North Somerset Council

REPORT TO THE EXECUTIVE

DATE OF MEETING: 18 OCTOBER 2016

SUBJECT OF REPORT: LOCAL GOVERNMENT ASSOCIATION CORPORATE PEER CHALLENGE – FEEDBACK & ACTIONS

TOWN OR PARISH: ALL

OFFICER PRESENTING: CHIEF EXECUTIVE OFFICER

KEY DECISION: N

RECOMMENDATION

The Executive is asked to:

i. Consider the findings and conclusions from the recent Local Government Association (LGA) Corporate Peer Challenge

ii. Review the actions taken in response to the findings and main recommendations from the Corporate Peer Challenge Team (Section 3.5); and

iii. Identify any additional actions officers should pursue to address the review findings.

1. SUMMARY OF REPORT

The Corporate Peer Challenge feedback report is attached as an appendix to this report.

This report summarises the feedback from the Corporate Peer Challenge Team and provides an overview of the actions taken in response to the feedback and key recommendations.

The Corporate Peer Challenge of North Somerset had a particular focus on the council’s approach to growth and regeneration.

2. POLICY

Corporate Peer Challenge supports the council’s Corporate Plan ambitions to drive growth in the North Somerset economy and local jobs, and ensure excellence in resource management.
3. **BACKGROUND**

3.1 **Approach to Corporate Peer Challenge**

Corporate Peer Challenge is a core element of the LGA sector-led improvement programme, and is one of the ‘free of charge’ improvement tools available to local councils. All local authorities are encouraged to participate in a Corporate Peer Challenge. The current programme has received high levels of support, since 2011 circa 70% of local authorities have participated.

Unlike previous statutory inspection frameworks which made comparison with national targets, benchmarks and followed a set line of enquiry, Corporate Peer Challenge is improvement focused and is aimed helping to address known challenges through sharing knowledge and experience and providing access to experienced members and officers from local authorities with similar issues.

We asked that the Corporate Peer Challenge in North Somerset provided a view on our current plans and approach to driving growth in the North Somerset economy.

3.2 **The Corporate Peer Challenge Team & Review Process**

The composition of the Peer Challenge Team reflected the emphasis of the review on ‘growth and regeneration’:

- Neil Davies, Chief Executive, Medway Council
- Cllr Alan Jarrett, Leader, Medway Council
- Simon Machen, Corporate Director of Growth and Regeneration, Peterborough City Council
- Sophie Ellis, Assistant Director of Business Improvement, London Borough of Merton
- Peter Geraghty, Head of Planning and Transport, Southend on Sea Borough Council
- Paul Clarke, Challenge Manager, Local Government Association

The Peer Team prepared for the Corporate Peer Challenge by reviewing our self-assessment and a range of policies, plans and other documents to ensure they were familiar with North Somerset Council and the challenges we are facing prior to undertaking their review. The team spent four days on-site (27th to 30th June 2016) to complete their assessment.

The team spoke to more than 110 people, attended 40 meetings and collectively spent more than 260 hours on-site to determine their findings – the equivalent of one person spending more than 7 weeks undertaking a review.
3.3 Scope and Focus of the Corporate Peer Challenge

In addition to the focus on ‘Growth & Regeneration’, the Corporate Peer Challenge considered the following questions as areas critical to an organisation’s level of performance and capacity for improvement:

- Does the council understand its local context and place and use that to inform a clear vision and set of priorities?

- Does the council provide effective leadership of place through its elected members, officers and constructive relationships and partnerships with external stakeholders?

- 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?

- Does the council have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully?

- Is organisational capacity aligned with priorities and does the council influence, enable and leverage external capacity to focus on agreed outcomes?

3.4 Summary of the Corporate Peer Challenge Findings

The following sections extract the key elements from the Corporate Peer Challenge Executive Summary and main report.

The full report is attached as an appendix.

3.4.1 Main Findings

North Somerset Council has strong, purposeful and driven political and managerial leadership. In partnership, that leadership is striving to create a more prosperous unitary area and contributing towards a more prosperous West of England too. It has real ambitions and a compelling plan for regeneration and is already delivering on this. These ambitions, plans and actions are, in our view, transformational.

The council has been a real change agent in creating and stimulating the growth agenda for North Somerset.

Your growth and regeneration ambitions, also importantly your achievements so far, are of the first order.
We were impressed at your arrangement with the Homes and Community Agency and their commitment to North Somerset. The Local Enterprise Partnership absolutely believes that you will deliver what you say you will. Your business community, other councils, your very impressive airport, and your key partners all completely support your intent.

The reason for the commitment and buy-in is twofold. As one stakeholder told us ‘the Leader and Chief Executive walk the talk on growth’ and that is why you are seen as credible. The other reason you are viewed as credible is you deliver. We saw at first hand a range of projects delivered, or on schedule, - Junction 21, The Hive, Dolphin Square, Winter Gardens, etc.

