



<b>Combined Authority Board</b>		Agenda Item
<b>26 July 2023</b>		<b>11</b>
Title:	Improvement Plan Update	
Report of:	Angela Probert, Interim Director Improvement Programme	
Lead Member:	Mayor Dr Nik Johnson	
Public Report:	Yes	
Key Decision:	No	
Voting Arrangements:	To approve recommendation D and note all other recommendations by a majority of voting Members, subject to that majority including the vote of the Mayor, or the Deputy Mayor acting in place of the Mayor.	

**Recommendations:**

A	To note the progress on addressing the key areas of concern identified by the External Auditor in June 2022 and in the Best Value Notice received in January 2023
B	To note the observations on progress following the meeting of the Independent Improvement Board meeting on 17 July
C	To note the establishment of the Office for Local Government by the Department of Levelling up, Housing and Communities to oversee best value standards and intervention
D	To approve a further £250K of funding from the Programme Response Fund to ensure that the Improvement Programme can deliver the required actions to demonstrate required improvement to both DLUHC and the External Auditor
E	To note the feedback from the recent staff survey held in May 2023
F	To note the appointment of Chair, Independent Improvement Board

**Strategic Objective(s):**

The proposals within this report fit under the following strategic objective(s):

x	Achieving ambitious skills and employment opportunities
x	Achieving good growth
x	Increased connectivity
x	Enabling resilient communities
x	Achieving Best Value and High Performance

The identified improvements set out in this report to address the concerns of the External Auditor and Best Value Notice will support the Combined Authority achieve best value and enable the delivery of agreed priorities and objectives.

## 1. Purpose

1.1	The report updates the Board on the progress in June against the key concerns and observations identified by the External Auditor in June and October 2022, the Best Value Notice received in January 2023 and DLUHC in February 2023.
1.2	The report shares with the Board the proposals by DLUHC to establish the Office for Local Government to oversee 'Best Value' standards and intervention.
1.3	The report shares with the Board the feedback from the recent staff survey on the confidence in the Combined Authority and perceptions of improvement so far.
1.4	Finally, the report confirms the appointment of Chair, Independent Improvement Board.

## 2. Proposal

2.1	This report sets out for the CA Board the progress made on identified areas of improvement. This update will be presented to the Independent Improvement Board meeting on 17 July 2023 and a note from the Chair will be circulated to CA Board members in advance of the meeting scheduled for 26 July.
2.2	Attached as Appendix 1 is the programme highlight report setting out progress against the key improvement themes (1 – 5) set out in paragraph 3.2. A summary of key deliverables is set out in paragraph 2.7 below.
2.3	The Corporate Management Team has assessed overall progress against the improvement plan as <b>'Green / Amber'</b> – <i>(Successful delivery of the improvement theme within timescale appears probable. However, constant attention will be needed to ensure risks do not materialise into issues threatening delivery).</i>
2.4	The overall RAG rating of Green / Amber reflects the good progress being made. All but one theme are now focussing upon the clear targets and milestones set out in the project plans and subsequent highlight reports will detail progress against these as we move forward.
2.5	<p>As set out in paragraph 2.7.4 the 'Partnership' improvement theme is still refining its focus to deliver on the stated outcome – <i>'To enhance partnership working within the combined authority, enabling it to act as a bridge between the local area and government'</i>.</p> <p>There is clarity on what is required to turn each plan 'Green' and the fortnightly Improvement Group attended by Corporate Management Team and chaired by the Executive Director, Resources and Performance will ensure a focus on delivering key outcomes.</p> <p>Examples of current broader partnership activity under way are set out in paragraph 3.5</p>
2.6	The CA operates in a changing political environment and recent weeks have demonstrated the close links between this improvement plan and our discussions with government about future arrangements and devolved powers for the CA. The governance improvements that were a major achievement of the first phase of improvement will be necessary to provide assurance to government that we are fit for purpose for enhanced devolution; whilst the Single Assurance Framework will be an essential requirement of any agreement. Similarly, the world of partnerships is shifting as a consequence of these discussions, causing us to continue to scope the deliverables of this theme.
2.7	<p><b>Improvement Plan progress update to CA Board, July 2023</b></p> <p>Set out below are the key deliverables from the Improvement highlight report attached as Appendix 1.</p> <p><b>2.7.1 Governance (Green / Amber)</b></p> <ul style="list-style-type: none"><li>• Induction sessions have been held for Overview and Scrutiny Committee, Audit and Governance Committee and CA Board members</li><li>• The revised scrutiny function has been agreed by Overview &amp; Scrutiny Committee</li><li>• Member training is in place and underway</li></ul>

