

Rushmoor Borough Council – LGA Corporate Peer Challenge Summary report - Follow up visit, 24th & 25th September 2019

1. Purpose

Following the LGA Corporate Peer Challenge in December 2017, Rushmoor Borough Council asked the peer team to make a follow up visit to help review and assess progress and potential next steps in response to the recommendations made in 2017. This report summarises the main observations of the peer team during the follow up visit in September 2019.

2. Process and peer team

Peer challenge is one of the key tools to support sector-led improvement. It is tailored to meet individual councils' needs, and designed to complement and add value to a council's own performance and improvement focus. The peer team provide feedback as critical friends, not as assessors, consultants or inspectors.

The peer team was as follows - most were part of the team for the December 2017 peer challenge:

- **Lead peer** – Alan Goodrum, associate consultant (formerly Chief Executive of Chiltern and South Buckinghamshire Councils)
- **Member peer** – Duncan McGinty, Leader, Sedgemoor District Council
- **Senior officer peer** – Adrian Sibley, Director of Resources, Corby Borough Council and s151 Officer, East Lindsey District Council
- **LGA challenge manager** – David Armin

The peers used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read during their visit to Rushmoor on 24th to 25th September 2019. To inform their findings, the peer team reviewed some key documentation in advance. During the visit we spoke to some 45 to 50 members and officers of the Council and partner representatives, in both interviews and themed group discussions to consider progress and next steps.

In exploring that progress, our discussions followed some broad themes which reflect the recommendations made following the 2017 peer challenge:

- strategic planning and partnerships
- managing performance
- effective scrutiny
- financial strategy
- transformation and change management.

Once again we were made welcome and people were open in sharing their experiences with us. We believe this has enabled us to provide a useful snapshot of both the real progress made by the Council and some areas for further attention. We would like to thank you for inviting us back to Rushmoor and trust that our feedback helps inform future improvement and development.

3. Progress made

Rushmoor has made real progress in a number of areas since the peer challenge in late 2017. It has pushed ahead with the Rushmoor 2020 modernisation programme. The Council's Leader and Chief Executive continue to provide ambitious leadership for the Borough and the authority. Constructive relationships across the different political groups have been maintained and the new shadow portfolio holder and briefing arrangements are welcomed. A new senior management structure has been put in place in support of organisational redesign and modernisation. Following this, a number of new appointments have been made at Head of Service level which have helped to strengthen the Corporate Leadership Team (CLT). There has been continuity at Executive Director (ED) level, but with some re-focusing of responsibilities to allow the ED for Customers, Digital and Rushmoor 2020 to champion change and transformation. There is an evident appetite for continuing change across members, senior officers and staff – to 'listen, learn and deliver better'.

The progress made by Rushmoor against the themes underpinning the recommendations made in 2017 is summarised below.

Strategic planning and partnerships

The Council has developed a long term vision for Aldershot and Farnborough up to 2030 'Your future, your place'. The development of the vision was informed by extensive consultation with local residents and other stakeholders. This included a residents' survey, stakeholder events and the use of social media. The findings of this consultation were analysed, shared with partners through the Rushmoor Partnership Network and used to shape the priorities and vision for the area approved by the Council in July 2019.

The Council Plan, which previously had a one year planning horizon, has been extended to a three year Council Business Plan 2019-22. This shows how the Council will work to deliver the long-term vision for the Borough through actions against four themes (People, Partnerships, Place and Better Public Services), although the articulation of the links to the 2030 Vision could be strengthened. This new Council Plan provides the basis for longer term prioritisation of resources, service planning and performance management. The Council should now be prepared to stick with this plan unless there is a clear need for re-prioritisation and reallocation of resources.

The good relationships between partners across Rushmoor have been sustained and the Council continues to be well regarded by partners. There is confidence among partners that they will respond to requests for assistance where they can, and work together to better understand and address common problems or tackle issues which require a number of agencies to work together in a holistic approach. Partners share the Council's desire to simplify the previous Rushmoor Strategic Partnership arrangements, to give a greater focus on problem solving and delivering better outcomes rather than information sharing and process. The new Rushmoor Partnership Network (RPN)

arrangements are seen to have addressed these concerns. It is envisaged that there will be two meetings of the full RPN each year. In 2018/19 these were used for engagement around developing the 2030 Vision. A steering group, chaired by the Council Leader, will progress specific projects and convene willing volunteers to tackle particular issues. Partners support the principles behind the redesign of the RPN, but are not clear about its purpose, which now requires clarification.

