

# Corporate Peer Challenge **London Borough of Havering**

*26 February – 1 March 2019*

Feedback Report

# 1. Executive Summary

Members and officers understand the borough and how it is changing. Havering differs from many London boroughs due to its high level of green-belt land and primarily suburban nature. On some key metrics, Havering is closer to neighbouring Essex, and other counties, than the capital. However, the council recognises that the borough is now changing at pace with increasing population levels, a shifting demographic profile and new opportunities for growth and regeneration. The council has a key role in communicating these changes, and their potential benefits, to residents, partners and wider stakeholders.

The council has agreed a new corporate plan which reflects clear political priorities. Positively, the council is seeking to take a more joined-up approach to delivery overseen by new cross-cutting delivery boards which reflect the plan's themes. These changes will need to be supported by disciplined forward planning and robust decision-making in order for the council to fully realise its ambitious agenda. As part of this, the council could consider further options to support Overview and Scrutiny's role, including in relation to policy development.

Senior leaders – officers and members – are talented and generally well-regarded by both staff and partners. However, there are clear benefits to be realised from a more collaborative 'top team' approach, where officers and members work collectively together to develop strategy and solve problems.

Although the council is well-respected by partner organisations within Havering, it could articulate the borough's offers and unique selling point (USP) more widely. The borough would benefit from clearer regional and national communications about how attractive Havering is and the merits of living, working and investing in the borough. At a local level, the council could build on its resident consultation work and better utilise community capacity. There is an appetite for greater community involvement and it would help the council to achieve its aim to support residents to reduce, and better manage, their own needs.

The council is currently in a good financial position, with a strong track-record of delivering savings, and is a low-cost authority compared to many London boroughs. The Government's forthcoming Spending Review provides an opportune time for the council to review its overall balance of savings and reserves in the context of future pressures.

The council has created a major transformation programme to support organisational change and achieve further savings. Business cases and programme management arrangements are being developed to support delivery. This planning work will need to be complemented by a strong focus on cultural change – from the senior leadership to the front-line – in order for the organisational transformation to happen and be sustained.

The council would benefit from a more strategic approach to workforce development which aligns to the new corporate plan. The existing range of HR initiatives are not explicitly linked to the organisation's current or future needs, and further activity in this area may increase the council's capacity to deliver.

The council has very clear housing ambitions. Three significant joint venture arrangements have been developed in order to provide the council with the capacity and expertise to deliver more than 6,000 new homes. The council's broader regeneration vision is not as clearly articulated, including its strategic approach to inward investment, skills and employment.

The council has the right approach to social care improvement and strong leadership to deliver. The organisation's plans to better manage demand, support further integration and prioritise safeguarding will require sustained attention and investment.

## **2. Key recommendations**

There are a range of suggestions and observations within the main section of the report that will inform some 'quick wins' and practical actions. In addition, many of the conversations onsite provided ideas and examples of practice from other organisations. The following are the peer team's key recommendations to the council:

### **1. Build on the momentum to communicate the council's new priorities to staff, partners and residents**

The council has put in place a new corporate plan with a refreshed set of priorities. It is clear that both the council and the borough is changing. Now is an opportune time for the council to communicate its new priorities to employees, local people and key stakeholders.

### **2. Consider and articulate Havering's offers and USP to attract inward investment and support managed growth**

The council could set out more clearly its approach to, and priorities for, growth. This includes an explicit articulation of the type of investment the borough is seeking and the benefits of doing business in Havering.

### **3. Maximise potential from a more collective one-team approach**

While both the council's political and managerial leaders are generally well-regarded, there are potential benefits from a more collaborative approach. The creation of a series of boards, which seek to bring officers and members together, is a good first step. The administration is new and still finding its feet but this structural change will need to be complemented by a cultural shift, where senior officers and members work more collectively together, including when developing strategy and problem solving.

### **4. Sharpen decision making and delivery through better forward planning**

The council has a clear set of priorities and will be undergoing a significant level of organisational change. The council will need to improve its business management, including decision making and forward planning, to successfully achieve its ambitious agenda.

### **5. Ensure there is sufficient focus on developing a single narrative and ownership from SLT to the front-line – this is needed to deliver the council's ambitions**

The new corporate plan and transformation programme are positive developments. Significant staff engagement and involvement – at all levels of the organisation – is now required to support cultural change and delivery.

