

Corporate Peer Challenge

Rushmoor Borough Council

3rd to 5th February 2015

Report

1. Background and scope of the peer challenge

On behalf of the team, I would just like to say what a pleasure and privilege it was to be invited in to Rushmoor to deliver the recent corporate peer challenge. The team appreciated the efforts that went into preparing for the visit and looking after us whilst we were on site and the participation of elected members, staff and partners in the process.

This was one of the corporate peer challenges delivered by the Local Government Association as part of the approach to sector led improvement. Peer challenges are managed and delivered by experienced elected member and officer peers. The peers who delivered the peer challenge were:

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| David Marchant, Chief Executive, Castle Point Borough Council |
| Councillor Paul Middlebrough, Leader of Wychavon District Council (Conservative) |
| Nick Vickers, Head of Financial Services at Kent County Council and Swale Borough Council |
| Ed Hammond, Head of Programmes, Centre for Public Scrutiny |
| Donna Davidson, National Graduate Development Programme, Local Government Association (shadowing role) |
| Chris Bowron, Peer Challenge Manager, Local Government Association |

It is important to stress that this was not an inspection. Peer challenges are improvement-orientated and tailored to meet individual councils' needs. Indeed they are designed to complement and add value to a council's own performance and improvement focus. The peers used their experience and knowledge to reflect on the evidence presented to them by people they met, things they saw and material that they read.

The guiding questions for all corporate peer challenges are:

- Does the council understand its local context and has it established a clear set of priorities?
- Does the council have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully?
- Does the council have effective political and managerial leadership and is it a constructive partnership?
- Are effective governance and decision-making arrangements in place to respond to key challenges and manage change, transformation and disinvestment?

- Are organisational capacity and resources focused in the right areas in order to deliver the agreed priorities?

To tailor the challenge to the needs of Rushmoor, and at the council's request, we also considered the following.

- The authority would welcome the team's views on the robustness and deliverability of its plans for the future, particularly the '8 point plan' and organisational development strategy, in the context of the council's purpose and priorities and its financial position
- The authority would welcome the team's perspectives on how the council's existing Policy and Review (Scrutiny) function contributes to the achievement of the council's purpose and priorities and where this might be developed in the future

As you will recall, we undertook to write to you to confirm the team's findings, building on the feedback provided to you on the final day of the peer challenge and, in particular, expanding upon those areas that we highlighted as likely to benefit from some further attention. This report sets out those findings. The contents of the feedback presentation, on which this report expands, are reproduced as an annex at the end of this document.

2. Executive summary

Rushmoor Borough Council is a proud organisation that has strong traditions. It is stable, provides a range of good quality services and has a good reputation amongst the people it serves. People enjoy working for the council and are proud to be associated with it. Officers and elected members get on well with one another. The authority has a good track record in partnership working and partners value the contribution that the council makes.

The area has stood up well to the recession and there is real cause for optimism on the economy going forward. The borough aims to build on its success to date and attract further inward investment. The council has positioned itself well within the LEP, which is seen to be performing well, in order to gain significant economic benefits for Rushmoor. The council is well engaged regionally and sub-regionally and has been integral to the successful delivery of a wide range of regeneration projects within the borough.

The council recognises that it is operating in a very different environment to the one that existed a few years ago. It is facing up to this future and the wide range of challenges it presents.

The financial challenge that the council has faced to date has been effectively addressed without negatively impacting on service delivery or destabilising the organisation. However, the council recognised the need for a more sustainable approach going forward and a revised Medium Term Financial Strategy (MTFS) was approved last year. Whilst there are major financial challenges ahead, Rushmoor also has significant opportunities through which to address them. Over the coming months, greater clarity needs to be

established over what these opportunities offer in order to inform related decision-making and prioritisation.

