

Corporate Peer Challenge South Cambridgeshire District Council

15 – 18 November 2016

Feedback Report

1. Executive summary and context

South Cambridgeshire is a good place to live and work. The area has consistently featured in the Halifax rural quality of life survey, being ranked 9th in 2015. The area benefits from the booming Cambridge economy growing at a rate of 8 per cent a year, which is higher than that for China. The Grant Thornton Vibrant Economy Index (November 2016) states that "...the highest ranking place was Cambridge [and the] neighbouring area of South Cambridgeshire also performed very well..." This is aided by proximity to London and the South East economy.

The extent of this growth is shown by a population increase of 12 per cent from 2008-2015, being twice the England average, and a projected increase of 18.3 per cent from 154,900 in 2016 to 183,200 by 2026. This makes the delivery of housing crucial to support economic growth. House prices are high with the average £398,390 being over 12 times average income. For this reason 'homes for the future' – including market, intermediate and affordable housing - is a council priority.

South Cambridgeshire District Council (SCDC) completely surrounds Cambridge City Council and recognition of this contributes to an important relationship between the two. Continuing economic growth depends on this relationship.

This relationship is being cemented in many ways. The two council leaders have close working links, there is a shared post of Director of Planning and New Communities, the provision of shared services (some with Huntingdonshire District Council), a shared waste service and the councils are working to a timetable for the joint submission of their Local Plans.

SCDC has been on a strong journey of improvement since 2007 and has established itself as a well-respected and strong performing organisation, with good ties to its communities, partners and government. It has clear strategic direction set out in its corporate plan, has identified its future needs and is seen as a great place to work. Relations with officers and members are strong and effective.

The council is now at a pivotal point to set its future vision for the organisation and the place. The council is working with a new leader who is committed to continuing the relationship with Cambridge City Council. The council's chief executive has recently stepped down and the position is being filled on an interim basis. Setting the new political and managerial leadership style and direction will be crucial for continued success.

At this critical juncture the council recognises that it needs to provide clarity on:

- what the council will look like in five years' time
- defining the vision for growth for the Cambridge area, the role the council should take in leading the collaboration to deliver this and the contribution from other partners
- defining what commercialisation means for the council and what future form it should take
- defining its strategy and approach to shared services and what this means in terms of efficiencies, service resilience, and improved customer services

- the council's budget position to set out its approach to manage budget pressures while also committing to drive for efficiencies and savings.

This will place the council in a strong position to continue to deliver high quality services while shaping growth in the best interests of residents and businesses.

2. Key recommendations

We have included a range of suggestions and observations within the main section of the report that will inform some 'quick wins' and practical actions. The following are the peer team's key recommendations to the council:

- 1) progress strategic level discussions on future joint working options for South Cambridgeshire District and Cambridge City councils
- 2) develop a shared economic growth strategy with Cambridge City Council
- 3) work with principal partners on key economic growth and housing issues to identify where partner resources might combine more effectively with those of the council
- 4) begin preparations now for implementation of Devolution by making strategic decisions, with partners, on; priorities, delivery plans and the provision of dedicated resources to support delivery
- 5) develop a commercialisation strategy which sets out criteria to assess a range of options for investment and income generation
- 6) review the council's current funding strategy to deplete reserves to support the revenue budget. This risks reduced capacity should circumstances change and reserves are needed for that eventuality.
- 7) build on the Making Assets Count (MAC) programme by establishing stronger connections between use of assets and commercialisation. This should involve a review of the asset management strategy, including asset acquisition, and consideration of how this might be developed in partnership with Cambridge City Council
- 8) set out a vision for 3C shared services with Cambridge City and Huntingdonshire District councils
- 9) extend public service partnership working models that can deliver shared objectives and offer improved use of combined resources
- 10) communicate to members, residents and parish councils the reasons for the lack of a 5 year housing land supply and how this is being mitigated
- 11) evolve the council's approach to Neighbourhood Development Plans, tying in with government priorities set out in the Neighbourhood Planning Bill, to support community interests in sustainable development
- 12) begin internal discussions on new ways of working following the decision of the boundary commission that reduces the number of members from 57 to 45 at the elections in May 2018. Devise new support and liaison arrangements that could optimise the new member roles.
- 13) develop a future workforce strategy to ensure the council can recruit key skills and access expertise as needed to deliver its vision and priorities.

