

CAB2512
FOR DECISION
WARD(S): ALL

CABINET

11 September 2013

THE OVERVIEW & SCRUTINY COMMITTEE

23 September 2013

OUTCOME OF THE COUNCIL'S CORPORATE PEER CHALLENGE

REPORT OF CHIEF EXECUTIVE

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RECENT REFERENCES:

None

EXECUTIVE SUMMARY:

As part of the national commitment to local authorities promoting 'sector-led improvement' the Local Government Association (LGA) offers all Councils the opportunity for a 'Peer Challenge'. In essence this provides external benchmarking of progress against our own improvement agenda. It is undertaken by a team made up of a Councillor, a Chief Executive and a senior officer from other Councils.

Winchester invited the LGA to conduct a Peer Challenge for the Council in April of this year, the latest in a series of such undertakings. This report summarises the conclusions of the Challenge and outlines plans in place to respond to its recommendations.

RECOMMENDATIONS:

To Cabinet:

That the proposed response and actions resulting from the Peer Review be endorsed, as set out in Appendix 2 of the Report.

To The Overview and Scrutiny Committee:

That The Overview and Scrutiny Committee raises with the Portfolio Holder any issues arising from its consideration of the Peer Review and the Council's suggested response and whether any items of significance should be drawn to the attention of Cabinet.

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DETAIL:

1 Introduction

- 1.1 Since 2003 the Council has made use of the Peer Challenge process to gain an external perspective on how we are responding to the challenge of change and improvement. A Peer Challenge is essentially a team of colleagues from other Councils spending two or three days with us to examine how we are achieving objectives we have set ourselves. The Team of four includes a Senior Councillor – usually a Council Leader - and a Chief Executive, and will interview not just senior staff and Members, but also front-line staff, backbench Members and external partner organisations.
- 1.2 The first such Challenge was conducted in 2003 and part of the Comprehensive Performance Assessment (CPA) process, and followed very rigid guidelines. With the end of the CPA and demise of the Audit Commission, Peer Challenge has become part of the sector-led approach to improvement managed by the LGA. As a result, the process is now voluntary and we have a much greater say in the areas we ask them to look at.
- 1.3 As part of the more constructive, supportive approach the LGA take to sector-led improvement, the terms of reference of any Challenge are agreed with the Council to be reviewed before the Team visit. We were anxious to use the Challenge as an opportunity to check the progress we are making against our own transformation agenda. In particular, we wanted an external perspective on our aim of becoming a more responsive, flexible and innovative organisation, and on how we could streamline decision making to offer more effective Corporate Governance.
- 1.4 We began the process by submitting to the LGA a self-assessment of what we think is working well and the areas we have been less successful in addressing. The role of the Peer Challenge is to comment on progress and suggest areas to be explored further. It is not an audit, and does not follow rigid 'rules' but rather seeks to reflect back to us what they learn through talking with staff, members and partners.

1.5 This Peer Challenge Team were invited to Winchester in April 2013, and included the Leader of Rushcliffe Council and Chief Executive of Babergh & Mid Suffolk.

2 The Peer Challenge Report

- 2.1 At the end of their three days at the Council the Peer Challenge Team drew together their initial impressions in a presentation to senior Members and officers. They follow this with a full written report, which is at Appendix 1 to this report. Both the presentation and report follow a standard format, highlighting areas of good practice and areas for further consideration. They are careful not to call the latter areas for 'improvement' since the approach is to offer suggestions from an independent perspective rather than impose a rigid model, particularly when there is no 'right' or 'wrong' approach to organisational change.
- 2.2 The areas of our working we invited the Peer Challenge Team to comment on are different from the usual format of such a review, which might focus on specific performance statistics or financial planning arrangements. Corporate Change is a more complex, often subjective topic, as both parties acknowledged from the outset. It is inevitable that many of their comments are on broad direction of travel, and their recommendations necessarily less clear-cut.
- 2.3 In that context, the Challenge Team noted we have set ourselves some challenging aims, in areas many Councils are currently struggling with. They noted we were making progress against our chosen agenda, and identified a number of successes across the Council; whether in our understanding of key areas for change, the progress made in developing our management structure and the respective roles of Members and officers, or capacity of the senior management team. They also made a number of suggestions for further work, ranging from enhancing the clarity of roles and responsibilities or more effective communication of the transformation agenda through to the need for a rigorous review of our governance arrangements.
- 2.4 Whilst not wanting to be complacent, it is reassuring that the Challenge Report did not throw up any surprises. Many of their suggestions are already picked up in work underway. Others reflect issues which we recognise need addressing. Appendix 2 is a summary of the Report's recommendations and other areas for action which it gives rise to, alongside an outline of the Council's response.

