



Department for Levelling Up,
Housing & Communities

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3 November 2023

South Cambridgeshire District Council (SCDC) Best Value Notice issued on 3 November 2023

The Department expects authorities to identify and implement arrangements to secure continuous improvement. Ministers are concerned as to SCDC's compliance with its Best Value Duty under the Local Government Act 1999. The Parliamentary Under Secretary of State has therefore made the decision to issue SCDC with this Best Value Notice ("Notice").

This Notice is a formal notification that the Department has concerns regarding an authority and is a request that the authority engages with the Department to provide assurance of improvement.

This Notice is issued to SCDC ('the Authority') following concerns about its trial of a 'four-day working week'. These concerns were highlighted in Minister Rowley's letters to the Leader of SCDC dated 30 June and 5 September, which also requested that the Authority ends the trial, and are supported by guidance on four-day working week arrangements in local authorities issued by the Department on 26 October. Concerns include that:

- Given the insistence of the Council that it will continue the trial contrary to the guidance issued, the Council is not fully analysing the impacts of the trial on services or the productivity of its workforce.
- The removal of up to a fifth of the capacity of the Council means that it is unlikely, in aggregate, for it to be able to support continuous improvement.
- In insisting on continuing the trial, the working arrangements chosen by South Cambridgeshire could impact on the delivery of its Best Value Duty.

If South Cambridgeshire chooses to continue with this trial following receipt of this letter, the Department is now formally requesting additional detail on its impact, both on individual employee productivity, the Council and the provision of services as a

whole. Ministers are clear that they expect the Authority must now demonstrate to the Department how it is delivering its Best Value Duty, by:

- providing robust evidence of the impacts of the trial on services offered to residents and on the organisation itself
- setting out how it is evaluating Best Value in relation to the trial, specifically:
 - to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness
 - that it has in place and properly deploys an effective internal control environment to safeguard the use of resources, and clear and effective processes to secure value for money
 - that human resources and fixed assets are managed efficiently and effectively
- working with an independent expert in considering data and making assessments about impacts and Best Value
- responding to the Department's requests for information fully and promptly

A data form will follow shortly after receipt of this letter. We request that this is completed and returned on a weekly basis starting one week from its receipt. This form seeks data on staffing, costs, service delivery, performance against a range of relevant KPIs, and resident feedback. It also allows for qualitative information, including around how decisions about the trial have been reached and any other policies the Council has introduced or is exploring to address recruitment, retention and wellbeing challenges with an appraisal of their impact. The Department also requests the data form to be completed on a retrospective basis, within one month of the date of receipt. Should it be necessary, based on our initial evaluation of the data you provide, we reserve the right to request further information to ensure a proper evaluation takes place.

This Notice will remain in place for 6 months, to cover the remainder of the current trial and allow for further data analysis. After this time, should the Department deem it necessary to continue to seek assurance through such a Notice, the Notice will be reissued. The Notice may be withdrawn or escalated at any point based on the available evidence.

This Notice is issued outside the statutory powers held by the Secretary of State under the Local Government Act 1999 to inspect or intervene in local authorities where there is evidence of Best Value failure and, separately, under section 230 of the Local Government Act 1972 to request information from local authorities. However, a failure to demonstrate continuous improvement may be judged to contribute to Best Value failure and the Secretary of State will consider using these powers as appropriate.

It is important to ensure transparency in relation to the challenges faced by local authorities and the Department's engagement on these. A copy of this Notice will therefore be published on gov.uk. It has also been copied to your Section 151 officer and Monitoring Officer. I encourage you to make a copy of this Notice available on the Authority's website, and to share a copy with the full Council and the audit committee. In line with this, we will notify your external auditor of this action.

We also expect the Authority to engage regularly with the Department during the period of the Notice. A member of my team will be in touch with you to make arrangements. I look forward to receiving updates on your progress.

We will continue our discussion with Cambridge City Council on their policy and workforce choices separately to this specific correspondence.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Max Soule', with a stylized, cursive script.

Max Soule

Deputy Director, Local Government Stewardship