

 Executive Committee –10th October 2012		Agenda Item No. 7
Title	Outcome of Warwick District Council's Peer Challenge	
For further information about this report please contact	Andrew Jones Andrew.jones@warwickdc.gov.uk (01926) 456830	
Wards of the District directly affected	None	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	N/A	
Background Papers	None	

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan?	Yes
Equality & Sustainability Impact Assessment Undertaken	N/A

Officer/Councillor Approval	Date	Name
Chief Executive	17 th September 2012	Chris Elliott
Deputy Chief Executive & Monitoring Officer	2 nd August 2012	Author
CMT	17 th September 2012	Chris Elliott Bill Hunt Andrew Jones
Section 151 Officer	17 th September 2012	Mike Snow
Portfolio Holders	17 th September 2012	Councillor Doody Councillor Caborn
Consultation & Community Engagement		
Final Decision?		Yes
Suggested next steps (if not final decision please set out below)		

1. SUMMARY

- 1.1 The report provides Executive with details of the outcome of the recent Peer Challenge.

2. RECOMMENDATIONS

- 2.1 That Executive notes the outcome of Warwick District Council's (WDC) Peer Challenge described in the report at Appendix 1.
- 2.2 That Executive agrees the improvement plan compiled by officers at Appendix 2 subject to any revisions it wishes to make.

3. REASONS FOR THE RECOMMENDATIONS

- 3.1 In July 2012, WDC participated in a peer challenge of its performance and activities. The challenge was undertaken by the Leader of Rushcliffe Borough Council, the Chief Executive of Cheltenham Borough Council and an Executive Director of Watford Borough Council with specialist support provided by a Local Government Association Review Manager.
- 3.2 The focus for the peer challenge was threefold:
- A 'light-touch' challenge of the council's current performance, particularly with regard to:-
 - Political and managerial leadership
 - Financial planning and viability
 - Governance and decision making
 - Organisational capacity
 - A challenge of WDC's 'Fit for the Future' (FFF) programme with regard to three specific questions:
 - Is the programme delivering what you want (and need) it to deliver?
 - Is there sufficient managerial and political leadership and capacity to progress the programme?
 - Does the programme continue to meet the council's future requirements?
 - How well does the Council harness its leadership and capacity to successfully implement the Local Plan and, as appropriate, adapts the FFF strategy to support this outcome?
- 3.3 The peer team engaged in interviews and workshops with a range of staff and elected members as well as partners. Two workshop sessions were also undertaken: on organisational change; and the Local Plan, to share experiences from peers with officers and members and enable a two-way dialogue. The full programme of interviews and workshops is shown at Appendix 3.
- 3.4 The peers' view of the performance of WDC is by-and-large very positive believing it is a very good Council but one that could be even better. Officers have therefore drafted an improvement action plan for Executive's consideration. Many of the actions have already commenced but the peer challenge has been very helpful in crystalising the focus on some areas. Subject to any revisions Executive wishes to make, officers will implement the Plan and report on progress to Executive in 12 months' time.
- 3.5 An Executive Summary of the report is provided within the main report but one could breakdown the report into Areas of Strength and Areas for Consideration.

So as to avoid reproducing the whole report, five headlines for each of those two areas are as follows:

3.5.1 Areas of Strength

The Council is an effective performer with good and purposeful relationships between senior officers and the Council's Executive;
The leadership of the Council (Member and officer) has a clear focus about the direction of travel for the organisation;
Community Forums were seen to be operating very successfully although Members and officers recognise that work is required to further improve their effectiveness;
The Council has solid financial management. The most recent Annual Audit Letter commends the Council on its strong financial position and robust arrangements to manage effectively the financial risks and opportunities;
The Scrutiny function is considered by both Members and officers to work well with an effective contribution to policy development and the financial and performance management of the organisation.

3.5.2 Areas for Consideration

The Council is wedded to a "Silo" approach to service delivery, which is re-enforced by the organisation's culture, despite making attempts to breakdown those boundaries. The Council should consider how it can truly function as One Council;
Good progress has been made with the development of the Local Plan but it is essential that full Council support is achieved prior to submitting the Plan for adoption;
Whilst the move away from targets has been positive, the Council needs to ensure it is receiving the right information to understand how it is performing;
The importance of cultural change, as described in Fit For the Future needs to be understood by the whole organization (Members and officers);
Organisational communication needs to be reviewed to ensure that it is tailored to reach all members of staff.

- 3.6 The peer team was asked to pay particular attention to the FFF programme and progress on the development of the Local Plan. These two areas had been identified by senior officers and the Council's political leadership as they are considered to be the most important strategic pieces of work.
- 3.7 With regard to the FFF programme, there was a clear understanding across the organisation of the programme itself and what it was trying to achieve. However, whilst good progress was being made in delivering efficiencies and savings and service levels were being maintained or improved, very limited progress was being made on cultural change. The peer team also identified some of the high risks associated with some assumptions in the financial strategy. Officers accepted the view on the finances but consider that the monitoring arrangements that have been put in place enable such risks to be properly managed.
- 3.8 The team also identified the risk that FFF is being perceived as only about savings. Officers recognise that communication with staff needs to improve.

However, the peer team acknowledges that the "council's strong financial performance and effective leadership and management puts it in a good place to meeting (sic) the future challenges and also allows the council to consider, more radically, what it is about and how it may deliver services."

- 3.9 At Section 4.3 of the peer team's report, the team questions whether more radical service delivery options than "keeping services in house" should be considered. Officers would take issue with this point as it is clear that the Council's services are already delivered through a variety of delivery models with the focus being on what is best for the customer. That said there is a clear political steer, described in Fit For the Future, that through a systems thinking approach, officers should in the first instance be ensuring that the current delivery models are as efficient and effective as possible. There seems little point in market-testing a service when that service has inefficiency and unnecessary cost built in.
- 3.10 However, this approach should not be seen as a bar to innovation. The Council has many examples of being innovative – shared services, Waterloo arrangements, third sector commissioning, major contract(s) review – and officers will continue to embrace the "blue-sky thinking" philosophy.
- 3.11 Turning to the team's consideration of the Local Plan, it was impressed with the political and officer leadership and felt that stakeholder engagement was effective. The team raised some questions about the evidence that is being relied upon and officers recognise that by the time it presents the draft Local Plan, it will need to have ensured that all the proposals are supported by robust evidence.
- 3.12 The peer team raises some important questions for officers to consider and through the Local Plan Programme Board, officers will need to ensure that these questions, and many more besides, have been adequately addressed through the course of the Plan's development.
- 3.13 Finally, the team imparts a very clear message about the role of Councillors in the development of the plan:

"there is a need for members to understand that in approving the Local Plan they are acting as District Councillors, i.e. as a member of the 'body corporate' and therefore being responsible for the Council and Warwick DC as a place. This requires adapting a different perspective than that of a ward Councillor and, at times, making decisions for the good of the 'whole' which may conflict with direct interests of parts of the local communities."

4. ALTERNATIVE OPTION(S) CONSIDERED

- 4.1 No alternative options were considered as it was considered to be essential to report the findings of the Peer Challenge to Executive.

5. BUDGETARY FRAMEWORK

- 5.1 There are no budgetary implications as a result of this report.

6. POLICY FRAMEWORK

- 6.1 The Peer Challenge has been very useful in helping senior officers and Executive understand whether they are doing the right things to help the Council achieve its vision of making Warwick District a great place to live, work and visit.
- 6.2 It is not considered that any policies will need revising as a result of the challenge but the findings will assist with strategic development.