Over the last three years, there have been different iterations of the council's '8 Point Plan' aimed at achieving financial and organisational sustainability. The current version is a comprehensive plan that sets a good direction of travel and has a high profile in the organisation. There is now much greater clarity about how the elements within the plan will contribute to addressing the financial challenge and the project management arrangements underpinning its' delivery have been strengthened. People are now feeling more confident about its deliverability but it is still seen to be early days. There remain some anxieties about the organisation's capacity to deliver it, which is a reflection both of the challenge the plan provides around the skills available within the organisation and the breadth of the programme. The need to either provide additional capacity or establish a greater sense of prioritisation around the plan may subsequently emerge.

A lot of good work is underway in relation to organisational development in the council. Whilst some external expertise has been sourced to assist with this, the emphasis appears primarily to be being placed on delivery from within the council's existing staffing resources. Change often seems to take a long time to deliver in the council – the review of the organisation that is currently underway is a good example, with people very keen to learn the outcome. This is seen to be a consequence of the council often trying to do too much at any one point in time, and thus spreading its resources too thinly. We therefore see a need for the council to reassure itself that there is sufficient capacity to drive the necessary organisational and cultural change.

Community leadership at the ward level in Rushmoor is seen to be very strong, with elected members very active and committed. However, to address the challenges facing the council and the borough it is important that councillors much better understand the wider aspects of their role, particularly at the strategic level.

Elected members act as the ultimate decision-makers in the authority but the processes informing the decision-making need to be strengthened. There is a tendency currently for councillors to focus on their representative role and operational issues and the flow of information to them is reinforcing this. We see a role for all councillors in relation to ensuring the successful delivery of what is important to the council and the borough. This can be achieved by enabling them to look at the right things at the right time in order to ensure the direction they have set is being appropriately followed and implemented.

We do not see the 'answer' to the issues that we have outlined regarding the roles of elected members resting with structural change. Rather we see the need to review the existing roles of elected members, both individually and collectively, so the roles can evolve to ensure the unique position councillors hold can be used to deliver the greatest possible benefit for the council and the borough.

3.1 A proud organisation with strong traditions

Rushmoor Borough Council is a proud organisation that has strong traditions. It has a good reputation amongst the people it serves. A survey of residents undertaken in late 2013, the findings from which were published in February 2014, showed that 82 per cent

of respondents were satisfied with the way the council runs things. Sixty six per cent were satisfied that the authority provides value for money. The council provides a range of good quality services, with planning and revenues and benefits seen to be very high performing when compared to similar authorities. The authority has a good track record in partnership working and the Leader and Chief Executive are well engaged and networked locally. Partners value the contribution that the council makes.

The council is a stable organisation, including its political leadership. The Leader has been in his role for nine years whilst the Chief Executive has held his post for nineteen years. There has been a Conservative Administration since 2000. There are lots of other officers and councillors who have similarly served the council for many years. People that we spoke to indicated that they enjoy working for the council, in an environment that is seen as polite and friendly. They described it as 'a nice place to work'. Those same people indicated that they are proud to be associated with the authority and to work for it. It is also clear that officers and elected members get on well with one another.

The council complements its strong traditions with a willingness to innovate, try new things and explore other avenues. Examples include the introduction of the 'systems thinking' approach to services including benefits, housing options and planning and the piloting of e-voting at Borough Council elections. The council has also shown willingness to work with partners in a range of areas. One example of this is the move to co-locate some Hampshire County Council staff and police within Rushmoor Borough Council's offices in order to achieve cost savings across the different organisations whilst at the same time making the accessing of public services easier for residents. A small number of shared services have also been established with other councils, including community safety with Hart and Basingstoke and CCTV with Hart. The joint community safety service has been built on with the creation of the Safer North Hampshire governance arrangements aimed at overseeing the delivery of community safety priorities across Rushmoor, Hart and Basingstoke.

3.2 Locality and context

The area has stood up well to the recession and there is real cause for optimism on the economy going forward. The borough, which is very well connected in terms of access to motorways, airports and London, is home to a number of international and world class companies and it aims to build on its success to date and attract further inward investment. 'Enterprise M3' – the Local Enterprise Partnership (LEP) – is seen to be performing well. It has agreed a 'Growth Deal' for Hampshire and Surrey with government in recent months, worth £148million, which is intended to bring forward up to 4,000 new homes, create up to 7,000 new jobs, attract up to £410million new public and private sector investment and improve transport links within and between key towns in the area.

