

This Report will be made public on 6 December 2017

Folkestone

Hythe & Romney Marsh
Shepway District Council



Report Number **C/17/66**

To: Cabinet
Date: 14 December 2017
Status: Non-Key Decision
Head of service: Suzy Tigwell, Leadership Support Manager
Cabinet Member: Councillor David Monk, Leader of the Council

SUBJECT: LGA CORPORATE PEER CHALLENGE PROPOSAL

SUMMARY: This report outlines the purpose of a Corporate Peer Challenge review undertaken by the Local Government Association (LGA) and recommends that Cabinet approve to proceed with a Corporate Peer Challenge for Shepway District Council in 2018.

REASONS FOR RECOMMENDATIONS:

Cabinet is asked to agree the recommendations set out below because: The LGA provide a free tool that can help drive improvement. It provides an opportunity to look at the work the council does and invites a team of local government officers and Councillors as peers to provide challenge and share learning.

In light of the ambitious Corporate Plan agenda and continuing financial challenges facing the council, now is a good time to take stock of our position through this process.

RECOMMENDATIONS:

1. To receive and note report C/17/66.
2. To approve the Council undertakes an LGA Corporate Peer Challenge in 2018.
3. That an additional focus for the challenge is around Commercialisation to enable this area to be explored in terms of existing and future opportunities.

1. BACKGROUND

- 1.1 The LGA has been conducting Corporate Peer Challenges across councils since 2011. The LGA has delivered over 700 peer challenge reviews including nine of the Kent authorities (Canterbury, Gravesham, Kent, Maidstone, Tonbridge & Malling, Tunbridge Wells, Sevenoaks, Swale and Thanet).
- 1.2 The Corporate Peer Challenges are co-ordinated by LGA officers, with peer team members comprising of senior members/ officers of councils in membership of the LGA and, where required, additional expertise from private and third sectors, and central government. They are provided free of charge to LGA members, however, office accommodation and daytime refreshment costs will be required for the on-site visit.
- 1.3 It is important to note that a corporate peer challenge is not an inspection. The peer team would come to Shepway at the invitation of the District Council in order to inform further improvement and learning of the council and how well placed we are to deliver the challenges facing us. The approach is more open and discursive than an inspection and provides a 'critical friend' perspective.

Why now?

- 1.4 Shepway District Council is considering the benefits of exploring a peer challenge that would provide an in-depth look at SDC's work around commercialisation. The challenge would provide external recognition for the things it believes it is doing well, and also highlight if there are any things it can learn from other councils in light of best practice elsewhere. A Corporate Peer Challenge will help with this through the provision of an independent team that will give their view of the way the council works and improvements we could consider. This will give us the opportunity to take stock and reconsider what is achievable for the council in the years ahead.

What does a Peer Challenge focus on?

- 1.5 In general, a LGA corporate peer challenge focuses on areas that provide reassurance about performance and the ability and capacity to deliver on future proposals and ambitions, as well as other areas agreed with the authority receiving the challenge. It will:
 - Provide an external perspective of major change and transformation projects to help inform and challenge options for the future
 - Explore and test thinking on new ways of working, service delivery and relationships with citizens and or partners
 - Provide feedback and observations on the realism, robustness and relevance of plans to support key priorities such as economic growth
 - Inform the corporate strategy, comment on the council's readiness for the future, and its current trajectory and rate of change
 - Provide feedback on how the council is working with partners, and harnessing internal capacity and leadership, to deliver priorities

- Provide external perspective, observation and critical friend challenge on the financial Strategy helping to assess the impact of joint working between two councils in terms of improved service delivery and efficiency gains.

2. THE PROPOSED PEER CHALLENGE FOR SHEPWAY

2.1 Every peer challenge has five core themes. These are:

- **Understanding of the local place and priority setting:** Does the council understand its local context and place and use that to inform a clear vision and set of priorities?
- **Leadership of place:** Does the council provide effective leadership of place through its elected members, officers and constructive relationships and partnerships with external stakeholders?
- **Financial planning and viability:** Does the council have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully?
- **Organisational leadership and governance:** 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?
- **Capacity to deliver:** Is organisational capacity aligned with priorities and does the council influence, enable and leverage external capacity to focus on agreed outcomes?

2.2 In addition to the traditional core components of a Peer Challenge, additional focus can be added if required. In discussions with CMT, the Leader and the LGA Adviser it is suggested that Shepway considers the benefits of exploring a more in-depth look at its work around commercialisation as part of such a review.

2.3 To ensure that a peer challenge focussing on commercialisation would be comprehensive, it is essential to take a view of the way in which the council is approaching commercialisation in the round. As experience shows, if commercialisation work is not underpinned by clear prioritisation, strong political and managerial leadership, appropriate governance, a well-thought out financial strategy, and the skills and capacity to deliver it will not achieve its potential.

