

LGA Corporate Peer Challenge

North Tyneside Council

9 – 12 March 2026

Feedback report



Corporate Peer Challenge



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1. Introduction

A team of local government peers, led by the Local Government Association (LGA) delivered a Corporate Peer Challenge (CPC) of North Tyneside Council from 9 – 12 March 2026. This was the council’s second peer challenge. The first CPC at North Tyneside Council took place on 18 – 21 June 2019, the report from which can be found at: [North Tyneside Council: Decision making](#).

CPC is a well-established and respected improvement and assurance tool that provides robust, strategic and credible challenge and support to councils. Further details about the CPC process can be found in Appendix A.

Our peer team consisted of highly experienced and knowledgeable senior local government councillor and officer peers (see section four). We considered the five core areas covered by all CPCs: local priorities and outcomes, organisational and place leadership, governance and culture, financial planning and management and capacity for improvement.

This report provides North Tyneside Council with feedback on the peer team’s findings. It provides the council with a set of a high-level recommendations alongside further recommendations under each of the CPC’s core areas. There is an expectation the council will publish this report and a clear action plan to respond to all the recommendations highlighted.

2. Executive summary

North Tyneside serves urban, suburban, and coastal communities. It is characterised by rich natural assets, industrial heritage and ongoing regeneration. The borough ranks moderately among other UK local authorities when it comes to overall deprivation levels with a marked gap between its most deprived areas and those least deprived. Led by a directly elected mayor, and part of the North East Combined Authority (NECA), the council is committed to being a borough “where everyone has the opportunity to live well and succeed”.

North Tyneside has favourable conditions for success, with mature organisational foundations, good councillor and officer relationships, record of strong service delivery, and a shared desire across the council and partners for it to succeed. The new elected mayor and chief executive are recognised for their positive leadership, with strong support for them to act as influential change-makers and more prominent place ambassadors. Collectively, this provides a powerful platform for delivering the new Our North Tyneside Plan priorities.

Turning this platform into tangible progress on key mayoral priorities will require an organisational-wide shift, with North Tyneside not yet having had to make some of the difficult decisions some councils have. This will require modernising processes, shifting from services to outcomes, unlocking more community power, and accelerating public service reform (PSR). To do so, North Tyneside must embed a 'one council' approach that reduces the potential for fragmentation and integrates performance, finance, and risk reporting.

Moreover, escalating financial pressures, rising demand, and wider socioeconomic shifts mean the council cannot continue operating as it has done up until now. With a forecast gap of £18m by 2029/30, low reserves, and a continued pattern of overspending, the distance between what the council delivers and what it can afford is widening.

The council recognises urgent action is required, and has been proactive in its response, undertaking a Chartered Institute of Public Finance and Accountancy (CIPFA) financial review and refreshing its strategic transformation approach, the Plan for Change. Swift implementation of the CIPFA review's recommendations will be essential to secure medium-term financial sustainability. This must be underpinned by a jointly owned action plan across cabinet and the senior leadership team (SLT) delivered with pace and the impressive discipline the council applies to delivering its statutorily regulated services.

The Plan for Change will be central to long-term sustainability and meeting future demand. While progress is being made, it needs to fully address future funding gaps and drives North Tyneside's PSR agenda. This will require strong Medium-Term Financial Plan (MTFP) alignment, collective ownership, resourcing, and clear focus

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on harnessing community power to improve outcomes for people and places. In doing so, the council can build on its strong examples of co-production.

The council's organisational culture is a clear strength and will be crucial in enabling the council to sustain positive change. North Tyneside describes its people as one of its greatest assets, which is reinforced by high staff satisfaction levels and strong 'relational practice'. Leveraging these strengths, North Tyneside should now build on its positive culture of kindness, commitment and passion, with sharper prioritisation and a greater readiness for constructive challenge to support it to deliver its ambitions and navigate the changing demands ahead.

The council is committed to, and has a strong track record of, working effectively with partners across local and regional systems. It is widely viewed as a collaborative and positive partner but should invest energy in strengthening relationships with education and business partners.

The borough has compelling place assets; however, North Tyneside needs a stronger, coherent place narrative, including a clearer growth story to harness the opportunities its strengths create. North Tyneside should articulate its vision as a distinctive unique selling point (USP), with clear priorities, outcomes and impact for people and place that are consistently communicated and reflected in MTFP spending decisions. This will create a strong platform for North Tyneside to 'harness its heft', both enhancing its place leadership presence, and enabling partners and communities to align behind - and become ambassadors for - a shared story of North Tyneside.