We were very impressed with the range of public realm improvements you have undertaken and your plans for the future, especially the way you plan to connect the seafront through to the town and re-energise your wonderful architectural heritage.

You have a strong and improving educational sector, specifically Weston College and the Legal and Professional Services Academy proposals are impressive.

We were really impressed about the way you engaged in, promoted and benefitted from the Banksy exhibition last year. It is important that you capitalise fully on the potential for culture to help drive regeneration, which we believe is a very important ingredient of your growth agenda.

3.4.2 Understanding of Local Context

North Somerset Council has a clear understanding of the key challenges and opportunities for the area and for itself as a council.

The council’s regeneration and growth plans seek to directly address, amongst other things, improved health outcomes, more employment opportunities, more quality housing as well as the financial sustainability of the council as it stimulates the growth of the economy and prosperity of its residents.

There is a clear sense of place, for example the prioritisation of Weston-super-Mare as the focus for sustainable growth is critical to the council’s future plans and we also heard and saw ambitious plans for improvement and growth in many of the towns and villages across the area.

We saw appropriate, comprehensive, ‘live’ and iterative strategies such as the developing economic plan for the area.

We met with partners who understand, share and have prioritised these same aims and also feel that the council reciprocates this arrangement well.
3.4.3 Does the council provide effective leadership of ‘Place’?

The council has real ambition for the area and the council itself. At the heart of that is the driven leadership of the Leader of the council and its Chief Executive, and importantly we felt there was clear political and managerial support and buy-in across the council. The council works tirelessly with its partners to lead and shape its area. We were very impressed with the range, sense of purpose, real ambitions and results that are being delivered.

You have a truly unique and progressive partnership with the Homes and Communities Agency (HCA) which has created the impetus to unlock the potential of Weston-super-Mare.

The iconic Winter Gardens being transformed into the start of a University Centre and the speed and ambitions you showed in responding to the opportunity to work with Banksy to deliver ‘Dismaland’ last year was a real coup.

You have maintained a strong focus on supporting ‘early years’ and good standards and achievement in schools and this continues to be a priority for you.

3.4.4 Is there effective political and managerial leadership supported by good governance and decision-making arrangements?

Your vision ‘A great place to live where people, businesses and communities flourish. Modern, efficient services and a strong voice for North Somerset’ is driving forward your organisation.

The ambitions for ‘place’ and council are very self-evident. These ambitions are transformational for both. They are jointly and effectively owned by your senior politicians and officer leaders.

This proactive leadership is reflected in positive councillor/office relationships which starts, at its core, with the Leader and Chief Executive. In our view this engenders trust and a joint sense of purpose. We felt there was collective ownership across the piece and that this was also underpinned by a will and determination to influence positive change.

We saw mature approaches to your arrangements for policy development and performance review, particularly within your political governance arrangements. This also extended to very effective ways through which you enact formal and informal scrutiny.

Given the range of ambitions and partnerships it is important that you have strong and focused governance and we found that you do.
You are a nimble, agile council with a ‘can do’ culture and continue to embed sound principles in respect of ‘One Council’.

We had the opportunity to see your very progressive values and positive behaviours being both owned and demonstrated by your enthusiastically engaged staff and you have put place an impressive leadership development programme which also serves to reinforce ownership of your Corporate Plan and core values.

Your performance management systems are effective and well understood.

3.4.5 Does the council have a financial plan in place to ensure long term viability?

The council has a good track record of budgeting and financial management. In the last six years savings in excess of £55m have been identified during budget setting, with annual outturn reports delivering either a balanced position or an underspending.

We saw evidence of a pragmatic Medium Term Financial Plan and that there is regular and effective financial management and reporting of both revenue and capital. Finance features prominently in senior management discussions and are collectively owned.

We found very good linkage between the council’s medium term financial plan, its corporate plan and importantly how it both funds and manages the current organisational transformation programme. Going forward the financial prognosis looks positive as the council is promoting a growth agenda, encouraging businesses into the area, seeking to build more houses, and hence to be financially self-sufficient with increased council tax and the retention of business rates.

We saw evidence of sound efficiency planning and creative funding solutions being explored and delivered.

We were made aware of the ever increasing focus on prevention as part of the council’s plans to tackle demand pressures. Combined with other measures to increase funding and capacity, this in our view should be an area of increased focus going forward

3.4.6 Is organisational capacity aligned with priorities?

You have worked to good effect in recent years to make the very best of your assets. You have transformed your working environment and helped deliver savings and improved your productivity.

Your workforce is motivated and committed and feel they have the skills to deliver the task they have been set. You have a very positive approach to staff
development. We met with many of your staff and partners and both groups spoke about how effectively you develop staff. These views were reinforced through the very positive outcomes from your staff surveys.

Partners spoke positively about your capable staff, particularly in relation to your regeneration plans. You have an excellent track record of successfully attracting funding and bidding for resources.

You have secured over 300 jobs for North Somerset and 60 apprenticeships thus far with your contract with Agilisys. You have been adept at using this partnership both strategically and pragmatically to lever in capacity where needed.

