

<b>Report To:</b>	<b>CABINET</b>	<b>Date:</b>	<b>19 FEBRUARY 2018</b>
<b>Heading:</b>	<b>REVIEW OF PEER CHALLENGE RECOMMENDATIONS</b>		
<b>Portfolio Holder:</b>	<b>LEADER</b>		
<b>Ward/s:</b>			
<b>Key Decision:</b>	<b>No</b>		
<b>Subject to Call-In:</b>	<b>no</b>		

### **Purpose of Report**

This report presents to Cabinet progress which has been made since June 2017 against key recommendations of the LGA peer challenge.

### **Recommendation(s)**

**For Cabinet to endorse the progress made in the implementation of the key recommendations arising from the LGA peer challenge.**

### **Reasons for Recommendation(s)**

In June 2017 Cabinet endorsed the findings of the Local Government Association Peer Challenge, whilst seeking approval for Overview and Scrutiny Committee to monitor the implementation of approved actions arising from the peer challenge for the municipal year 2017/18.

The Peer Challenge Review undertaken by the Local Government Association in March 2017 is designed to support Councils and is part of a sector led improvement programme. There is an expectation from the LGA and government that the findings will be used to support improvements. Cabinet sanctioned all actions arising from the LGA report.

### **Alternative Options Considered**

*(with reasons why not adopted)*

None

## Detailed Information

### 1. Background

As part of the changes brought in over the last two years the Council has adopted a revised approach to performance management and this included a commitment to undertake a LGA Peer Challenge process to provide external and objective assessment of the Council's progress. In particular the Council wished to assess progress against the previous LGA Peer Challenge in 2013 which highlighted a number of problems and associated improvements that the Council needed to make.

The findings from the 2017 Peer Challenge Review were very positive for the Council and show a significant improvement in Leadership and culture. The review also demonstrated that the Council is more focused on the needs of its communities and has a strong and growing reputation with its partners as a good organisation to work with. The LGA report also highlighted areas of development and improvement.

### 2. Peer Challenge Approach

The Peer Team considered the following five questions which are looked at by all Peer Challenges:

1. Understanding of the local place and priority setting: Does the council understand its local context and place and use that to inform a clear vision and set of priorities?
2. Leadership of Place: Does the council provide effective leadership of place through its elected members, officers and constructive relationships and partnerships with external stakeholders?
3. Organisational leadership and governance: Is there effective political and managerial leadership supported by good governance and decision-making arrangements that respond to key challenges and enable change and transformation to be implemented?
4. 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?
5. Capacity to deliver: Is organisational capacity aligned with priorities and does the council influence, enable and leverage external capacity to focus on agreed outcomes?

The Council also specifically asked the Peer Team to comment on the Council's Commercialism, Transformation and Customer Services agendas.

### 3. Peer Challenge Findings

The full report written by the LGA Peer Challenge Team is attached at appendix 1, a copy of the Executive Summary is shown below.

#### *Executive Summary*

*Ashfield District Council is an ambitious and enterprising council with a good understanding and awareness of the opportunities and challenges the place brings. These are clearly articulated by the council in its corporate plan and are backed up with a range of initiatives and programmes to deliver good quality services through a more efficient and effective council organisation. The council has identified five key themes and these have been communicated well among staff, partners and the local community. There is very good engagement by members in providing political leadership and developing productive relationships with sub regional partners. The council is now trying to develop and promote the identity of Ashfield as a place through the 'Ashfield Story'.*

*There has been a step change in the political and managerial leadership of the organisation which has led to the council becoming a more confident organisation. There is good understanding of the nature and scale of the challenges the council faces and the leadership team has grasped these in a positive way. There are good trusting relations between senior members and staff and there is clarity of understanding of member and officer roles and responsibilities.*

*The council has put in place effective internal and external communication mechanisms which are leading to positive perceptions of the council as an employer and partner. It is seen as a good place to work and a trusting partner to do business with. The council is outward-looking, it connects with its partners and is well respected by them. This was a regular feature of the conversations the peer team had with the range of external partners. They regard Ashfield DC as a good place and a different place to what it used to be in the past.*