**6. Develop a strategic approach to the workforce, linked to the corporate plan, to better release capacity to deliver**

Although the council has a range of workforce initiatives, there is not currently a coordinated view of organisational development. A strategic approach to the workforce, explicitly linked to the new corporate plan, may release additional capacity to deliver.

**7. Articulate a broader regeneration vision for place-shaping building upon the council's clear ambitions for housing**

Strong plans have been put in place to deliver on the council's housing priorities. The organisation's wider regeneration vision is not as clearly articulated. In particular, the council could set out its broader place-shaping role more clearly, including its strategic approach to inward investment, skills and growth.

**8. Explore further ways of supporting community engagement and maximising community capacity**

While the council has a track-record of consulting with residents, there is an opportunity for greater engagement and to better utilise community capacity. The peer team identified an appetite amongst some local groups for a greater role. A cross-council approach to developing community resilience may help residents to reduce, and better manage, their own needs.

**9. Support scrutiny to be more effective and play a more positive role in policy development**

The council's existing scrutiny arrangements are atypical with seven committees. A cross-party review of scrutiny was undertaken in 2018 but its findings do not appear to have been taken forward. While many stakeholders identified the potential for scrutiny to improve, there was not a clear consensus on the best approach. The council should consider all options including the importance of officer support, member development and an enabling culture, as well as possible structural governance changes.

**10. Ensure adult social care has sufficient resources to continue its integration and improvement journey with pace**

The peer team is confident that the council has the right approach to adult social care improvement. The council's key plans to better manage demand, support further integration and prioritise safeguarding will require sustained attention and investment.

**11. Maximise the opportunity to put 'Havering on the map'**

The peer challenge team identified many positives about the council and borough, and there are clearly big opportunities ahead. Now is a good time to undertake further work to put Havering 'on the map' to maximise these potential benefits. This should include more proactive regional and national communications about how the borough is changing and the benefits of living, working and investing in the borough.

### **3. Summary of the Peer Challenge approach**

#### **The peer team**

Peer challenges are delivered by experienced elected member and officer peers. The make-up of the peer team reflected the council's requirements and the focus of the peer challenge. Peers were selected on the basis of their relevant experience and expertise and were agreed with the council. The peers who delivered the peer challenge at LB Havering were:

- Cllr Alan Jarrett, Leader of Medway Council
- Cllr John Pollard, Cornwall Council
- Nick Page, Chief Executive, Solihull Metropolitan Borough Council
- Tracy Darke, Service Director of Growth, Economy and Culture, Milton Keynes Council
- Alison Michalska, Corporate Director of Children and Adults, Nottingham City Council
- Donna Parham, Director of Finance (and S151 officer), Bath and North East Somerset Council
- Sophie Poole, Programme Manager, Local Government Association
- Kevin Kewin, Peer Challenge Manager, Local Government Association

#### **Scope and focus**

The peer team considered the following five questions which form the core components looked at by all Corporate Peer Challenges:

1. Understanding of the local place and priority setting: Does the council understand its local context and place and use that to inform a clear vision and set of priorities?
2. Leadership of Place: Does the council provide effective leadership of place through its elected members, officers and constructive relationships and partnerships with external stakeholders?
3. Organisational leadership and governance: Is there effective political and managerial leadership supported by good governance and decision-making arrangements that respond to key challenges and enable change and transformation to be implemented?
4. Financial planning and viability: Does the council have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully?
5. Capacity to deliver: Is organisational capacity aligned with priorities and does the council influence, enable and leverage external capacity to focus on agreed outcomes?

In addition to these questions, the council asked the peer team to consider its approach to social care improvement, housing and regeneration.

## **The peer challenge process**

It is important to stress that this was not an inspection. Peer challenges are improvement focussed and tailored to meet individual councils' needs. They are designed to complement and add value to a council's own performance and improvement. 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 for the peer challenge 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 4 days onsite at Havering, during which they:

- Spoke to more than 150 people including a range of council staff together with councillors and external partners and stakeholders.
- Gathered information and views from more than 45 meetings, visits to key sites in the area and additional research and reading.
- Collectively spent more than 320 hours to determine their findings – the equivalent of one person spending more than 9 weeks in Havering.

This report provides a summary of the peer team's findings. It builds on the feedback presentation provided by the peer team at the end of their on-site visit (26 February – 1 March 2019). In presenting feedback, they have done so as fellow local government officers and members, not professional consultants or inspectors. By its nature, the peer challenge is a snapshot in time. We appreciate that some of the feedback may be about things the council is already addressing and progressing.

