

Corporate Peer Challenge **Blaby District Council**

13th-15th October 2015

Feedback Report

1. Executive Summary

Blaby District Council (BDC) is a great council which is performing well with no major concerns. There are many examples of good services and projects with a strong focus on doing the right thing for Blaby's residents and customers at all levels of the organisation.

All political parties are united in their desire to do the best for the residents and customers of Blaby and work constructively together to achieve this. This is illustrated by several examples of where the council has stepped in to provide funding or support when other partners' resources have been reduced e.g. the Early Years Physical Activity provision. Finding funding to bridge gaps in others' services may not be sustainable in the long term.

There is a skilled, enthusiastic and committed Senior Leadership Team (SLT) which is empowering and encouraging staff. There has been worthwhile investment in the SLT's development, and staff across the council are given opportunities for development in different ways. Staff are enthusiastic and committed to delivering good customer service. This positive, empowering culture, with a determined commitment in finding a solution for residents throughout officers and members, is known colloquially as 'The Blaby Way'. This culture is a very important reason in why staff stay working for the council and why they are so loyal to it.

Changes in political appointments at a number of levels have inevitably led to a change of approach in how members and officers interact with each other, but the administration is keen to ensure continuity of purpose. Relationships need to be nurtured and developed in order to achieve the best for Blaby.

BDC is seen as a good partner, and it has a reputation for successful brokerage between different organisations, sorting out bottlenecks in processes and working together to deliver the best for Blaby's residents and customers. Developers and landowners are keen to work with Blaby, and the council is keen to maximise the benefits of this. There is a strong focus on economic development, taking advantage of the location of the council and the transport infrastructure within its boundaries.

There are many district councils in the UK which are struggling financially, but there is no sense that BDC has considered this potential financial cliff face. BDC's future financial position relies heavily on successful development in the district. Plans include significant house building, expansion of the Fosse Park Retail Park and increased logistics and transport interchanges. Financial planning is based largely on securing and using New Homes Bonus (NHB) and retention of Non-Domestic Rates (NDR). Its current position is clear, however there has been little planning for alternatives if for whatever reason plans don't come to fruition. The pragmatic nature of BDC's officers and members means that there is a high degree of confidence that the council will manage should the development not materialise, but future financial challenges are unprecedented and a different approach is needed.

There is a commitment to a very high level of universal services, but these may also not be sustainable if resources do not continue as expected. This could mean exploring options for future delivery, building on good partnership working, to find ways to continue to deliver

good services for local residents and customers. Whilst current priorities are clear, BDC will need to decide what sort of council it should be in the future and what its purpose will be.

The tendency to focus on doing the right thing is beneficial to Blaby's residents and customers, but is largely reactive and lacks co-ordination and a key strategic overview. The district benefits from a superb location for economic growth and there is a clear ambition to make the most of it. However, long-term plans are only now beginning to be developed. For example, there is a Junction 21 Group, comprising interested stakeholders across different sectors, but no masterplan for how the area should be developed to benefit all partners and residents. The team saw no clear projection for long term business model (for example, deciding and agreeing how services will be delivered; in-house, a commissioning council or shared services) but yet there are successful examples of different modes of delivery within BDC.

BDC has begun to identify the opportunities for efficiencies and smarter working but there is not a co-ordinated approach. For example, the Channel Shift Project and the Bubble are working independently without a strategic framework for efficiency. Greater co-ordination at a corporate level is needed to minimise duplication or competition for resources, reduce the pinch points and enable a more programmed approach to project delivery.

BDC has many strengths and a good track record of delivering high quality services with highly committed and empowered staff. The challenge now is to think about how the council manages considerable change in resources and continues to be sustainable for the future whilst holding onto the 'Blaby Way'.

2. Key recommendations

1. Ensure politicians understand the looming financial changes and risks associated with them. Consider an awayday for Cabinet, Directors and Chief Executive to do some visioning for the organisation. This will help to solidify strategic plans for the future.
2. Actively explore what sort of council you will be in the future, exploring a range of different scenarios to ensure future sustainability.
3. Underpin this with robust strategic financial plans.
4. Develop a masterplan for Junction 21.
5. Provide support in the new political environment, particular for members in senior position, for example, Leader, deputy Leader, and Chair of Scrutiny.
6. Complete the work on the Member - Officer Protocol including training.
7. Develop a strategic overview for income generation and commercialisation.
8. Develop strategic corporate project co-ordination.
9. Communicate your strengths and successes.