The council has positioned itself well within the LEP and the 'Growth Deal' in order to gain significant economic benefits for Rushmoor from this funding, including the provision of a new exhibition hall at the Farnborough International Airshow site, transport schemes to reduce congestion and improve journey time reliability and network resilience, the regeneration of Aldershot town centre and the re-development of the railway station there plus the creation of a state of the art University Centre at Farnborough College of Technology.

The council has been integral to the successful delivery of a wide range of regeneration projects, including the town centres in Aldershot and Farnborough, and continues to try and drive forward others, such as the Civic Quarter in Farnborough and major housing development at Wellesley. The council is well engaged regionally and sub-regionally and is pragmatic around which organisations and bodies it links up with, including demonstrating a willingness and ability to work across county boundaries, for example with some of the Surrey districts.

The authority is well regarded by partners and has good and constructive relationships with them that benefit the borough, as seen for example around the work with 'troubled families'. Another example is the way in which a range of public services have worked together to manage the impact of rapid change in the make-up of the population of the borough in recent years. The change that has taken place, centred upon a significant increase in the size of the Nepalese community which now comprises around 10 per cent of the local population, has represented a sensitive and difficult situation which is seen to have been well handled.

Whilst, as we have outlined here, there is much that is positive regarding the economy and what is being delivered through partnership working, there continues to be a challenge in relation to secondary educational attainment, skills and wage levels amongst the local population. These represent significant issues that require concerted and sustained effort. There are some things that the council can do itself on this and others where it will need to use its influence and work with others to deliver progress.

The Chief Executive is seen as the driving force behind regeneration and much of the wider partnership working. It is positive that such leadership is demonstrated from the top of the organisation but it is important that the council plans for succession. The council has started to address this issue through the review of organisational structures, with the Chief Executive having commissioned the Wider Leadership Team to prepare options for structures and for the development of the roles of Directors and Heads of Services as part of the organisational development initiative.

3.3 Facing up to the future – the agenda

The council recognises that it is operating in a very different environment to the one that existed a few years ago. It is facing up to this future and the wide range of challenges it presents. The following constitute the main challenges and we outline a set of findings around each of these in the subsequent sections of this report:

- Financial challenge
- 8 Point Plan – 'transforming our financial position by working differently'
- Organisational development – 'helping deliver the 8 Point Plan'
- Organisation review
- Elected members' changing role

These challenges have a relative degree of certainty around them, with the picture already being fairly well understood and the council having developed plans and its thinking in order to help address them. A challenge that is less clear is the one concerned with developments for local government that will be played out at the national level, including

the changing landscape for councils post-General Election and the emergence of Combined Authorities.

3.4 Financial challenge

The financial challenge that the council has faced to date, since the austerity measures took effect, has been effectively addressed. Ways of addressing the financial gap have been found without negatively impacting on service delivery or destabilising the organisation. The morale of people within the council has been maintained despite the uncertainty that has been generated by the situation. However, the external auditor highlighted, in September 2014, the need for a more sustainable approach to addressing the financial challenge – the need to move away from utilising non-recurring savings measures and to establish a quantified savings plan.

This signalled the importance of the council moving away from drawing upon reserves, relying on underspends and capitalising upon one-off opportunities. It was also a comment on the lack of financial detail around the council's '8 Point Plan' for achieving financial and organisational sustainability. The council has responded to this and a revised Medium Term Financial Strategy (MTFS) was approved in November 2014. There is recognition that this now needs to be properly embedded.

A cumulative financial gap of £2.5m by 2017/18 has been projected. The council is confident of delivering within budget in the current financial year and agreeing the measures necessary to address the £500,000 gap in 2015/16. 2016/17 is seen to represent the key year, as it does for many local authorities, with a gap of £1.4m being faced.

