

Meeting:	Cabinet
Meeting date:	Thursday 28 June 2018
Title of report:	Corporate Peer Challenge
Report by:	Cabinet member corporate strategy and budget

Classification

Open

Decision type

Non-key

Wards affected

(All Wards);

Purpose and summary

To consider the findings of the recent Local Government Association (LGA) corporate peer challenge and agree how those findings will be used to inform improvement plans.

Herefordshire Council recently took up the offer of an LGA corporate peer challenge, recognising the opportunity this provided to have an independent and objective assessment of the council's achievements and plans to continue the journey of improvement.

The report of the peer team's findings identifies areas of success and good practice, and suggests actions that could be taken to enable us to achieve more. The recommendations propose ways in which those suggestions can be taken forward.

Recommendation(s)

That:

- (a) the approach (at appendix 1) to responding to the recommendations from the corporate peer challenge be approved.**

Alternative options

1. To take no action. This is not recommended because the value of considering the issues raised by the peer team as part of the council's commitment to continuous improvement would be lost.
2. To develop a specific action plan in response to the peer team's recommendations. This is not recommended because improvement activity is already underway or planned in many areas. The recommendations of the peer challenge team will inform this work; establishing a separate action plan would add to the bureaucracy of monitoring and reporting without necessarily adding value to the improvement.
3. It is open to Cabinet to agree different approaches to taking forward the recommendations; in doing so regard should be had to existing and planned improvement activity to ensure alignment of activity and best use of resources.

Key considerations

4. Towards the end of 2017 Herefordshire Council invited the Local Government Association (LGA) to carry out a corporate peer challenge. The corporate peer challenge is the most robust independent, external full council assessment, review and challenge process available to local government and is strongly advocated by government. It is seen as an important opportunity for councils to benefit from external objective assessment of its leadership, its performance, its achievements and its plans – and to receive suggestions on how it could improve further. Herefordshire Council is committed to continuous improvement so we saw this as vital. We were delighted that the peer challenge team were very positive about so much that they saw in our council; we were also pleased to receive the helpful suggestions as to how we can keep improving.
5. There are five core elements reviewed in all corporate peer challenges:
 - local place and priority setting;
 - capacity to deliver;
 - leadership of place;
 - organisational leadership and governance; and
 - financial planning and viability
6. In addition the peer team were asked to provide their views on scrutiny, organisational culture, policy development, and decision making. A full list of the questions that the team were invited to consider is on pages 35 and 36 of the council's [position statement](#).
7. The challenge team consisted of seven peers - elected member and officers whose experience and expertise reflected the requirements and focus of the challenge. The team prepared for the peer challenge by reviewing the council's position statement together with a range of supporting documents and information, to familiarise themselves with the council and its challenges in advance of a four day site visit in February 2018. During their time in Herefordshire the team spoke to over 100 people including elected members and staff from across the council and a range of partners, and gathered information from almost 40 meetings. Full details of the team and their findings are contained in their report attached at appendix 2.

Key messages from the peer challenge

8. The results of the peer challenge are positive finding a number of strong foundations for progress in place which can be summarised in three broad areas:

Commitment to and understanding of place

- ✓ Comprehensive understanding of the county and its challenges demonstrated by members and officers;
- ✓ Clear documentation of knowledge and vision in the corporate plan and joint strategic needs assessment;
- ✓ Clear identity with and commitment to Herefordshire across the council;
- ✓ An engaged workforce proud to work for Herefordshire.

People and resources

- ✓ Relatively secure financial position over the medium term provides a platform to realise the county's ambitions;
- ✓ Increased reserves;
- ✓ Officer and member relationships professional and sound;
- ✓ Evidence of effective cross-council working.

Delivery and improvement

- ✓ Within the council there is an appetite to learn, a desire to improve and awareness of key areas for change;
- ✓ Good understanding of the importance of scrutiny;
- ✓ CPIP (the council's continuous performance improvement programme) has a welcome focus on supporting better outcomes;
- ✓ Activity to make the council more digital;
- ✓ Many examples of successful service-based change projects;
- ✓ Successfully delivered significant financial savings;
- ✓ Evidence of improving revenue budget management and reporting;
- ✓ Review of the constitution;
- ✓ Directorate performance challenge sessions that encourage cross party member engagement;
- ✓ Strong evidence of the council working proactively with others;
- ✓ The 'One Herefordshire' approach to health and social care system transformation;
- ✓ Active role in assisting schools;
- ✓ Examples of strong place-based working;
- ✓ The council is a well-respected player at sub regional level punching above its weight to secure resources for the county.

