

LOCAL GOVERNMENT ASSOCIATION (LGA) PEER CHALLENGE LETTER

Strategy and Performance Advisory Committee – 28 January 2014

Report of Chief Officer Corporate Support

Status: For Consideration

Also considered by: Cabinet – 6 February 2014

Key Decision: No

Executive Summary: This report summarises the feedback and suggestions of a Corporate Peer Challenge carried out in December 2013. This information is to be considered by the Committee with any response along with the report being considered by Cabinet.

Portfolio Holder Cllr. Fleming

Contact Officer(s) Jim Carrington-West ext. 7286

Recommendation to Strategy and Performance Advisory Committee:

- (a) That the findings of the Corporate Peer Challenge are considered and Members advise Cabinet on any response to the recommendations set out in the report.
- (b) That the Corporate Peer Challenge Team are thanked for the time taken in completing the review and providing their feedback.

Recommendation to Cabinet:

- (a) Members endorse the findings of the Peer Challenge Team and accept them to be taken forward.
- (b) That the Corporate Peer Challenge Team are thanked for the time taken in completing the review and providing their feedback.

Reason for recommendations: To ensure members are aware of and have the opportunity to consider the findings of the Corporate Peer Challenge 2013.

Introduction and Background

- 1 In December 2013, Sevenoaks District Council underwent a Corporate Peer Challenge. This is a service offered by the Local Government Association at no additional cost to the Council. The Challenge is not an inspection, more a review that is designed to complement and add value to the Council's performance and improvement focus.

- 2 The Peer Challenge team was made up of the following members:
- Ian Davis – Executive Director, Rugby Borough Council
 - Councillor William Nunn – Member, Breckland District Council
 - Robin Porter – Corporate Director for Commercial and Transformation Services, Luton Borough Council
 - Paul Clarke – Programme Manager, LGA (Peer Challenge Manager)
- 3 The team was also provided with valuable input from:
- Harry Platt - Associate Growth Advisor
 - Simon Ridley - Director of Local Government Finance, DCLG
 - Brian Reynolds - Head of Programmes, LGA
 - Angela Page - Conservative Group Office, LGA
- 4 The Peer Challenge covered a number of core components covered by all Corporate Peer Challenges, namely:
- Understanding of the local context and priority setting: Does the council understand its local context and has it established a clear set of priorities?
 - 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?
 - Political and managerial leadership: Does the council have effective political and managerial leadership and is it a constructive partnership?
 - Governance and decision-making: Are effective governance and decision-making arrangements in place to respond to key challenges and manage change, transformation and disinvestment?
 - Organisational capacity: Are organisational capacity and resources focused in the right areas in order to deliver the agreed priorities?
- 5 In addition the team was requested to look in particular at the following areas in more detail:
- Organisational Transformation and Culture
 - Financial Strategy
 - Ambition to become more self-sufficient
 - New management and governance structure
 - Community and Third Sector partnerships
 - Assessing our fitness in delivering the new vision

Key Messages and Suggestions

- 6 There were a significant number of positive messages within the findings of the Peer Challenge Team. These were exemplified by the feedback that the Peer Challenge Team repeatedly asked the fundamental question throughout as to

“does the Council do what it says it does?” to which their resounding conclusion was “Yes it does!” In summary the response was that the Councils success was built on a strong foundation from a planned, determined and sustained focus on doing the right things very well.

- 7 In addition to this general positive feedback, there were also a number of key messages and suggestions to supplement the good progress to date related to each of the focus areas. These are summarised below.

Organisational transformation and culture

- 8 The Peer Challenge Team felt that the organisation had anticipated change and had implemented measures to address this well in relation to the changes in political governance and management arrangements.
- 9 It was felt that staff are very engaged, focussed on delivering to the customer and are clear about what we are trying to achieve. They commented that the organisation is “led from the top... and bottom... and middle” as a result of members and senior managers being very visible and staff knowing what is expected of them. This is supported by a clear no-blame culture, a one team approach and also by an innovative Leadership programme.
- 10 It was suggested that focus is required to ensure that there is sufficient internal capacity to deliver on the Council’s commercial plans. Consideration should be given as to whether there is a requirement to employ or buy-in additional resource to achieve the delivery of this core area of focus.

