

Report to: **Overview and Scrutiny Panel**

Date: **23 January 2020**

Title: **Peer Challenge Progress Update**

Portfolio Area: **Leader – Cllr J Pearce**

Wards Affected: **All**

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken: **Immediate**

Author: **Neil Hawke** Role: **Head of Strategy & Projects**

Contact: neil.hawke@swdevon.gov.uk

RECOMMENDATION:

That the Overview and Scrutiny Panel notes the progress to date on delivery of the Peer Challenge action plan and the proposal to bring forward the LGA interim review to ensure a solid baseline for the new Chief Executive.

1. Executive summary

- 1.1 South Hams District Council commissioned the Local Government Association to undertake a Peer Challenge in November 2018 and developed an action plan to address key findings.
- 1.2 Significant progress has been made in delivering the actions set out within the plan
- 1.3 This report provides an overview of the progress against the Peer Challenge Action Plan to date.

2. Background

- 2.1 The Peer Challenge was a joint review of both South Hams District Council and its Shared Service partner West Devon Borough Council. The review was carried out in November 2018 by the Local Government Association ('LGA') but with individual recommendations for each Council in relation to the Governance and Political issues.
- 2.2 A number of the LGA recommendations related to ensuring effective joint working across the two Councils to ensure their future financial sustainability and to set a clear direction for both Councils. In considering the recommendations, in February 2019 Council resolved to form a Joint Working Group (with West Devon) in order to review the recommendations made by the LGA and to develop an Action Plan for the Council to implement.
- 2.3 The Joint Working Group comprising three Members of both Councils met on 25 February 2019 in order to consider measures that could be

implemented in the coming 12-18 months. The Action Plan was then considered and approved by the Executive in March 2019 (E.85/18).

- 2.4 Significant progress has been made in delivering the proposed actions following the elections in May 2019 and a progress report was considered by the Overview & Scrutiny Panel in July 2019 (OS14/19).
- 2.5 This report provides a further update on progress since the July 2019 Overview & Scrutiny meeting.

3. Outcomes/outputs

- 3.1 The Peer Challenge report set out six key recommendations for the Council to implement (some jointly with West Devon Borough Council as our shared service partner). The following sets out the key actions taken since the last report in addressing the recommendations.

Recommendation 1 – Ensure strategic capacity and direction to deliver our future aspirations

- 3.2 This recommendation is largely around ensuring that the Councils have the right structures and strategies in place to deliver the things that it considers to be important.
- 3.3 At the time of the Peer Challenge, the Council was finalising its Corporate Themes with the peer team recommending that further work be undertaken to underpin those themes. Members were given an overview of the draft corporate strategy themes during the May 2019 induction programme.
- 3.4 In September 2019, Council supported the Executive recommendation to implement a number of specific desired outcomes for each of the Corporate Themes. The adopted outcomes will now form part of planning by the Extended Leadership Team. An ELT workshop is planned for 29th January 2020 to draft delivery plans for each of the themes to ensure that resources can be prioritised to achieving the objectives.
- 3.5 A key aspect of this recommendation was around recommencing joint working with West Devon Borough Council as the shared services partner.
- 3.6 Following the May 2019 local elections, joint Leader and Deputy Leader meetings have continued with West Devon Borough Council to consider matters that are relevant to both Councils.
- 3.7 Joint member sessions were held on the Joint Local Plan and Risk Management (July 2019) and a Climate Change workshop (September 2019). The Political Structures Working Group (PSWG) of both Councils have recommended holding joint Overview & Scrutiny and Audit Committee meetings on common areas and the Chairmen of these bodies are to discuss how to take this forward. A joint Waste Working Group was held on 13 November and a Joint IT Working Group has been set up to discuss the Council's future IT platforms which will be key to delivering future efficiencies.
- 3.8 Another recommendation was that the Council ensures its organisational structure was aligned to delivering the future priorities of the Council.