## **4. Feedback on the core themes of the peer challenge**

### **4.1. Understanding of the local place and priority setting**

The peer team found that officers and members have a good understanding of the borough and how it is changing. Havering is an atypical London borough that benefits from a large proportion of open green space and is characterised by suburban development. Havering's communities have remained relatively unchanged over recent decades in comparison to many London boroughs. However, recent growth and demographic trends are causing major changes which will bring both challenges, such as increased levels of demand, as well as unprecedented opportunities for regeneration in the borough.

The council is beginning to take a leadership role in supporting and managing this change. For example, the council has recently developed its first community cohesion strategy with a strong focus on events that bring people together. The council will need to continue this work and consider further the wider impacts of change and how they are addressed and communicated. In the council's recent residents' survey, more than half of respondents (52%) stated that their area had got worse over the past two years and most (73%) felt that Havering's growing population is impacting on local public services.

The peer team felt that there would be benefit from the council developing and communicating a clear narrative about how Havering as a place is changing, the advantages that this will bring, what will be maintained, and how potential negative impacts will be mitigated. This narrative would also provide an opportunity for the council to articulate the elements that make Havering unique as a place – including its location, rich history, culture as well the council’s future aspirations.

The new corporate plan provides a clear set priorities and reflects strong political leadership. Significantly, the council is seeking to take a more corporate approach to delivery and is creating a series of cross-cutting delivery boards which reflect the new plan’s themes. Each board will be chaired by a corporate director and include cabinet members and senior officers. The intention to take a cross-council rather than directorate-driven approach is positive.

The council’s new delivery arrangements will need to be developed and tested over-time. As this work progresses, it is important that the boards oversee a consistent set of business plans, which provide a golden thread from strategic objective to delivery. In order to be effective, the boards must clearly link the council’s priorities to the deployment of resources and impact. As with other matrix and cross-cutting arrangements, there will also need to be clarity on managerial and political accountability, particularly when working across services and directorates. Most importantly, the new structural arrangements will need to be complemented by a focus on cultural change in order to deliver a cross-council approach.

The council seeks to understand and act upon community views. The council has used the recent residents’ survey to help determine its priorities and medium term financial strategy. For example, the council’s 2019/20 budget was clearly informed by its findings, including the additional investment in transport, roads and pavements. These areas were highlighted as the biggest concern of local residents in the survey.

The council also recognises that it needs to consult with its communities in a more coordinated way. Currently, consultation and engagement is undertaken by individual services and directorates without a corporate approach. The council has recently invested in a bespoke consultation platform that will support transparency and the sharing of findings. In addition, a new central post will play a greater coordinating role. The peer team also noted the council’s data hub which hosts key local and national analyses. There is potential benefit from a renewed focus on bringing together the full range of information the council holds – including the residents’ survey, consultation feedback and other quantitative data – to provide a fully-rounded picture of community needs and additional insights.

## **4.2. Leadership of place**

The council is seen as a good and reliable partner in the borough, including by police, fire and health organisations. The borough’s regional and national positioning was not always as clear to the peer team. Havering’s geography, history and demography mean it is a London borough with many non-London characteristics. However, Havering will continue to be impacted by broader London trends, including economic and population

growth. The peer team identified mixed views within the council on the extent to which Havering should look primarily west (towards London) or east (towards Essex).

The peer team felt that there is no single 'best fit' for the borough in terms of its sub-regional positioning. This is recognised in children's services, for example, where Havering is exploring closer working with two neighbouring councils on children's safeguarding, engaging with three boroughs on a Regional Adoption Agency and leading on regional sector led improvement within the wider East London sub-region. The council's partnership work on health with the London Boroughs of Redbridge and Barking & Dagenham, including the Integrated Care Partnership, reflects the geography of the broader health economy.

In terms of the council's growth and broader place-shaping agenda, the peer team felt that the council could be bolder with its positioning on both the regional and national stage. In order to attract business investment and public sector funding, Havering will need to articulate and assert its offers and USP. There has been some recognition of this to date, including the recent bid to be a Heathrow logistics hub. However, further work is needed in order to secure the opportunities, in a competitive environment, that will support growth that aligns with local priorities. There is potential benefit from a more explicit focus on public affairs and communications activity which promotes Havering and ensures that the council's voice is heard clearly outside of the borough.