9. The peer team also identified areas where activity or change would enable us to achieve more; these can be summarised in three broad areas:

10. *Taking the 'One Herefordshire' approach further* to develop a compelling narrative with our strategic partners setting out how the county needs to change and why, including developing and defining the council's relationship with communities and community engagement in order to achieve improved community resilience. The report noted opportunities to:

- Continue to look outwards to secure investment and other benefits;
- Develop and communicate Herefordshire's 'unique selling point' (USP);

- Focus on how we support communities - developing a more strategic, collaborative and corporate approach to building more resilient communities including the relationship we have with parish councils;
 - Ensure partnership working is embedded across all parts of the organisation.
11. *Developing a 'One Council' approach* which would help us be more effective through planning and acting more consistently as a whole council rather than in directorates or services – the whole being greater than the sum of the separate parts. The report noted opportunities to:
- Carry out a strategic review of resources and financial planning to ensure resources are aligned to strategic priorities;
 - Develop a more corporate approach to identifying, scrutinising, delivering and monitoring savings;
 - Continue steps to improve governance and project management complemented with corporate learning and development activity;
 - Develop a strategic cross-council approach to transformation, including a strategic approach to workforce activities;
 - Invest in member and employee development to support achievement of the council's corporate priorities;
 - Create more space for the political and officer leadership to work together strategically;
 - Define and embed the right values and behaviours as well as carry out structural changes.
12. *Underpinning the One Herefordshire and One Council approaches with clear and confident communications.* The report noted opportunities to:
- Build on our success and be confident in our political and community leadership;
 - Develop a council-wide communications plan to deliver a more proactive and co-ordinated approach to external communications so that key messages are shared and achievements celebrated.
13. The peer team made nine key recommendations to the council and the initial assessment of the response to those recommendations is provided at appendix 1.
14. It is not proposed to have a corporate peer challenge action plan but rather to ensure the recommendations are used to inform strategic and operational planning going forward.
15. As part of the LGA corporate peer challenge offer all councils have the opportunity for a follow up visit around 18 months after the initial challenge has taken place. It is anticipated that this follow up visit will be scheduled for summer 2019.

Community impact

16. In accordance with the adopted code of corporate governance, Herefordshire Council is committed to promoting a positive working culture that accepts, and encourages constructive challenge, and recognises that a culture and structure for scrutiny are key elements of accountable decision making, policy development, and review.
17. Inviting a corporate peer challenge, and publically reporting its outcome helps to ensure that the council establishes and maintains appropriate systems, processes, culture and values in order to achieve the council's vision of "people, organisations and businesses

working together to bring sustainable prosperity and well-being for all, in the outstanding natural environment of Herefordshire” and uphold its values of striving for excellence, and the appropriate quality of service, care and life in Herefordshire whilst being open, transparent and accountable.

Equality duty

18. Under section 149 of the Equality Act 2010, the ‘general duty’ on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
19. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying ‘due regard’ in our decision making in the design of policies and in the delivery of services. As this decision does not directly affect the council’s policies or delivery of services, we do not believe that it will have an impact on our equality duty.

Resource implications

20. There are no resource implications arising from the recommendation. The approach proposed is to integrate the response to the recommendations into existing or planned improvement and corporate planning activities. Any resource implications associated with individual activities will be subject to the normal governance processes before being progressed.

Legal implications

21. The council’s duty under the Local Government Act 1999 to secure best value in the delivery of all its services and functions is effectively a duty to seek continuous improvement and to invite scrutiny of the council’s performance in delivering for the communities of Herefordshire. This corporate peer challenge informs and supports the council in meeting its legal duties.
22. There are no significant legal implications arising from this report; if, as a result of the recommendations of the corporate peer challenge, changes to council services or to the council’s workforce are proposed, these will be subject to appropriate levels of engagement and consultation as specifically required in each individual situation.

Risk management

23.

Risk / opportunity	Mitigation
If the recommendations are not responded to there is a risk that opportunities for improvement are not taken.	The proposed response to the recommendations ensures that the issues raised will be taken into consideration as part of the councils strategic and operational planning.

Consultees

24. The peer challenge team took account of the views of elected member representatives, employee representatives, and a wide range of partners and stakeholders to inform their recommendations.
25. Political group leaders have been advised that their suggestions on ways of taking forward the improvement activity would be welcomed for consideration. The It's Our County and the Green groups have provided their groups' views about the recommendations made by the peer challenge team. The It's Our County group included the following specific suggestions:
- Basing a 'USP' for Herefordshire on its unique rurality and positioning the county, in economic and wellbeing terms, as a high-end 'quality of life' location: unspoilt countryside, good small schools, niche high-tech, engineering and creative sectors, world-class food and drink production, caring communities;
 - An approach to developing resilient communities that includes: Participatory budgeting for parish councils; a proper dialogue about resourcing valued local services through, for example, enabling the city and market towns to retain income from car parking to support local service delivery; recognising the community well-being dimension of services such as libraries, culture and leisure; enabling volunteers and community groups to feel properly supported and empowered to achieve what the council needs them to provide; and
 - Considering a restructuring of directorates to ensure inter-connectedness.
26. The Green group included the following specific suggestions:
- Herefordshire's outstanding natural environment should be at the heart of the council's long term vision and the county's USP and the council could develop a 'three-legged' (social, economic and environmental) vision for the county;
 - Scrutiny committees could play an enhanced role in checking the impacts of policies;
 - Improve communications with members re council performance and implementation of improvement activity; and

- Develop a more strategic, long-term vision for in-house provision of public services, and invest in developing the council's workforce accordingly.
27. The response to the recommendations proposed at appendix 1 recognises that much of the work to progress the improvement activity is already underway or planned and the views of stakeholders, including members, will inform the development of future strategies.

Appendices

Appendix 1 – Proposed response to recommendations

Appendix 2 – Local Government Association Corporate Peer Challenge

Background papers

None identified