers (Head of Paid Service, Chief Finance Officer and Monitoring Officer) would benefit from regular formalised meetings and developing a forward work programme of governance issues to be considered to create a strong framework for good governance for the council.

TDC has a ten year council strategy in place, and the peer team heard a number of examples of successful projects that supported the council priorities. Following the response to Covid which redirected council resources, the council themes altered to broadly cover the following key areas – homes; jobs; environment and climate change.

There is currently a review of the council strategy by the new administration and public and stakeholder consultation will take place in early 2024. However, as this will take some further time to work through the process, officers and councillors would benefit from an interim direction of travel from the Council's political leadership. The council has expressed a desire to be a 'community powered council', but there is insufficient clarity so far on what that might mean for TDC or how it would impact on service delivery and decision making. The council should quickly progress both the review of the corporate strategy and work to co-design a narrative around community powered council.

The peer team heard examples of good partnership working by TDC although the relationship with town and parish councils is more mixed. The council is aware of this, and a workshop is being planned with town and parish councils for spring 2024. The workshop should build on the existing relationship in a positive way, to maximise opportunities to build capacity in pursuit of shared objectives.

There are examples of good community engagement and consultation such as the Garden Community Citizens Panel and the review of the Local Plan. This demonstrates the council's ability to communicate well. The newsletters are welcomed, but some external stakeholders suggested that engagement could be improved by becoming more interactive and two way.

TDC takes a risk averse approach to financial management: it has built up a good level of reserves when compared to similar district councils, but like all other councils it is facing significant financial challenges and could benefit from using reserves in an 'invest to save' way rather than to essentially cover revenue budget gaps. The current financial system is outdated and no longer efficient. A new financial system should be implemented as a matter of urgency to minimise associated risk.

TDC has an ambitious transformation programme – Modern 25. The council would benefit from actively engaging stakeholders and sufficiently resourcing the programme to ensure delivery of the savings that are needed.

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:

2.1 Relationship tensions between Executive and SLT.

Addressing the relationship tensions between the Executive and SLT is the overriding priority for this council in order to move forward. Group leaders and the Head of Paid Service need to model and uphold the highest standards of behaviour and respect for each other and their respective roles.

2.2 Create the space for informal interaction.

Create the space for more informal councillor-officer interaction so that trust, respect and effective joint working can become the norm.

2.3 Improve decision making processes.

Councillors and officers need to improve the processes leading up to how decisions are taken, creating the time and space for robust policy formulation and discussion to take place ahead of formal decision making.

2.4 Finalise a Councillor/ Officer protocol.

Agree, adopt and publish a Councillor/ Officer protocol, preferably by utilising good practice from elsewhere. Put in place a system of delegations to enable officers to get on and deliver agreed priorities.

2.5 Statutory Officer recommendations.

Ensure councillors give full and due regard to any advice given by statutory officers in advance of any decisions. Consider formalising the statutory officer meetings and develop a forward work programme around a comprehensive governance framework.

2.6 Develop a new council strategy and narrative.

Progress quickly to develop and communicate a new council strategy, and co-design the narrative of a community powered council.

2.7 Strengthen partner relationships.

Strengthen relationships with partners, but particularly town and parish councils. Progress plans you have in place for a workshop with town and parish councils and look to agree clear outcomes and a way forward.

2.8 Interactive engagement with communities.

Identify channels and opportunities for more interactive community engagement, for example, a more proactive approach using social media; encouraging responses to newsletter items to gather views.

2.9 Use of Reserves.

Consider invest to save opportunities in order to use reserves in a more enabling fashion.

2.10 Implement a new finance system.

Urgently implement a new finance system.

2.11 Modern 25 transformation programme.

Ensure that the Modern 25 programme has early member, officer and partner engagement, active management and sufficient capacity and resource to successfully deliver identified savings and the council's new operating model.