OTHER CONSIDERATIONS:

3 SUSTAINABLE COMMUNITY STRATEGY AND CHANGE PLANS (RELEVANCE TO):

- 3.1 Successful transformation and modernisation of the Council is central to our objective of being an efficient and effective council.

4 RESOURCE IMPLICATIONS:

- 4.1 The Peer Challenge was funded by the LGA. Implementing our response will fall to the Council's senior managers and Members. In most cases this can be managed within existing budgets, although we should recognise it will take significant management time. Specific projects or programmes will form part of the objectives for individual managers, although making progress will need to be balanced with other priority calls on officer time.

5 RISK MANAGEMENT ISSUES

- 5.1 To fail to change is the most significant risk facing the Council in times of financial and operational uncertainty. The change programme itself carries risk, for example of diverting attention from services to the public, and it will need to be managed to obviate such risks.

BACKGROUND DOCUMENTS:

None.

APPENDICES:

Appendix 1: Corporate Peer Challenge Report

Appendix 2: Peer Challenge Action Plan

Simon Eden
Chief Executive
Winchester City Council
City Offices
Colebrook Street
Winchester
SO23 9LJ

June 2013

Dear Simon

Winchester City Council – Corporate Peer Challenge

On behalf of the peer team, I would like to say what a pleasure and privilege it was to be invited into Winchester City Council to deliver the recent peer challenge.

You asked the peer team to look at how the Council can be a more responsive, flexible and innovative organisation. You also asked the team to consider how to create more effective Corporate Governance with streamlined decision making and offer critical friend challenge and sought feedback on your current thinking and proposals. This included progress on the transformation programme and any suggestions for improvement. In addition the peer team considered the ability and capacity of the council to deliver its future ambitions by briefly looking at:

- Understanding the local context and priority setting
- Financial planning and viability
- Leadership and governance
- Capacity to deliver

This letter provides the peer team's feedback. The feedback has been informed by peers experience and knowledge of local government. They have drawn on this to reflect on the information and views shared by the people they met, the things they saw and the material they read. In presenting feedback to you, they have done so as fellow local government professionals and practitioners.

We hope the feedback provided will help stimulate further debate and thinking about the Transforming Winchester change programme and how it might develop and evolve.

Executive Summary:

We gathered evidence and information from materials provided, interviews with individual councillors, managers and some external partners as well as senior, middle manager, front line staff and councillor focus groups and having identified the key issues emerging were able to capture our feedback in three key areas:

- Transformation, innovation and cultural change
- Governance and streamlined decision making
- Leadership

There was a strong recognition across the majority of those from whom we sought information and evidence that these three issues held the key to future success and they were recurring themes.

It is important to acknowledge the notable achievements and work in progress and savings delivered to date, which demonstrates a successful track record around change that should give confidence for future transformation, innovation and change. A new management structure has been created to build capacity for change at a senior level and the organisation has already changed for the better with some teams working in an integrated way with some cross functional project teams.

However, we found a need for a more consistent approach to transformation and change. Leadership, engagement, commitment and communication are critical to “winning hearts and minds” and getting real buy-in to your Change Plans.

