

LGA Corporate Peer Challenge – Progress Review

Newcastle City Council

3 March 2023

Feedback



1. Introduction 2
2. Summary of the approach 3
3. Progress Review - Feedback 5
4. Final thoughts and next steps 11

1. Introduction

Newcastle City Council (NCC) undertook an LGA Corporate Peer Challenge (CPC) during 12 – 15 July 2022 and published the [full report with an action plan](#).

The Progress Review is an integral part of the CPC process. Taking place approximately six months after the council published the CPC action plan, it is designed to provide space for the council’s senior leadership to:

- Update peers on the early progress made and to receive feedback on this including how the action plan aligns to the CPC’s recommendations
- Consider peer’s reflections on any new opportunities or challenges that may have arisen since the peer team were ‘on-site’ including any further support needs
- Discuss any early impact or learning from the progress made to date

The LGA would like to thank Newcastle City Council for their commitment to sector led improvement. This six-month review was the next step in an ongoing, open and close relationship that the council has with LGA sector support.

2. Summary of the approach

For this six-month Progress Review, the following members of the original CPC Peer Team were involved:

- Tom Riordan, Chief Executive, Leeds City Council
- Arooj Shah, Former Leader of Oldham Council
- Michael Cullen, Deputy Chief Executive & Corporate Director, Stockport Borough Council
- Anthony Payne, Strategic Director for Place, Plymouth City Council
- Frances Marshall, LGA Peer Challenge Manager

The Peer Team met virtually via MS Teams over the course of 8 hours with the following representatives from Newcastle City Council (NCC):

- Pam Smith, Chief Executive
- Cllr Nick Kemp, Leader
- Matt Wilton, Assistant Chief Executive
- Alice Gunn, Director of Transformation
- Jenny Nelson, Head of ICT and Digital Transformation
- Stephen Foreman, Informatics Manager
- James Moore, Head of Communications and Engagement
- Mark Nicholson, Chief Finance Officer
- Michelle Percy, Director of Place
- Lou Sloan, Assistant Director of Planning
- Jennifer Hartley, Head of Economic Development
- Andrew Rothwell, Culture and Tourism Manager
- Sajda Nawaz-Bhatti, Senior Specialist Policy & Transformation
- Louise Crosby, Equalities & Wellbeing Advisor

The Progress Review at NCC was structured into two parts:

- Firstly, a series of fieldwork conversations (held virtually) with key individuals responsible for progressing elements of NCC's CPC recommendations, as well as several Peers holding telephone or video calls with their key counterparts at NCC.
- Subsequently, a Reflections Roundtable took place remotely on 3 March 2023, between the Peer Team and NCC's Leader, Chief Executive and Assistant Chief Executive. The facilitated conversation used NCC's CPC Action Plan to explore, reflect, and test progress to date in taking forward the CPC recommendations, challenges to implementation, and notable practice in doing so.

The Progress Review focussed on each of the recommendations from the CPC (which are set out at **Appendix A**), themed under the following headings:

- Theme 1: Foundations for delivery of Corporate Plan priorities, values and behaviours
- Theme 2: Financial and resource alignment and visibility
- Theme 3: Driving change priorities
- Theme 4: Approach to partnerships and external positioning
- Theme 5: Inclusive economic place-shaping and a community benefit driven approach to growth

This report provides a high-level summary of the Roundtable discussion and Peer Team's reflections based on the pre-engagement, fieldwork meetings, Reflections Roundtable and NCC-provided pre-reading.

The following summary is not intended as an exhaustive record of activity undertaken by NCC in response to the CPC. NCC reports to its [Cabinet](#) on delivery against its CPC recommendations.

3. Progress Review - Feedback

Overview

Since the Corporate Peer Challenge (CPC) in July 2022, NCC have progressed a comprehensive programme of activity across all its CPC's recommendations. It was evident that overall good progress has been made though there is more work to do, with fifteen of the twenty specific actions within NCC's Action Plan rated as 'green' meaning they were making good progress. Five were categorised as 'amber' meaning they were on target to deliver with further progress planned, whilst none were categorised as 'red' meaning 'requiring attention'. Notable developments included: strengthening the overarching strategic, financial, and transformation framework within which NCC operates; development of Inclusive Growth Strategy; and securing alongside partner authorities a £1.4b Devolution Deal for a new North East Mayoral Combined Authority (NEMCA).

The Peer Team and NCC senior leadership nevertheless reflected that there is further to go, with NCC still relatively early on its change journey. As such, change can be fragile, and it will inevitably take time to embed the sustainable change NCC wants to achieve, and to deliver the scale of its ambition and for its communities and place. To do so, the Peer Team encouraged NCC to be bold, inclusive, joined up and targeted in continuing to pursue its aspirations.