The council has recently invested in additional capacity for communications. It is recognised that a more proactive and consistent approach will support the council's reputation, public understanding and service delivery. Despite the council being a relatively low-cost organisation on key metrics, less than half of residents currently agree the council provides value for money. The new corporate plan should support communications activity by providing renewed clarity on vision and priorities. There is also potential for making more effective use of different communication channels, including social media.

The council would benefit from a more strategic approach to utilising community capacity. While community resilience features in the corporate plan, the peer team did not identify clear supporting plans or arrangements. Some of the community infrastructure available in other boroughs – such as a council for voluntary services – does not exist in Havering, although the peer team was also advised that the CVS previously in place did not deliver on its mission. However, the peer team also spoke to existing groups and networks which made clear their willingness, and ability, to work more closely with the council than is currently the case. A planned cross-council approach to empowering communities and collaboration may help residents to reduce, and better manage, their own needs.

### **4.3. Organisational leadership and governance**

The council's chief executive and senior leadership team (SLT) are well regarded and respected by staff and partners. In addition, the strong political ambitions for Havering are clear and were recognised by key stakeholders. These managerial and political strengths provide a strong foundation upon which to build. The creation of a series of boards, which seek to bring senior officers and cabinet members together, is a good first step to support a more collective approach. This structural change will need to be complemented by a



concerted cultural shift, where officers and members work more collectively and collaboratively together, including when developing strategy, policy and problem solving.

The council has an ambitious set of priorities and will be undergoing a significant level of organisational change. While the peer team identified a generally positive and enabling working culture for employees, successful delivery will also require a disciplined approach. Some staff, for example, identified late reports as a problem, and that missed deadlines were not consistently addressed by senior managers. Addressing issues such as adherence to processes and timetables needs to be part of the organisation's culture to support effective delivery of the council's objectives.

The peer team also identified potential for sharper decision making informed by stronger forward planning. Peers noted examples of delayed decisions and short-notice changes with potential financial implications for the council. In addition, further consideration could be given as to how some information is presented to members. For example, the peer team noted a recent Cabinet agenda that was more than 700 pages long.

Havering has complex local politics with six political groups represented on the council and a minority administration. The peer team identified tensions between groups on the council in relation to governance issues, including in relation to members allowances and the size of certain committees, such as planning.

The council supports member learning and development. Recent work includes a detailed induction programme following the 2018 elections, which included a series of mandatory training and information sessions. There is an agreed learning and development framework, which sets out the importance of individual member development plans. The peer team noted the importance of the council supporting and encouraging members to take up learning and development opportunities, including peer mentoring, throughout the course of the four year term. It is recognised that the focus of individual member plans will differ and that this process needs to be member-led.

The council's existing scrutiny arrangements are atypical with seven committees. The peer team noted that a cross-party review was undertaken in 2018 but its findings do not appear to have been taken forward. While many stakeholders identified the potential for scrutiny to improve, there was not a clear consensus on the best approach. The council should consider all options including the importance of officer support, member development and an enabling culture, as well as structural governance changes. There may be value in securing an independent assessment of scrutiny in the borough informed by the findings of the member review.

The council could take a broader view of profiling organisational risk. For example, the peer team noted that risks relating to future council funding, or the delivery of savings, did not feature as part of the corporate risk register. In addition, where key risks were identified – such as those relating to Brexit or ICT provision – the mitigating actions planned were limited in some cases.

#### 4.4. Financial planning and viability

The council is currently in a good financial position despite Havering receiving one of the smallest grant settlements in London. The council has delivered significant savings in recent years and, on many measures, Havering is a relatively low-cost London borough. Positively, the council has received unqualified audit reports in recent years and the council has an agreed medium term financial strategy (MTFS) covering the period up to 2021/22.

While the council has managed its finances well to date, meeting the budget gap in future years will be a very significant challenge. 2018/19 in-year monitoring indicates that the council is expected to overspend in the current financial year – in part due to demand-led pressures in children’s and adult services. The council’s latest published monitoring information (relating to September 2018) projects a forecast overspend of £1.9m for children’s services. A projected overspend of £2.5m on adult services is being managed through the use of surplus one-off allocations.

The council needs to save more than £37m over the next four years. Although the council has already identified £8.9m of savings for 2020/21, the outstanding ‘gap’ that year is a further £12.8m. The council is aware of its funding challenges and has been developing a major transformation programme in response.