*The council recognises the need for further change and has an ambitious programme to deliver for the needs of Ashfield residents. It has the ability to recognise that change is really important and has a great opportunity now to do things differently.*

*Like most of the local government family the council is under financial pressures and needs to ensure it stays ahead of the curve in managing these. Ashfield DC is facing a £3.8m gap in its budget over the next five years. Nevertheless, it has a real understanding of the need to fill this gap and is taking steps to do so. It now needs to ensure that its strategies for dealing with the financial pressures are reflected in its long-term plans and that these are communicated widely*

*The key strategic direction of the council is to become a smaller and more commercial organisation with a clear focus on the delivery of good quality, value for money services. It has put in place an ambitious programme to enable it to make that change. Given this ambitious programme, the council needs to be cautious about tackling these issues on a broad front and should prioritise a few areas which will lead to the greatest outcomes for the local community. This will ensure that capacity is developed and deployed in a coordinated and smart way.*

#### **4. Key recommendations, the Council Response and Current Progress**

LGA peer challenge key recommendations, the council's initial response and our current progress to date is shown in the table below:-

Key Recommendation	Initial Council Response	Current Progress
<p>1) Review the corporate plan annually to identify a small number of key priorities for the year. These priorities should be performance managed and progress reported to cabinet regularly.</p>	<p>The Corporate Plan has been reviewed and updated with priorities identified.</p>	<p>The Corporate Plan was reviewed and published in June 2017. The refresh included CLT review of priority projects within each programme for the specific financial year, these are clearly identified in the plan. The refresh also includes a review of the Corporate Scorecard measures, against which performance is reported to Cabinet on a quarterly basis.</p> <p>In accordance with the Council's Project Management Framework, key projects and activity are programme managed against annual priorities for delivery with a clear picture of expected outcomes for each programme and, where possible, sequencing of delivery in accordance with priority and capacity. A good example of this is the work carried out by the Regeneration Board, which oversees project development, delivery and closure.</p> <p>A review of the Corporate Plan and performance scorecard for 2018/19 is currently in progress. A review of priorities and 'must-do' activity for the medium term has been discussed and agreed with Cabinet.</p> <p><b>Completed</b></p>
<p>2) Grasp the new strategic opportunities that are before the council which could lead to great outcomes for Ashfield's communities. Partnership working and maintaining excellent relationships with stakeholders across the region and sub-region will be critical to this.</p>	<p>The Council will maintain its momentum on the Place Leadership agenda, developing a local Place Leadership Board focussed on businesses. The Council will invest senior officer and member time in key partnership meetings. The Council will articulate key priorities for the District to external partners</p>	<p>The Council continues to exploit opportunities for collaborative working with our partners, particularly in respect of delivery of our regeneration priorities:-</p> <ul style="list-style-type: none"> <li>• Positive outcomes have been achieved in partnership with the D2N2 LEP; in particular joint funding and delivery of Ada Lovelace House and redevelopment of the Idlewells indoor market.</li> <li>• Further LEP investment has also been approved (subject to final business plan) through its Town Centres Programme for the Kirkby Leisure Centre.</li> <li>• Agreed and set 3 highway priorities for the district which are now incorporated into the county's place plan.</li> <li>• Effective project governance driven by the regeneration programme board has facilitated increased partnership support and funding towards our regeneration activity.</li> </ul> <p>Senior officer and member time has been invested in key partnership meetings; for example, the Leader is a member of the regional HS2 Board and the Deputy Leader is a member of the D2N2 LEP Infrastructure and Investment Board. The Leader is Vice Chair of the county wide Economic Prosperity Board.</p> <p>The Place Leadership Board (Ashfield Aspire) has been established and is progressing well, engaging key businesses and community groups. It is attended</p>