- **Bold:** In articulating aspirational ambitions for equality, diversity, and inclusion (EDI).
- **Inclusive:** In engaging broadly with staff, elected members and stakeholders to galvanise and secure buy-in to change trajectory and 'Newcastle's story'.
- **Joined-up:** In capitalising on the new strategic framework and strong partnerships to translate positive foundations into delivery.
- **Targeted:** In focusing resources on change priorities that are aligned to strategic priorities that will make the biggest difference.

Theme 1: Foundations for delivery of Corporate Plan priorities, values and behaviours

Corporate Plan and communications: NCC have commenced a refresh of its Corporate Plan prior to launch in June 2023. Peers' were informed that NCC have

sought to take a collaborative approach, involving the Extended Leadership Team (ELT) in shaping content. A Communication and Engagement Plan is under development with staff engagement and events a central plank of this. The first of a series of cross directorate 'We are Newcastle' staff events was described to Peers as a success, with NCC taking a 'you said, we did' approach to responding to staff feedback. The Peer Team commented positively on NCC establishing these building blocks to support the development and delivery of refreshed Corporate Plan. With NCC understandably at an early stage on this journey, Peers reflected that meaningful change would inevitably take time to achieve and embed. They encouraged NCC to continually widen efforts to inclusively engage and communicate across the whole organisation, looking beyond the ELT and including the wider political membership. This would help reinforce the cultural changes and buy-in it seeks to achieve.

Appraisals, equality, diversity and inclusion: NCC reported that a People Plan is under development and appraisal process being updated in parallel to the Corporate Plan refresh. These were key components in NCC's aspirations to cement the refreshed Corporate Plan as the golden thread running throughout the organisation. Incorporating NCC's desired culture, values, and behaviours within these documents will be critical to driving change and NCC achieving its aspiration of being an inclusive employer. Reflecting this ambition, NCC has commenced a self-assessment review of its EDI activity which will inform development of an EDI Strategy and Action Plan. Whilst recognising the progress made to date, the Peer Team encouraged NCC to be bold in their ambitions for EDI. They urged clearer expression of its ambitions being much broader than meeting its legislative imperative, and more about the potential to fully harness all of the talent within Newcastle and beyond. The People Plan and the updated appraisal process should be completed and implemented as a priority.

Supporting the Cabinet and new ways of working: The Peer Team heard several enhancements to engagement and governance mechanisms have been introduced to better support collective working across Cabinet and senior officer structure. This included two dedicated officer posts, frequent engagement between the Corporate Leadership Team (CLT) and Cabinet, regular one-to-ones with respective counterparts, and development of reporting tools linked to delivery of manifesto priorities. Whilst NCC officers reflected that these changes have had a positive impact, there was a commitment to continue to improve, in recognition that it remains

a work in progress.

Theme 2: Financial and resource alignment and visibility

Transparency: NCC reported significant progress in increasing the visibility of the assumptions that underpin NCC's financial position and alignment of the MTFP behind the City's priorities. The 2023-2026 MTFP - agreed in March 2023 - set out its three-year budget gap, how resources would align to City's priorities, and was underpinned by a detailed thematic savings plan for 2023-24. The Peer Team heard that a more inclusive and transparent approach to budget setting has resulted in greater clarity of understanding - and a collegiate approach - within Cabinet and senior management of NCC's budget. With approximately 30% of 2023/24 savings plans coming by reducing external interest costs through continued internal borrowing, there was nevertheless further to go to fully establish corporate ownership. The Peer Team commended the progress made whilst also encouraged NCC to continue efforts to engender even greater collective ownership across all directorates to strengthen future savings plans.

Medium Term Financial Plan: In parallel, NCC reported that planning for the 2024-25 to 2026-27 MTFP is well advanced, using its new strategic transformation framework to maximise opportunities to deliver efficiencies, increase income and minimise future cost pressures. To further these efforts, the Peer Team highlighted the potential for more robust profiling of reserves and of the Capital Programme in future years to better reflect actual positions. Peers also encouraged NCC to be clear about the scale of its transformation ambitions to enable it to align the requisite resources to not just deliver, but to embed and sustain this change.

Theme 3: Driving change priorities

Driving change and citizen experience: The Peer Team heard a range of activity has been undertaken to drive citizen-centred organisational change priorities. Significant developments included: an organisational-wide Digital Needs Assessment; enhancing resident insight through cost-of-living crisis support interactions; and implementation of £5m Health Determinants Research Collaboration (HDRC) funding to embed cross-council evidence-informed decision making through research and data infrastructure. Peers highlighted the transformative potential of the HDRC investment to enhance citizen's experience, and commended NCC's cost-living guide

for citizens as good practice. Like many councils, NCC's digital change agenda is at an early stage, and there is much further to go. Linking its digital change activity with multidisciplinary neighbourhoods approach was highlighted as an important next step to create a coordinated person-centred offer. Peers welcomed this direction of travel and encouraged NCC to be clear about its operating model – e.g. about how the public will access services and engage with the council.