From our discussions with officers there was a recognition that there are some bottlenecks and barriers to change, that there was some initiative overload and several phases of structural change over recent years could have reduced capacity to deliver those Change Plans. We believe that the capacity for change management has been affected as a result of part of the management structure becoming disengaged from the change agenda through the structural changes, so whilst the planned changes were well intentioned, the capacity has been lost due to a lack of clarity about roles and responsibilities to make change happen in the roll-out of those changes. It may be time to allow the management structure to settle down and for the management team now in place to focus on delivering those plans.

We found a real desire to transform governance and become more agile and streamlined. The respectful and supportive Officer and Member relationships and the contribution made by councillors were recognized as a real positive. However, there was some lack of clarity about roles and responsibilities and sense of purpose of the various governance arrangements.

We recommend that the Council establishes what fully effective governance arrangements mean for Winchester with particular focus on greater use of delegations,

streamlined decision making processes and developing trust and confidence within the governance arrangements to allow greater freedom from more formal systems of control. We recommended that the Council might want to commission a governance review with some external support and facilitation to explore these issues.

There is a strong and supportive working environment in Winchester and the Chief Executive is open to constructive challenge and feedback and seen as a visible leader of staff. However, senior managers need to build more consistent and coherent corporate leadership as they may not wholly buy into or own change plans but don't always make that clear. As a result they may not be able to articulate and advocate the necessary leadership messages convincingly. Consequently, we found inconsistency of management messages and implementation of change plans in different parts of the Council.

There is strong political leadership of major projects within the community but we found some lack of understanding of the councillors priorities. We recommend that the political leaders consider how they might improve engagement and communication with the whole Council membership, to promote a potential greater 'buy-in' and commitment to the council's aims and aspirations.

We were told that the Council's election arrangements about elections by thirds sometimes got in the way of effective leadership so we posed the question about whether the arrangements should be changed to provide more stable political leadership, steering away from being in frequent "election mode".

There was definitely a feeling that unnecessary red tape and bureaucracy is sapping energy and capacity from the organisation (both from councillors and staff) and that the Council needs to be smarter and more focused. Effective but not over burdensome programme and project management may provide the solution to this issue.

The peer team found managers and staff who are ready for change and willing to contribute innovative and creative ideas about the future. Therefore, we suggest that the Council find time and space for collective and collaborative creative thinking to facilitate transformation, innovation and change thereby creating and unlocking greater capacity to develop and implement change plans. The Senior Management Team has capacity and desire to drive change and transformation and the Council needs to take steps to enable that to happen. The workforce also needs to feel more actively engaged in changing and transforming what the Council does.

From a limited review of financial issues the team saw evidence of sound financial planning and controls being in place which gave councillors and managers' confidence and assurance about financial stability. However, there is a recognition that greater strategic financial capacity is needed to support transformation and innovation and finance experts need to be engaged in planning for change earlier. We raised some questions about the use of New Homes Bonus to support the core budget given that it is an uncertain source of funding in the longer term but recognise this is a matter for the Council to determine in light of its current priorities.

We found that the Council has capacity to work constructively in partnership and is seen as a willing and trusted partner by external organisations that we spoke to. However, there is some evidence that the Council's occasional failure to make swifter decisions may cause tensions in partnership working. Regardless, there is a great willingness to make partnerships work.

Transformation, Innovation and Cultural Change:

There is a clear recognition of the need for transformation and radical change to meet future challenges from many of the staff we spoke to. The organisation is already changing in response to this challenge with some notable achievements, for example introduction of agile working, examples of small pilot commissioning budgets and a 'One Team' approach.

The council has a track record of identifying and achieving savings year on year and we saw evidence of some cross-functional project teams helping to integrate directorates and support functions, such as finance and legal, under a holistic project/programme management methodology. This needs to be formalised on a corporate basis but we are aware that this is in train.

As the scale of change increases, programme, project and performance management will need to become even more robust. The scheduling, sequencing and inter-dependencies between projects will need to be effectively managed and communicated to staff, partners and local communities. This will involve the need to assign specific responsibilities and tasks with establishment of clear, smart targets for savings and outcomes to ensure there is a means by which to regularly monitor and challenge progress. At the moment this appears to be under-developed and moving forward you will need to be able to demonstrate how you measure success.