North Tyneside has much to be proud of, and a strong platform to build from. It must now be bold, accelerate the pace of delivery, and more confidently tell its story to shape its future direction and galvanise everyone behind its ambitions.

3. Recommendations

The following are the peer team's key recommendations.

- 3.1 **Translate your vision into a distinctive 'unique selling point' for North Tyneside with four or five top priorities and outcomes for your people and your place, acting as visible proactive place ambassadors and advocates for them.** To achieve this, it's essential to:
- **Tell your story** through a clear, **concise set of priorities** consistently communicated across the organisation, the place and the region.
 - **Establish a compelling growth narrative** leveraging the opportunities along the coast and river corridor, including renewable energy, a strong skills pipeline, and a diverse sector mix.
 - **Harness your heft** to enhance your place leadership presence to maximise the benefits for North Tyneside from the huge opportunities ahead in the council, in the place and with the combined authority.
 - Ensure **prioritisation of spend** within the Medium-Term Financial Plan to deliver on this vision.
- 3.2 **Deliver the Chartered Institute for Public Finance and Accountancy (CIFPA) Finance Review recommendations with pace and focus through a clear action plan, ensuring it is collectively owned by the cabinet and senior leadership team.**
- It will be essential to extend the discipline and focus North Tyneside brings to statutorily regulated services to the management of budget and savings delivery to secure financial sustainability and improve financial resilience.
- 3.3 **Position the Plan for Change as a lever to enact your public service reform agenda and align this to the Medium-Term Financial Plan with a focus on outcomes, people and place.** To succeed it will need to:
- Be **collectively owned, gripped**, and with dedicated **core resources, and capacity**.

- Establish a **'one council approach,'** with everyone playing their part.
- Leverage **governance** and be underpinned by a coherent and **embedded performance framework** across the organisation.
- Be focused on **community power** and improved **outcomes** for people and places, moving to coproduction by default.
- Turn the neighbourhood ethos and learning from ward specific Pride in Place, into a **neighbourhood delivery model.**

3.4 **Channel your culture of intrinsic kindness, commitment and passion into an organisational culture also grounded in prioritisation, accountability and readiness for greater challenge.**

This will help drive North Tyneside's ambitions and meet changing demands by fostering a culture of prioritisation, resilience, constructive challenge and test-and-learn.

In addition to the key recommendations section five of this report captures our detailed feedback and additional recommendations within each of the CPC's core areas of focus.

4. Peer team

Peer challenges are conducted by experienced LGA peers, including elected councillors and senior officers. The composition of the peer team was shaped by the specific focus of the challenge, with the LGA selecting peers based on their relevant expertise. The peers for this CPC were:

- Robin Tuddenham, Chief Executive, Calderdale Council
- Cllr Arooj Shah, Leader, Oldham Council
- Cllr Rob Waltham, Leader, North Lincolnshire Council
- Lee Tillman, Executive Director Policy, Partnerships and Investment, City of Doncaster Council

- Jill Travers, Director of Law and Corporate Services, Wirral Metropolitan Borough Council
- Jake Bacchus, Executive Director of Finance and Resources, London Borough of Hounslow
- Becca Singh, Peer Challenge Manager, Local Government Association
- Frances Marshall, Peer Challenge Manager, Local Government Association

5. Detailed feedback and recommended actions

This section of the report provides detailed feedback along with additional recommendations related to the five core areas of focus.

When developing the action plan (in response to the CPC's findings), the council should consider both the key recommendations presented in section three and the additional recommendations set out below.

5.1 Local priorities and outcomes

Are the council's priorities clear and informed by the local context?

North Tyneside serves a population of 215,025 across urban, suburban, and coastal communities. The area is characterised by rich natural assets, industrial heritage, on-going regeneration. It has marked inequalities across the population, with under 20 percent of areas in the borough ranked within the most deprived 20 percent in England, and 8.3 per cent falling within the most deprived 10 percent.

The council has a good understanding of its local context, reflected in its commitment to tackling inequalities and being a borough "where everyone has the opportunity to live well and succeed". This is also evident in the passion of councillors and staff, and in its collaboration with the Institute of Health Equity to achieve 'Marmot place' status. This key mayoral priority offers an exciting opportunity to strengthen the

council's impact and mobilise the whole organisation and its partners behind this ambition.