3. Summary of the Peer Challenge approach

The peer team

Peer challenges are delivered by experienced elected member and officer peers. The make-up of the peer team reflected your requirements and the focus of the peer challenge. Peers were selected on the basis of their relevant experience and expertise and agreed with you. The peers who delivered the peer challenge at Blaby District Council were:

- Steve Winterflood, Chief Executive South Staffordshire Council
- Councillor Tony Jackson, East Hertfordshire District Council
- Terry Collier, Deputy Chief Executive Spelthorne Borough Council
- Ann Hedges, Chief Operating Officer Colchester Borough Council
- Becca Singh, Adviser, Local Government Association

Scope and focus

The peer team considered the following five questions which form the core components looked at by all Corporate Peer Challenges. These are the areas we believe are critical to councils' performance and improvement:

1. Understanding of the local place and priority setting: Does the council understand its local context and place and use that to inform a clear vision and set of priorities?
2. Leadership of Place: Does the council provide effective leadership of place through its elected members, officers and constructive relationships and partnerships with external stakeholders?
3. Financial planning and viability: Does the council have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully?
4. Organisational leadership and governance: Is there effective political and managerial leadership supported by good governance and decision-making arrangements that respond to key challenges and enable change and transformation to be implemented?
5. Capacity to deliver: Is organisational capacity aligned with priorities and does the council influence, enable and leverage external capacity to focus on agreed outcomes?

In addition to these questions, you asked the peer team to provide feedback on how well you work in partnership to deliver the best outcomes for your customers.

The peer challenge process

It is important to stress that this was not an inspection. Peer challenges are improvement-focussed and tailored to meet individual councils' needs. They are designed to complement and add value to a council's own performance and improvement focus. The peer team 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.

The peer team prepared for the peer challenge by reviewing a range of documents and information in order to ensure they were familiar with the council and the challenges it is facing. The team then spent three days onsite at Blaby District Council, during which they:

- Spoke to around 100 people including a range of council staff together with councillors and external partners and stakeholders.
- Gathered information and views from more than 24 meetings, visits to key sites in the area and additional research and reading.
- Collectively spent around 210 hours to determine their findings – the equivalent of one person spending nearly 6 weeks in BDC.

This report provides a summary of the peer team's findings. It builds on the feedback presentation provided by the peer team at the end of their on-site visit (13th-15th October 2015). In presenting feedback to you, they have done so as fellow local government officers and members, not professional consultants or inspectors. By its nature, the peer challenge is a snapshot in time.

4. Feedback

4.1 Understanding of the local place and priority setting

Blaby District Council has a clear understanding of the local place and works with partners to set priorities for the area. The Blaby Plan (2015-2018) demonstrates this good understanding and sets out well-articulated priorities for the area. BDC is fulfilling these priorities. Staff and members were able to demonstrate considerable knowledge of the different needs and challenges in the district (rural isolation in small villages in the South and West, with urban towns (including deprivation) and significant development (economic, residential, retail and logistics) all in the North-East of the district. Council priorities in the Plan reflect this diversity.

There is an excellent two-way relationship with partners to maximise local knowledge of the area. Blaby is involved in a number of partnerships (see section '4.6 Partnership working' for more detail) and the re-focused Local Strategic Partnership (LSP) in particular demonstrates how partners are working together to set local priorities and deliver on them. BDC has a strong focus on economic development, taking advantage of the location of the council and the transport infrastructure within its boundaries. Developers and landowners are keen to work with Blaby, and the council is keen to maximise the benefits of this.

Many of BDC's councillors sit on Parish or Town Councils which brings great knowledge of smaller local areas and communities. There are also many who sit on the County Council as well. Although these multiple responsibilities bring the benefits of knowing and working for a number of different communities, there may be pressures on individuals' capacity, and some conflicts of interest when acting at different levels of government. There appears to be a lack of strategic thinking which could be affected by these competing levels of representation.

There is a Combined Authority bid in place, comprising all the Leicestershire District Councils, the County Council and the City Council. Blaby has been an active partners in developing and shaping the bid, with a focus on getting all partners fully committed to a single bid. There are some concerns, from within the combined authorities, including BDC, that the area considered may be too small, and that it may be lagging behind its geographic neighbours.

4.2 Leadership of Place

BDC is highly regarded and respected by its partners. Organisations that work across the county area report that they are able to work better in Blaby than some other council areas. BDC has a reputation for being a successful broker of agreements, for itself and on behalf of others (for example landowners and developers). Partners told the team that there are constructive and sometimes challenging conversations with genuine two-way dialogue and gave examples where BDC smoothed bottlenecks in public sector processes and help partners come to agreements.