	<p><b>2.7.2 Project delivery (Green / Amber)</b></p> <ul style="list-style-type: none"> <li>• DLUHC engagement has taken place to discuss the Government clearance process for the SAF</li> <li>• Corporate prioritisation proposals taken to Corporate Management Team</li> <li>• Approval thresholds taken to Corporate Management Team for comment</li> </ul> <p><b>2.7.3 Procurement (Green / Amber)</b></p> <ul style="list-style-type: none"> <li>• The PwC recommendations have been accepted</li> <li>• Consideration of the scale and scope of the action plan required to implement the agreed recommendations from the PWC report</li> <li>• Consideration of the resources and governance required to manage and implement the action plan</li> <li>• A detailed stage 2 action plan is being developed</li> </ul> <p><b>2.7.4 Partnerships (Amber)</b></p> <ul style="list-style-type: none"> <li>• The project group has been formed and met for the first time this month.</li> <li>• The terms of reference for the group and project scope have been drafted and an initial Project Plan has been developed.</li> <li>• A review of existing priority partnerships is due to begin w/c 3rd July, which will allow the group to further refine scope and enable more detailed analysis into the appropriateness and effectiveness of various partnerships and working relationships.</li> <li>• Examples of current broader partner activity the Combined Authority is engaged in is set out in paragraph 3.5.</li> </ul> <p><b>2.7.5 Culture, Confidence, Capacity (Green / Amber)</b></p> <ul style="list-style-type: none"> <li>• A formal project plan has been developed with key milestones identified and progress against the plan updated.</li> <li>• Directorate Business Plans drafted and agreed, translated into individual objectives and relayed/discussed during appraisals with over 90% of eligible staff completing these</li> <li>• Leadership values and behaviours drafted into recruitment and selection procedures and documentation</li> <li>• Plan is in place for the Chief Executive's first 100 days</li> <li>• Commenced weekly internal eBulletin from the Chief Executive (CEX)</li> <li>• Third staff conference has taken place, focussing on embedding values and behaviours and meeting the new CEX</li> <li>• Review of third staff survey results, feedback at conference and analysis to inform future plans</li> <li>• Interim staff recruited and commenced to improve internal communications</li> <li>• CA Board Member induction session has taken place promoting values and working together</li> <li>• Training budget (for all training needs) identified and allocated</li> </ul>
2.8	The Highlight report attached as Appendix 1 also sets out the key areas of focus over the next period for all improvement themes.
2.9	Work has continued over the last month by the Corporate Management Team and project managers to develop the improvement delivery plans further, identify interdependencies and put in place capacity to deliver identified outcomes.
2.10	Progress reports continue to be shared with the Independent Improvement Board, Overview and Scrutiny Committee, and Audit and Governance Committee. The Overview and Scrutiny Committee has agreed a series of 'deep dives' of the Improvement activity. At the meeting in July, it will look in detail at 'Procurement' and the planned improvement activity under way.
2.11	In July 2022 the CA Board agreed the allocation of £750,000 from the CPCA Response Fund to enable that money to be utilised on scoping, developing and delivering work relating to CPCA Improvement Activity.