Generally we found staff to be both committed and dedicated to the changing organisation with some obvious buy-in to the need for change and transformation. There are some very good people amongst those we met so take the opportunity to invest in your pool of talent and develop succession planning for the future. Morale of staff was generally high from many we spoke too, also evidenced by Employee Surveys and feedback from Trade Unions. In addition, a number of the officers we spoke to have an increasing political awareness which will serve to further strengthen officer/member relationships.

There needs to be a consistent approach to transformation and change which means taking people with you on the transformation journey. Inevitably, this slows things down initially if you stop to consult, talk, re-prioritise and engage with your staff and members. However, unless you do this people will sometimes feel that you are 'doing it to them', in which case they will co-operate, but perhaps in a more begrudging manner. We found instances of 'covert dissent', whereby staff do not openly object to your plans but they do not always go along willingly and on occasion they can actively disrupt them. An example of this is the hot-desking scheme which is not working effectively in a number of service areas within the City Offices and we also picked up resistance to some recent structural changes.

Some people we spoke to made reference to 'The Winchester Way' which has many definitions but in essence refers to the way the council has operated historically with a tendency towards risk aversion. Staff believe this is now a myth, however, the fact that some officers we met continue to mention it proves it is still in the psyche of staff and needs to be dispelled. At the moment it appears to act as a psychological barrier and it may be useful to consider a new brand based on change and radical transformation that staff can own, market and sell to partners and stakeholders alike.

In order to turn this culture around, and get people working with you, you must fully engage with your staff and members. We use the word 'leadership' because this engagement must start at the top (all members of CMT need to be visibly on board and send out a unified message, which we feel may not be consistently the case at present). E-mails and briefings are not enough. You must win over 'hearts and minds' of staff for Transformation to succeed.

Staff appear change weary and many are suffering from 'transformation overload'. We suggest that you trim down your change programme to focus on fewer elements with fewer plans and do a smaller number of things with greater focus to ensure they are embedded across the organisation. There is a perception that structural change is merely "shifting the deckchairs" so we suggest that the impact of further structural change be weighed carefully against any possible benefits.

Improved communication of the transformation programme, including the celebration of successes, will serve to strengthen staff ownership to the programme and ultimately mainstreaming transformation into the day to day work of the council. Identifying and developing the capabilities of existing talent should be a priority for the council as should sharper prioritisation and alignment to the budget moving forward to ensure that identified projects are properly and sustainably resourced.

The council have a good understanding of what the future operating model for the organisation will look like in terms of the optimal mix of delivery models, and are looking at each opportunity on its own merits to seek an optimum mix of shared services, outsourced services without prejudice towards one particular model. A robust communication strategy will need to be developed to ensure all partners understand fully their roles and accountabilities in the agreed operating model. We are aware you have been running workshops, supported by LGA and external consultants, to consider the commissioning cycle and alternative service delivery models within that cycle. This should be progressed at pace aligned to the change programme. This will serve to establish what type of organisation Winchester City Council wants to be in the future.

Effective Corporate Governance and Decision Making:

There is a clear recognition of the need for effective political and managerial leadership in governance and a desire to transform current governance arrangements to become a more flexible and streamlined organisation. We saw a respectful and supportive working

relationship between officers and elected members with considerable intellectual capacity provided by members to stimulate an effective constitutional review.

Despite the current good working relationships the peer team believe there needs to be a greater and more meaningful officer and member relationship fostered to enable the authority to establish what fully effective governance arrangements mean for them. In our view it is about doing the right things, using the right people at the right place and time for the right reasons. Aligned to this is a requirement for clarity of roles and responsibilities along with a sense of purpose across all key Executive Boards, including Corporate Management Team (CMT) and Overview and Scrutiny.

To support such a change will require greater use of and expansion of delegated levels of authority. A number of staff told us of their frustration in both managing their own service areas on an operational basis and trying to introduce innovative and creative solutions with the current low levels of delegation, whereas other staff are not fully using their current delegated levels and are potentially missing opportunities. This points to a need for greater empowerment of staff, particularly at senior officer level, to build confidence and trust in the way they deliver their services, celebrating success and working creatively albeit within the confines of a robust risk management process, rather than relying on a system of control which can stifle innovative thinking.