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:

- Lead Peer - Jon McGinty, Managing Director Gloucester City Council
- Liberal Democrat Member Peer - Dave Hodgson MBE, ex elected Mayor Bedford Borough Council
- Independent Member Peer - Cllr Adam Paynter, Cornwall Council
- Emma Foy – Director of Corporate Services, West Lindsey District Council

- Peer Challenge Manager - Kathryn Trant, Advisor Local Government Association

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?

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 they were familiar with the council and the challenges it is facing. The team then spent three days onsite at Teignbridge District Council, during which they:

- Gathered information and views from more than 36 meetings, in addition to further research and reading.
- Spoke to almost 100 people including a range of council staff together with 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

Teignbridge District Council adopted a ten year council strategy in January 2020. The strategy set out the priorities of the council under ten super projects called the Teignbridge Ten. Progress against these projects was interrupted by the need to respond to the Covid 19 emergency and since then the focus of the council has been on key broader themes: homes; jobs; environment and climate change.

In discussion with external stakeholders and internally with staff, the peer team were informed of both the Teignbridge Ten and the more recent priority themes, indicating that the then council priorities were clearly understood both within the organisation and externally with partners and stakeholders.

The council is now in the process of reviewing the council strategy and approval is in place for the scope, process and budget to carry out that review, which will be overseen by a working group of councillors. The peer team understand that both public and partner engagement will begin in early 2024. The peer team were made aware of concerns about how long it could take until the new strategy and council priorities were in place, causing lack of clarity over objectives in the interim and potentially impacting on service delivery. A clear project plan with an end date should create the framework in order to help establish what is required and thus keep progress on track. It will be important to progress the actions and discussions at pace towards adoption of the new strategy to provide clarity for councillors and direction for officers who are keen to deliver services for the residents of Teignbridge. Providing an interim narrative of direction and regularly communicating progress will be helpful.

Once the new council strategy is in place, it will be important to ensure it aligns with other council plans and strategies, particularly the medium term financial plan. The alignment of strategies ensures clear direction for delivery of services and use of resources which is key for councils in the current challenging financial climate.

The council's administration included within their 2023 election manifesto a pledge to become a 'community powered council'. The peer team heard this from external stakeholders, councillors and officers, none of whom could clearly articulate exactly what being a 'community powered council' would look like for TDC and how it would impact on service delivery and decision making. This lack of clarity has resulted in little progress being made. The peer team recommend that effort is put into creating a narrative for what a 'community powered council' means to Teignbridge, and that work takes place with officers, councillors and external stakeholders to co-design and support that. There should be the potential to align this work with the engagement work on the new council strategy. Even if that opportunity is missed, links between the two will be key to ensure wider understanding of council priorities, how those priorities will be achieved, and methods of service delivery within an affordable framework.

TDC shared with the peer team many examples of successful delivery of projects to support priorities, including:

- The Teignbridge 100 programme which focuses on delivery of high quality and affordable social rented homes – the council has built homes for the first time in 30 years.
- Holding 'meet the buyer' events to raise the importance of spending locally and using a new procurement portal to seek local suppliers for lower value procurements.
- The creation of two new countryside parks to boost recreation and encourage community cohesion as new neighbourhoods are being constructed.
- The completion of two heat decarbonisation projects, with further decarbonisation projects in the pipeline and plans to decarbonise the vehicle fleet; so far carbon emissions have been reduced by almost 20%.

In addition to delivery of the specific projects that supported delivery of priorities and the council strategy, TDC performs well in a number of service areas, including strong outcomes in terms of recycling and waste. The council achieves a household waste recycling rate of 55.6% compared to the England median of 41.9%. The kg per household residual household waste is only 359kg compared to the England median of 501kg. This is supported by data, for example, Office for Local Government (OFLOG) reports for the council for [waste](#) show that TDC performs above average for household waste recycling rates and for residual household waste kg per household when compared to CIPFA near neighbour councils, and recycling contamination rates are well below the median at 0.1% compared to 1.9%.

Conversely, OFLOG [planning](#) metrics support concerns raised with the peer team regarding planning performance. TDC is aware of the issues and in 2023 asked the Planning Advisory Service to carry out a review of the service. That review has taken place and a series of recommendations were made for the council to consider. The peer team did not look at that review in detail given the work already undertaken.