- 3.9 The Chief Executive commenced a restructure of the Senior and Extended Leadership in June 2019 with the new structure fully operational from January 2020. This has refocused resources and ensured that our management structure has become clearer.
- 3.10 The recruitment process for Director posts included presentations to Members, a topic discussion with the Leaders of both Councils' and a structured interview with the Chief Executive and an external advisor. The ELT interviews included a presentation and interview with members of the Senior Leadership Team. As a result, the main changes to the structure are as follows.
- 3.11 The following roles were 'slotted in' to new posts as the new roles were broadly the same as their previous roles
- Director of Customer Service Delivery (and Deputy Chief Executive)
 - Director of Strategic Finance
 - Heads of Practice /Heads of Service (Except Assets which was vacant following the appointment of the Director Place and Enterprise)
- 3.12 The following roles were appointed to following interview process
- Director Place and Enterprise
 - Director Governance and Assurance
 - Business Manager (Case Management)
 - Business Manager (Specialists)
 - Customer Improvement Manager
 - Head of Strategy & Projects
 - Head of Assets (vacant following appointment to Director of Place and Enterprise post)
- 3.13 In addition to ensuring that our delivery structure is aligned to delivering our priorities, it has also resulted in a budget saving of £94,000 per annum for the South Hams District Council budget.
- 3.14 Following the restructure there is a renewed emphasis on continuing to implement our approach to employee continuous improvement, with all employees having regular 1:1 discussions with a manager.

Recommendation 2 – Strengthen the council's political governance arrangements

- 3.15 Following the May 2019 local elections, 15 new Councillors were elected to South Hams District Council and the Council has appointed a new Leader and Deputy Leader.
- 3.16 A full Induction Programme was carried out throughout May and June and available to all Members. Some sessions were mandatory and others optional. A separate report on the Induction Programme and Member Development is included elsewhere on this Agenda.
- 3.17 At its meeting in July 2019 the Overview & Scrutiny Panel requested further information around the perception of backbench Members and their

exclusion from the decision-making process and this is considered in the separate report on the Induction Programme.

- 3.18 The Senior Leadership Team continue to actively engage with Lead Members to further identify areas for joint briefing and training sessions with Climate change sessions being held so far with other opportunities being considered on an ongoing basis.
- 3.19 The PSWG met on 26 September and considered a variety of issues, including committee sizes and allocation of seats, appointment of independent persons on the Audit Committee.
- 3.20 The PSWG considered webcasting and agreed to stream meetings live from the Council Chamber from 1 December with a trial at the Executive meeting on 28 November 2019. Prior to the launch date, a joint training session was delivered by Communications, the Monitoring Officer and Democratic Services which included training on Member and Officer behaviour, conduct at meetings, advice on lobbying, exempt information together with formal and informal speaking.
- 3.21 As set out in 3.8, a new Director of Governance & Assurance was appointed to the Senior Leadership Team. This role has responsibility across both Councils for consistency and transparency and oversight of effective decision-making and committee processes, with a focus on ensuring that processes and procedures are carried out properly, ethically and lawfully.
- 3.22 The new Governance Directorate will also be key to ensuring that the Councils backbench members do not feel excluded from decision-making.
- 3.23 An organisational forward plan is currently in development which will ensure that early engagement with the wider membership can be undertaken through the scrutiny process (earlier sight of proposals enabling scrutiny to consider adding them to the agenda). This will enable forward planning of Member workshops and briefings to enable all Members to engage.
- 3.24 The Leader has implemented group meetings before Executive meetings to explain and discuss the papers in the Executive agendas in detail and officers have improved monitoring of all draft reports to ensure that decisions are being taken at the right level. Further report writing guidance is planned for officers for early 2020 to ensure that reports are clear and easily understood.

Recommendation 3 – Ensure a continued organisational focus on achieving financial sustainability

- 3.25 The Peer Challenge considered that we should ensure full engagement with Members from an early stage in setting the Councils budget. The Extended Leadership Team commenced planning of options in June and Member budget workshops were held in November.
- 3.26 During the workshops, Members explored options for the 2020/21 revenue budget. After the workshop, a survey was circulated to all Members asking their views on each option. The results of the survey informed the budget

report which is being considered by the Joint Development Management Committee and Overview and Scrutiny Panel meeting on 23rd January with the final budget being agreed by Council in February.

- 3.27 The Peer Challenge action plan set out that we would continue to explore options for the Councils pension deficit. The Section 151 Officer has engaged with Devon County Council Pension Fund and the Actuaries. Following the Triennial Pension Revaluation the Council has been notified that it will have no actuarial pension deficit as at 31.3.2019, resulting in a saving. This is detailed further in the Revenue Budget report being considered by the Joint Development Management Committee and Overview and Scrutiny Panel on 23rd January.
- 3.28 Ongoing monitoring of the 19/20 savings plans was a specific action. As a result, the Head of Finance Practice has added a new appendix to the quarterly revenue monitoring reports, specifically detailing the achievement of savings targets.