Thus there are major financial challenges ahead. However, Rushmoor also has significant opportunities through which to address them. One example is the renewal of the waste and recycling contract, which will go out to tender soon and take effect from 2017/18. The economic and inward investment success of the area also offers potential growth in business rates. The council also recognises the potential to secure not only greater financial benefit, but also boost regeneration, through a more commercial approach to its investment portfolio linked to its management of assets. A more strategic approach to procurement, which the council knows it requires, offers savings opportunities. Over the coming months, greater clarity needs to be established over what these, and similar, opportunities can provide. This will clarify how much else the authority needs to find and this, in turn, will help to inform decision-making and prioritisation.

3.5 8 Point Plan

The concept of a plan aimed at achieving financial and organisational sustainability first emerged in 2011. There have been different iterations of the '8 Point Plan' in the three years since. The current version was approved in December 2014 and its aim is to transform the council's financial position by enabling the organisation to work differently. The revised version was produced in response to concerns that emerged within the organisation, around nine months ago, about the need for greater robustness in the plan itself and more rigour being required in the delivery of it. The plan has also been revised to reflect experience and learning over time and opportunities that have emerged. As an

example, shared services features much less now than in previous versions, whilst co-location with other organisations features much more prominently.

The version of the plan agreed in December is a comprehensive one, with it being seen to cover all of the areas that are appropriate. It sets a good direction of travel and has a high profile in the organisation. It is felt to be generating energy and a sense of excitement. The council has been holding drop-in sessions for staff to learn more about, and contribute their thinking to, the plan and its implementation. Information is also available for staff on the Intranet and people are actively encouraged to talk to a member of the Wider Leadership Team (comprising the Chief Executive, Directors and Heads of Service) if they have any questions, comments or concerns.

Crucially, there is now much greater clarity about how the elements within the plan will contribute to addressing the financial challenge. The council deserves credit for responding to what the external auditor highlighted as the need to establish a quantified savings plan. However, it needs to be mindful of the fact that only the period up to and including 2016/17 is currently covered.

The project management arrangements underpinning the delivery of the plan have been strengthened, with greater clarity now regarding the scope of each of the projects within it and clear accountabilities in terms of who is acting as project sponsor and who the project manager is. The revised version of the plan, and the approach now being adopted to oversee it and deliver it, has left people feeling more confident about its deliverability. We welcome the imminent move to include more detailed reporting on the '8 Point Plan' in the quarterly strategic and performance management update to Cabinet.

However, it is seen to be early days still regarding the implementation of the plan. There are still some anxieties about the organisation's capacity to deliver, which is a reflection both of the challenge the plan provides around the skills available within the organisation and the breadth of the programme. At present, the council is seeking to project manage the plan through its existing staff, but recognises that some people have greater strengths in this area than others. It will monitor progress carefully and look to strengthen capacity where the need is identified. There is also the issue that whilst it is defined as an '8 Point Plan', it actually contains more than thirty separate projects, all of which are of significant scale. Looking to deliver all of these simultaneously through existing staffing resources is felt by some to be ambitious. The need to either provide additional capacity or establish a greater sense of prioritisation around the plan may subsequently emerge. Also, having seen the monitoring document that provides an overview of each project, our conclusion is that this looks still to be very much in its infancy, with a need to develop much greater clarity over what will be delivered by when.

3.6 Organisational development

There have been several successes to date regarding delivering change within the council as part of an organisational development programme covering eight themes. One of the themes is the application of the 'systems thinking' approach that, as already touched upon, has been applied to several services. Some of these services are now seen to be amongst the best performing nationally when compared to similar councils. This is felt to be the direct result of the changes that have been delivered. The council recognises the

potential that 'systems thinking' has to contribute towards its objective of securing financial sustainability.

A lot of good work is underway in relation to organisational development in the council, which is seen as central to helping deliver the '8 Point Plan'. An organisational development strategy is now in place and involves strands such as 'organisational redesign, leadership and management development', 'developing a network of change agents', 'systems thinking' and a 'review of personnel services and changes to key policies'. Whilst some external expertise has been sourced to assist with parts of the programme, for example from the Office for Public Management (OPM), the emphasis appears primarily to be being placed on delivery from within the council's existing staffing resources. This is reflected in the creation of networks, action learning sets and communities of practice internally, aimed at spreading change, learning and improvement across the organisation.