We saw initiatives to reduce the bureaucracy within current arrangements, but this needs to be more effectively embedded in order to better streamline decision making. At the moment there is a comfort and a way of working which involves much report writing by officers and commissioning reports from external consultants to validate issues before decisions are made and this will continue unless you introduce a step change. Introduction of more informal dialogue between officers and members at all levels needs to be improved so that decisions at Cabinet are made following constructive discussions in formal meetings with all disagreements resolved. This will ensure that all relevant stakeholders have previously been fully engaged in the proposed approach and required decision. To a degree this already happens within the Leaders Informal Cabinet meeting but we believe could be extended beyond this.

Other Corporate elements:

1. Leadership

Overall we found a strong and supportive working environment with a Chief Executive who is open to constructive challenge and feedback and who is seen by staff as a visible leader. The Corporate Management Team has engendered a constructive 'no blame' culture within the organisation and senior managers generally feel they have freedom to innovate. There is also strong political leadership within the community evidenced by the successful adoption of the Local Plan and the establishment of the New Homes Delivery team.

The political leadership do need to clearly articulate their priorities for the council. In order to achieve this, the council must determine and define what success will look like for Winchester in the medium to longer term. We would recommend a

more meaningful engagement across officers and members to build ownership of and commitment to the priorities facilitated by enhanced communication throughout the organisation by identifying audiences, clarifying consistent messages and using a wide range of communication channels.

Certain aspects of overview and scrutiny are not working effectively and need to be more robust in terms of challenge. Since committees and scrutiny panels were abolished many non-executive members believe they have little to occupy themselves and they don't appear to be overly interested in Informal Scrutiny Group (ISG) topics. This may be an opportunity for the organisation to review the number of councillors they currently have to ensure there is not a disproportionate number of councillors to the agreed priorities. There is also an opportunity to re-engage some of them by linking scrutiny to change plans. There may be a chance to establish joint scrutiny arrangements with other neighbouring authorities, such as with East Hampshire on waste services.

The peer team poses two questions, because they were both raised in our discussions: 'are there too many councillors in Winchester' and 'do annual elections undermine political stability'? Elections every four years will at least serve to provide continuity and stable leadership for many new projects rather than constant change. This is for the council to consider possibly as part of a full constitutional and governance review. Stability will also help to develop the community leadership role and greater buy-in from local residents.

2. Priority Setting

We found an awareness of a general sense of purpose and direction with a recognition that there is a need for change and transformation to deliver corporate priorities. There are notable achievements in economy and housing with the recent adoption of the Local Plan and the New Homes delivery. There is also a clear priority to utilise the significant portfolio of assets in order to generate income streams. The next step is to articulate a corporate income generation strategy with a clear focus on growing income streams through commercial trading of internal services and use of assets.

There does, however, need to be a shared and common understanding of what your strategic priorities are. The peer team believe that the number of different plans and some conflicting messages, mean that strategic priorities are not always widely recognised by officers and members. There is a requirement for a common, coherent and consistent narrative to communicate priorities with a greater focus on outcomes. At the moment everything is seen as a priority, therefore, maybe nothing is a priority.

Are the three priorities for Winchester: economic prosperity, affordable housing and ensuring the council is fit for the future challenges? We tested this with staff and members alike and received a very inconsistent response.

If they are the key priorities you need to make this clear to officers, members and other key stakeholders and communicate it in a clear and consistent manner. At the same time there is a need to be bold about what are your non-priorities to facilitate medium term financial planning and resourcing.

3. Financial Planning and Viability

With the limited opportunity the peer team had to look at financial services we did see there are systems and controls in place which serve to provide re-assurance and information to inform decision making. The finance function is aware that they need to be more enabling moving forward and there is corporate recognition that Finance needs to be more strategic and engaged early in all transformation and change plans. We also saw good examples of small pilot commissioning budgets to help develop a new approach to service provision.