Recommendation 4 – Prepare a viable future accommodation strategy

- 3.29 An Accommodation Working Group has been formed to consider the options for the future accommodation of the Council. This group has met a number of times to consider the options for future short and long term accommodation requirements.
- 3.30 The group will be meeting in late January 2020 to conclude the options work and set out a proposed way forward to the Executive later in spring 2020.

Recommendation 5 – Clarify partnership priorities and seek to strengthen key sub-regional partnerships

- 3.31 A review of partnerships has been undertaken and considered through the Executive and will be further considered as part of the revenue budget report to the Joint Development Management and Overview and Scrutiny Panel meeting on 23rd January.
- 3.32 As part of the review, Council will be recommended to approve partnership funding for a three year term (giving certainty of funding to partners for that period). Furthermore, it has been agreed that we will implement Service Level Agreements with the partners rather than providing it as grant funding.
- 3.33 Regular monitoring will be undertaken with an annual report of partner performance being submitted to the Councils to ensure that funding is being effectively utilised. The frequency of this will depend on funding levels so as to not over-burden partners. The Head of Strategy and Projects (in discussion with the Executive Member) will develop Service Level Agreements with partners over the coming months for a 1st April 2020 effective date.
- 3.34 Another recommendation from the Peer Challenge report is to work closely with Town and Parish Councils and other partners to identify any joint opportunities. Later this month, the Director of Customer Service Delivery

will be undertaking a survey of all Town and Parish Councils with the aim of identifying good practice and sharing this with them all.

- 3.35 The hope is that the responses to the surveys will also identify opportunities to encourage collaboration and potentially for the District Council to support some of the initiatives.

Recommendation 6 – Clarity around what the Future IT platform is expected to deliver

- 3.36 A Member Joint Working Group has been formed to oversee the delivery of the Future IT Programme. The working group consists of 5 Members from each Council, with Cllr Barrie Spencer being the South Hams Chair of the group.
- 3.37 The Joint Working Group has so far met on two occasions to consider officer recommendations over the procurement route, contract award and project risks. The group will continue to meet throughout the implementation phase to ensure that the project is on track.
- 3.38 Lessons have been learned from the previous implementation of IT Case Management systems and a fully resourced project team will be in place to ensure that there is a continuing organisational focus on implementing on time and to budget.
- 3.39 Following supplier demonstrations in late January 2020, Executive will be asked to consider the award of contract at its meeting on 6th February 2020.
- 3.40 The project aims to have fully implemented the new technology by February 2021 when the current contract with Civica ends.

Summary

- 3.41 This report demonstrates positive progress in achieving objectives in the Action Plan since it was agreed in the spring of 2019.
- 3.42 Monthly progress updates will continue to be provided to the Senior Leadership Team via the Councils Programme Board (which oversees all corporate projects) and we will provide short updates on further progress through the Member bulletin.

4. Options available and consideration of risk

- 4.1 The Action Plan has been agreed by Members and as such this report provides an update on delivery of that plan rather than setting out options.

5. Proposed Way Forward

- 5.1 To agree the progress made to date and confirm when a further update is due along with any areas where the Panel would consider a more in depth update.

5.2 Following the recent resignation of the Chief Executive to take up a post within another local authority, the Leaders of both South Hams and West Devon are keen to bring forward the interim Peer Challenge that was due to take place during late 2020 in order to provide a solid baseline for the new Chief Executive.

5.3 This will consider the progress to date on the current action plan and also identify any further actions that are required.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	N	No direct implications – the report provides an update on an Action Plan previously agreed by Members. Any changes to governance arrangements within the Constitution will require Council approval.
Financial implications to include reference to value for money	N	No direct implications – the report does set out a number of actions being taken to contribute to the future financial sustainability of the Council however no decision is being made on these in this report.
Risk	Y	The main risk is capacity and pace to deliver the actions in line with the action plan. There is a significant amount of work to be undertaken in a short space of time however project plans are in place to manage progress and this will be reported through the programme board to SLT on a monthly basis.
Supporting Corporate Strategy	Y	Overall the Peer Challenge recommendations contribute to the Council Efficiency theme however they cut across all strands of the Corporate Strategy
Comprehensive Impact Assessment Implications		
Equality and Diversity	N	None
Safeguarding	N	None
Community Safety, Crime and Disorder	N	None
Health, Safety and Wellbeing	N	None
Other implications	N	None

Supporting Information

Appendices:

None

Background Papers:

Peer Challenge Action Plan Executive Report (Item E.85/18)