The recently adopted Our North Tyneside Plan 2025–2029 sets clear priorities for the borough, underpinned by extensive community and partner engagement, which peers commended. The plan is understood across the council and well recognised within the North Tyneside Strategic Partnership, providing a platform for delivery. Further work is needed to ensure this vision translates into a small number of key priorities that everyone can articulate, reflecting what is uniquely distinctive about North Tyneside. This will require stronger prioritisation, with fewer, clearer and more action-focused plans that directly support community outcomes, alongside prioritising spend within the MTFP to deliver them.

The council seeks to listen and respond to residents' views through a range of engagement mechanisms, including the 'your North Tyneside hub', youth council and 'you said, we did' approach. This is reflected in its focus on issues residents prioritise, such as maintaining a high-quality public realm, improving transport connectivity and introducing 'your neighbourhood' teams. Its proactive Local Plan engagement reinforces this, using a transparent call-for-sites process to ensure policy and delivery are insight-driven. The peer team heard that these efforts are not always felt by residents peers spoke with, nor reflected in benchmarked satisfaction data.

Pride in Place funding and 'your neighbourhood' teams provide opportunities to shift how the council works with communities, designing services around the needs of people and places, and driving PSR focused on outcomes rather than services. For example, the introduction of joint neighbourhood teams, whilst widely welcomed, can be developed further by moving from joint teams towards a holistic partnership model focused on early intervention, community resilience and place-based problem solving.

In doing so, the council can build on strong examples of effective co-production across its work, such as the Parent Carer Forum's role in shaping special educational needs and disabilities (SEND) and alternative provision for young people. Whilst this practice is not consistent across all services, North Tyneside can apply the learning

to embed co-production more systematically which will drive improved outcomes, build community trust and ensure communities can shape the services they use.

Delivery against priorities and comparative performance

To understand North Tyneside's performance, the peer team considered the council's latest key performance reports, the outcomes of external regulatory activity into statutory services, and [LG Inform Report](#) which benchmarks North Tyneside's performance against the CIFPA nearest neighbours statistical grouping.

North Tyneside has a strong track record of effective service performance and much to be proud of, particularly across key statutory services. This can be seen through recent inspection judgements, with Ofsted judging children's services 'outstanding' twice in a row, including its most recent inspection in 2024, and by the Care Quality Commissions' 'good' judgement for adult social care contracting and commissioning in 2025. At the time of the peer team's visit, the council was awaiting Social Housing Regulator inspection into its landlord services. When benchmarked against CIFPA nearest neighbours, the council also shows strong performance in completing planning applications on time and maintaining low temporary accommodation rates.

Conversely, there are areas where North Tyneside's performance is less strong, or with notable differences compared to similar authorities when benchmarked against the CIFPA nearest neighbours statistical grouping. For example, for North Tyneside this includes: level of reserves as a proportion of service expenditure, adult social care workforce turnover, and higher levels of spending per capita on areas such as education, skills and culture than benchmarked comparators.

Is there an organisation-wide approach to continuous improvement?

North Tyneside's performance management and analytics framework is utilised to drive improved outcomes and continuous improvement. Performance is reported regularly to SLT, cabinet and overview and scrutiny, supported by a clear 'golden thread' linking the council plan to plans at organisational, directorate, service and individual levels.

Building on these foundations, North Tyneside now needs to fully implement and embed both its performance and analytics framework and wider performance culture. It should bring together performance, finance and risk reporting into a single, coherent process. This refreshed approach will need to set out how it will streamline processes and align with the council plan, Plan for Change and CIPFA review recommendations.

Embedding a culture of collective ownership will be equally important, with directors taking responsibility for surfacing issues early and strengthening expectations for cross-council collaboration and accountability. Together, these changes will better enable the council to 'tell its performance story' to councillors, residents and stakeholders, and to demonstrate how feedback has - or has not - been acted upon, and why.

The council is committed to using data more effectively to understand need, target support, shape markets, commission well and demonstrate value for money. It has recently refreshed its data and intelligence strategy to harness data as a strategic asset and completed a data maturity self-assessment and development plan to support this ambition.

In addition to the key recommendations in section three above, the peer team also recommend the council progress the following actions:

- **Integrate and strengthen performance, finance and risk reporting, and embed culture of collective ownership and accountability.**

5.2 Organisational and place leadership

Does the council provide effective local leadership?