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 agreed with you. The peers who delivered the peer challenge at South Cambridgeshire District Council were:

- Ian Davidson, Chief Executive, Tendring District Council
- Councillor John Cotton, Leader of South Oxfordshire District Council
- Lindsay Barker, Deputy Chief Executive, Babergh and Mid Suffolk District Councils
- Brendan Cleere, Growth Director, Taunton Deane Borough and West Somerset Councils
- Naomi Lynch, NGDP Graduate, Birmingham City Council
- Andrew Winfield, Peer Challenge Manager, LGA.

Scope and focus

The peer team considered the following five questions which form the core components looked at by all corporate peer challenges. These are the areas we believe are critical to councils' performance and improvement:

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/review/provide feedback on:

- the council's collaborative work with other district councils, the county council and other key partners, including the Local Enterprise Partnership, along with the focus on place and partnership working in the context of Devolution across Cambridgeshire and Peterborough
- the council's priority of balancing sustainable growth with quality of life
- the focus on commercialisation and shared services in the context of delivering financial sustainability.

The peer challenge process

It is important to stress that this was not an inspection. Peer challenges are improvement-focused and tailored to meet individual councils' needs. They are designed to complement and add value to a council's own performance and improvement focus. 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 four days onsite at South Cambridgeshire, during which they:

- spoke to around 100 people including a range of council staff together with councillors and external partners and stakeholders
- gathered information and views from around 50 meetings, including visits to key sites in the area and additional research and reading.

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 (18 November 2016). In presenting feedback to you, we 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 you are already addressing and progressing.

4. Feedback

4.1. Understanding of the local place and priority setting

The council has a Corporate Plan 'on a page' for the period 2016-2021, setting out four objectives of 'living well', 'homes for our future', 'connected communities' and "an innovative and dynamic organisation'. This was adopted in February 2016 following a series of away days of cabinet members and senior officers. The plan was subject to thorough public consultation between December 2015 and January 2016 through the council's website, intranet, councillors' bulletin, a residents' Consultation Panel and through press releases and an article in the residents' magazine. In addition, the priorities agreed in the plan are underpinned by a sound evidence base of resident and

business needs for South Cambridgeshire, including health, economic, employment, housing, deprivation and demographic data profiles.

Good arrangements are in place for internal and external communications. There is a Community Engagement strategy and toolkit and a Resident Involvement strategy for council tenants. Internal communications are provided by a monthly Corporate Brief, the internal staff magazine 'Scene', blogs from the Chief Executive and Directors along with team meetings and personal development reviews.

Strong working relationships exist between South Cambridgeshire District Council (SCDC) and Cambridge City Council. South Cambridgeshire is experiencing phenomenal levels of growth with the driver for this being the economy of Cambridge as the hub for world renowned science, technology and research facilities. The city is entirely contained within the boundaries of SCDC, analogous to what has been called the 'doughnut effect'. However, for economic growth to be sustainable it requires expansion available via South Cambridgeshire. This creates a symbiotic relationship for the two councils, with strong interdependencies. This 'special' relationship has contributed to increasingly strong partnership working across the two councils. This was strengthened by the Greater Cambridge City Deal agreed in June 2014 for more than £1bn of funding for the area over a 15-20 year period. Both councils acknowledge the prospect of deepening these working relationships, which will need leadership to progress.

Local resistance to growth, which can occur in other parts of England, is much less evident in South Cambridgeshire. The council's consultation with residents and businesses on continuing economic growth suggests that there is a widespread acceptance of this. The quid pro quo is the community anticipation that growth will also address the issues of housing availability and affordability, congestion, public transport, local amenities and health. This informs the council's corporate priorities, particularly that of 'living well' and places a demand on the council to deliver on its commitment of 'new communities' living well so that growth continues to be acceptable.

The council does not currently take an active role in shaping economic growth. The economic growth strategy has lapsed and there is a view within the council that, unlike other parts of the country, economic growth will take place regardless of what the council might do. The council's Corporate Plan is reactive to growth with priorities including 'living well', 'homes for the future' and 'connected communities', which are responsive to the consequences of growth. Key partners told the peer team that they felt that the council had a leading role to shape growth and that they would welcome it taking a lead on this. The peer team believe that it is important to assume a more active role to shape growth for the benefit of residents and businesses to enhance quality of life. This should include taking an informed view on the preferred type of growth, and its location, as set out in an economic growth strategy.