Further council performance can be reviewed in the LGA's LG Inform [headline report](#).

The peer team saw examples of how the council uses data to drive improvement and service delivery:

- A SPAR.net system is used to monitor progress against strategies and report on individual projects and risks under the Teignbridge Ten programme.
- Performance Indicators are monitored and reported to Overview and Scrutiny by exception.
- A suite of Power BI corporate and service level dashboards summarising performance with key tasks is being assembled and rolling this out will help with monitoring performance indicators.
- Teignbridge Leisure uses demographic data to understand demand and inform programme designs and targeted marketing campaigns. Competitor analysis data is used to inform business practices.
- Performance data is included in the template that guides the regular meetings to brief Executive portfolio holders.

Regularly monitoring performance data will ensure the council can track progress against new priorities once the new council strategy is in place and will highlight issues with service delivery so that an early response and rectification can take place.

4.2 Organisational and place leadership

TDC is generally seen as a good partner that works well across partnerships. Examples were shared of successful partnership working such as Exminster's Ridgetop Park delivered by TDC as a partner of the Joint Habitat Regulations Executive Committee, the other members of which are neighbouring East Devon District Council and Exeter City Council.

TDC is positively recognised by partners for its ambition and progress on climate change action. The council collaborates closely with Devon Climate Emergency and works with local partner Action on Climate Teignbridge. An engagement campaign is progressing with community involvement to develop a District Carbon Action Plan for Teignbridge to reflect the specific net zero needs of residents, the local economy and the geographical constraints and opportunities.

The relationship with town and parish councils, however, appears to be mixed. Town and parish councils, some other partners and staff referenced lower levels of engagement with the council than had previously been the case, particularly with officers.

Town and parish councils, and other external partners, will be integral to achieving the council's community powered ambitions and to co-designing solutions to the financial challenges facing the council. Partners are willing to help but significant effort needs to be put into strengthening those relationships to create a positive and collaborative relationship. For example, timely conversations with town and parish councils regarding potential asset transfers will facilitate their support.

There are plans for a workshop with town and parish councils in spring 2024. This workshop will be an opportunity to build the relationships and to ensure engagement with local councils is both consistent and positive.

Examples of good community engagement by the council were shared with the peer team. These included:

- The Heart of Teignbridge Local Cycling and Walking Infrastructure Plan – which

focuses on enhancing existing and creating new cycling and walking routes in the heart of Teignbridge.

- Garden Community Design Code Citizen's Panel – to develop a vision for the Garden Community that required an understanding of community aspirations for their neighbourhoods.
- Emerging Local Plan 2020 – 2040 – which responds to many housing, economic and environmental needs and opportunities by planning for 720 homes per year, 25% of which will be affordable with a focus on social rent homes and delivering rural housing. The efforts made by the council into consultation on the Local Plan were widely praised and seen as an example of best practice.

TDC communicates with a number of newsletters which are regular, frequent and much liked. Recipients did however express a desire for more interactive communication with the council. An example could be an increased proactive social media presence and more face to face contact with officers as well as councillors.

Officers throughout the council are generally held in very high regard by councillors and partners. They are seen as committed, passionate for their place and highly competent.

TDC has undertaken a self-assessment against the LGA Equality Framework for Local Government. Following the self-assessment, an action plan is in place and progress is being made. Whilst there is an acceptance of more work to be done, the peer team saw a clear example of progress in the Equality Impact Assessments being used to aid decision making.

4.3 Governance and culture

TDC operates a Leader/Executive style of governance. The Leader was elected to the role at the last election in May 2023, having served as a member of Executive in the previous administration. The election results in May 2023 saw the council become a Liberal Democrat majority led council.

Separately, both the Executive and the senior leadership team (SLT) were spoken positively about and highly rated by those stakeholders that the peer team spoke with.