Over the last two years, the council has steered effectively through a series of significant leadership transitions. These include the induction of a new councillor cohort in 2024, election of a new elected mayor and appointment of a new chief

executive in 2025, and recent changes within the SLT.

North Tyneside's political and officer leadership are well regarded. The peer team heard widespread positive feedback about the elected mayor and the chief executive, particularly their accessibility, professionalism and inclusive approach, whilst SLT are viewed as supportive and approachable. There is enthusiasm - across place partners and internally - for the elected mayor and the chief executive to act as influential change makers. North Tyneside must now harness this goodwill to build momentum behind the council's shared priorities.

This shared desire for North Tyneside to succeed provides powerful conditions for success. The elected mayor occupies a prominent figurehead leadership role for the area and can shape and drive this success supported by stronger policy and communications coordination.

The elected mayor and chief executive are supported by an experienced cabinet, eight person SLT and wider extended leadership team that work effectively together. Regular, structured meetings link strategic priorities to operational delivery, including senior leadership sessions with cabinet portfolio holders and councillor briefings. This is mirrored by varied internal communication and engagement mechanisms. There is more to do however to improve communication between directorates and teams to support greater cross-organisational collaboration, with "siloes working" a recurring frustration that the council need to tackle. (See section 5.5 capacity for improvement).

Are there good relationships with partners and local communities?

The council's commitment to partnership working is evident in its coordination of the North Tyneside Strategic Partnership (NTSP). This brings organisations together for the benefit of the borough and oversees Our North Tyneside Plan delivery. The peer team heard that strong, productive relationships exist across most of the council's key partnerships - particularly with the public sector, the voluntary, community and social enterprise sector, and local MPs - who reported feeling listened to and able to shape shared priorities.

This is not consistently mirrored across all partner relationships. For example, while there are positive relationships with the business community, and Cobalt Business Park demonstrates the council's success in supporting business growth, there remains untapped potential across the wider local business base. The council should focus greater strategic leadership energy and visibility on deepening and building upon existing strong relationships with major employers to capitalise on the business community's appetite for closer working in support of the borough's growth and regeneration ambitions.

The peer team heard that aspects of the council's relationship with the education system have become strained and require a reset. Reviewing the strategic education plan, learning from recent experience, and providing a clearer narrative about the council's position will be key to rebuilding trust and strengthening understanding with residents and partners.

The borough has powerful place-based assets, from its strong communities and coastline to its growing green energy opportunities. Its long-term track record in regeneration and housing delivery - demonstrated in schemes in Whitley Bay and North Shields - has delivered transformative place-shaping impact. Yet these strengths - and what gives North Tyneside its distinctive identity - are not clearly expressed in its vision or priorities for people and place.

Priority should be given to developing and consistently communicating a clear, compelling borough narrative and a concise set of priorities that articulate North Tyneside's distinct offer across the council, borough and wider region. This shared narrative would enable North Tyneside to tell its story with greater clarity and confidence, helping partners, stakeholders and communities align around shared ambitions and advocate for the borough.

This narrative should include a strong growth story that reflects the significant opportunities along the coast and river corridor, from renewable energy and the skills pipeline to housing and the borough's diverse sector mix. By more clearly articulating this narrative, North Tyneside can better harness its influence, strengthen its place-leadership role, and deepen relationships with key regional partners, including the combined authority. As an active member of NECA, both the elected

mayor and chief executive play pivotal roles, built on trust and respect. The council should build on this position by further clarification and articulation of its asks of NECA, to maximise benefits for the borough.

In addition to the key recommendations in section three above, the peer team also recommend the council progress the following actions:

- **Ensure stronger policy and communications coordination is in place to reflect the mayor's policy priorities.**
- **Take steps to reset relationships education partners and strengthen strategic place leadership across business partners.**

5.3 Governance and culture

Are there clear and robust governance arrangements?

The council has robust, well-established governance arrangements that reflect its commitment to good governance. This is shown in its clear decision-making processes and its dynamic corporate risk register. It is further reinforced by the council's 'golden hexagon' approach to identifying and addressing governance issues, including a wider membership than core statutory officers. This demonstrates senior officer strategic ownership of risk management.