Change often seems to take a long time to deliver in the council. The systems thinking changes delivered in planning services took around five years. The length of time taken to deliver change is seen to be a consequence of the council often trying to do too much at any one point in time, and thus spreading its resources too thinly, rather than people being overly-resistant to change.

The review of the organisation that is currently underway is also seen to be taking a long time. People are very keen to learn the outcome. Significant frustration was voiced to us as a result of people having regularly been led to believe in recent months that the communication of the outcomes was imminent. They do not understand the length of time being taken nor the reasons for the delay. Whilst there is inevitably anxiety around what may emerge, people seem up for change through the organisation review. However, there is a sense of them having difficulty in moving forward in the meantime, especially those operating under interim arrangements and others who would like to deliver some changes within certain services (asset management and procurement are a couple of examples) but feeling there is little point in doing so until future management responsibilities are clarified.

From our discussions with staff at various levels in the organisation, the impact of internal communication, the undertaking of staff appraisals, access to training and development opportunities and the provision of 'the tools to do the job' can be seen to be very variable across the organisation. Internal communications from the 'top of the organisation', including the annual staff roadshows with the Chief Executive and his weekly e-mail newsletter, are seen to be effective and popular. However, the undertaking of team meetings, and their effectiveness, is much more variable and staff appraisals are not carried out in all areas of the council. To address this, a new approach to staff appraisals is to be introduced in 2015/16. Access to training and development is variable and there is inconsistency around the provision of ICT equipment, such as mobile devices, from service to service in a way that people struggle to find logic in.

The issue of succession planning was a consistently recurring theme in our discussions. This goes beyond the issue of the Chief Executive which we highlighted earlier. The fact that a large number of people are long-serving generates a risk of significant experience and corporate memory being lost to the organisation in a concentrated period of time in not that many years from now. There is also another dimension to this, with the risk that when

an organisation has a lot of people who have served it for a long time, it comes to operate more on 'instinct' and does so at the expense of adherence to robust processes around, for example, business planning.

Given everything we have outlined here, we see a need for the council to reassure itself that there is sufficient capacity to drive the necessary organisational and cultural change – which essentially involves implementing the organisational development strategy and more. This change needs to be driven hard. There are mixed views as to whether sufficient capacity exists to achieve this and the council will need to determine the actual situation. If the conclusion is that there is insufficient capacity, this does not compel the organisation to invest more. It can, instead, look to prioritise things instead, developing a sequencing approach whereby different elements of the change programme are planned for implementation at different points.

Similarly, the importance of delivering these changes needs to be fully recognised across the council. We gleaned a sense from some managers that we met that change and organisational development were being seen as 'add ons' – something extra that they were struggling to fit in alongside the 'day job'. We would argue that the changes being sought, particularly those relating to service re-design, developing new ways of working and leadership and management development are very much the 'day job' for managers – especially when the quality of management, reflected in the undertaking of appraisals and team meetings, is so variable.

3.7 Elected members' changing role

The role of elected members is undergoing major change across local government, with a particular emphasis on community leadership, operating in partnership and effecting outcomes through influence.

Community leadership at the ward level in Rushmoor is seen to be very strong, with elected members very active and committed and really engaged with that aspect of their role. Through the undertaking of surgeries, ward walks and involvement in community activities, elected members have developed a good knowledge of their 'patch'. This is supplemented with information made available to them by the council in the form of ward profiles. For many years, this aspect of the role of elected members has provided significant benefit to both the council and the local community and it is essential this is retained going forward.