The Chief Executive at BDC leads for the seven Leicestershire district councils on housing services and health and wellbeing issues. BDC has taken this lead strongly, working across all local the councils to develop and deliver housing interventions which are reducing demands on health and social care services .

There are large-scale developments on the horizon, such as Lubbethorpe (housing, retail, employment, logistics). Working with partners, BDC conducted a far-reaching health impact assessment on the plans for this development to maximise the benefits to local residents. This HIA approach is now being used by the County Public Health team in other Districts.

Blaby DC plays an active role in the Junction 21 Partnership. This is a partnership across different sectors which have an interest in ensuring that this area works well: developers, Highways departments, retail companies and other businesses. This already congested area is a key location in the district and will have significant impact on traffic and travel options, and could limit future developments. The council could use this leadership role to develop a strategic long-term 'Junction 21 Masterplan' through the Junction 21 Partnership.

The Local Strategic Partnership had for some time had had limited impact. BDC has taken over responsibility for it, and has shaped its re-focused ways of working. Each year, the partnership now takes on a theme and partners work together around that theme. The theme in 2015 is 'employability' which links well with one of the council's priorities - tackling youth unemployment. Research, events, communications and specific programmes of work (such as setting up apprenticeship schemes with developers, retailers and other large companies based in the district) are taking place and are already achieving good outcomes.

Some residents and partners report that there can be difficulties in finding out how to access services that the council provides. In addition, the council could do more to promote the good initiatives and successes that it achieves.

4.3 Financial planning and viability

Officers have a good level of financial awareness through recent training, sharing of information and regular financial updates in SLT meetings. There has been considerable work with Vanguard to ensure there is widespread understanding of Systems Thinking and it is being used to drive efficiencies.

There is a growing and buoyant tax base with an increase in population and inward investment. Financial planning is based largely on New Homes Bonus (NHB) and retention of Non-Domestic Rates (NDR) which relies heavily on successful development in the district. Plans include significant house building, expansion of the Fosse Park Retail Park and possibly increased logistics and transport interchanges with new businesses making enquiries to move to the area.

There are internal initiatives which aim to identify, monitor or deliver savings within BDC. These include the Bubble (a systems thinking intervention in revenues and Benefits working across silos and which in time will bring in other service areas) and the major scheme to relocate its depot in order to generate revenue savings and create opportunity for the Council to develop housing on the existing site. These initiatives involve officers from across different services and have financial savings attached to them. SLT members identify and track savings and income generation proposals in the SLT meetings through the 'Closing the Gap' spread sheet.

However, there is a need for some robust financial planning. There are many district councils in the UK which are struggling financially, but there is no sense that BDC has considered this potential financial cliff face. Frank and honest conversations about the scale of austerity and how it will affect the council are needed, particularly with elected members. There is a sense that BDC can be smarter with its finances, but this does not have the urgency seen in other councils.

There is a tendency to be over-optimistic about the income from NHB and NDR, as well as the speed of development plans. This has implications for how much income will be generated and when, and puts the council financially at risk if the expected developments and investments do not materialise. What will happen if your plans do not come to fruition or if some schemes are delayed or have to be altered? It is important that some time is taken to further identify and mitigate for potential risks associated with these opportunities. Although the current position is clear, there has been little planning for different future situations. The pragmatic nature of BDC's officers and members means that there is a high degree of confidence that the council will manage should the development not materialise, but some contingency planning would be advisable. Scenario planning with partners will help you understand how other organisations deal with risks, and could help minimise and share these risks. There may also be knowledge within the different sectors that would be valuable to long-term financial plans for BDC.

Officers and members describe decision-making and ways of working as incremental, pragmatic and opportunistic. The tendency can be reactive and the team felt that it has led to a lack of strategic long-term planning. For example, the relocation of a depot to release

land for housing development is not part of a strategic asset management strategy. The 'Closing the Gap' spread sheet focuses on short-term savings and has few detailed plans within it. It could be used to initiate the production of a medium-term efficiency and income plan. There is a history of underspending, without evaluating the long-term effect on jobs and services in the future. Although BDC acts on opportunities that arise, there is no strategic or co-ordinated overview of income generation or commercialisation. The willingness to fill the void in funding some projects and services that others have cut may not be financially sustainable. BDC could work with its partners to explore options for future delivery, building on good partnership working, to find ways to continue to deliver good services for local residents and customers. Whilst current priorities are clear, you will need to decide what your purpose is going forward and how you want to deliver that purpose.