This formal governance is underpinned by healthy councillor–officer relationships, widely described to the peer team as strong, appropriate and mutually respectful. Support for councillors in their roles, including investment in learning and development, is clearly prioritised. Regular portfolio-holder and senior officer meetings help maintain effective communication and support informed decision making. All councillors have access to monthly briefings, biannual ward briefings, and an impressive leadership development programme that supports their development and ability to influence decision making. The peer team nevertheless heard mixed messages from councillors about how informed and supported they feel, something the council will want to understand more fully to ensure support meets

councillors' needs.

A continuous improvement mindset is evident, with work underway to enhance the Annual Governance Statement and strengthen the assurance it provides. There are, however, governance areas that would benefit from further development. The council's forward plan is longer than most councils, and the process for managing it would benefit from review to ensure it supports timely and transparent decision-making. Whilst the constitution has been reviewed in part over recent years, a comprehensive update to the whole constitution by May 2027 will be important to ensure it remains fit for purpose in a rapidly evolving local government landscape.

Is there a culture of challenge and scrutiny?

The council has a positive organisational culture characterised by intrinsic kindness, commitment and care. This is evident in the 'relational practice' woven throughout both councillors and the workforce, and in the strong sense of pride in place and loyalty that is palpable at all levels of the council. These strengths are an important part of what makes the North Tyneside effective and should be preserved as it continues to evolve.

At the same time however, peers heard that the culture can feel "comfortable", inhibiting constructive challenge and learning from adverse events. It will be important to ensure these cultural strengths do not come at the expense of strong challenge and collective responsibility.

Directors and statutory officers should have explicit accountability - through the constitution and job descriptions - to act for the interest of whole council, as well as directorates. This, alongside using governance as a strategic enabler, will become increasingly important as the operating environment evolves and North Tyneside faces greater challenge, requiring tenacity and determination to implement difficult decisions.

The peer team heard that the council's scrutiny and audit functions are seen as effective and seek to embed good practice from other authorities. The overview and

scrutiny committee have a strong work ethic, with members passionate about their roles and ability to influence policy. There has been investment in recent years in strengthening the scrutiny role which has had a positive impact.

Similarly, the peer team heard that the audit committee demonstrates constructive challenge and good risk awareness, and has a membership that reflects best practice through the inclusion of two independent members.

There is an effective relationship with external audit, whose most recent 2024/25 value for money judgement identified no significant weaknesses. In recent years, successive accounts, including the 2024/25 accounts, have been disclaimed. This limits the assurance that can be provided but is outside the council's control as it is a result of the national audit backlog. This was part of the rationale for the council commissioning the CIPFA review, to proactively seek additional independent assurance.

In addition to the key recommendations in section 3 above, the peer team recommend the council progress the following actions:

- **Review the forward plan.**
- **Undertake a comprehensive review of the council's constitution by May 2027, and include senior officer accountability to act for whole organisation in a future iteration.**

5.4 Financial planning and management

Does the council have a clear understanding of its financial position?

North Tyneside has a strong track record of delivering balanced budgets in difficult financial contexts through careful financial management, savings delivery, along with robust governance, assurance and scrutiny arrangements. Since 2024/25, it has delivered £21m savings taking some difficult political decisions to reduce its financial risk exposure, such as closing and merging schools. The council is served by a

well-regarded finance team, including the outgoing section 151 and deputy section 151 officer, who are respected internally and by partners.

The council's medium-term financial resilience is nevertheless fragile, with growing tension between service quality and financial sustainability. Savings requirements are significant, with £25m needed in 2026/27, and cumulative pressures of £44m by 2029/2030, on the assumption of maximum council tax rises. Against this backdrop, North Tyneside is forecasting an £18m net budget gap over the 2026/27–2029/30 MTFP period, alongside a projected £6.2m in-year overspend reported in January 2026.

This financial position is made more acute by low reserve levels compared with sector benchmarks, with North Tyneside's strategic reserve currently below its £10m target threshold. It is compounded by a history of overspends and instances where savings have been covered through temporary mitigations and one-off income rather than sustainable cost reduction.

Overspending in demand-led services, particularly children's and adults' services, combined with ambitious savings plans dependent on full delivery, adds further pressure and increases the risk to MTFP delivery. With savings under tight delivery timeframes which will need to be risk assessed, the council needs to maintain spending controls and give councillors a clearer view of delivery risks for 2026/27. It should also review its reserves strategy to ensure it fully reflects these risks and unprovided liabilities, including public finance initiate obligations, major contracts and potential implications from integrated care board (ICB) changes.