However, it is obvious to everyone the peer team spoke to both internally and externally, that there are tensions between the Executive and SLT. Addressing this tension must be the overriding priority of the council as it is inhibiting the council from moving forward with the ambitions that it has and is risking good governance around its decision-making.

Inappropriate and unprofessional behaviour in the past has led to an atmosphere of mistrust and a deterioration in the relationship between councillors and officers. Group leaders and the Head of Paid Service all have a key individual and collective role to play in modelling and upholding the highest standards of behaviour.

Trust building measures on all sides are needed and the peer team suggest that this includes creating the space for more informal councillor/officer interaction and demonstrations of mutual respect and value for each other. As well as the space for informal interaction, the processes leading up to how decisions are taken needs to be improved, so that time and space is created for policy formulation to take place ahead of formal decision making. This should prevent the need for last minute changes and amendments to reports and recommendations, which negatively impact on the quality of decision making as officer advice may not be given due regard in such circumstances.

An example of building mutual trust would be to reinstate delegations to officers working on key projects to enable them to get on and deliver agreed priorities.

Another example is the work in progress to create a space where councillors could meet and work, and share access to council offices with officers. Councillors would benefit from this space, and the peer team urge the council to complete this work as soon as possible.

Furthermore, the work to develop an effective top team, where the Executive and SLT are both committed to taking these key steps forward, which is being facilitated by an external consultant, is yet to be completed. They have planned a workshop with Executive and SLT and this should be grasped quickly and unanimously, as it is a real opportunity to discuss how to reset the relationship and move forward.

The statutory officers of any council are key to its governance. They are the Head of Paid Service, s151 officer and Monitoring Officer. They are professional officers and full and due regard should be given to any advice they give, particularly in advance of decisions being taken. From an effective governance perspective, no decisions should be taken without officer advice. However, once that advice is given, it is up to the councillor or committee to whom the advice was directed, whether or not to follow that advice. For example, the peer team were made aware of instances where advice has been given by the monitoring officer in a public committee regarding an individual councillor's declarations of interest. Once that advice is given, it is for the councillor to decide whether or not to accept that advice – the monitoring officer has fulfilled their responsibility once the advice is given. In circumstances like this, the relevant committee chair can assist the practice of demonstrating good governance, for instance by asking the councillor to clarify for the public record why they are choosing to follow, or not follow, any officer advice.

The TDC statutory officers should consider formalising their meetings and developing a forward plan of matters of governance for consideration.

A councillor/officer protocol is in draft form but at the time of the peer team being on site, had not been agreed or adopted. Work should be undertaken to finalise and agree this document. Such protocols are common good practice elsewhere and for the sake of speed and acceptance, it may be better to adopt one of these than to reinvent the wheel locally. However, a protocol alone will not prevent bad behaviour, and respective codes of conduct for councillors and officers already exist. It is important that everyone's behaviour conforms to these codes to demonstrate mutual respect and appropriate behaviours.

The peer team heard of plans to merge the two Overview and Scrutiny Committees into one committee to take effect from the Annual meeting in May 2024. Providing the size is manageable, moving to one committee should help the effective scrutiny of decision making in the council as there will be a singular focus on the overview and scrutiny function.

The issue of how Overview and Scrutiny chairs are allocated was raised with the peer team, TDC currently allocate these positions to members of the administration. There are various models in operation across the sector and the council may wish to look at

models of best practice and the [Centre for Governance and Scrutiny Governance Risk and Resilience Framework](#) as well as recognising local preference in its future plans.

Councillor training is comprehensive and widely praised at TDC. The 2023 Councillor Induction Programme was well received. The peer team heard that the programme will be reviewed to identify any opportunities for improvement, for example, encouraging Group leaders to promote the benefits of training to maximise attendance across their group membership.

4.4 Financial planning and management

There is a good level of understanding across staff and councillors of the council's medium term financial position and the values of savings needed were quoted by all the peer team spoke to.