4.4 Organisational leadership and governance

The Chief Executive and the SLT show strong, capable leadership. They demonstrate an empowering style of leadership that staff and members appreciate and are thriving under. Investment in staff development has been worthwhile because it has led to staff up and down the organisation are using their learning to transform the way services are delivered and teams are working. There is a positive buzz and energy in the authority with a skilled, committed and vibrant workforce, clear that they are working to deliver the best for the residents and customers of Blaby District Council.

Following the May 2015 elections there has been a change in political leadership at a number levels which, with a new leader and deputy leader, an influx of new members and this is bringing different styles and new approaches. There is a clear commitment from elected members to do the best for Blaby and the council. The changes in political leadership have brought some challenges to established ways of working and new approaches are testing member-officer relationships and staff confidence somewhat. Care needs to be taken to ensure that changes in style do not damage staff confidence and diminish the Blaby Way and hence service delivery.

A high number of new councillors joined following the election in 2015, and there are many who have not been councillors for more than one term, including the new leader. There is good support provided to members for training and development, including a buddy system with senior officers to help them understand how different areas of the council work. Scrutiny is chaired by a member of the opposition, and support has been given to the new Scrutiny Chair. There needs to be continued emphasis on member support and development to enable new councillors and those in new roles to settle in and add value to the council.

Staff welcome the new Personal Development Appraisal framework, although not all have been able to use it yet. The new approach is focused on developmental conversations with managers, with less prescriptive paperwork than in the past. It is clearly linked to service plans and council objectives. The framework allows for service plans to develop under changing circumstances (for example, the Comprehensive Spending Review during the financial year) and all these steps have helped to improve confidence in the appraisal process. Performance management software needs some development to manage the process, but this is already beginning to be addressed.

Scrutiny is chaired by a member from the opposition; this approach is considered to be good practice by the Centre for Public Scrutiny. The change in scrutiny members and the chair has led to some difficulties with an apparent lack of robust challenge. This is being addressed through member support and there has been recent improvement. BDC needs to ensure that Scrutiny Committee develops its own proactive workplan, alongside challenging the work of the Cabinet.

4.5 Capacity to deliver

BDC has a well-motivated, enthusiastic workforce that feels supported and empowered to try out different initiatives and ways of working. There are a number of two-way communications opportunities for staff with weekly team meetings (all services opening at 0930 on a Wednesday to allow time for team meetings; the peer team were able to observe one such meeting) and regular all staff briefings ('Blaby Matters' given by SLT and senior councillors). There are numerous opportunities for staff involvement in planning for the future and feedback mechanisms and staff report that they see real changes as a result of these. These include a staff sounding board with identified responsibilities and a work programme, customer service champions and focus groups to identify solutions to address problems highlighted in staff surveys.

Corporate projects are established which brings together staff from different disciplines, leading to a close-knit and well-informed officer group, for example, a group looking at marketing and branding. Staff are supported in this style of project work, with substantive posts usually backfilled through agency staff or colleagues appointed. As projects are cross-functional, this way of working has helped to break down silo working and cement a consistent approach. Staff have seen investment in their development, through the Art of Being Brilliant and Systems Thinking training (including a dedicated officer), as well as investment in the development of SLT. All of these have helped to break down silos, creating new ways of working, and have enabled BDC to deliver savings in a short-time scale, reflecting a worthwhile investment.

There is a flexible home-working scheme for officers at different levels of the organisation which is backed up by good use of technology. This includes the use of iPads (enabling largely paperless meetings for officers and members) and remote access to BDC desktops. However, there is little evidence of agile working being used as a tool for transformation, or changing the way people work. The scheme appears to be limited and at the discretion of individual managers and not consistently applied across the organisation or linked to a strategic focus on reducing the council's accommodation footprint and costs. The Channel Shift project could be connected to agile working concepts. A clear policy for flexible working should be established, piloted appropriately before potentially rolling out to help support further efficiencies.

There are a number of examples where BDC has established work to fill in the void left by other public sector partners' cuts (e.g. Early Years provision). This is to be commended, and is appreciated by partners. There has also been a public commitment by politicians to maintain a high level of universal services. Can the council continue to

offer its time and resources in this way in the long term? Going forward, there are some risks that this may not be sustainable as national funds are reduced and the council faces austerity. Developing a strategic financial and service overview will help BDC prioritise work and identify what may need to be rationalised or delivered differently. Good external communications will be essential to ensure residents and customers understand why there may be a change in the level of service.