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		<p>by the Chief Executive; sub groups of this Board are attended by the Director of Place and Communities and relevant Third Tier officers.</p> <p><b>Completed</b></p>
<p>3) Agree which of the new initiatives are going to deliver the best outcomes and prioritise accordingly. These priorities should have robust business/delivery plans, savings targets and governance structures backing them up and they should then be communicated widely.</p>	<p>The reviewed corporate plan identifies key priorities</p>	<p>The Council's high-level priorities for the next 3 years have recently been agreed by XLT based on their contribution to the MTFS, service delivery, political priorities and level of customer service.</p> <p>Robust business cases for change, an understanding of net savings delivered and return on investment are developed/ being developed for each high level priority e.g (Digital) Transformation Programme.</p> <p>Options for change have been proposed and consulted with residents in order to prioritise savings. A gateway scheme for capital bids has also been introduced in order to prioritise additional new projects onto the capital programme. A digital transformation gateway is also currently being developed.</p> <p><b>Completed</b></p>
<p>4) Concentrate the new initiatives (i.e. commercialisation, transformation and customer services) into a single Ashfield Business Model. This will help to crystallise your ambitions and present a uniform strategy rather than three discrete programmes.</p>	<p>A process to set out a single transformation vision for the future of the Council is underway. The delivery of this vision will be through a set of existing work strands such as the Commercial Enterprise and Technology strategies</p>	<p>A single transformation vision has been set out in the 'Strategic Direction' that collates and outlines the key elements of commercialisation, transformation, customer service and people. This was agreed by Cabinet in October 2017. Work is continuing to ensure alignment of the strategic direction with each relevant underpinning strategy, further crystallising what is to be achieved, how and by when.</p> <p>The commercialism agenda has further developed over the last 12 months with focus being given to projects which will deliver the most commercial gain for the organisation, such as commercial property investment. Service areas are asked to consider commercial opportunity through service planning, whilst trading services continue to be reviewed with the objective of reducing subsidy levels. The commercial enterprise strategy will shortly be revisited followed by respective employee communication.</p> <p>The transformation and service review programme are closely managed and delivered under the leadership of the corporate transformation and efficiency programme board. The organisation has a clearer understanding of the interdependencies of service reviews. The Council recently commissioned external specialist support from Socitm to help us further understand how new technology</p>

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		<p>can be used to deliver transformation, particularly through the implementation of a new CRM to build a single access model for all Council services. An outline business case for delivering a corporate programme of digital transformation is being finalised.</p> <p><b>Completed</b></p>
<p>5) Agree financial targets for the six key savings streams. These should then be included in the Medium Term Financial Strategy (MTFS) and performance managed.</p>	<p>The Council's next MTFS will provide targets where prudent to set them for the strands of our savings strategy where prudent to do so. Targets for the Commercial and Asset strands are already in development.</p>	<p>A corporate savings plan, linked to the MTFS, collates financial targets for key savings streams and performance is monitored by XLT, CLT and Cabinet.</p> <p>Due to the individual nature of commercial and property projects, targets are incorporated into the MTFS on this basis. The Savings Strategy does however include a savings stream target for the service review programme. Potential savings streams are currently being considered for procurement opportunities.</p> <p><b>Completed</b></p>
<p>6) Combine MTFS, Budget and the Capital Programme into one combined comprehensive MTFP. This will help in managing and communicating a clear and consistent picture of the financial state of the organisation.</p>	<p>The Council will review the way in which it presents financial reports with a view to moving towards a combined report which sets out the budget, MTFS and capital programme.</p>	<p>A fundamental review of the most effective approach to presenting a clear and consistent picture of the financial position of the Council will take place in 2018/19 with a view to implementing in 2019, including a review of the presentation of financial reports.</p> <p><b>Ongoing</b></p>
<p>7) Consider how to create greater involvement of opposition members in more strategic scrutiny reviews. This could involve developing a more ambitious scrutiny programme and conducting scrutiny through commissions and deep-dives around key work programme areas and strategic priorities.</p>	<p>A review of the Scrutiny function is needed to ensure that we are making the most of the value it can add. In the meantime the work plan should be aligned better with the corporate plan</p>	<p>A recent service review has resulted in the restructure of scrutiny officer resource, making available dedicated research and manager roles to service the scrutiny function and assisting in the development of a different approach to the work programme.</p> <p>The scrutiny work programme continues to be aligned to the corporate plan, with CLT and member input. A dedicated housing performance scrutiny meeting has been established. Scrutiny meetings are occasionally scheduled to discuss single focus issues, ie. Recent ASB session which also engaged residents through the use of facebook live.</p> <p><b>Ongoing</b></p>