Transformation and capacity: A step change in the way NCC approaches transformational activity was apparent. The establishment of a strategic framework, programme management disciplines, and introduction of the Director of Transformation were highlighted as having had a significant impact. Peers welcomed the establishment of more robust foundations to drive organisational transformation aligned to strategic objectives. They emphasised that how NCC brings the workforce onboard - with changes necessitated by transformation projects - would be critical for foundations to translate into successful delivery. To maximise impact, Peers recommended focusing the Transformation Portfolio workstreams on key political leadership priorities that will make the biggest difference. They also highlighted importance of NCC regularly reflecting on the number or transformation projects, and associated governance arrangements, to ensure there is sufficient capacity to deliver.

Performance Framework: A broad range of activity to strengthen internal performance reporting across the organisation has been progressed. NCC reported that the development of an interim suite of key performance metrics had been positively received, with further refinement planned. In parallel, NCC has been progressing a longer-term solution, with the development of business intelligence driven performance measures linked to new Corporate Plan. This was an evolving area of work, with further to go to achieve NCC's aspiration of establishing an outcome-focused performance reporting culture.

Theme 4: Approach to partnerships and external positioning

Partnership strategy and national influence: Peers heard that by design, activity to reset NCC's partnership approach was yet to advance significantly, with the launch of NCC's IGS and Anti-Poverty Strategy marking the start of a programme of work around this. In preparation, NCC has reviewed its current key strategies and maintained strong formal and informal working relationships with key partners. NCC

highlighted the intention for strong political visibility to be a key tenant of its future approach. Concurrently, NCC has sought to develop relationships and tools to enable NCC and its stakeholders to better promote the City, with some tangible examples of engagement with senior Government officials highlighted.

Brand proposition: Work to develop and promote a clear brand proposition for Newcastle had been sequenced to ensure NCC's IGS and NEMCA Devolution Deal could inform Newcastle's brand narrative. Progress to date had therefore been constrained to initial scoping activity, and planned programme of workshops. With reference to a shared a sense of excitement from City partners "*that the time is now*", NCC emphasised the importance of capitalising on the moment. Peers echoed this sentiment, reiterating the power of a clear 'Newcastle story', and encouraged NCC to expedite defining and communicating its brand to augment its place shaping influence.

Devolution: The Peer Team heard that NCC had played a critical and collegiate role in securing a £1.4b Devolution Deal for new NEMCA. Subject to public consultation and respective councils' approval, this would come into effect from 2024. The compelling case made is reflected in NEMCA securing Trailblazer agreement for further devolution, and securing highest funding per capita of the existing Deals. The Peer Team commended the important roles the Leader and Chief Executive played within this. They emphasised the importance of this continued visible leadership in sustaining a positive partnership approach as the new Mayoral Combined Authority takes form and enters its first term.

Theme 5: Inclusive economic place-shaping and a community benefit-driven approach to growth

Growth ambition: Meaningful progress had been made in articulating a growth ambition for the City, with the launch of NCC's IGS and Anti-Poverty Strategy in March 2023. Peers had not seen the emerging IGS but were informed its development had been cross-cutting, involving senior political leadership, all departments, key partners, communities, and businesses. Its launch was a pivotal moment being the stepping-off point for programme of work flowing from it, with anchor institutions taking responsibility for specific actions. To ensure the success of this collaborative action, Peers emphasised the importance of having well-articulated Action Plans underpinning these Strategies, and of maximising internal and external


engagement to ensure efforts were locally driven, Newcastle-centric, and collectively owned.

Culture and heritage: In tandem with the IGS development, Peers were informed NCC has developed a Cultural Plan and Heritage Strategy which - at time of writing - were in draft form. NCC stated their intention to bring these together with the existing Sports and Events Strategies to produce one coherent strategy within NCC's Corporate Plan strategic framework. The Peer Team endorsed this approach, reiterating the galvanising potential of the IGS in bringing together partners, joining up agendas and cementing shared cross-cutting City-wide priorities.

Local Plan and community engagement: The Peer Team heard that steps to refresh the Local Plan were progressing well, with an integrated approach taken to other key strategic priorities. A programme of City-wide engagement was planned to go alongside the 'Issues and Options Consultation' in the summer. Peers encouraged NCC to use the Local Plan at the earliest possible stage as a framework for bringing together interrelated priorities. They emphasised the important role it could play in shaping Newcastle's place narrative, and galvanising community involvement. NCC reflected that whilst the mantra of 'residents at the heart of everything we do' was permeating within certain layers of the organisation, there was much further to go for this ethos to be embedded and felt by communities.