Budgets appear to be aligned to the current pressures rather than the council's ambitions and priorities for the future. Financial processes need to be fully integrated with the change processes and corporate project and programme management. We heard of projects being developed to the report stage with financial input only being sought at the last minute. To ensure Finance is an enabler of transformation, rather than a barrier, strategic financial input is needed at the inception of projects and plans to inform the business case and benefits realisation.

In order to achieve this earlier constructive input, you may need to look to see if there is adequate strategic financial capacity as currently there is one member of staff covering this. We were not clear whether finance staff were deployed primarily on compliance work and whether they could be more usefully deployed on enabling transformation. We also noted that a majority of the capital works contained within the capital programme are unfunded so there is an issue of your ambition outweighing the available finance to deliver these.

We were slightly concerned that the New Homes Bonus had been incorporated as an on-going item in the revenue budget when it could be withdrawn in a matter of years. It would be prudent to treat it, as intended, as a bonus rather than part of the base budget. It might then provide a fund to invest in your three corporate priorities to enable savings to be realised and outcomes resourced through more economic and housing projects in the community.

There was a focus on Economic prosperity but there was limited information about the anticipated business rates growth that could result from increased economic prosperity. Is the council clear about the impact of the changes to business rates arrangements and building that into the Medium Term Financial Strategy (MTFS).

4. Capacity

We found an experienced and knowledgeable workforce with a general willingness to change. The One Team approach has great potential to improve capacity and increase resilience in time.

Business and other local partnerships (BID and Chamber of Commerce) spoke highly of their engagement with the council stating you were responsive, proactive, consultative and well engaged with all aspects. In addition, we spoke to Chief Executives from neighbouring councils who similarly held the council in high regard and considered Winchester to be potentially a partner of choice, though their view was that the council should determine what it wants to focus on and then work to achieve that. It would be helpful from a partnership perspective to be clear about what Winchester's priorities are.

There were some good examples of joint working with Test Valley and East Hampshire District Councils on waste services and a shared IT platform. There is an opportunity to consider further areas for collaboration aligned to shared services and co-location. The shared IT platform has significant potential to facilitate Transformation.

We saw examples of good ability to deliver complex physical projects, such as the council offices ('The Guildhall') and the re-development of sites in the City.

There appears to be an over emphasis on structure, process and systems with a subsequent lack of engagement, ownership and commitment to changing culture and unlocking internal potential. The workforce needs to be more actively engaged in changing and transforming the organisation through their 'can do' attitude. Currently bureaucracy is sapping energy and capacity and staff need time and space to collectively 'think outside the box' in order to facilitate change. This can be supported by the senior management team who have the capacity and desire to make this happen.

Suggestions for consideration

Based on what we saw, heard and read we suggest you consider the following actions. These are things we think will help you improve the effectiveness and capacity to deliver your future ambitions and plans through the Transforming Winchester Programme.

1. Recognise and celebrate what you have already achieved to help win "hearts and minds" of staff and members. This will help you to become a learning organisation.
2. Develop a tightly focused set of corporate priorities and measurable outcomes to better define the organisational purpose of Winchester City Council and your future operating model along with a communication strategy to ensure engagement of the whole organisation in co-designing Transformation.
3. Given the context of rapidly reducing budgets for local authorities it will be critical in moving forward that the council's agreed priorities are tightly matched to available human and financial resources, a tight coupling of the medium term

financial plan to the corporate priorities. This also means identifying lesser priorities, from which human and financial resources may be withdrawn. Continue to consider shared service options, co-location and new service delivery models as part of your MTFS.

4. There is an opportunity to modernise and streamline your governance arrangements. We suggest a full governance and constitutional review which LGA would be happy to assist with. This will serve to clarify roles and responsibilities. As part of the constitutional review consider four year all out elections to replace elections by thirds and review the number of councillors.
5. Build on your programme and project management approach and capacity to monitor and challenge progress of change. Performance management must be SMART and outcome focused around the change programme. Finance and legal staff must be involved in planning and projects from inception onwards.
6. Develop and implement an income strategy to get the optimum effectiveness from existing assets and reduce revenue costs through focused asset rationalisation. Look to grow income streams through commercial trading of internal services (LGA can provide signposting to other local authorities who have successfully developed income streams).
7. Leverage capacity from strategic partners to help with delivery of the Transforming Winchester change programme and to avoid the risk of inability to sustain the pace of change. Also, consider wider benchmarking of all service areas to better understand your cost base and performance.