Managing performance

The Council is working to embed performance management, but recognises that more needs to be done. The new Council Business Plan provides the basis for the performance management framework. A dashboard will provide activity and performance data against high level Business Plan commitments. Full monitoring documents, with exceptions highlighted via a RAG system, will support a quarterly Directors meeting to review areas of service performance or project delivery that need follow-up. The service planning arrangements are quite new and need to be fully integrated into the performance management system. The Council's Cabinet is developing a greater focus on performance, with informal meetings used to increase the accountability of portfolio holders and CLT for delivery.

These performance management arrangements around the new Business Plan have only recently been introduced, so it is too early to form a view about their effectiveness. However, the peer team believe that developing a culture of performance accountability and a focus on key issues at different levels of the organisation supported by timely and accurate information will be key (i.e. a corporate summary *vis a vis* more detailed reporting at service level). Greater focus on project delivery is an integral part of this.

Effective scrutiny

Rushmoor has made significant changes to its arrangements for scrutiny. Following a review of decision making and governance arrangements, the five Policy & Review panels have been replaced by an Overview & Scrutiny Committee and a Policy & Projects Advisory Board (PPAB) with effect from May 2018. Under the PPAB, member Task & Finish (T&F) groups have been established to advise Cabinet and Council on policy development in particular areas (such as the development of a play area strategy which is underway currently). Training on effective scrutiny has been provided to members by the South East Employers organisation, providing a source of external challenge and expertise in different ways of working. The Council intends to extend such training to include officers who may support O&S / PPAB.

These changes were widely welcomed by the members and officers we spoke with. Scrutiny and policy development work is felt to be better co-ordinated, makes better use of resources and is less process-orientated. The respective roles of forward looking policy development and accountability for effective implementation of agreed policy through scrutiny is better understood. Councillors on O&S, the PPAB and T&F groups feel engaged with the new ways of working and believe them to be member-led. The Cabinet and officers are seen to be responsive to scrutiny. To further embed the new ways of working, development of work programmes should continue to be guided by agreed Council priorities (i.e. from the Business Plan and 2030 Vision) to make the best use of the resources available for scrutiny and ensure impact on important areas of the Council's activities. Consideration should be given to making more use of scrutiny to hold Cabinet members to account for delivery through attendance at O&S Committee meetings.

Financial strategy

We found greater clarity and understanding regarding the Council's financial position than at the time of the previous peer challenge, including a more consistent understanding of the budgets required across different services. This is enabling the delivery of services within budget without large unforeseen underspends. The Executive Head of Finance is a member of the Executive Leadership Team (ELT), which helps with longer term planning. A revised Medium Term Financial Strategy (MTFS) was approved in February 2019. This includes a savings plan to March 2022 which identifies the source of those savings. The transformation programme and more commercial approaches including the commercial property investment strategy will be key to delivering savings.

The Council has increased its reserves, consistent with the uncertainties arising from the national position re local government funding (i.e. the delays to the Fair Funding Review, Business Rates Retention and New Homes Bonus etc.) and potential risks to the delivery of transformation savings. Total reserves of £8.9m are forecast for 2021/22 (compared to a net revenue budget of £11.3m). Reserves include a service improvement fund of £492k to support key projects to help the Council's plans for financial sustainability. Investing in commercial property inevitably brings risks and the Council has established a commercial reserve of £2m in recognition of this. In addition, it has engaged specialist consultants to review its commercial property investments and develop an investment strategy. Financial performance of investments has been scrutinised by O&S Committee. Ensuring good governance of commercial property investments will remain a key issue.

Transformation and change management

The Rushmoor 2020 programme has provided an overarching framework for organisational modernisation, such as the structural review led by the Chief Executive, responding to the 2017 staff survey and the recommendations of the previous peer challenge. Governance arrangements included a member T&F group. The 2020 programme has helped modernise the organisation. It has now been replaced by the ICE¹ programme to carry forward the service transformation programme to redesign and digitise services to deliver savings and improved customer experience, alongside continuing organisational development.

The ICE programme provides for a more systematic and structured approach to transformation and change management, with a Programme Board, chaired by the Executive Director (Customers, Digital & Rushmoor 2020) to oversee the various workstreams, with member governance through the PPAB and Cabinet. The methodology is developed in-house and delivered through the Council's staff which should make the programme sustainable. The Council is transferring responsibility for Major Projects & Regeneration from the Chief Executive, with the Head of Service now reporting to the Executive Director leading on ICE. This should enable the same programme and project management disciplines used for transformation to be applied to regeneration projects and consolidate expertise in these areas. This will be important for delivery of key projects such as the re-development of both Aldershot and Farnborough town centres.

