



Department for Levelling Up,
Housing & Communities

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By email

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8 May 2024

South Cambridgeshire District Council Best Value Notice issued on 8 May 2024

The Department issued a Best Value Notice to South Cambridgeshire District Council (“the Authority”) on 3 November 2023 as a formal notification that the Department has concerns regarding the Authority and requesting that the Authority engages with the Department to provide assurance of improvement.

As part of the Notice, we requested that the Authority demonstrates how it is delivering its Best Value Duty, including by completing a data form seeking a range of ongoing and retrospective information in relation to the trial and the organisation more broadly. We recognise that the Authority has engaged constructively with these data requests so far.

The Department expects authorities to identify and implement arrangements to secure continuous improvement. Ministers remain concerned as to the Authority’s compliance with its Best Value Duty under the Local Government Act 1999. The Minister for Local Government has therefore made the decision to issue the Authority with this Best Value Notice (“Notice”).

This Notice is issued to the Authority following ongoing concerns about its trial of a ‘four-day working week’. These concerns were highlighted in Minister Rowley’s letters to the Leader of the Authority dated 30 June and 5 September 2023, 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 2023. Concerns include that:

- The Authority is not yet fully analysing the long-term impacts of the trial and future decisions on the trial remain unknown.
- The removal of up to a fifth of the capacity of the Authority 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 the Authority could impact on the delivery of its Best Value Duty, consistent with the statutory guidance on Best Value Standards and Intervention issued on 8 May 2024.

As South Cambridgeshire has decided to continue with this trial, the Department requests that additional detail continues to be provided on its impacts, on individual employee productivity, the Authority and the provision of services as a whole. Ministers remain clear that they expect the Authority must 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.
- Responding to the Department's requests for information fully and promptly.

The ongoing data request will continue throughout the duration of this Notice. We ask that this continues to be completed and returned on a weekly basis. Furthermore, the Authority previously provided comparable information for financial years 2018/19 to 2022/23 via an annual retrospective data collection form. We request that you now provide the information in this form for 2023/24, to provide insight into performance over a full financial year of the trial. This should be provided within one month of receipt of this letter. Should it be necessary, based on our evaluation of the data you provide, we reserve the right to request further information to inform our ongoing assessment of Best Value.

This Notice will remain in place for six months, to 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 continue engaging 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.

Yours sincerely,

Max Soule
Deputy Director, Local Government Stewardship