Within this wider financial context, the council has set a balanced 30-year Housing Revenue Account (HRA) business plan, investing £2.2bn of revenue expenditure managing and maintaining its housing stock, with a further £1.6bn of capital investment into the elected mayor and cabinet's key objectives. There remains a high level of pressure in the HRA from inflation and regulation changes that it will need to factor into future business planning.

The General Fund capital investment programme spend is £148m to 2030/31, of which £64m is funded from borrowing and £84m from grants and contributions. The

council recognises borrowing being a key constraint on the development of its capital investment programme. Borrowing capacity may need to be further reviewed given the low levels of reserves available.

There is a shared understanding of North Tyneside's financial position across the council, supported by transparent reporting of the implications for the MTFP period. Rising financial, demand and wider socioeconomic and policy pressures however mean North Tyneside cannot continue to operate as it currently has done up until now and difficult choices about what it delivers - and at what standard - will be required.

Does the council have a strategy and plan to address its financial challenges?

The council recognises urgent action is required, and has been proactive in its response. Tactical and longer-term steps to improve North Tyneside's financial resilience are underway, with early evidence indicating strengthened spending controls are reducing in-year overspends, and adult social care commissioning activity reducing provider costs. The council should build on this progress by sustaining these controls and adopting a strategic, whole-council commissioning approach that maximises value for money while maintaining outcomes.

It has also proactively engaged with the Department for Education (DfE) on a dedicated schools grant (DSG) management plan, helping to reduce these financial pressures. While a return to breakeven is forecast for 2027/28, the peer team heard some uncertainties around achieving this position given the implementation of national SEND changes. With the DSG statutory override only applying until March 2028 – at which point any remaining deficits would revert to the General Fund – it will be important to maintain a clear focus on the risk this poses to the council's medium-term financial resilience.

Critically, in late 2025, the council undertook a CIPFA financial resilience and assurance review, which identified actions to further strengthen its financial resilience. Immediate and rapid implementation of these recommendations will be essential to securing financial sustainability in the medium term. This will require a

clear action plan, collectively owned by cabinet and SLT, delivered at pace, and underpinned by sufficient capacity and resources.

With an imminent change in section 151 officer, maintaining the resilience of the finance function will be essential to sustaining momentum and delivery of these improvements. The discipline North Tyneside demonstrates in its high-performing regulated services can give confidence it can apply the same grip and rigour to budget management. This will be critical to strengthening its financial resilience.

Embedding and driving forward the CIPFA recommendations needs to be a whole-council priority, with visible leadership from the SLT. This will require a stronger culture of collective ownership and grip, supported by clear and timely reporting through a refreshed and integrated finance, performance and risk framework. The recent cross-organisational departmental budget reviews, which were well received, could provide a model for strengthening ownership of the MTFP.

The Plan for Change has also been developed as a central plank of North Tyneside's long-term sustainability strategy. Still at an early stage, this strategic transformation programme has yet to begin addressing the MTFP funding gap. To do so, the programme will need to be firmly aligned with the MTFP, collectively owned, appropriately resourced, and focused on harnessing community strengths to improve outcomes for people and places. Officers leading the programme are motivated to work collaboratively to meet the financial challenge, improve outcomes and deliver value for money. This provides a strong platform for implementation.

Securing the resources to deliver the Plan for Change will also be critical to contributing to the wider MTFP. North Tyneside should consider optimising its flexible use of capital receipts to accelerate the pace of delivery. For example, investment in key adult social care workstreams and a refreshed estates strategy could generate capital receipts through the identification and progression of disposals.

In addition to the key recommendations in section three above, the peer team recommend the council progress the following actions:

- **Review level of reserves to account for unprovided liabilities.**
- **Maintain spending controls, assessing and communicating delivery risks for 2026/27 to councillors.**
- **Optimise flexible use of the capital receipts policy, including progressing estates strategy.**

5.5 Capacity for improvement

Does the council have the capacity to improve?

North Tyneside has embedded organisational values, developed through staff engagement, which are well understood across the council and reflected in its Our North Tyneside Plan. The workforce is widely referred to as the council's greatest asset, with many long-standing committed staff, passionate about high performance and improving outcomes for communities. This is reflected in high staff satisfaction rates, with 83 per cent reporting satisfaction working for North Tyneside in 2024, and staff the peer team spoke with describing a supportive and positive culture.