However, to address the challenges facing the council and the borough it is important that councillors build on their existing strengths by better understanding the wider aspects of their role, particularly at the strategic level. There are four themes that emerged for us during the course of the peer challenge, where we see a change of approach being required in the way councillors operate in order to provide the political leadership and constructive challenge that only they can offer from their unique position as elected members:

- Elected members taking the lead
- How councillors' use information to inform their role
- Elected members' role in performance and risk management
- Councillors' engagement with corporate priorities

Elected members taking the lead

There is a tendency currently for councillors to focus on operational and service related issues. This is reflected in the agendas of elected member forums in terms of the issues that both are and are not being considered by, for example, Cabinet and the Policy and Review Panels. There are examples of agendas for meetings being prepared jointly by elected members and officers, which is positive, but generally officers have a significant input into agendas and work programmes. Elected members need to ensure they are taking the lead and driving forward key issues for the council and the borough and this needs to be reflected in what they are considering during their meetings.

It is very positive that there are good relationships between elected members and officers, based on mutual respect and trust. However, risks emerge for the organisation when the trust elected members have in officers, based on officers' good delivery in the past and them being seen 'never to have let councillors down' before, leads to a limited amount of challenge. The good relationships that exist should be seen as a base from which to build and develop more robust arrangements for elected members to take the lead and challenge.

There is no doubt that elected members act as the ultimate decision-makers in the authority. What needs to be strengthened are the processes informing the decision-making. In particular, elected members should reflect more self-critically on the choices they make regarding which issues should be brought forward for consideration, the timescales for doing so to ensure that the opportunity to influence decision-making is maximised and the information they need in order to carry out these key tasks.

We also see a need for councillors to shape and set the pace more on the key challenges in the authority's immediate future. The council has an extensive change agenda to deliver which is central to addressing its forthcoming challenges. It cannot afford for the implementation of change to slip.

How councillors' use information to inform their role

The flow of information to elected members, and the quality of it, is currently more focused on keeping them informed than positioning them to take decisions and provide challenge. There is extensive engagement between officers and elected members, which is positive, but this seems to happen often in an informal way and be centred upon casework and ward issues. This is a vital part of the council functioning effectively but it needs to be kept in proportion and to be balanced with a flow of information on more strategic matters delivered through more formal channels. Whilst there are examples where both the Policy and Review Panels, and the task and finish groups that sit under them, carry out effective scrutiny and policy development activities, there are many issues which appear to just focus on monitoring and keeping councillors informed. Some of the task and finish groups also seem open ended without clarity of the work they need to undertake.

Elected members' role in performance and risk management

Being 'fit for the future' and the adoption of more formalised systems and processes that sit at the heart of this, involves elected members being better able to assure themselves, the organisation and others of the robustness of the council's plans and effectiveness. As an example, the strategic and performance management update to Cabinet reports on a wide range of issues, such as the benefits caseload, customer contact and key service measures including council tax collection, levels of homelessness and staff sickness absence. What is reported is essentially a set of numbers against a set of targets, with little contextual information supplied to help councillors determine how performance relates to other councils or whether it has improved or worsened over the last few years. There is also little in the way of commentary around how the information presented is, or should be, being responded to, the highlighting of risks or the seeking of direction from Cabinet.

With the extensive change agenda being faced and the council ambitious to maintain high service standards despite reducing resources, councillors need to be provided with relevant information that enables them to reassure themselves and others that things are on track and to take fully informed decisions and corrective action where they are not.

With the information that is made available to councillors currently and in the future, those elected members have a responsibility to access it and use it effectively. There may be an element within this of the council needing to ensure councillors are equipped with the skills to allow them to more effectively interrogate what can sometimes be quite technical information.

Councillors' engagement with corporate priorities

We see a role for all councillors in relation to ensuring the successful delivery of the council's priorities, whether they be the formally established corporate priorities of leadership, prosperity, place, people and communities and good value services, or other issues of significant importance including the '8 Point Plan' and organisational development strategy. At present Cabinet, through the strategic and performance management update, is provided with an overview of progress on key projects contributing to the corporate priorities. However, this reporting is far from extensive. There is also no clear and consistent way for the wider elected membership to understand, and challenge, delivery against the Plan or the council's wider priorities. Policy and Review Panels are able to set their own agenda and have looked at some key issues, including a review of the Aldershot Lido, neighbourhood renewal and homelessness. Undertaking this type of challenge and review needs to become more systematic and comprehensive and focus on council priorities.