	<p>The allocation agreed and put in place was based on a rough assessment, and was in advance of the Best Value Notice received in January 2023. A review of likely resource requirements by the Executive Director, Resources and Performance of likely resource requirements following scoping of the reframed Improvement Plan has necessitated a review of funding and identified a shortfall.</p> <p>The management of resources will be reviewed on a regular basis by the Improvement Group, Chaired by the Executive Director, Resources and Performance and will reported to future meetings of this Board.</p>
2.12	<p><b>Proposals to establish the Office for Local Government</b></p> <p>The Rt Hon Michael Gove MP Secretary of State for Levelling Up, Housing and Communities announced on 6 July that it is proposed to put in place a new government department - Office for Local Government (OfLG) to oversee best value standards and intervention. The proposals are out for consultation and attached in paragraph 10.1 is a link to the proposals under consideration.</p> <p>The proposals define 'Best Value' by:</p> <ul style="list-style-type: none"> <li>• Continuous development, underpinned by: <ul style="list-style-type: none"> <li>○ Leadership</li> <li>○ Governance</li> <li>○ Culture</li> <li>○ Use of resources</li> <li>○ Service delivery</li> <li>○ Partnerships and Community Engagement</li> </ul> </li> </ul> <p>The guidance sets out characteristics of a well-functioning organisation and indicators of potential failure. The Combined Authority will feed back any comments on the broader recommendations.</p> <p>Over the next few weeks the Corporate Management Team will review the guidance and identify any gaps in the current improvement programme. Following this any proposed changes will be recommended to the CA Board and reported to the Independent Improvement Board.</p>
2.13	<p><b>Confidence in the Combined Authority and perception of improvement progress to-date</b></p> <p>The first formal quarterly meeting with Department for Levelling Up, Housing and Communities (DLUHC) colleagues took place on 6 June 2023. The Acting Chair, Independent Improvement Board met prior to the formal meeting as she was not able to attend. DLUHC was appraised of progress across the improvement themes; including the perceptions of the Independent Improvement Board on areas of assurance and those for further focus. No formal feedback has been received to date.</p> <p>The report to CA Board in May 2023 set out details of the perception of improvement to date from discussions between the new corporate management team and constituent councils senior management teams.</p>
2.14	<p>The report to Board in July 2023 focuses on the feedback from the recent staff survey undertaken in May 2023. This is the third staff survey; previous surveys being undertaken in September 2022 and January 2023. Staff were asked to rank their responses on a scale 1 – 5 (1 being the lowest) to a series of question; consistent with those asked in September 2022 and January 2023. All but one question '<i>Does your job give you the flexibility to meet the needs of your personal life?</i>' received an increase in positivity from the feedback in January 2023.</p> <p>The Corporate Management Team are mindful of the workload of staff and are reviewing workload and priorities to ensure a better balance is in place alongside ensuring available resources are focussed on key priority areas.</p> <p>Details on the survey questions and key comments from staff are set out in paragraph 3.6 to 3.7. Actions to address the areas of 'areas of concern' are being considered and will shared with staff to ensure they know comments are heard and actioned.</p>
2.15	<p><b>Confirmation of Chair, Independent Improvement Board</b></p> <p>Richard Carr has been confirmed as Chair, Independent Improvement Board. He commenced in early July.</p>