Strategic planning for growth at regional and local levels can be complex, with competing interest groupings for growth in the south east, including the London-Stansted-Cambridge corridor and the Oxford to Cambridge arc. However, there is now an opportunity to simplify this and provide clarity for delivery. With the City Deal in place, and the Devolution deal imminent, now is the time for this to be reframed. The Greater Cambridge Greater Peterborough Local Enterprise Partnership (GCGPLEP) is

to refresh its Strategic Economic Plan (SEP). This will be an opportunity to establish a clear strategic economic growth vision for the Cambridge area. This also provides an opportunity for the council to take a bold and leading role in shaping this economic vision for South Cambridgeshire, underpinned by a shared strategy with Cambridge City Council, for economic growth and housing.

The council understands the importance of the Devolution deal and the preparations for this are progressing well. The overall funding package includes a £20m annual fund over 30 years to support economic growth, local infrastructure and jobs and £170m for affordable housing, with £100m for shared ownership and affordable rent. However, gearing up for Devolution will be important so that arrangements are made quickly to implement delivery. This was an issue for the City Deal where councils used existing staff resources that, following a review by Mouchel, were found to be insufficient and has since led to establishing dedicated posts. Having the key elements of resources, delivery mechanisms, and definition of respective roles will be essential for the council to mobilise quickly and effectively on Devolution.

Finally, the peer team consider that the council would benefit from extending the strategic approach to the use of public sector land, for example health, MoD, other public sector bodies to support housing and growth. This could also link into the Cambridgeshire-wide initiative of Making Assets Count (MAC) and the One Public Estate programme of the Cabinet Office and the LGA. It should also establish a stronger and clearer approach to commercialisation. This should involve a review of the asset management strategy to include asset acquisition and how this approach might be developed in partnership with Cambridge City Council.

4.2. Leadership of Place

Clear political and managerial leadership has been a feature within the council. This was an important factor for the improvements the council has made since 2007, when it is acknowledged that it was underperforming and on the brink of intervention.

The council is now at a pivotal point, with a new Leader and an Interim Chief Executive, at a moment of rapid local government change. It is also on the cusp of significant changes within Cambridgeshire with Devolution, the City Deal and shared service arrangements. It will be important for the council to be clarify a number of key areas which will define the future council. These include:

- how to seize the opportunity to be even more influential in shaping the location and nature of growth
- determining what type of council it wishes to be in the future and what this might look like in five years' time
- what type of political and managerial leadership style will be required to manage the transition
- what the future relationship and working arrangements with Cambridge City Council might look like and how much closer might these be
- defining what commercialisation means for the council and what future form it should take
- defining its strategy and approach to shared services and what this means in terms of efficiencies, service resilience, and improved customer services

- the council's budget position to set out its approach to manage budget pressures while also committing to drive for efficiencies and savings.

Decisions on the above issues will define the council's ability to lead for South Cambridgeshire and to deliver services to residents and businesses over the next ten years.

The council's position is to acknowledge the inevitability of growth and to respond to its consequences. It is in an enviable position where growth will happen with or without council involvement. The economy is one of the most successful and fastest growing regions in the UK, attracting investment and people from across the world. The importance of this is recognised by government with ministerial visits to Northstowe, City Deal approval and Devolution and even talk of a second round of Devolution powers and funding.

The Cambridge-Milton Keynes-Oxford corridor was described, in a recent report by the National Infrastructure Commission, as potentially Britain's equivalent of 'Silicon Valley'. However, it also acknowledged that there is a chronic under supply of homes that present a fundamental risk to the success of the area. The report states that, "without a joined-up plan for housing, jobs and infrastructure across the corridor, it will be left behind by its international competitors." This report influenced government with the subsequent award of £140m announced to improve transport links between Oxford and Cambridge in the Autumn Statement.

Despite the evidence of growth happening anyway, the peer team believe that it is important for the council to assume a leading role on shaping this and not just managing the consequences. This means developing an economic growth strategy. Given the relationship with Cambridge City Council – the common housing and economic area, the aligned emerging Local Plan, the jointly shared emerging housing strategy, the joint post of director of planning and new communities – then it would be logical to make this a shared economic growth strategy.