Through more in-depth reporting to Cabinet, which we understand is planned in relation to the '8 Point Plan', and a re-focusing of the work of Overview and Scrutiny, we see an opportunity for the council to more fully capitalise upon the unique role of councillors. This can be achieved by enabling them to look at the right things at the right time in order to ensure the direction they have set is being appropriately followed and implemented and, through doing so, add greater value to the work of the council and see greater benefit being derived from the time they dedicate to their roles. All of this requires greater 'self-discipline' on the part of the council regarding where elected members apply their focus.

There are a number of issues that we have outlined here regarding the changing roles of elected members. There is a view that there are a lot of groups and bodies making up the decision-making structure, which require significant effort from both elected members and officers. However, we do not see the 'answer' to these issues resting with structural change, such as revision of the number of Policy and Review Panels. What we do see is the need to re-consider generally the role of elected members, both individually and collectively, going forward, in the context of the changes taking place in wider local government and the challenges facing the council, and how the unique position councillors hold can be used to deliver the greatest possible benefit for the council and the borough. Structural change may help this to take place but it should not represent the starting point.

Given what we have outlined, we also see tremendous benefit in councillors taking the opportunity to look outside Rushmoor and engage and exchange learning with wider local government. We heard about a forthcoming visit from another council to learn about the work Rushmoor has undertaken improving its revenues and benefits service. There are great opportunities, and huge advantages, in Rushmoor elected members, along with officers, looking to undertake similar learning and engage more generally with the local government sector through networks, communities of practice, events and peer activity.

Following on from the peer challenge

Through the peer challenge process we have sought to highlight the positive aspects of the council and the area but we have also outlined some difficult challenges. It has been our aim to provide some detail on them through this report in order to help the council understand and consider them. The council's senior political and managerial leadership will therefore undoubtedly want to reflect further on the findings before determining how they wish to take things forward.

Members of the team would be happy to contribute to any further improvement activity in the future and/or to return to the authority in due course to undertake a short progress review. Heather Wills, as the Local Government Association's Principal Adviser for the region within which the council sits, will continue to act as the main contact between the council and the Local Government Association, particularly in relation to improvement and access to the LGA's resources and packages of support going forward.

All of us connected with the peer challenge would like to wish Rushmoor, both as a council and a place, every success in the future.

Chris Bowron
Programme Manager – Peer Support
Local Government Association

Annex – Contents of the feedback presentation delivered to the council on Thursday 5th February

A proud organisation with strong traditions

- The council has a good reputation amongst the people it serves and delivers a range of good quality services
- The authority has a good track record in partnership working and the Leader and Chief Executive are well engaged and networked locally
- The council is a stable organisation, including its political leadership
- Officers and elected members get on well together
- There are many long-serving staff and councillors and people enjoy working in an environment that is seen as polite and friendly – ‘a nice place to work’
- The council complements its strong traditions with a willingness to try new things and explore other avenues

Locality and context

- The area has stood up well to the recession and there is real cause for optimism on the economy going forward
- The borough is home to a number of international and world class companies and aims to attract further inward investment
- ‘Enterprise M3’ – the Local Enterprise Partnership – is seen to be performing well and the borough has positioned itself well to gain significant economic benefits
- The council has been integral to the successful delivery of a wide range of regeneration projects and continues to try and drive forward others
- The authority is well regarded by partners and has good and constructive relationships with them that benefit the borough
- The Chief Executive is seen as the driving force behind regeneration and much of the wider partnership working but this generates a vulnerability and risk
- Educational attainment, skills and wage levels amongst the local population continue to be a challenge
- The council is well engaged regionally and sub-regionally and is pragmatic around who it links up with, including working across county boundaries
- Rapid change has been seen in the make-up of the population of the borough in recent years, throwing up challenges for a range of public services but a sensitive and difficult situation is seen to have been well handled

Facing up to the future – the agenda

- Financial challenge
- 8 Point Plan – ‘transforming our financial position by working differently’
- Organisational development – ‘helping deliver the 8 Point Plan’
- Organisation review
- Elected members’ changing role

- Developments at the national level – changing landscape post-election, Combined Authorities