The peer team was impressed by some of the initial preparatory work undertaken to support organisational transformation and the delivery of savings. Key areas of focus include service integration, better use of business intelligence, digitisation and automation, and a review of service contact points. However, the peer team also felt that there is potential for both the double counting of savings and delivery slippage. The council’s current MTFS sets out plans for a further £7.4m of departmental savings and £18.5m of transformation savings up to 2022/23 – the latter incorporating a series of service reviews. While the transformation savings are structured around the corporate plan themes, many of these savings will inevitably be delivered by, or impact on, departmental services. Greater clarity in relation to the respective delineation of departmental savings, service review savings and other transformation savings is required in order to reduce the risk of double-counting.

Transformation work is at an early stage and is not necessarily widely understood across the council. In order to deliver at pace there needs to be a single narrative and ownership across the organisation from the senior leadership team to the front-line. The council will also need to keep under review the extent to which the organisation has sufficient capacity to deliver transformation on a scale it has not previously achieved. The council has recognised that it needs to develop a more corporate approach and this may mean challenging some of the existing financial arrangements. For example, the council could consider removing all individual service reserves into a single contingency. Most importantly, the council will need to further consider how it will support cultural change across the organisation.

Regular budget monitoring is in place. Managers complete monthly returns which are considered by senior management and shared with members. However, the peer team noted that there could be greater transparency in public reporting of the council’s budget position. The latest publicly reported in-year budget forecast (in February 2019) related

to September 2018. In addition, while the recently agreed MTFS details the level of unearmarked reserves (£11.7m), it does not provide the level of earmarked reserves (approximately £63.1m).

The council, along with LB Newham, developed oneSource to provide shared back office support services. The councils share a range of functions including HR, finance, payroll, legal, facilities management and ICT. More recently, LB Bexley has joined the arrangement for some functions. The council feel that the current shared service arrangements are a strength and have achieved significant financial savings. Clearly there are potential benefits of such arrangements in terms of lower management costs, reduced duplication and greater service resilience.

The peer team noted the progress made with oneSource but also highlighted that there may be challenges ahead. The council is aware of existing issues with the current arrangements, including disparities in pay and conditions for employees depending on whether their employment contract is with LB Havering or LB Newham. In addition, the MTFS sets out further savings of £1.4m from oneSource for Havering over the next four years. It is important that the council assures itself that these targets produce genuine savings rather than service changes that will shift the impact onto the council services, which oneSource are supporting. As with any council shared service arrangement, there will need to be an ongoing commitment at a senior level from all participating councils.

The medium-term financial picture is uncertain for Havering with the Government's Fair Funding Review (FFR) to inform the 2019 Spending Review by April 2020. The publication of FFR, and subsequent Spending Review, would be a good time to reconsider the organisation's overall balance of savings and reserves in the context of future pressures and invest to save opportunities. The peer team noted that the council has recently increased its earmarked reserves and is seeking to increase its unearmarked reserves from £11.7m to £20m over the next four years. Given both the council's financial success to date and the significant challenges ahead, autumn 2019 is an opportune point for the council to take stock of its future financial position, including a review of the respective allocations to different reserves.

#### **4.5. Capacity to deliver**

The peer team met with a significant number of staff during the challenge and found employees to be dedicated to the council and borough. It is notable that most council staff (approximately seven in ten) live in Havering. Significant staff engagement and involvement – at all levels of the organisation – will be required to support the cultural change needed to deliver the new corporate plan and transformation programme. It is also recognised that this will be challenging: the council has stated that the number of staff employed by the council will reduce by a third. This organisational change will need to be managed carefully in order to treat staff fairly, maintain morale and minimise a drop in productivity in the short-term.

The council's forthcoming staff survey is a good opportunity to get a better understanding of employees' views; the last research was undertaken more than five years ago. The survey may highlight that there is currently not a council-wide scheme which recognises staff performance or celebrates success. The staff survey is also an opportunity to explore the experiences of staff that are part of oneSource.

The council is considering how to best maintain its capacity to deliver on behalf of residents in the face of the further funding reductions. The peer team felt that a more strategic approach to organisational development would have clear benefits. Although the council has a range of workforce initiatives, there is not currently a coordinated view. The organisation's most recent workforce plan expired in 2016 and the council describes its current learning and development model as self-service with responsibility devolved to services. In order to deliver organisational transformation, a new approach is required which is underpinned by a council-wide understanding of current and future needs.