There is evidence of some strain in capacity in some services, such as planning, which has been recognised and is being addressed. However, there is little evidence of council-wide strategic forward capacity planning. You need to look at capacity in the changing local government landscape and try to prepare for a sustainable future. There is a workable system of project management (although not universally used), and projects are generally adequately resourced, including using agency staff to backfill posts. BDC is good at piloting innovative ideas, and using evidence to either develop or close down projects on the basis of the pilots.

There is no co-ordinated programme management which identifies pinch points, where projects interlink and depend on each other and timelines for projects. The absence of co-ordination means that projects can overlap, compete for resources or miss some key considerations and opportunities. For example, the Bubble, Channel Shift Project and marketing and branding group have an impact on each other's work but there is no evidence that the links have been made. BDC is behind most councils in some areas (e.g. beginning to develop online self-service for residents and staff, and considering the future of a council print room), but your investment in staff skills and development means that you are able to do this at a quicker rate than other councils. Ensure that enthusiasm is not at the expense of co-ordination. A strategic overview linking all projects would be helpful and could help BDC plan for future changes and minimise the strain in capacity.

Perceptions about the pace of change vary across the organisation depending on whether or not individuals have been involved with cross-departmental work (e.g. Channel Shift, Bubble, Staff Sounding Board); this has been acknowledged by SLT. Staff report that it would be helpful to know what expectations there are about the pace of change and what progress SLT feels they have made so far.

Officers all demonstrate a willingness to support elected members in their decision-making role. There is considerable understanding at all levels of the organisation of the impact of a high proportion of relatively new members and a new Leader and Chair of Scrutiny, particularly after a long time of stability. Staff offered suggestions of how to help improve members' understanding of the work of officers, including a marketplace demonstrating different services, time or days spent shadowing frontline staff, attendance at meetings of working groups, coaching and mentoring support. Acting on suggestions would help to cement good member-officer working relationships.

4.6 Partnership working

BDC has a reputation for strong partnership working, and leading partnerships across public, private and voluntary sectors. Partners are pleased to work with BDC and hold the council in high esteem. The council is recognised by partners as being innovative

and creative, for example exploring co-location options when one partner has lost funding. The team saw a number of innovative partnership projects such as the Glen Parva recycling project (where BDC collects recycling, young offenders work at the Glen Parva recycling site and reduce the amount of waste going to landfill BDC has grasped the health agenda in particular and is working with partners to improve the health and wellbeing of residents in Blaby.

Partners and residents particularly highlighted the work BDC is doing with partners to improve the health and wellbeing of residents in Blaby. The Delayed Discharge Project, which covers Leicestershire and Leicester, is where BDC and health partners have secured funds for housing officers and housing support officers to assess housing need in hospitals to minimise delays to discharge or discharge to inappropriate expensive care. Leicestershire District Councils and health organisations demonstrated good partnership working when they worked together to produce a successful TCA bid to establish and mainstream The Light Bulb Project. Funds are channelled to prevention and low-level support mechanisms: a single point of contact for service users and referrers (such as GPs); a single assessment service; and a range of support services such as handyperson schemes, provision of recycled furniture and affordable warmth advice. These mean improved outcomes for citizens and lower costs for health and social care services.

BDC led the change in how the Blaby LSP works, encouraging partners to collaborate and continue to achieve outcomes. A single theme focuses activity for a year which all partners work towards. For example, the current focus is on youth employment, resulting in a collaborative careers fair, the roll out of apprenticeship schemes and short-term work placements improving the chances of long-term employment for young people not in education or employment. Ensure there are plans in place for the end of the year when the partnership selects a new theme to work on.

BDC's capacity to deliver is affected by its partnership working. There does not appear to be a strategic view on which partnerships are most beneficial for BDC, or which BDC may not have long-term capacity to maintain. The danger of filling the financial void created by cut backs in other organisations is that partners may become blasé about where they cut services, knowing that BDC will pick up the shortfall. Although highly commendable, and valuable in the short-term, there is a limit to how much you can do this. Working with your partners, perhaps through scenario planning, you can determine what might be sustainable for the future for all concerned.

5. Conclusion

Overall, BDC is a great council. It is working well in partnership, and is clearly maximising opportunities to work with and influence others in order to improve the lives of residents and customers. More strategic thinking is needed, both to determine its level of involvement in partnerships, and also about the long-term provision of services for residents and customers in the district. Strategic co-ordination of projects and programmes will streamline internal work, whilst robust financial planning will enable BDC to continue to deliver the best for its residents and customers in the district.