Financial challenge

- The financial challenge to date has been effectively addressed
- The external auditor highlighted in September 2014 ‘the need to move away from non-recurring savings measures and to establish a quantified savings plan’
- A new Medium Term Financial Strategy was approved in November 2014 and now needs to be properly embedded in the council
- A cumulative financial gap of £2.5m by 2017/18 has been projected – with 2016/17 representing the key year
- Whilst there are challenges ahead, there are also significant opportunities - contract renewal, investment portfolio linked to asset management, business rates growth
- Greater clarity is required over what those opportunities offer – leading to a more firmly established financial position to inform decision-making and prioritisation
- Asset management – the council recognises the potential to secure greater financial and regeneration through a more commercial approach
- Procurement – the authority is aware of the need to develop a more strategic approach to procurement

8 Point Plan

- There have been different iterations of the 8 Point Plan over the course of three years, with the current version approved in December 2014
- There were concerns within the organisation 9 months ago about the plan – the need for greater robustness in the plan itself and more rigour to deliver it
- The plan is a comprehensive one that sets a good direction of travel and has a high profile in the organisation
- The project management arrangements underpinning the delivery of the plan have been strengthened
- Crucially, there is now greater clarity about how the elements within it will contribute to addressing the financial challenge
- The revised version and approach have left people feeling more confident about the deliverability of the plan
- However, it is seen to be early days still and there are some anxieties about the organisation’s capacity to deliver – a challenge around the skills within the organisation and the breadth of the programme

Organisational development

- There have been several successes to date regarding delivering change within the organisation – Planning, Revenues and Benefits, Licensing
- However, change seems to take a long time to deliver in the council – which is seen as a consequence of trying to do too much and thus spreading resources too thinly rather than people being overly-resistant

- Organisation review – people are very keen to learn the outcome, with significant frustration around the length of time being taken
- People are up for change through the organisation review but there is a sense of them ‘treading water’ in the meantime
- The impact of internal communication, undertaking of staff appraisals, access to training and development opportunities and provision of ‘the tools to do the job’ is seen to be very variable across the organisation
- The issue of succession planning was a consistently recurring theme in our discussions
- There is a need to reassure yourselves that there is sufficient capacity to drive the necessary organisational and cultural change – which essentially involves implementing the organisational development strategy
- Similarly, the importance of delivering these changes needs to be fully recognised across the council

Elected members’ changing role

- The role of elected members is undergoing major change across local government, with a particular emphasis on community leadership, operating in partnership and effecting outcomes through influence
- Elected members in Rushmoor are very active in their wards and really engaged with that aspect of their role
- However, to address the challenges facing the council and the borough it is important that councillors much better understand the wider aspects of their role:
 - Elected members taking the lead
 - Elected members’ use of information to inform their role
 - Councillors’ role in performance and risk management
 - Elected members’ engagement with corporate priorities
- *Elected members taking the lead* – There is a tendency currently for councillors to focus unduly on operational issues. Also, the trust in officers based on their good delivery in the past leads to councillors feeling little need to challenge. Agendas and work programmes for elected member forums are often being set by officers. There is a need for councillors to set the pace on issues to be taken forward.
- *Councillors’ use of information to inform their role* – The flow of information to elected members, and the quality of it, is currently focused on fulfilling their desire to be kept informed rather than positioning them to take decisions and provide challenge.
- *Elected members’ role in performance and risk management* – Being ‘fit for the future’ and the adoption of more formalised systems and processes that sit at the heart of this, involves elected members being better able to assure themselves, the organisation and others of the robustness of the council’s plans and effectiveness
- *Councillors’ engagement with corporate priorities* – Capitalising upon the unique role of councillors to add greater value through them looking at the right things at the right time in order to ensure the direction they have set is being

appropriately followed and implemented, with a need for greater 'self-discipline' regarding where they apply their focus.

- We do not see the 'answer' to these issues resting with structural change – although that may subsequently take place
- Given what we have outlined here, we see tremendous benefit in councillors having the opportunity to engage and exchange learning with wider local government