We have attached a set of slides that summarise the above feedback. The slides are those used by the peer team to present its feedback at the end of the onsite visit.

Next steps

You will undoubtedly wish to reflect on these findings and suggestions made with your senior managerial and political leadership before determining how the council wishes to take things forward. As part of the peer challenge process, there is an offer of continued activity to support this. If you wish to discuss in greater detail how this might be utilised please contact me to arrange the detail of such activity.

In the meantime we are keen to continue the relationship we have formed with you and colleagues through the peer challenge to date. Heather Wills, Principal Adviser (South East) is the main contact between your authority and the Local Government Association. Heather can be contacted via email at heather.wills@local.gov.uk (or Telephone 07770 701188) and can provide access to our resources and any further support.

All of us connected with the peer challenge would like to wish you every success going forward. Once again, many thanks to you and your colleagues for inviting the peer

challenge and to everyone involved for their participation. In particular, please pass on our thanks to Antonia Perkins and her team for the sterling support and assistance in organising the challenge and the onsite visit.

Yours sincerely

Peter Rentell

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On behalf of the peer challenge team

Corporate Peer Challenge Actions

The LGA Peer Challenge carried out during April - May 2013, was asked to explore how the Council can be more responsible, flexible and innovative. In addition the Peer Team considered the ability and capacity of the Council to deliver its future ambitions by looking at :

- Understanding the local context and priority setting
- Financial planning and viability
- Leadership and governance
- Capacity to deliver

The LGA feedback focussed on three key areas and included a number of recommendations/suggestions for consideration based around:

- Transformation, innovation and cultural change
- Governance and streamlined decision making
- Leadership

The following lists the recommendations together with suggested actions that are in progress or to be initiated, together with a lead officer/suggested timeframe.

a) LGA recommendation	Actions for WCC	Lead officer / timescale
1. Recognise and celebrate what you have already achieved to help win “hearts and minds” of staff and members. This will help you to become a learning organisation.	Develop opportunities for communicating successes with staff and members. Build on the success of The Alfies in recognising and rewarding staff contributions and celebrating success.	Alison Gavin/Jenny Nell (see 2 below) Paul Wood – October 2013
2. Develop a tightly focused set of corporate priorities and measurable outcomes to better define the	Refresh of community strategy to identify corporate priorities, to form the basis for medium term financial and service planning. Ensure we build	Jenny Nell – consultation draft to September Cabinet

<p>organisational purpose of Winchester City Council and your future operating model along with a communication strategy to ensure engagement of the whole organisation in co-designing Transformation.</p>	<p>wider engagement, ownership and understanding amongst staff, Members and the wider community</p> <p>Simplify corporate planning process to give clarity on priorities and objectives</p> <p>Develop a hands-on approach to engaging with staff to not only explain the Council’s priorities, but also to explore the need for change and how individual teams/directorate fit in with the overall picture. Seek to engage and stimulate ideas and suggestions</p> <p>Engage staff/Members in discussion about ‘future operating model’, and in programme of staff development to support new ways of working</p> <p>Ensure clear, coherent and consistent leadership from senior managers in guiding change and transformation</p>	<p>Cabinet to take pro-active approach to promoting priorities</p> <p>Jenny Nell – by December 2013</p> <p>Alison Gavin/Jenny Nell - underway, programme tbc</p> <p>Simon Eden/Alison Gavin – training/development programme underway for SMT, remainder linked to above</p> <p>Simon Eden – training/development programme underway for SMT</p>
<p>3. Given the context of rapidly reducing budgets for local authorities it will be critical in moving forward that the council’s</p>	<p>Develop link between refreshed Community Strategy, emerging priorities and financial planning processes</p>	<p>Alexis Garlick/Jenny Nell – September 2013</p>