Key Recommendation	Initial Council Response	Current Progress
<p>8) Facilitate member involvement in designing an Induction programme for Councillors. This will help to ensure that all new members are quickly inducted into the culture of the organisation and are familiar with the aspirations of the council, as well as their roles and responsibilities within it.</p>	<p>A revised member induction programme and training for existing members will also be considered. The next large intake of new councillors is not until the 2019 election.</p>	<p>Member induction and training has been raised through the Cross Party Update Group meeting. A Cross Party Member Working Group will be established towards the end of 2018 to devise an induction programme for the new intake of Councillors in May 2019.</p> <p><b>Ongoing</b></p>
<p>9) Instigate an early review of project management, performance management and Area Committees. There is potential here to release member and officer capacity and deploy it more productively across the organisation.</p>	<p>The Council is reviewing its approach to engagement and feedback from Members suggests that a move away from Area Committees to other forms of engagement is required</p>	<p>A review of the project management governance frameworks in 2017 resulted in the cessation of Priority Theme Boards which were seen to duplicate with XLT and Portfolio Holder one to ones. The framework is currently being reviewed in order to identify opportunities to further reduce bureaucracy, improve governance, process and value-adding activity.</p> <p>The performance management framework is reviewed annually through review of the corporate and service level scorecards. Service planning workshops have been delivered to support the review of service plans including the need to have meaningful performance measures.</p> <p>Performance management approaches have been strengthened through the development of a new competency framework which will be incorporated into personal development reviews (PDR) from 2018. 360 management assessments will also be completed in the spring to inform PDRs. The organisation's culture is also currently being re-assessed through the completion of a culture survey which follows a very positive employee survey.</p> <p>A review of community engagement was recently concluded with decision taken to cease area committees with effect from December 2017.</p> <p><b>Completed</b></p>

Key Recommendation	Initial Council Response	Current Progress
10) Advice regarding communication channels and Member access arrangements	Adopt the advice of the Challenge Team, continuing to develop communication channels such as the Cross Party Update Group, members' briefings and retain existing access arrangements for Members	<p>The Cross Party Update Group continues to meet on a regular basis.</p> <p>The Members Digest is produced and circulate to all Members on a monthly basis.</p> <p>Access arrangements for Members have remained in place.</p> <p><b>Completed</b></p>
11) Advice that the Member Code of Conduct Complaints Process be reviewed	A review of the Member Complaints Process by the Standards and Personnel Appeals Committee to address politically motivated and trivial complaints	<p>A review of the complaints process was added to the Standards and Personnel Appeals Committee workplan for 2017/2018. A cross party working group taken from the Committee membership was formed to develop and consider changes to the complaints process and the Members' Social Media Policy. Proposed changes have also been discussed at the Cross Party Update Group.</p> <p>The revised process and policy will be reported to the Standards and Personnel Appeals Committee scheduled for 28 March 2018 with a view to recommendation of the same to the Council AGM in May for adoption,</p> <p><b>Ongoing</b></p>



## **Implications**

### **Corporate Plan:**

The corporate plan has been, and will continue to be reviewed annually, particularly clarifying the organisation's key priorities and measured outcomes, in line with the LGA peer challenge recommendations.

### **Legal:**

There are no significant legal issues identified in this progress report.

### **Finance:**

<b>Budget Area</b>	<b>Implication</b>
General Fund – Revenue Budget	none arising from this report
General Fund – Capital Programme	none arising from this report
Housing Revenue Account – Revenue Budget	none arising from this report
Housing Revenue Account – Capital Programme	none arising from this report

### **Risk:**

<b>Risk</b>	<b>Mitigation</b>
Lack of focus for further organisational improvement leading to a decline in performance.	Monitored delivery of LGA key recommendations  Continuous review and enhancement of performance, project and financial management frameworks.

### **Human Resources:**

No impact.

### **Equalities:**

No impact.

### **Other Implications:**

None

### **Reason(s) for Urgency**

Not applicable

### **Reason(s) for Exemption**

Not applicable

**Background Papers**

[LGA Peer Challenge Report March 2017](#)

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