¹ Improve and modernise our core business; Create consistently excellent customer service; Enable efficiencies, savings and generate more income

Staff welcome the increased personal development opportunities, such as the Leadership Programme and Learning at Work week. These are helping to support culture change and more cross-cutting working. Staff report that the organisation feels less silo-based than previously. A permanent appointment has recently been made to the post of Corporate Manager – People. Although not at Head of Service level, this post will sit on the Executive Management Team (along with the Chief Executive, Executive Directors and Head of Finance). An early priority will be to develop a comprehensive workforce strategy to meet the needs of new service delivery models.

4. Areas for further consideration

To sustain and build on the progress made, the peer team suggest that the Council needs to give particular attention to the following:

- Ensuring sustained focus on the priorities agreed in the Council Plan, avoiding *ad hoc* additions in responding to emerging issues. Put simply to 'stick to the knitting'. This is not to suggest that the Plan should be seen as fixed in stone, as new issues and political priorities will emerge over time. The growing importance assigned to climate change and the green agenda is a case in point (the Council having recently adopted a climate change emergency motion). However, such new priorities should be adopted in a planned way, with consideration of the need to reallocate resources and to drop / defer other priorities given that resources are finite.
- Performance reporting needs to be more focused and selective, to support a performance management culture and enable portfolio holders and Heads of Service to be held to account. A suite of key indicators at corporate and service levels respectively need to be agreed. The Council's services continue to perform well, but there will need to be vigorous performance management arrangements to ensure this is sustained as the organisation undergoes further change.
- Clearer monitoring of progress in key project areas. The programme and project arrangements under ICE should enable transparent status reporting of key corporate projects. For all projects clear and realistic timescales for delivery should be set. These should then be stuck to, with robust accountability for delivery.
- The Council should accelerate its plans for strategic risk management, ensuring that a simple and practical model is quickly adopted, which can be readily used by Cabinet and ELT.
- Working with partners to clarify the purpose of the Rushmoor Partnership Network (the RPN). The goodwill of partners towards the RPN is a valuable asset, but they need greater clarity about what it is for and their role on it – including the terms of reference and composition of the Steering Group. Partners will then be better placed to determine who should represent their organisation on the RPN, with the appropriate authority within their own organisations to make things happen. The RPN may need a reset, but not wholesale change, as the model of an outcome focused rather than bureaucratic structure is welcomed. But some additional support from the Council and other partners and clearer processes may be required.

- Continue with the work to establish good governance arrangements for commercial property investments, to ensure that risk is well understood and managed. This should include training for members to inform decision making around significant financial investments and access to external expert advice. However, such investments need to be seen as core business and the Council should develop and maintain sufficient internal expertise and experience to be an intelligent client for commercial property management services and advice.
- Ensuring that the early work to develop a workforce strategy is seen through to fruition, so that the Council's staff have the capabilities and skills to continue to embrace new ways of working. The desire of many to develop their skills is evident. Sustaining cultural change will be important. Greater clarity and consistency of messages is needed about the future direction of the organisation and the changes this will require. Regular e-mail briefings are helpful, but are not a substitute for more direct and frequent engagement by both managerial and political leaders. As an example, staff report that they found the engagement with councillors through the political awareness training sessions valuable.

5. Conclusions

The Council has made significant progress in its modernisation and change programmes, while maintaining good service delivery and strengthening its financial position. This momentum needs to be sustained to meet the ambition of the Council's leadership for further change and achievement for communities across Rushmoor. This will be helped by the clear appetite for change and more cross service working we found throughout the organisation, along with the greater empowerment of managerial leadership which is now apparent.

The pace of change can be accelerated - but this needs to be achieved in the context of wider organisational development, to enhance capability, and resourcing in accordance with agreed priorities (including reduced resources to lower priority areas where necessary). The Council needs to concentrate on agreed priorities while new ways of working, service transformation and culture change take effect to develop the capacity of the organisation to take on and deliver further priorities. The Chief Executive will need to maintain his clear leadership of the necessary organisational change, so that the Council can deliver member's ambitions for Rushmoor, with the support of the Executive Directors on ELT.