This positive environment is reinforced by constructive relationships between the council and respective trade unions. Engagement is supported by robust formal structures that enable effective dialogue across the organisation.

The council takes its legal duties on equality, diversity and inclusion seriously, demonstrated through its embedded equality programme, cabinet champion for equality and diversity, and robust equality impact assessment processes. It is also evident in its five active staff networks, each supported by visible commitment from SLT. These networks play an important role in shaping council policies, including influencing the council's approach to leadership development for underrepresented groups.

North Tyneside is committed to making the council a great place to work and has a strong record of internal progression. It takes a proactive approach to recruitment, retention and talent attraction to ensure it has the skills and capacity to deliver its

ambitions. The People First Strategy provides the framework for this, anticipating future workforce changes and skills requirements. While retention is strong, recruitment remains challenging in some specialist areas, and the council recognises the risks of an ageing workforce and the need for succession planning. This underlines the importance of a long-term, strategic workforce plan to ensure future skills and capacity meet organisational requirements.

There are several examples of North Tyneside taking a proactive approach to external challenge to drive learning and improvement. This openness is reflected in its commissioning of independent reviews and specialist guidance, such as the CIPFA financial review, CfGS support, and peer reviews. The council also responded positively to its previous 2019 CPC recommendations, resulting in investment and improvements in its digital approach. While progress has been considerable from a low base identified in the previous CPC, digital maturity remains at an early stage and must continue to be developed and accelerated to build the capability to meet future demands.

North Tyneside has a proven track record of responding to rapid and challenging changes in its operating environment while continuing to deliver positive outcomes for residents and communities. However, in doing so, it has not had to make some of the difficult decisions many councils have taken, such as on the future of physical assets and digital approaches. Some ways of working are therefore out of step with current sector practice, with the peer team hearing some concerns about siloed working and fragmented responsibilities and services.

Addressing this will require driving efficiencies, redesign services, adopting new ways of working, and embedding a consistent organisation-wide 'one-council' approach focused on people and outcomes. Key cross-cutting priorities, such as becoming a Marmot borough and the Pride in Place funding for one area of the Borough, are important corporate opportunities to put this approach into practice and deliver meaningful community impact.

The peer team heard that appetite for change across the organisation is mixed at middle-manager level, with positivity as well as concerns about maintaining service levels with a reducing workforce and past transformation experiences still shaping

perceptions. For future transformation activity to succeed, it will be important to learn, and apply lessons from, previous experiences to strengthen the foundation for the Plan for Change.

The Plan for Change

The Plan for Change is the council's strategic response to the need for organisational transformation to meet future demand and secure financial sustainability. It sets out a programme to deliver savings aligned with council priorities and the MTFP, and is being developed through council-wide engagement to inform its final form. It provides an opportunity to shift from a service-based structure to an outcome-focused one. Successful delivery will be essential to achieving North Tyneside's ambitions and improving outcomes for residents.

While elements of delivery are already progressing, significant work remains to ensure the programme delivers the required financial savings and becomes a lever for North Tyneside's wider PSR agenda, centred on outcomes, people and place. To support its success, the following fundamentals will be important:

- **Communication:** The Plan for Change is well understood by SLT, cabinet and project teams, and draws on extensive public and staff engagement. However, this level of understanding is not consistent among wider staff, councillors and partners. Clearer and more consistent communication about its intent, progress and expectations will be important as the programme moves forward.
- **Governance:** The emerging governance arrangements are positive, though will understandably take time to embed. To support delivery, governance should be further leveraged, for example through the development of a comprehensive performance dashboard that provides assurance to SLT and councillors on progress and flags early slippage or under-delivery. This should form part of a coherent, organisation-wide performance framework that is publicly available.

- **Capacity and resources:** Capacity to deliver the Plan for Change is currently distributed across directorates, reducing strategic grip over organisation-wide transformation. Dedicated core programme capacity will be required to coordinate, drive and assure delivery. North Tyneside should review central and service-level resources and deployment to ensure capability and capacity are aligned to need and can sustain delivery at pace.
- **Culture:** A shared ‘one-council’ mindset, built on collective ownership, organisational grip and continuous learning, will be crucial. This includes drawing on best practice and fostering a test-and-learn approach. Newly appointed and key staff are already bringing constructive challenge; harnessing this will be important in driving the cultural shift, with the Leadership Forum playing a key role.
- **Digital and data:** A clear programme of future digital opportunities should be developed to drive service-level improvement and wider corporate transformation. Continued improvement in data quality, management and accessibility will also be important, enabling data to be shared appropriately with partners and used to support bold, evidence-based decision-making.
- **Public service reform:** The Plan for Change should be positioned as a key lever for delivering North Tyneside’s PSR agenda and enabling more transformative outcomes for people and places. This will require deepening relationships with key public-sector partners, embedding community power, shifting to co-design by default, and maintaining a consistent focus on outcomes for residents and communities.