Housing and net zero: Since Peers were onsite, NCC has commissioned a housing stock and management review, the conclusions from which are intended to be a stepping-off point for development of a broader Housing Strategy. The Peer Team heard that the review – due to report in Summer 2023 - would include a focus on the decarbonisation of its housing stock. This was one of the biggest challenges NCC faced in terms of meeting its net zero by 2030 ambitions. NCC's trajectory in terms of overall 2030 net zero target was reported to be positive, with NCC having a history of strong partnership working and delivery in this area. Building on these successes, Peers were informed there had been a step change internally, with introduction of a Programme Board and political oversight mechanisms, impacting positively on how the organisation drives forward its net zero ambitions. The Peer Team commended NCC's strong track record of delivery around the green agenda.

4. Final thoughts and next steps



The LGA would like to thank Newcastle City Council for undertaking an LGA CPC Progress Review. We appreciate that senior managerial and political leadership will want to reflect on these findings and suggestions in order to determine how the organisation wishes to take things forward. Under the umbrella of LGA sector-led improvement, there is an on-going offer of support to councils. The LGA is well placed to provide additional support, advice and guidance on a number of the areas identified for development and improvement and we would be happy to discuss this. Mark Edgell (Principal Adviser) is the main point of contact between the authority and the Local Government Association (LGA) and their e-mail address is mark.edgell@local.gov.uk

Appendix A – CPC Recommendations and Themes

Foundations for Delivery of Corporate Plan Priorities, Values and Behaviours

- **Refresh the Corporate Plan to articulate NCC’s new vision, values and behaviours, with clear internal accountability linked directly to appraisal, and with an enhanced approach to equality, diversity and inclusion.** This delivery framework will drive the new City priorities and reinforce the culture, values, and behaviours NCC wishes to establish.
- **Develop a more comprehensive, structured, and regular approach to communication and engagement with staff directly linked to the development and delivery of the Corporate Plan.** This will embed the new administration’s vision for the City, and promote collective ownership and greater cross-Council team-working.
- **Prioritise supporting the new Cabinet, the smooth bedding in of new senior structure and new ways of working.** This will foster strong open and honest Member-Officer working and relationships, strengthen decision making, and empower the Cabinet.

Financial and resource alignment and visibility

- **Increase the visibility of the assumptions that underpin NCC’s regularly reported financial position, and produce a Medium Term Financial Plan that aligns capital and revenue resources behind City’s priorities.** This will enhance organisational understanding and accountability of NCC’s financial management, and align resources to drive strategic priorities.

Driving change priorities

- **Build capacity to drive change priorities with greatest impact on citizen experience and address workforce pressures** (e.g. digital transformation, active engagement with NHS to tackle health inequalities, child poverty, neighbourhood working, social housing connection to public health.) This will focus resources to deliver the greatest impact for residents, address stretched

workforce capacity, and generate buy-in by demonstrating delivery.


- **Strengthen NCC's Performance Framework, utilising the City's excellent urban data assets to have a stronger focus on citizen-centred public services.** This will strengthen decision-making and drive performance improvement with outcomes for citizens at its heart.

Approach to Partnerships and communities

- **Undertake a light touch review of existing partnerships, strategies and Member engagement to ensure arrangements best serve the City.** This will align capacity to NCC's priorities, enhance political engagement and deepen key partner relationships by management via Leader and Chief Executive's office.
- **Develop, utilise, and promote widely a clear brand proposition, working actively to make sure it benefits communities and ensure the City's voice influences national policy.** This will act as a beacon to continue to attract visitors, investment, and talent to the region, and grow the City's influence.
- **Continue to engage with the Mayor and Leaders as a pivotal member of the Combined Authority to seek an ambitious devolution deal that enables greater influence over transport, skills and investment.** This – if secured - has the potential to unlock additional powers, funding, infrastructure, and influence to benefit Newcastle and the wider region.

Inclusive economic and community benefit driven approach to growth

- **Refresh NCC's Housing Position Statement to drive better integration of infrastructure and new housing, affordability, net zero and regeneration.** This will strengthen the Council's place shaping role and ensure delivery reflects the new leadership's aspirations around housing.
- **Use development of the City's Economic Strategy to articulate a distinctive City growth ambition, community wealth building, net zero and tackling health inequalities, placing Newcastle's cultural and events offer centre stage.** This will provide a joined-up clear narrative for growth, focused on maximising economic and community benefits for all



neighbourhoods.

Use the refresh of the Local Plan process to engage stakeholders and communities across the City, its City Centre and neighbourhoods. This will galvanise community engagement through Neighbourhood Plans and set clear long-term co-developed place making expectations.