A workforce or organisational development strategy could also address issues identified by staff, including succession planning and talent management. Now is an opportune time for the council to consider its operating model, and the skills and capabilities needed, in the context of its new corporate plan and reduced budget. In the peer team's view, a more strategic approach to the workforce may release additional capacity to deliver.

The council will still need to look outside of the organisation for external expertise and capacity for key initiatives. The peer team was pleased to note the work undertaken to put in place three joint venture (JV) arrangements to deliver the council's housing ambitions. These JVs have been developed in order to provide the council with the capability to deliver more than 6,000 new homes.

The council also has a good track-record of in-house delivery to build upon. The council's children's services improvement journey is a success story and an example of what can be achieved with the injection of pace and clarity of ambition. In 2018, Ofsted found the council's children's services to be 'good' – just two years after a judgement of 'requires improvement'. Central to this success was strong leadership, purposeful corporate investment and commitment. The peer team was pleased to note that some of the learning from children's services improvement is being shared across the organisation.

#### **4.6 Adult social care improvement**

The importance of adult social care (ASC) is recognised within the council and the organisation benefits from strong leadership in this area. Havering was recently ranked as the third best council in the country for adult social care in a performance index created by an independent consultancy firm. While such league table have limitations, the findings do align with other data which highlight that Havering's adult social care services are relatively low cost and perform well on some key metrics.

The peer team met with a range of service users and feedback on the council was often positive. There was an acknowledgement that the council is seeking to provide good services in a very difficult financial context. A key theme for improvement was working better in partnership with organisations in the wider health and care system, and this is a key current focus of the council.

The borough has the 'oldest' population in London with almost 24% of residents over 60 – compared to a London average of 15%. The peer team feel that the council has identified the right areas for ASC transformation and improvement, including demand management, integration, commissioning and workforce practice. Despite the recent national recognition, the council also acknowledges that it needs to do more to reduce some unit costs, including for supported housing.

The council is developing a strengths-based model of intervention for adult social care. For example, Better Living – the council’s approach to the three conversations model – is being enhanced and embedded. The council is also developing an asset-based community-focused support offer called Local Area Coordination. These approaches support the council’s aim to better manage demand and increase community capacity. The council has also recently recommissioned its re-ablement service with improved community links, and voluntary sector organisations support the journey from home to hospital.

Work with health partners is well-regarded and there are plans for further joined-up delivery, co-location and an integrated front-door. For example, the council is co-locating its access team with the local hospital trust’s single point of access community service. This is part of a wider programme of work which seeks to align structures, processes and practices. There are shared integration plans across three boroughs – Barking & Dagenham, Havering, Redbridge – and they have formed an Integrated Care Partnership. Integrated discharge has been operational for a number of years and delayed transfer of care levels are relatively low in Havering. While a Joint Commissioning Board has been formed, work with health would be further enhanced by stronger integrated commissioning.

Improving the robustness of safeguarding has been identified as a priority by the Director of Adult Social Care. The council is seeking to embed the actions arising from the recent Safeguarding Peer Audit Action Plan. This includes reviewing policies and procedures and communicating the Serious Case Review criteria across the service and Joint Commissioning Unit.

There is good work with children’s services, including learning from their improvement journey and shared activity on recruitment. The council also acknowledges that further focus is needed to develop the transitions protocol. More generally, there is potential benefit from exploring a whole-life disabilities service. In addition to supporting transition, such a model may support a more holistic approach and coordinated services.

The peer team felt that adult social care is a good area to evidence the effectiveness of the council’s new delivery board arrangements. Clearly, some of the key enablers of improvement within ASC underpin progress across the council more generally. This includes better use of digital approaches, more community-based solutions, greater system working, improved commissioning and cultural change. In addition to the interface with health, adult social care relates closely to a broad range of other council services from housing to libraries. There are clear benefits from a more joined-up, whole-council, approach envisaged by the new delivery boards. However, alongside such cross-council working, there also needs to be clear lines of accountability for performance and delivery of savings. As highlighted elsewhere, there is not yet a ‘clear line of sight’ across directorate and transformation savings. It is also important that the delivery boards’ matrix management approach does not obscure political and managerial accountability for performance, particularly in higher risk service areas such as adult social care and children’s services

## 4.7 Housing and regeneration

The council's very strong political ambitions on housing are evident. Housing is central to the council's £3 billion regeneration programme. The key areas of focus include new housing at Rainham (3,000 homes), a major new development at Beam Park (774 homes) and the regeneration of twelve existing housing estates (3,000 homes). Significantly, all council funding for the latter project will come from the authority's Housing Revenue Account. The regeneration programme is ambitious and a great opportunity to showcase some good practice.