6. Action plan and progress review

The senior political and managerial leadership of the council should review and reflect on the findings and recommendations from this CPC.

To promote the principle of transparency, it is a requirement of the CPC process that the final report of the peer team is published in-full within three months of the review

being completed. In this instance, this requires the report to be published no later than 12 June 2026.

There is a requirement for North Tyneside Council to develop and publish an action plan within five-months of the peer team being onsite, no later than 12 August 2026. This action plan should provide clarity on the activity, milestones, and timelines that the council will work to in responding to the team's findings.

The action plan will also be central to the peer team's re-engagement with North Tyneside Council through a progress review which is due to be completed and published by 12 March 2027.

The Ministry for Housing, Communities and Local Government (MHCLG) have published the Best Value Standards for Local Authorities. These standards expect every council to engage in a Corporate or Finance Peer Challenge at least every five-years. It is expected that North Tyneside Council would commission their next Corporate Peer Challenge no later than March 2031.

7. Contact details

In the meantime, Mark Edgell, Principal Adviser for the North East is the main contact between your council and the Local Government Association. As outlined above, Mark is available to discuss any further support you require and can be contacted on mark.edgell@local.gov.uk.

Appendix A – What is CPC?

CPC is a valued improvement and assurance tool that is delivered by the sector for the sector. It involves a team of senior local government councillors and officer peers undertaking a comprehensive review of key information and spending three days at the council to provide robust, strategic, and credible challenge and support.

CPC forms a key part of the [improvement and assurance framework](#) for local government. It is underpinned by the principles of [Sector-led Improvement](#) (SLI) put in place by councils and the LGA to support continuous improvement and assurance across the sector. These principles state that councils are responsible for their own performance; accountable locally, not nationally; share a collective responsibility for the performance of the sector; and rely on the LGA to provide the tools to support them. CPC is also key to councils in meeting their [Best Value duty](#). UK Government expect all councils to have a CPC at least every five years.

Scope and focus

The peer team considered the following five areas which form the core components of all CPCs. These are critical to councils' performance and improvement.

1. **Local priorities and outcomes** - are the council's priorities clear and informed by the local context? Is the council delivering effectively on its priorities? Is there an organisational-wide approach to continuous improvement, with frequent monitoring, reporting on and updating of performance and improvement plans?
2. **Organisational and place leadership** - does the council provide effective local leadership? Are there good relationships with partner organisations and local communities?
3. **Governance and culture** - Are there clear and robust governance arrangements? Is there a culture of challenge and scrutiny?
4. **Financial planning and management** - Does the council have a grip on its current financial position? Does the council have a strategy and a plan to address its financial challenges? What is the relative financial resilience of the council?

5. **Capacity for improvement** - Is the organisation able to bring about the improvements it needs, including delivering on locally identified priorities? Does the council have the capacity to improve?

As part of the five core areas outlined above, every CPC has a strong focus on financial sustainability, performance, governance, and assurance

The peer challenge process

Peer challenges are designed to support improvement, not inspection. They are not intended to provide a detailed or technical assessment of plans and proposals. Instead, the peer team uses its experience and knowledge of local government to reflect on the information shared with them, the things they observe, and the material they review.

To prepare, the peer team looks at a range of documents and information to understand the council and the challenges it is facing. This includes a position statement prepared by the council before the visit, which sets out the local context and highlights areas for the team to focus on. The preparation also involves reviewing an LGA Finance briefing (based on public reports from the council's website) and an LGA performance report that shows benchmarking data across a range of measures. The performance report is produced using the LGA's local area benchmarking tool, LG Inform.

The peer team then spends three or four days at the council. During this time, they gather evidence, information, and views by meeting with council staff, councillors, and external stakeholders. This helps them build a rounded picture of the council's strengths and areas for improvement.