

## **Corporate Peer Challenge Follow Up**

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### **Purpose of the Report**

1. In March 2017, South Somerset District Council (SSDC) underwent a Local Government Association (LGA) Peer Challenge by a team from councils across the country. This was critical in providing an independent assessment of our plans for the future, and how robust and deliverable they were, before we fully embarked on their delivery. The full report from the Peer Challenge Team was presented to District Executive in July 2017.
2. On 23 October 2018, we welcomed back the LGA Peer Challenge team, to assess our progress since their last visit.
3. This report provides an update to District Executive regarding the follow up visit from the Peer Challenge Team. The full feedback report is attached at Appendix 1.

### **Forward Plan**

4. This report appeared on the District Executive Forward Plan/ with an anticipated Committee date of January 2019

### **Public Interest**

5. This report updates on the findings of the Corporate Peer Challenge follow up review of the Council. A Peer Challenge is a core element of the LGA sector led improvement offer to local authorities. Peer challenges are managed and delivered by the LGA for the sector. They are improvement focused, recognising that all councils always have scope for improvement.

### **Recommendation**

6. That the District Executive note the findings of the Peer Challenge Follow up Team, as set out in their report attached at Appendix 1.

### **Background**

7. On 23 October 2018, we were delighted to welcome back the LGA Peer Challenge team to assess our progress since their last visit. The team focussed on how we've addressed the issues highlighted in their original report. Whilst we could not involve everyone in seeing the team on the day, the team met with staff and Members from across the organisation, as well as some of our key partners, to form an updated view on our progress.
8. Specifically, we asked the Peer Challenge Team to focus on:
  - Overall Transformation Programme: to examine progress so far, benefit realisation, governance and next steps. We also asked them to consider impact on the management and culture of the Council.

- Commercialisation Programme: to examine progress so far (including on land and property), benefit realisation, appropriate focus, governance and possible next steps.
  - Finance and Corporate Management: how the transformation and commercialisation programmes have impacted on the Council's finances and overall soundness of the Council's financial position.
  - Economic and Community Regeneration: to examine the Council's plans for regeneration now that it has progressed its internal transformation.
9. We deliberately chose to have the follow-up visit prior to completing our Transformation Programme to make sure we are in the best possible position to succeed. This also meant that we would be able to use any learning from the Team with regarding to delivering the final stages of the programme.

### **Findings of the Peer Challenge Follow up visit.**

10. The full report is attached at Appendix 1. There were 10 key messages identified in the report:
1. The Council has taken decisive action and made good progress on the first stages of its internal Transformation programme – although it recognises it still has much work ahead of it to complete its desired transformation. It has been successful in maintaining overall performance and staff morale during this difficult period.
  2. The peer team found the enthusiasm and commitment of staff to be truly remarkable given the level of change occurring and as high as any seen in most authorities.
  3. Most adverse feedback from staff was not about having to undertake the Transformation process but more a strong desire to 'get on with it' faster.
  4. It was noticeable that staff felt there had been a real change in management culture in most areas during the last two years and that support and openness had improved significantly.
  5. The Council's finances are managed prudently and with good self-awareness of the financial position. The result of its good financial management (and the effects of Transformation and commercialisation programmes) is that the Council has a short-term revenue financial position which is relatively positive compared to many other councils.
  6. Its commercialisation strategy is progressing with a good property investment approach although, outside of Commercial Services which have approved business plans, it is still in the early stage of implementation across most service areas and needs greater prioritisation.
  7. The good progress that has been made in Transformation and financial management is also allowing the Council to give greater emphasis to its desired economic and community regeneration activities.
  8. While the Council has dealt with some challenging issues so far, some of the hardest parts of Transformation are to come. The introduction of new working practices and channel shift in customer-facing services will place considerable strains on staff and members alike.
  9. A significant factor is that some members have not bought into the Transformation programme.
  10. The Council does have a good awareness of what still has to be done and committed leadership to do this.

11. The report concludes with eight recommendations. These are:

1. The next stage of your transformation will be the hardest - ensure your plan is realistic and appropriately resourced
2. Staff development should be a key strand within your next stage
3. The Council needs to ensure it remains focussed on the delivery of its Transformation Plans and that the resources directed towards this are maintained at appropriate levels with a view to ensuring swift implementation of redesigned service processes and the IT required to support new ways of working and the overall transformation.
4. Take advantage of the incoming council to embed the new working practices for all members
5. Commercialisation requires greater prioritisation, a clear business development process, and clearer policies to guide investment decisions and prioritisation
6. Be clearer in the decision making process as to purpose of investment projects – are they for profit or council service priorities
7. Office review and disposal is welcomed but should include making an early decision on the central civic offices
8. The Council has an ambitious programme around transformation, commercialisation and economic development & regeneration – it needs to ensure it remains focussed on its stated priorities and be mindful of the stretched capacity of the organisation in delivering the agreed priorities before considering additional priorities.