The council takes a careful, risk averse approach to budgetary management, but looking ahead, it may wish to consider using reserves as an 'invest to save' resource to pump prime improved service delivery and accelerate savings/income, rather than just use reserves to plug the budget gap. The council is forecasting to use £3.6m of reserves to fund the budget in 2024/25.

The current financial system is outdated and no longer fit for purpose. There is an urgent need for a new financial system to enable timely financial reporting on service and project expenditure which will then allow the finance team to focus on key technical activities.

The internal audit plan is varied and adequately resourced with the addition of days from the Devon Audit Partnership. However, although the risks are considered as part of the planning process, it is not clearly explained how the programme of audits correlates with the corporate and strategic risks recorded in the risk register.

The corporate and strategic risk register does contain risks around loss of income, managing finance and economic certainty, but these have not all been combined into a strategic risk to deliver the savings needed to manage the medium term financial gap.

The council is undertaking its 'Modern 25' transformation programme. The objective of the programme is to deliver a new operating model delivering £2.6m of phased benefit savings by April 2026 and implementing changes across the whole organisation in line with agreed design principles. Councillors are aware of the programme and savings

associated with it, but there is a need for more councillor engagement so that difficult decisions can be discussed at an early stage to avoid expending abortive effort and resource on options that would not be pursued.

Whilst it is recognised that the Modern 25 programme had an original savings ambition of £2.6m, there remains a further £1.4m of additional savings to be found by 2028/29. Also, the latest performance report indicates a £634k delivery risk. This will need close and active project management.

There are vacancies in the finance team which could contribute to delays in the delivery of reports and statements and has already impacted on delivery of the new financial system. Whilst it is understood that temporary staff come at significant cost, the council may wish to consider the employment of additional temporary staff to ensure that the CIPFA Code on Financial Management can continue to be complied with, and councillors get timely and relevant information. This will be one of a number of areas that the peer team will check progress on when the team returns for the progress review.

TDC have a Future High Streets Fund (FHSF) regeneration project for Newton Abbot which has secured government grant funding of c£9m. For a variety of reasons, the project has stalled. There is an urgent need to make rapid decisions on revising the scope of the project, and giving necessary officer delegations, to enable a vital town centre regeneration project to be delivered and avoid losing valuable grant funding.

4.5 Capacity for improvement

The council is facing some recruitment challenges which in some cases are impacting on performance, for example, within the Finance team as set out above. The peer team are aware of actions being taken to mitigate this, such as a review of pay grades, discussions around shared services and other workforce planning activity. The council may wish to consider if there is more that could be done to recruit, develop and retain its workforce.

TDC has impressively led the change of focus of Strata, the ICT services company jointly formed by TDC, Exeter City Council and East Devon District Council, from transactional IT towards a transformation enabler and the council should make more use of this expertise and resource in the delivery of its Modern 25 programme.

There is broad support across the council for the direction of travel of the transformation programme Modern 25. However, the council needs to ensure that the progress of the digitalisation agenda is done in an inclusive fashion so that, for example, residents who may not be digitally enabled are not excluded. There is also the need to consider the capacity required to deliver such wholesale transformation – dedicated resource will need to be identified to avoid risk to the progress of the programme.

In addition, the council needs to continue to cascade and engage its workforce to increase their understanding of, and buy in to, the new organisational model. The peer team heard instances of concern and a lack of consistency about the communication around the potential restructure of teams, leading to some staff expressing feelings of a lack of confidence, mistrust and not feeling valued.

The council is developing a strategic asset plan which forms a core part of the Modern 25 agenda and will introduce a corporate landlord function. This will be an important step to grow the income stream and thereby create additional capacity for the council to efficiently deliver the best possible services to the people of Teignbridge.

5. Next steps

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

Both the peer team and LGA are keen to build on the relationships formed through the peer challenge. The CPC process includes a progress review within twelve months of the CPC, which provides space for the council's senior leadership to update peers on its progress against the recommendations from this report.

In the meantime, Paul Clarke, Principal Adviser for the South West, is the main contact between your authority and the Local Government Association. Paul is available to discuss any further support the council requires. Paul.Clarke@local.gov.uk.