

**REPORT OF: STEPHEN WALFORD, CHIEF EXECUTIVE**

**PEER CHALLENGE – IMPROVEMENT & OUTCOMES**

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| <b>Cabinet Member</b>      | Cllr Clive Eginton, Leader of the Council |
| <b>Responsible Officer</b> | Stephen Walford, Chief Executive          |

**Reason for Report:** On 6-9<sup>th</sup> March 2017, the council received a delegation of external officers and members to conduct a 'peer challenge review'. The process generates a review report which contains a number of specific recommendations for the council to consider. This report updates scrutiny committee on that process and outlines how this process will be contributing to the council's improvement programme moving forward.

**RECOMMENDATIONS:**

**That the committee note the progress as outlined in this report.**

**Relationship to Corporate Plan:** The purpose of the peer challenge was to provide some review at the level of corporate impact, including our corporate plan. In addition, they were specifically asked to provide their views on the ability of the leisure service to meet the assumptions set out in the adopted medium term financial plan (MTFP).

**Financial Implications:**

No direct implications arise from this report.

**Legal Implications:**

No direct implications arise from this report.

**Risk Assessment:** Continuing to improve the way in which the council does business, and its ability to make efficiencies in service provision or find new income-generating revenue streams, has a direct bearing on the council's future ability to provide services for the public in Mid Devon.

**Equality Impact Assessment:** No equality issues identified for this report.

**1.0 BACKGROUND**

- 1.1 The Local Government Association's (LGA) 'peer challenge' process is part of the sector-led improvement programme funded by the Department for Communities and Local Government (DCLG) to assist councils in their continued improvement, to share wider learning and best practice, and ultimately to help councils move forward in their self-determined directions with the input of wider expertise and experience.
- 1.2 The Chief Executive has regular discussions with the LGA and, during 2016, discussed the potential for a peer challenge at Mid Devon. This was sought, at this time, for a number of reasons:

- 1.2.1 The timing would mark 4 years since the last review took place.
  - 1.2.2 The timing would allow for reflection on the first 12 months with a new Chief Executive in place, and with a revised (officer) leadership team fully in place (although it should be noted that the 'Director of Operations' started on the day the peer challenge commenced).
  - 1.2.3 The council's corporate plan was newly-adopted at the start of 2016.
  - 1.2.4 A number of strategic decisions had been taken throughout 2016 that set the direction and tone for the council's journey going forward. It seemed timely, therefore, to understand external views on this intended direction of travel, before getting too far along the journey...
- 1.3 As such, the peer challenge was agreed for, and subsequently took place in, March 2017.

## **2.0 THE PROCESS**

- 2.1 In advance of the week on-site, the council prepared in a number of specific ways. Firstly, the council worked with the LGA to produce an agreed brief for the peer challenge. This essentially becomes the terms of reference for the incoming peers. Secondly, it had to agree the panel of external reviewers (this comprises both officers and elected members, and suitable CVs are proposed by the LGA review manager depending on the needs of the agreed brief). Finally, the council prepares a 'position statement' for submission to the peer team ahead of the visit.
- 2.2 The council's position statement was produced by the Chief Executive, and is available on the council's website (see background papers).
- 2.3 During the time on-site, the peer team conduct a wide range of interviews or structured discussions with individuals or groups, covering internal and external people, including staff, elected members, key partners, neighbouring authorities, business representatives and charity/3<sup>rd</sup> sector. This is to ensure a wide range of views are gathered.
- 2.4 At the end of the time on-site, a feedback presentation is given to the council, and this is followed up with an official report a few weeks later. Note that while the report was received in April, it was not published until after the county elections in May.
- 2.5 The full report is available on the council's website (see background papers).

## **3.0 THE OUTCOMES**

- 3.1 Going through the 'process' itself, yielded a number of benefits. This could be described as having an opportunity to hold a mirror in front of the organisation – with the inevitable learning and self-diagnosis which comes from that.
- 3.2 However, the key recommendations of the report are outlined in full below for information and discussion:

- 1) *Produce a vision to describe what the council will look like in five years' time to achieve collective buy-in*
- 2) *Produce linked strategies on transformation, commercialisation, asset management and workforce planning to underpin the priorities set out in the Corporate Plan*
- 3) *Produce a longer-term savings plan that mirrors the time frame of the Medium Term Financial Plan (MTFP) and includes projected savings from transformational programmes and projects that will yield up the necessary resources to invest in the council's priorities*
- 4) *Produce an economic development plan that conforms with Exeter and Heart of Devon strategy for economic growth and prosperity but provides greater detail on what this will look like for Mid Devon, the benefits that will be delivered, and how this will be achieved*
- 5) *Ensure that major projects are supported by a robust business case agreed by the council*
- 6) *Ensure that major transformational change programmes and projects are managed by proportionate arrangements for project and programme management by having regard to their scale and importance for enabling the council to deliver its priorities*
- 7) *Agree a strategy for influencing partners to win more external funding to support investment in major schemes in Mid Devon*
- 8) *Review internal and external communications, along with community engagement, and take advantage of IT and social media efficiencies that can support these*
- 9) *Act on the staff survey findings to demonstrate a visible response to potential areas of staff concern and a commitment to act on these where necessary*
- 10) *Continue with the commitment and resources to work closely with developers to build out consented housing allocations and ensure that approved development can progress in a timely fashion.*

- 3.3 As can be seen from the above list, a number of themes emerge where the recommended approach correlates to the intended direction of travel, with the underlying message perhaps being to 'hurry up' on change and the structural machinery needed to implement this.
- 3.4 While a number of steps have been taken already (e.g. organisational design framework, organisational values, managerial competencies, MTFP and efficiency statement, refreshed council constitution, revised staff survey, new approaches to member engagement and development), there remain a number that are in progress and ones which are still on the 'to do' list (performance framework refresh, business transformation programme, staff charter, comprehensive benefit-tracking and realisation, strategic options appraisal and business case development for discrete service change etc).
- 3.5 Inevitably this largely comes down to the capacity within the leadership team and wider management function to drive change on a multitude of fronts simultaneously. Mid Devon has not historically had a designated 'business change' function, and the use of consultant support that might accelerate such a programme has been resisted. Nevertheless, it is imperative that capacity is given to designing and shaping the future of service provisioning in order that the council can plot a journey to a preferred version of the future, rather than simply ending up there and working out how to cope...

#### 4.0 **NEXT STEPS**

- 4.1 Common to all major change processes, the success of any business transformation will depend on leadership, the ability of our staff to influence change, shape, embrace and implement it, and to ensure that our customers and service users understand why, what, how and when.
- 4.2 The council is facing continued and prolonged challenges, particularly in relation to all Revenue Support Grant (RSG) from government disappearing by 19/20, with (currently) no sight of what mechanism the government intends to roll out by way of 100% business rate retention. In this uncertain time, the role of elected members in not only steering a course but owning our direction will be critical.

**Contact for more Information:**

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**List of Background Papers:**

Mid Devon Position Statement, February 2017

<https://www.middevon.gov.uk/media/343475/mid-devon-position-statement.pdf>

Corporate Peer Challenge Report, March 2017 (published May 2017)

<https://www.middevon.gov.uk/media/343471/mid-devon-dc-corporate-peer-challenge-3-april-2017.pdf>