### **Response to Peer Challenge Follow Up**

12. The Peer Challenge follow up is an incredibly useful test of our progress in delivering the priorities of the council, transforming what we do and delivering on the recommendations they gave us in 2017.
13. The team provided a positive and accurate reflection of the progress we have made. One area that we would like to specifically highlight are the comments regarding our remarkable staff. This year has been disruptive for staff as we have embarked on an ambitious transformation programme. Despite the disruption and anxieties that staff have felt, they have continued to work hard and deliver good levels of service and fantastic results for our communities and customers whilst also engaging in transforming the organisation. They are committed to ensuring we deliver the best results we can for Members, the organisation and the communities we serve, and we are delighted that the Peer Challenge team saw this when they returned.
14. Our ambitious Transformation Programme delivers a newly positioned workforce in new roles alongside a new operating model, which is supported with new processes, systems and technology. The scale of this change across the whole organisational cannot be understated. It is akin to creating a new organisation. Whilst some of the temporary resource associated with the Programme comes to an end (as planned) at the end of January 2019 we know that the next steps of our Transformation Programme are going to continue to be challenging.
15. We have robust plans in place regarding transition, as we move the remaining parts of the Council (Service Delivery and Income Generation & Commercialisation teams) into their new roles, and most importantly to our new ways of working. We will continue to closely monitor the performance of

services and do our best to keep disruption to customers at a minimal and we will continue to be protect key service delivery areas while new ways of working are established and the new technology platform is fully operational in the New Year. Where necessary, we have, and will continue to, either create additional capacity from lower priority areas, or have had the opportunity to use additional funding for staffing on a temporary basis, to support service delivery through this transition period.

16. The work to embed our new ways of working, including the way we will serve our customers to adopt digital channels, will require significant effort and management. We have plans in place to ensure the appropriate resourcing, governance and monitoring continues during this key implementation phase.
17. We agree that we need to continue to invest in our staff, and have developed a People Strategy, which outlines how we will ensure our workforce is fully skilled and experienced to deliver the requirements of the organisation. We now have a specific Specialist role for Organisational Development who will work to ensure our focus on staff continues.
18. The Peer Challenge follow up also identified that more work was required to ensure that Members are fully behind the Transformations programme. During 2018 there has been a Members Working Group in place which has not only considered the way Members will work in our transformed council, but also Member development requirements. As we approach the 2019 elections, we have started work on a new Members Induction Programme, which takes forward the recommendations from the Members Working Group, and which will set out a clear offer to Members in terms of training, development and guidance. This will be integral to the success of our new ways of working as new processes systems and technology goes live throughout 2019.
19. 2018 has seen a lot of work undertaken to develop the Council's commercialisation approach in readiness for a rolling out more widely across the organisation. This process has begun with commercial training for all managers in the organisation. Throughout 2019, more detailed planning will take place with individual services to identify the potential commercial opportunities. Work will also be progressed on agreeing a company structure through which the Council can take forward trading activities. In relation to investments, adjustments will be made to the Council's investment process to clarify whether an opportunity is commercial or is aimed at delivering the one or more of the Council's other objectives. In addition, greater clarity will be added around the benefit for South Somerset communities that will be derived from the proposed investment.
20. Members will be aware that in July 2019 there will be a proposal regarding the office provision for us as a District Council, now that we have moved to a much more agile way of working and our office space requirement is very much reduced. This work is continuing and will come forward in July as planned.
21. Finally, the Peer Challenge Team commented on our requirement to keep focus on our key strategic priorities before adding in new or additional ones. We have invested considerable time over the last few months working with Members to identify the key priority areas and projects for the 2019/20 Council Plan. This will be coming forward in February and March for approval. Alongside this we have developed a new set of key performance indicators which monitor our progress on our Council Plan priorities and we will continue to ensure Members are kept up to date on progress for these. Throughout 2019 we will be implementing new ways of working such as Communities of Practice and Programme Management that will ensure we are focused on and direct resources towards delivering the Members stated priorities as set out in the Council Plan. This includes the Area Chapters where the Area+ arrangements will support us in delivering the different needs and priorities of our different communities.

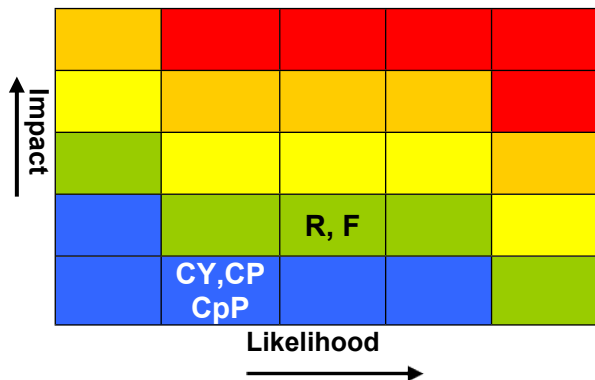
## Financial Implications

22. None relating to the recommendation in the report.

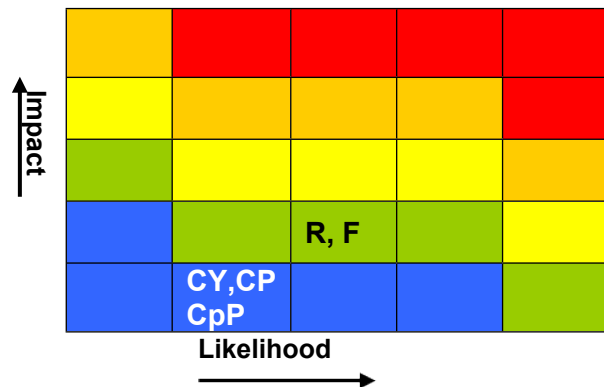
## Risk Matrix

The risk matrix shows risk relating to the Council Plan 2016-21 headings.

**Risk Profile before officer recommendations**



**Risk Profile after officer recommendations**



### Key

Categories	Colours (for further detail please refer to Risk management strategy)
R = Reputation	Red = High impact and high probability
CpP = Corporate Plan Priorities	Orange = Major impact and major probability
CP = Community Priorities	Yellow = Moderate impact and moderate probability
CY = Capacity	Green = Minor impact and minor probability
F = Financial	Blue = Insignificant impact and insignificant probability

## Council Plan Implications

23. As outlined above in paragraph 21.

## Carbon Emissions and Climate Change Implications

24. Not applicable.

## Equality and Diversity Implications

25. Not applicable

## Privacy Impact Assessment

- Nothing to note