It is evident that the council is committed to a programme of new communities work, which is recognised as vital to support growth and the associated pressures coming from this. Evidence of this is shown by:

- the work at Northstowe with the community, developers and the parish council to collectively be involved in street naming
- work to establish community facilities at Trumpington Meadows and Cambourne Village College
- the welcome pack jointly developed by Northstowe Community Working Group for new residents
- the establishment of a Design Enabling Panel to promote good design so that the place continues to be the best to live, work, invest and study
- initiatives to establish and restore community orchards
- and work on impact assessments for new towns to ensure functionality, to meet community needs and longer-term sustainability.

Partners were positive about working with the council and it is evident that significant investment has been leveraged as a result of partnership working. Partners that the

peer team spoke with were supportive of the council taking a stronger leadership role in shaping economic growth for the area. A number also recognised the public spending resource pressures on the council and were prepared to contribute to developing joint initiatives. This was particularly so for those partners who share the growth ambition with some being clear that this could include resources and open information sharing. For example, land ownership information potentially leading to land swaps.

The frameworks for public service partnership working have been strengthened, particularly with working together on the Devolution deal, and offer potential for further development. Cambridgeshire councils and partners work together through 'Cambridgeshire Together' public service board. An example of multi-agency public service working is the SCDC's 'Together for Families' programme with the police, housing, county council, and health to support children, older people and families with complex needs. There is widespread recognition that these models of partnership working need cohesive public sector leadership. Similarly parishes, third sector bodies and other key partners told the peer team that they were ready to take on more operational delivery.

The council does not have a 5 year housing land supply. The reasons for this being, in part, the recession in 2008 and meant sites did not come through as quickly as expected for development. The lack of a 5 year housing land supply has left the council open to speculative housing development, which has frustrated some members, parish councils and residents. The council is mitigating this by taking a more proactive approach to developments in the pipeline and to prioritise those that, with some adjustment, are more acceptable and supply increased. This approach needs to be communicated to all members and the wider community.

The sites identified for future housing growth are primarily large sites at a new town for Northstowe, a new village at Bourn airfield, at Cambourne and at Waterbeach. It is the focus on large housing sites that has in part contributed to the lack of a five year housing land supply by depending on developers to build out the approved housing. Over-dependence on large sites presents a risk in placing 'all eggs in one basket'. The peer team suggest that additional alternative and contingency arrangements are devised to mitigate this. One could be to further evolve the council's approach to Neighbourhood Development Plans, with this tying in with government priorities set out in the Neighbourhood Planning Bill currently being considered by Parliament.

4.3. Organisational leadership and governance

There are strong and effective officer/member relations which are important in working together for the corporate interests of the council.

The last five years has seen extensive organisational change following council-wide improvement and in responding to cuts in financial resources. The council is now at a pivotal moment where decisions on a number of upcoming issues will shape the longer-term future. These include:

- the challenge of imminent change - in response to further cuts in resources and transformation to provide services in new ways for the future - provide an opportunity to redefine the required leadership style of the organisation and

place. It will be in the council's gift to determine the form of the new leadership style.

- the shared services working arrangements, to address efficiency and effective working, appear largely opportunistic to date and would benefit from a more strategic outlook
- closer working between SCDC and Cambridge City Council, with there being a lot of informal discussion on this during the peer challenge. While understanding some of the sensitivities the peer team felt that there would be value in increasing clarity of the councils' long-term aspirations for closer working.

The council demonstrates a positive organisational culture. The council gained the Investors in People Gold standard in 2015. That review found "an open and honest culture"; "a strong focus on developing people" and "a consultative and inclusive communications process". From meetings with the peer team, managers said that they felt empowered to make decisions and staff felt that senior officers are approachable.

Supporting this are good officer development opportunities. There is a 'People and Organisational Development strategy' with annual staff personal development reviews (PDRs) identifying training needs. In addition there is a Leadership Development Programme running a mix of theory-based workshops with work-based projects. Good training and development opportunities are offered through the use of mentoring and coaching. This is supported by recognition of the importance of positive behaviours and a Values framework with values-based discussions incorporated within PDRs. Staff appreciate flexible working arrangements that are well established and recognise that often staff have to travel long distances and that working from home can be more effective. Arrangements are also in place to help manage the impact of the Cambridge congestion on the workforce by staggering travel times.