<p>agreed priorities are tightly matched to available human and financial resources, a tight coupling of the medium term financial plan to the corporate priorities. This also means identifying lesser priorities, from which human and financial resources may be withdrawn. Continue to consider shared service options, co-location and new service delivery models as part of your MTFS.</p>	<p>Ensure financial processes are fully integrated with the change process and corporate project and programme management</p> <p>Conduct a robust programme of reviews, including:</p> <ul style="list-style-type: none"> • Service reviews • Outcome reviews • Income reviews (opportunities for increasing estates and service income) • Review of potential for growing Business Support Team • Develop further potential for shared services <p>Ensure we have adequate strategic financial capacity</p>	<p>Alexis Garlick/Simon Eden/Andy Hickman – underway</p> <p>Various – underway</p> <p>Alexis Garlick/Simon Eden – by December 2013</p>
<p>4. There is an opportunity to modernise and streamline your governance arrangements. We suggest a full governance and constitutional review which LGA would be happy to assist with. This will serve to clarify roles and responsibilities. As part of the constitutional review consider four year all out elections to replace elections by thirds and review the number of councillors.</p>	<p>Governance review to examine, <i>inter alia</i>:</p> <ul style="list-style-type: none"> • simplifying procedures and practices to streamline decision making (move away from the “comfort” of extensive report writing) • move away from our “tendency to risk aversion” to a more sophisticated approach to risk management • greater empowerment of staff, including through appropriate financial and other delegations • deal with a perceived emphasis on structure, process and systems 	<p>Stephen Whetnall – underway, programme tbc</p>

	Boundary Commission-led review of democratic representation, coupled with consideration of local electoral arrangements	Stephen Whetnall – programme tbc with Boundary Commission
5. Build on your programme and project management approach and capacity to monitor and challenge progress of change. Performance management must be SMART and outcome focused around the change programme. Finance and legal staff must be involved in planning and projects from inception onwards.	<p>Develop role of Head of Major Projects and Project Office in managing overall programme of activity</p> <p>Review corporate capacity to support agreed programme of major projects</p> <p>Release capacity in senior managers by ensuring roles and responsibilities are clearly articulated and distinct, avoid bureaucracy and ‘second guessing’, reduce tiers of control (links with 4 above)</p>	<p>Andy Hickman</p> <p>Simon Eden</p> <p>Simon Eden</p>
6. Develop and implement an income strategy to get the optimum effectiveness from existing assets and reduce revenue costs through focused asset rationalisation. Look to grow income streams through commercial trading of internal services (LGA can provide signposting to other local authorities who have successfully developed income streams).	See 3 above	See 3 above
7. Leverage capacity from strategic partners to help with delivery of the Transforming Winchester change	Develop opportunities for using benchmarking data either as part of performance management or in specific service or outcome reviews (eg. recent	Jenny Nell – ongoing

<p>programme and to avoid the risk of inability to sustain the pace of change. Also, consider wider benchmarking of all service areas to better understand your cost base and performance</p>	<p>work with Planning Advisory Service) Take advantage of opportunities to deliver outcomes with partners</p>	<p>Assistant Directors - ongoing</p>
<p>b) Other themes emerging</p>	<p>Action for WCC</p>	<p>Lead Officer/timetable</p>
<p>8. Invest in your pool of talent and develop succession planning for the future</p>	<p>Develop new portfolio of management skills in senior managers Build on initiatives such as one-team and promote agile working practices through developing appropriate skills and competencies</p>	<p>Alison Gavin – training/development programme for CMT Alison Gavin (through Workforce Development Plan) – timing tbc</p>
<p>9. Certain aspects of overview and scrutiny are not working effectively and need to be more robust in terms of challenge</p>	<p>Continue development of scrutiny function to allow Members to properly track performance against priorities (links with 2 above), and to ensure contributions are timely and relevant</p>	<p>Jenny Nell - tbc</p>