Through your Transformation Programme, we saw effective operation, systems of assurance and monitoring in place.

Your ambition and zest to achieve your goals are truly inspiring and your underpinning programmes to deliver against them are impressive.

3.5 Key Recommendations

The actions taken in response to the main recommendations from the Corporate Peer Challenge are summarised below:

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<td>Review the general engagement and communication strategy ensuring that it is more proactive to help you more effectively achieve your priorities. As part of this improve the branding and identity of North Somerset Council as a unitary council</td>
<td>The Corporate Peer Challenge findings will inform the review of the council’s Communication Strategy. An early 'win' we have already implemented is to avoid the use of the word 'district' when referring to North Somerset. We also acknowledge the need to continue to develop the marketing of W-s-M Town Centre regeneration in the context of supporting our wider Corporate Plan ambitions to ensure all our communities share in prosperity and employment growth and protects the special character of our villages.</td>
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<td>Undertake and complete a thorough review of all assets to determine how they might support the growth agenda</td>
<td>We will continue to review our assets in line with the growth agenda. In addition to major sites such as the Weston-super-Mare Police Station/Magistrates Court, Locking Parklands and</td>
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<td>covenants held over land, we will also look at various other small sites including the Ward by Ward assessment of council land holdings. We will also consider business cases for possible strategic acquisition of assets if appropriate and financially viable.</td>
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<td>Ensure future spending plans are robust by reviewing all existing revenue and capital funding sources to determine any resources which can be redirected to support the council’s priorities</td>
<td>This has commenced through ‘top slicing’ non-ringfenced capital grants to create a ‘headroom’ of circa £15m for capital investment prioritisation over the next four years. Revenue growth income has been factored into our MTFP calculations and kept under constant review.</td>
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<td>Create additional funding opportunities, capitalise costs as much as possible, particularly where projects are externally funded</td>
<td>We will continue to work closely with the Homes and Communities Agency, (HCA), and bid for further grant funding, wherever feasible, to maximise investment into North Somerset. We have recently submitted bids to the Coastal Communities Fund and Great Places pilot, and have been awarded development funding for the One Public Estate initiative. We will capitalise as much qualifying costs as possible – and will continue to challenge and review our capitalisation limits at regular intervals.</td>
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<td>Fully develop and implement a cultural strategy to compliment the exciting physical regeneration plans</td>
<td>We are working with organisations, including the Arts Council, Historic England, UWE and Weston College to develop a culture strategy for North Somerset. We are also mapping existing cultural activity, and growth opportunities, and are in the early stages of forming a Culture Board to guide and oversee implementation of projects and initiatives. The strategy will have a specific focus on the role of culture in supporting</td>
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<td>economic development and regeneration and will be embedded within our emerging Local Economic Plan.</td>
<td>The Leader, Deputy Leader and senior council officers continue to play an active and high profile role in key West of England partnerships. For example, North Somerset is the lead Unitary Authority on Hinckley Point C.</td>
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<td>As well as specifically helping to co-ordinate cultural development projects within the Weston-super-Mare town centre programme, a strategic approach will help take forward the intentions in the Government <em>Culture White Paper</em> and translate the opportunities into local projects and add value to existing programmes.</td>
<td>West of England Chief Executives have agreed in principle that existing structures (in particular the Strategic Leaders Board, Investment Board and Local Enterprise Partnership Board) should continue to oversee key initiatives such as City Deal and the Joint Spatial Plan.</td>
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<td>Consider how the voice of North Somerset Council can be maintained and promoted in the light of the West of England Devolution decisions</td>
<td>Our response to the consultation on the proposed Mayoral Combined Authority asked the Secretary of State to ensure that arrangements for the Mayoral Combined Authority support wider West of England partnership working.</td>
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<td>The Leader and Chief Executive will continue to ensure North Somerset Council plays a proactive and constructive role in the West of England.</td>
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4. CONSULTATION

The Corporate Peer Challenge Team spent time with more than 110 people during their time at North Somerset, including a range of council staff, elected Members and external partners and other stakeholders.

5. FINANCIAL IMPLICATIONS

Corporate Peer Challenge is undertaken at no additional cost to the council. The planning, coordination and all costs associated with the Review Team are met by the Local Government Association.

6. RISK MANAGEMENT

The Corporate Peer Challenge confirmed the need for a proportionate approach to governance and risk management as growth and regeneration delivery plans and delivery models, such as joint venture company structures, are considered.

7. EQUALITY IMPLICATIONS

The Corporate Peer Challenge highlighted that the council’s regeneration and growth plans seek to directly address, amongst other things, improved health outcomes, more employment opportunities and more quality housing as it stimulates the growth of the economy and prosperity of its residents.

8. CORPORATE IMPLICATIONS

The Corporate Management Team are actively addressing the review findings and recommendations and Members are asked to identify any further actions for officers to pursue.

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BACKGROUND PAPERS
‘The LGA’s Corporate Peer Challenge Offer’ publication