Financial Strategy and ambitions to become self-sufficient

- 11 The Team endorsed and commended the Councils track record of proactive stewardship of its financial resources. They felt that the 10 year budgeting approach provided a powerful tool to project ahead and create stability whilst recognising the measures already taken towards future proofing the financial sustainability of the Council. The team fully supported the aim of becoming financially self-sufficient within ten years and believed that as per the Corporate Plan, we will be best placed by pursuing active income generation strategies including investment in land and property assets to generate commercial returns. Coupled with this was the suggestion to review the Constitution with the aim of putting in place a more streamlined process for the acquisition of and active management of assets as part of an Investment Strategy.
- 12 They suggested we continue to model the 10 year financial plan for varying assumptions including a 10% year on year reduction in Government support. Also to model the likely impacts of identified sources of income generation and the potential use of reserves for investment in commercial opportunities.
- 13 A need was highlighted to prioritise projects underpinning the Corporate Plan including a focus on the capacity and commercial acumen available to deliver them.

New management and governance structures

- 14 Findings here concluded that the new political governance arrangements are proactively engaging more Councillors, creating a focus for policy development. This is supported by members being very visible around the organisation, a standard set by the Leader himself. The team felt this showed members not only lead the organisation but are willing to act to understand the needs of residents and the roles of staff.
- 15 The Peer Challenge Team felt there had been a seamless transition from one Chief Executive to another, both being highly respected. This in conjunction with a flatter senior management structure has allowed continuity and pace to be maintained along with delivering significant financial savings, reinforcing a one-team ethos and providing a platform to embark on future proactive change.
- 16 A suggestion was made that the organisation should be aware of the trade-off between increasing member engagement and increasing officer workloads at a time of reduced capacity but that we consider holding regular meetings between senior management and Cabinet to further enhance the effectiveness of already good working relationships.

Community and third sector partnerships

- 17 During the Peer Challenge, the Team met with a wide range of community partners and formed the view that relationships were strong and based on mutual trust and respect. All parties were seen to recognise the challenges to be faced and were seen to view this as an opportunity for closer working and mutual support with a strong sense of purpose.
- 18 To support this positive position, it was suggested that the Council continues to engage with the third sector to identify possible areas of support that can be given and where possible to involve them in training and developing skills.
- 19 The Team also agreed that we should continue to consider whether there are further opportunities to deliver Council services in partnership with the third sector.

Assessing our fitness in delivering the new vision

- 20 The Peer Challenge Team reiterated their view that the political and managerial leadership of the Council was found to be impressive. This creates a platform for the Council to deliver its vision which they felt to be is a convincing narrative.
- 21 An area of consideration suggested by the Team to be looked at further was the physical environment. In particular a strategic review of the Green Belt and the potential impacts of the possible inclusion of Swanley within Zone 6 of London Transport.

Key Implications

Financial, Legal Implications and Risk Assessment Statement.

- 22 A number of the suggestions from the Peer Challenge Team relate to the progress towards greater financial self-sufficiency and ongoing corporate projects.

Financial and Legal implications of these initiatives will need to be considered carefully in their delivery.

Equality Impacts

Consideration of impacts under the Public Sector Equality Duty:		
Question	Answer	Explanation / Evidence
a. Does the decision being made or recommended through this paper have potential to disadvantage or discriminate against different groups in the community?	No	N/A
b. Does the decision being made or recommended through this paper have the potential to promote equality of opportunity?	No	
c. What steps can be taken to mitigate, reduce, avoid or minimise the impacts identified above?		

Conclusions

- 23 The Corporate Peer Challenge process has been very beneficial in validating the current good work the Council does. It has also given some useful feedback and suggestions on the organisation's future plans regarding how best to deliver on projects supporting the Corporate Plan.
- 24 A copy of the LGA Peer Challenge letter, documenting their findings in full is provided at Appendix A to this report.
- 25 The LGA have offered further support following on from this Peer Challenge including signposting to other sources of information and example of practice and thinking that may be beneficial.

Appendices

Appendix A – LGA Peer Challenge Letter

Jim Carrington-West

Chief Officer Corporate Support