### 3. Background

3.1	The proposals set out in this report build on the detailed report presented to Board in May 2023 that set out the reframed Improvement Plan and key deliverables.
3.2	<p>The Combined Authority Board meeting in May agreed the improvement plan to directly address the concerns raised by The External Auditor in June and October 2022, February 2023 and the Best Value Notice received in January 2023:</p> <ol style="list-style-type: none"><li>1. Governance and decision making</li><li>2. Project Plans and delivery</li><li>3. Procurement</li><li>4. Partnership working</li><li>5. Confidence, culture and capacity</li></ol> <p>And also:</p> <ol style="list-style-type: none"><li>6. Improvement plan progress</li><li>7. Independent Improvement Board engagement</li><li>8. Conclusion of code of conduct investigation and safeguarding of staff</li></ol>
3.3	The Independent Improvement Board (IIB) in May agreed the 'RAG rating' system to report progress against identified areas of activity set out in paragraph 2.1. Activity reported to the IIB on 17 July and in this report uses the agreed RAG to measure progress against agreed outcomes and planned activity. The Improvement highlight report and RAG descriptions are set out in Appendix 1.
3.4	Paragraph 2.7 sets out the progress on each of the identified improvement themes and notes the activity to be progressed on the improvement theme of 'Partnerships'. Paragraph 3.5 below sets out details of broader partnership activity currently taking place that go beyond the current focus of the agreed improvement theme.
3.5	<p><b>Broader partnership activity currently taking place:</b></p> <ol style="list-style-type: none"><li>a. The Combined Authority (CA) has provided a system leadership role in supporting corporate parenting responsibilities. A Summit was held bringing together stakeholders and members, universities and colleges; and hearing from young people about their lived experience. The CA introduced a Care Leavers Bursary and enhanced support to enable colleges to ensure care leavers can progress. To date, 80 young people have benefited from the bursary.</li><li>b. On the 7 July the CPCA hosted a Rail Summit, chaired by former Transport Minister Rt Hon Norman Baker and Mayor Dr Nik Johnson. Working in partnership with a range of stakeholders the CPCA brought together the rail industry, business leaders and politicians to discuss how rail improvements in Cambridgeshire and Peterborough can unlock good growth for the South-East, East of England and beyond. The timing of the summit allowed us to build on the recent discussion in Parliament about Ely Area Capacity Enhancements and the publication of a new report into Ely junction by England's Economic Heartland and Transport East. The summit was followed by a letter to Treasury and the Department for Transport from Mayor Dr Nik Johnson and Combined Authority Chief Executive Rob Bridge.</li><li>c. Work has commenced to scope the refresh of the Cambridgeshire &amp; Peterborough Independent Economic Review (CPIER) with a stakeholder working group to shape the approach to the refresh including how existing data and insight can be harnessed and the new evidence base be more widely accessible for wider use and benefit.</li><li>d. A joint meeting was held on 5th July with officials from the DHULC team leading deeper devolution, the CPCA, colleagues from constituent Councils and the business community to gain a better understanding of devolution thinking within DHLUC, demonstrate progress being made by the Combined Authority, highlight the continued challenges and opportunities facing the Cambridgeshire and Peterborough economy. DHULC interested in work on economic data (including CPIER refresh and various Greater Cambridgeshire evaluation reports), development of a long-term vision, interconnections between the 3 economies, development of a strategic infrastructure plan and use of working groups to underpin shared activities.</li></ol>