The political priority given to housing will help address a track-record of relatively low housing delivery in the borough over recent years. Between 2016 and 2018, Havering delivered 720 net additional homes – only three London authorities delivered fewer. In 2017/18, 29 affordable homes were delivered in Havering, which was the lowest level in the capital. The council recognises that it needs to do more but has also clearly stated its view that the delivery targets set by the Mayor of London are unrealistic.

The council recognises the need to increase capacity and expertise to support housing delivery at scale. The council has developed three major joint venture (JV) arrangements with Notting Hill Genesis, Firstbase and Wates. The peer team was pleased to note that the financial arrangements supporting the JVs appear to be sound with allowance for slippage and contingency built-in as mitigation. The council also has its own housing company, Mercury Land Holdings, focused particularly on delivering homes for market rent. Significantly, the council is currently recruiting a new director to oversee its growing housing agenda.

The peer team visited key housing regeneration sites and was impressed by some of the bespoke tenant engagement activity that has supported its work to date. More generally, the council regularly communicates through 'At the heart' – a dedicated publication for tenants and leaseholders. In addition, there is a range of other consultation and engagement opportunities in place, including a monthly Cabinet Member surgery, Participation Panels and a Leaseholders Forum.

There is a wide range of broader regeneration activity planned and taking place in the borough. Investment in town centres is a key deliverable of the new corporate plan and the council has recently commissioned work to better understand the potential role of the creative industries. There is an emerging focus on social value – with the council seeking to develop a framework to maximise the benefits from doing business with others. The council has also secured significant external investment from the GLA and others for public realm improvements, digital infrastructure and to support the development of an innovation hub in Rainham. There will be a new station at Beam Park as well as improvement around Gildea Park. The council's regeneration team is highly regarded internally and externally and has achieved a lot.

However, despite the significant level of activity, the peer team did not get a clear sense of the council's strategic regeneration vision for Havering and how current and future initiatives fit together. The council has not yet fully articulated its leadership role in place-shaping and its broader regeneration offer. The council will need to ensure, for example, that development in the borough supports – rather than undermines – the organisation's cleaner and safer priorities. Similarly, the relative importance of

commercial space compared to other objectives, such as housing, needs careful consideration.

While the council has secured some inward investment, the peer team could not identify its overall approach. Similarly, notwithstanding the good work undertaken by Havering Works – the council’s employment and skills service – the peer team did not discern the council’s strategic approach to raising aspirations, skills and employment. Recent data shows that east London is the fastest growing sub-region of the capital. A more clearly articulated vision and approach to regeneration – beyond the delivery of housing – will help ensure that the forthcoming growth and change is managed effectively and in accordance with local priorities.

## **5. Next steps**

### **Immediate next steps**

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.

As part of the peer challenge process, there is an offer of further activity to support this. The LGA is well placed to provide additional support, advice and guidance on a number of the areas for development and improvement and we would be happy to discuss this. Kate Herbert, Principal Adviser for London, is the main contact between your authority and the Local Government Association. Her contact details are:  
kate.herbert@local.gov.uk, 07867 632404.

In the meantime we are keen to continue the relationship we have formed with the council throughout the peer challenge. We will endeavour to provide signposting to examples of practice and further information and guidance about the issues we have raised in this report to help inform ongoing consideration.

### **Follow up visit**

The LGA Corporate Peer Challenge process includes a follow up visit. The purpose of the visit is to help the council assess the impact of the peer challenge and demonstrate the progress it has made against the areas of improvement and development identified by the peer team. It is a lighter-touch version of the original visit and does not necessarily involve all members of the original peer team. The timing of the visit is determined by the council. Our expectation is that it will occur within the next 2 years.

### **Next Corporate Peer Challenge**

The current LGA sector-led improvement support offer includes an expectation that all councils will have a Corporate Peer Challenge or Finance Peer Review every 4 to 5 years. It is therefore anticipated that the council will commission their next Peer Challenge before spring 2024.