The member role is well supported but needs further development. Member training is now incorporated within the Organisational Development Strategy and this is supported by member role descriptions, induction training for new members and training support. However, in a quickly moving local government environment member support and development becomes increasingly important and there needs to be a more engaging programme.

Part of this could be about defining the member role for the future. This will be particularly important with the boundary review that reduces the number of members from 57 to 45 and will take effect at the elections in May 2018, when the council will move to all-out elections. The peer team recommend that the council now begin internal discussions on new ways of working with reduced representation and the support and liaison arrangements that could optimise the future member role. This should include work to distinguish between parish and district roles so that this may be more productive. In developing this new member role the council may consider external sources of support from the LGA, the District Council Network (DCN) and attending conferences, all of which are a useful means for building networks and learning what is happening in other councils.

One source of frustration of backbench members was how access to officers in shared services was much more difficult than previously. The provision of dedicated officer support, possibly based on the model of locality patch officers (LPOs), may assist to

ease frustration. This could also build on LPOs role in working as intermediaries with parishes to reduce the burden on members.

The council's governance arrangements provide a body of well-used information. This includes:

- a risk register which is used and regularly updated
- an Annual Governance Statement
- Plain English Accounts to promote accessibility to council finance information
- good performance management arrangements. The performance report information is clear
- effective links from corporate priorities through to individuals and their development via PDRs.

Meetings of the cabinet are held as an open forum where all members are able to take part in the debate. Such an open cabinet forum is not common but is commended for encouraging transparency in decision-making. Similarly portfolio holder meetings to take decisions are held with a member of scrutiny and member of the opposition and are open to all members and the public.

In spite of the above arrangements the peer team felt that the effectiveness of the scrutiny function would be enhanced by developing a more focused and in-depth role, particularly around policy development. This role is currently underdeveloped but could, with support and resources, add to the work of cabinet and the council.

4.4. Financial planning and viability

The council has a successful track record on achieving savings in response to reduced government grant. This has amounted to over £5m over the last five years without detriment to front line services. The ending of Revenue Support Grant (RSG) by 2018-19 contributes to the forecast budget funding gap of £1.03m from 2017-18.

Bridging this gap is led by a strong approach through the Business Improvement and Efficiency Programme. This includes moving green waste collections from fortnightly to monthly collections and achieving savings of £400k. This is complemented by an increasingly commercial outlook, for example Ermine Street, shared services and the creation of a Housing Development Agency.

Ermine Street is a highly innovative programme with a planned investment of up to £100m to manage a housing portfolio of up to 500 properties for market rent established with the specific remit of providing an income for the council. This is projected to generate an annual income stream of £536k during 2016-17, rising to £1.46m by 2020-21, this in addition to asset appreciation.

Medium-term funding pressures currently appear manageable. The council has raised Council Tax band D by £5 providing an additional £300k for the revenue budget, with the intention that increases will continue each year to 2020-21 with this modelled into the Medium Term Financial Strategy (MTFS). This is an important commitment as the council has low Council Tax levels, being 20th lowest in England for 2015-16 with reserves being used to offset the financial gap.

The recently submitted Efficiency Plan will provide certainty on grant funding over the next four years commencing 2016-17. This allows the council to consider its future position on a range of other pressing issues, a number of which are picked up in this report.

During the work onsite the peer team saw the new MTFS format. This had gone through the Executive Management Team (EMT) and cabinet for approval and provides a much improved layout which is clearer and easier to understand.

The current funding strategy is to deplete reserves; if necessary to the council's minimum required level of £2.5m. The council is also using New Homes Bonus (NHB), along with reserves, to achieve a balanced budget. The rationale for this strategy is that it provides interim financial cover while other income generating and savings strategies are implemented and derive their anticipated benefits. This could be a risky strategy that could limit the council's ability to address unforeseen contingencies or invest in infrastructure projects to support the future growth strategy.

The benefit of having a balanced budget for the next 5 years is an enviable position for the council to be in, albeit reliant upon reserves. It will, however, need to guard against any complacency that could lead to less focus in driving through more radical efficiencies and fundamental changes in ways of working and delivering services. It will be important to continue to strive for savings, efficiencies and new income streams so that: reserves can be rebuilt; council tax levels kept to the lowest cost required; and that resources can be available to buy-in specialist skills that are likely to be required for future transformation programmes.