	<p>e. Next round of joint Combined Authority and Local Authority Corporate Management Team Meetings scheduled to commence over the summer, these will build on first round of meetings held during April, May and June as previously reported.</p>
3.6	<p>Paragraph 2.14 set out the details of the staff survey recently undertaken to test the perception of confidence in the Combined Authority by staff. Set out below are the questions asked:</p> <p>Strategic direction and vision</p> <ul style="list-style-type: none"> <li>• Do you think there is a clear direction and vision for the Combined Authority?</li> <li>• Do you have clarity on how your role helps the Combined Authority deliver its own objectives?</li> <li>• Are you able to share the values of the Combined Authority in your day-to-day role?</li> </ul> <p>Operational leadership</p> <ul style="list-style-type: none"> <li>• Would you say the Combined Authority is an efficient and effective organisation?</li> <li>• Is a clear strategic direction communicated?</li> <li>• Do senior leaders demonstrate integrity?</li> <li>• When strategic decisions are made do you understand why?</li> <li>• Do you feel your team has a clear direction?</li> <li>• Do you feel you are able to contribute to key issues across the Combined Authority?</li> </ul> <p>Governance, decision making and performance</p> <ul style="list-style-type: none"> <li>• Do you have a regular 1-1 with your manager?</li> <li>• Have you agreed objectives with your manager?</li> <li>• If yes do they include a personal development plan?</li> <li>• Do you feel valued by your manager?</li> <li>• Do you feel valued by the organisation?</li> <li>• Do you have the information, tools and resources you need to do your job well?</li> </ul> <p>Working for the Combined Authority</p> <ul style="list-style-type: none"> <li>• How does it feel right now working for the Combined Authority?</li> <li>• Do you think your opinions count?</li> <li>• Do you see yourself working for the Combined Authority in 12 months time?</li> <li>• Would you recommend the Combined Authority as a great place to work?</li> <li>• Does your job give you the flexibility to meet the needs of your personal life?</li> </ul>
3.7	<p>Below is the summary of the comments made by staff</p> <p>Positive comments:</p> <ul style="list-style-type: none"> <li>• Clearer vision and direction coming through linked to clear individual objectives and aligned to the Directorate Business plans</li> <li>• How far the organisation has moved forward in the last year and the start of good conversations on values and strategic direction</li> <li>• The integrity of the current senior leadership of the Combined Authority is recognised and a feeling of optimism about the new directors and the professional approach they have brought</li> <li>• Managers being more supportive in a very difficult and uncertain situation</li> <li>• People are starting to feel settled in their roles. The last 12 months has been really quite chaotic.</li> <li>• The CPCA has started to take the necessary steps towards providing stability in the workforce, and to also ignite some excitement about the future of the organisation. The future for staff definitely looks brighter.</li> </ul> <p>Areas to do more on:</p> <ul style="list-style-type: none"> <li>• The translation of vision and strategy isn't quite flowing into the projects themselves and the focus too much on strategy and vision and not enough on delivery.</li> <li>• Many processes are still missing, and some basic tasks take too long, eg recruitment and procurement and sharper processes are required.</li> <li>• Not confident that there is a clear, strategic mayoral direction being communicated yet</li> </ul>

	<ul style="list-style-type: none"> <li>• The integrity of the current senior leadership of the Combined Authority is recognised, however there is less comfort with the integrity of the elected members who make up the second strand of leadership</li> <li>• Staff need to be appreciated by senior leaders and more capacity is required for effective delivery, including corporate functions such as procurement, legal, finance and comms and volume of work is affecting work life balance and wellbeing</li> <li>• Feeling quite removed from the decision making. The communication is often quite complex to follow.</li> </ul>
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## 4. Appendices

4.1	Appendix 1 – Improvement Highlight Report, June 2023
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## 5. Implications

### Financial Implications

5.1	The decision in July 2022 to earmark £750k of funds for the Improvement Programme was taken before the Best Value Notice was issued from DLUHC in January 2023. The additional actions required from the Best Value Notice are over and above those anticipated when the original funding was allocated. It is anticipated that a further £250k will be required to meet the full costs of those additional actions.
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### Legal Implications

5.2	<p>The CPCA is required to consider the key areas of concern identified by the External Auditor in June 2022 and in the Best Value Notice received in January 2023. The CPCA Board has considered the recommendations and what, if any, action will be taken in response.</p> <p>In response, the CPCA Board agreed the Improvement plan in October 2022. The Combined Authority Board owns the Improvement Plan and as part of the process regular feedback is provided as in this report.</p> <p>As a Combined Authority, the CPCA must operate within a highly legislated and controlled environment. Chapter 4 of the Constitution sets out the functions reserved to the Board. Paragraph 1.1 of Chapter 4 reserves certain functions to the Combined Authority Board including the adoption of, and any amendment to or withdrawal certain plans and strategies including other strategies and plans as agreed under Paragraph 1.1 (n). Decisions related to Governance is reserved to the CPCA Board. Governance includes, under sub paragraph j, any other matters reserved to the Board</p>
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### Public Health Implications

5.3	None
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### Environmental & Climate Change Implications

5.4	None
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### Other Significant Implications

5.5	None
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### Background Papers

5.6	<a href="#">CA Board report 22 March</a> <a href="#">Best Value Notice</a> <a href="#">External Auditor letter</a> <a href="#">Best value standards and intervention draft guidance (publishing.service.gov.uk)</a>
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