2.4 If agreed, the following questions will be built into the review based around the five core themes to direct the focus towards council's key area of focus on commercialisation: Is the council taking all appropriate opportunities to generate income and minimise costs through its commercialisation activities, including trading companies, property and asset investment?

- 2.5 The peer challenge will need to be mindful of the Transforming Shepway programme, being presented to Cabinet for consideration in January 2018. The programme, proposed to be delivered over 2 years, supports a council wide transformation. Whilst it focuses on a new operational model in terms of staffing and processes, there will clearly be some areas of common ground with the peer challenge in terms of thinking around new ways of working and service delivery that will need to be considered and captured.

3. THE PROCESS

- 3.1 If agreement to proceed, the LGA expects a 3-4 month lead-in to the visit. During this period the following will be undertaken:

Preparatory Work:

The preparatory work is the drafting of a position statement by SDC that sets out the council's current position telling the story of where we are. This should be no more than 15 pages that provide general contextual information about the council and summarise strengths and weaknesses in relation to the corporate themes and any additional areas of focus e.g. commercialisation.

The purpose is to provide the appointed peer team with background reading before coming on-site, and to provide links to key documents such as the Medium Term Financial Strategy, Corporate Plan etc.

Compilation and selection of the Peer team:

The Peer Team will be made up of peers with relevant experience at the vanguard of commercialisation and inward investment.

The team would comprise:

- Leader of a Conservative district/borough council
- Chief Executive of a comparable district/borough council
- Senior council officers with relevant experience in relation to commercialisation and inward investment
- There is also the potential to include one or more people from the private sector with experience and skills relevant to the above
- LGA peer review manager

They will be on site for 3 days and meet with internal staff and external partners to ask questions and gather information relevant to the scope.

Site Visit:

The peer team would spend three days on site at Shepway, meeting key people (from a range of officers, members, partners and stakeholders) that will give the team a well-rounded view of how things work at the council, particularly in relation to commercialisation.

Reporting:

The draft report is due from the LGA 3-4 weeks after visit. The council will have the opportunity to review this and request amendments before signing

off the final version. For transparency, the council is strongly encouraged to publish this report.

LGA Follow-up:

The LGA will meet with the council following the peer review to discuss any further support relevant to any areas for consideration. The council will have the opportunity for a follow-up visit to take place between 6-18 months after the review, to consider progress made.

4. RESOURCES AND TIMESCALES

- 4.1 If the review is supported, due to the lead in time and preparatory work, it is recommended that we aim for March/April 2018 for the onsite visit.
- 4.2 The LGA require a lead officer and admin co-ordinator appointed. It is suggested that the allocated manager is Susan Priest with the admin liaison provided by Donna Brace, Leadership Support Team.
- 4.3 Additionally, support will be required from Heads of Service and Cabinet members to prepare the supporting documentation. Other officers and councillors are likely to be engaged during the site visit.

5. RISK MANAGEMENT ISSUES

- 5.1 The risks have been considered and outlined below:

Perceived risk	Seriousness	Likelihood	Preventative action
<p>Reputational Risk</p> <p>A review could highlight areas for improvement that will need managing</p> <p>Not going ahead</p>	Medium	Low	<p>Depending on the outcome of the peer challenge, there could be elements for improvement that will need to be managed. The peer challenge is an iterative process and therefore the council will be kept informed of any potential issues throughout the process and given opportunity to challenge or prepare a response.</p> <p>On the flip side, not going ahead with a peer challenge could also be perceived negatively as it is a</p>

with an LGA Peer Challenge	Medium	Medium	free resource that provides an opportunity to take stock. A national FOI outlining the councils that have not taken the LGA up on the offer has recently been published in the Municipal Journal (MJ).
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6. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

6.1 Legal Officer's Comments (DK)

There are no legal implications arising directly out of this report.

6.2 Finance Officer's Comments (CS)

The service and provision of the LGA resource and the officers/members conducting the review from other local authorities is fully funded by the Local Government Association, which includes the accommodation and travel of those visiting. The only cost to the council will be to provide suitable refreshments and an office within the Civic Centre as a base for the duration of the site visit, these are marginal costs which are not material to the council's budget position. Utilising the free provision of this service from our LGA subscription would represent good value for the Council in respect of obtaining an external perspective into its capacity to deliver against plans.

6.3 Diversities and Equalities Implications (ST)

There are no diversity or equality implications arising from this report.

7. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

Councillors with any questions arising out of this report should contact the following officer prior to the meeting:

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