Central to future financial sustainability, particularly in light of the ending of RSG funding, will be consideration on how to maximise returns through the its investment/treasury strategy. With interest rates at historically low levels many local authorities are borrowing to develop new income streams. This approach to, what is called commercialism, will be important to develop and to extend beyond the current Ermine Street programme.

Developing a council approach to commercialisation should set out: what market opportunities exist; how these might be linked to council priorities, for example affordable housing; and what the council's preferred stance on investment and risk might be. This is important as it was clear to the peer team that 'commercialism' is not well understood across the council, with different understandings on this being provided. It is recommended that a commercialisation strategy is developed that includes the approach to risk and due diligence; the evaluation of commercial proposals; the use and acquisition of assets for commercial gain; investments in commercial schemes that may also assist delivery of corporate priorities; and the skills required within the council to manage commercial programmes.

There would be value in consolidating various disparate elements into a single change programme. This could pick-up the strands of:

- service reviews and efficiencies
- commercialisation and income generation
- digitalisation, the use of IT and transactional customer channel shift

- transformation
- asset management
- demand management.

A single programme would enable corporate oversight but would also need the right level of resources and skills for successful implementation.

Finally, the financial management system needs to be developed to provide the intelligence to support the MTFS. It is acknowledged that the current system is not able to provide that level of support and that weakens financial planning and management council-wide and for service managers and budget holders. The proposal to introduce a shared financial system across SCDC, Cambridge City and Huntingdonshire District councils should be seen as an important opportunity to provide improved information.

4.5. Capacity and capability to deliver

The council has set in place a broad array of shared service initiatives to address service resilience. Most notable is the strategic services partnership with Cambridge City and Huntingdonshire District councils launched in October 2015. The first phase of this 3C Shared Services partnership included legal, ICT and building control with projected savings of 15 per cent in 2016-17. Implementation is working through a number of issues including recruitment and retention of staff, staff uncertainty and morale affected by different terms and conditions. The 3C partnership would benefit from the three councils setting out a shared vision for the future of three-way shared services. This would provide reassurance for staff working in the current arrangements and confidence that extending these arrangements in the future has the full backing of the three councils. This will also be important for establishing a commitment for strategic level working relationships across the three councils.

The council has adopted a systemic approach to project management. There are currently 3 staff trained in programme management and 10 in project management. These programme/project management principles are being applied to Business Improvement and Efficiency Programme projects.

Until now implementation of the City Deal has been undertaken by staff from the councils and partners. This has been an additional responsibility on top of existing duties. Not surprisingly this was not sustainable and had led to a recognition of the need for dedicated resources to drive forward key projects. This is an important learning point for the future, particularly for Devolution, that major projects require dedicated resources.

It was clear to the peer team that from their meetings the council's staff are committed to the organisation and understand the reasons for the changes that are being planned. However, recruitment and retention is a major issue and risk, principally due to high housing costs. There are examples where recruitment is being addressed, for example the initiative to train graduates as planners, but more will be needed in the future. Options for the future could include exploring accommodation opportunities for staff and key workers for the economy through Ermine Street and with partners, for example Cambridge University's programme of new build accommodation.

As part of developing a 5 year vision the council will need to consider future workforce skills requirements and how it will develop and resource these. For example, it is generally acknowledged that local government in the future will need to be more commercially minded to exploit commercial opportunities and develop income streams. This will require skills and experience that are not often readily available in local government and the council will need to anticipate the future skills needs in its workforce planning arrangements and consider how these are cultivated internally and which might need to be bought in.

5. Next steps

We appreciate you will want to reflect on these findings and suggestions with your senior managerial and political leadership in order to determine how the council 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. Gary Hughes and Rachel Litherland, Principal Advisers, are the main contact between your authority and the LGA. Their contact details are: gary.hughes@local.gov.uk and rachel.litherland@local.gov.uk

In the meantime we are keen to continue the relationship we have formed with you and colleagues through the peer challenge. We will endeavour to provide additional information and signposting about the issues we have raised in this report to help inform your ongoing consideration.

Follow up visit

The LGA 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 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 12-24 months.