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02 January 2014

Dear Ruth

Broxtowe Borough Council
Corporate Peer Challenge – 19th -21st November 2013

On behalf of the team, may I say what a pleasure and privilege it was to be invited in to Broxtowe Borough Council to deliver the recent corporate peer challenge. The team very much 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 key partners in the process.

Peer challenges are managed and delivered by experienced elected member and officer peers. The peers who delivered the peer challenge were:

- Dr Steven Halls – Chief Executive, Three Rivers District Council
- Cllr. Bryony Rudkin – Portfolio Holder: Culture and Leisure, Ipswich Borough Council
- Jacqui Lansley – Head of Procurement, Commissioning and Housing, Southend-on-Sea Borough Council
- Jonathan Trubshaw – Local Government Association, Peer Challenge Manager

Scope and focus of the peer challenge

It is important to stress that this was not an inspection, nor was it a comment or judgment upon decisions taken by the Council. 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 and transformation?
- ❖ Are organisational capacity and resources focused in the right areas in order to deliver the agreed priorities?

In addition, the Council set the focus of the challenge to consider how you are responding to the challenges presented by an ageing population:

- ❖ Strategically
- ❖ Operationally
- ❖ and through Partnership arrangements.

You also asked the team to provide you with a SWOT analysis of the key issues you face in regards to responding to the needs of your elderly residents and an increasingly ageing population as indicated in the ONS Subnational Population Projections 2006-31 and this is set out in the Executive Summary of this report.

Council asked for a specific focus on understanding how well it is facing the future needs of an ageing population within the context of an increasingly constrained financial landscape. You stated that you were looking for a constructive challenge so that you would be able to use what came out of the challenge to assist members and officers in forward planning. You recognised the importance of using the findings to ensure that the Council continues to change and transform itself. You also saw the outcomes from the challenge as providing an opportunity to engage elected members in a debate regarding how important decisions about the future of the Council are made and how the political and managerial leadership works together to implement those over the period to 2015 (when the Council's next set of elections will be held) and beyond.

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. In the team's feedback presentation we offered you the many strengths we had identified and also posed questions for you to consider further. We deliberately adopted this approach as, whilst it was clear to us that the Council was clear in its approach to retaining and delivering services, we felt it would be useful to present you with the challenge to revisit and reflect on these approaches, given the probable position on future Government funding. This report sets out the team's findings.

Executive summary

The peer team found considerable strengths in Broxtowe's approach to caring for its elderly residents. However, these very strengths present the Council with challenges, particularly in how these are maintained in the future where increasing financial constraints will present problems; both in meeting the high expectations of residents created by existing high quality provision and in fulfilling promises being made to staff around continued employment.

Strengths: The Council has strong political and managerial leadership that clearly drives the priority of caring well for the borough's older people. The Council works hard to ensure the political coalition works well. Clear priorities have been set out and plans to deliver on these are in place. There is a four-fold approach to meeting the challenges of reducing Government grants and these have so far been achieved without recourse to compulsory redundancies. The Council actively reviews its property portfolio and is inventive in creating space for new homes. The leadership is supported by dedicated and committed politicians and staff. The Council sets itself high standards and 100% of its housing stock meets the Decent Homes standard with 73% of homes meeting a higher "Broxtowe Standard". Addressing issues caused by dementia has been identified as a priority and the Council actively seeks to address these through changing design and layout of accommodation as well as the roles of support staff. It is ambitious and looks forward to make use of coming opportunities, such as HS2, and these are clearly set out in the Corporate Plan. The challenge for the Council is: how can it maintain the 'Broxtowe Way' of in-house provision covering a wide breadth of high quality services within a shrinking budget? The Council needs to act quickly, particularly in light of having plans in place for future Government funding cuts.

Weaknesses: The Council is weaker on the robustness of its evidence base for older people, particularly the development of a Workforce Strategy that takes into account options for the wider delivery of services based on an analysis of current and future skills needs, current and future staffing levels, changing modes of delivery and contractual arrangements, and this needs to be improved. The Council has reduced headcount by 42 over the last two years to 725. However, this has been done in an opportunistic way, with the benefit of avoiding compulsory redundancies and the council should be open-minded to considering a wider range of options as far as its operating model is concerned to manage any further cost savings. The commitment to no compulsory redundancies will limit the choices that can be made on how services are delivered and a reasoned and evidenced Workforce Strategy will provide clarity to staff, partners and residents. The relationship with Nottinghamshire County Council works at an officer level and could be improved at a political level, with the interface at the Health and Wellbeing Board providing a vehicle for such an approach. There is an opportunity to consider more radical change to the council's operating model in 2014-15 and to implement what is necessary ahead of the local elections in 2015-16 and this opportunity should be taken.

Opportunities: The arrival of the tram in late 2014 and HS2 further into the future presents Broxtowe with great opportunities and there is land and capital to invest in order to bring these opportunities to fruition. Improving ICT and the way in which the Council conducts its business should bring better engagement with partners, staff and citizens, as well as providing opportunities to make greater connects with Nottingham City Council and Nottinghamshire County Council. The Council needs to meaningfully engage with key

players in these organisations to build on existing relationships and maximise the opportunities presented. Also, the Council needs to be clear about how it will deliver its commitment to meeting the needs of its older residents and communicate this consistently to staff so that they remain enthusiastic and resilient.

Threats: We believe the greatest threat to the Council is the sustainability of the 'Broxtowe Way' whilst there are significant financial uncertainties and demographics that show an increasingly ageing population. The Council's current operating model approach is unlikely to be financially sustainable and the Council will need to consider further radical alternative models such as the suggested partnership with Oxylane for a new leisure centre/leisure village. The financial situation is further challenged by opposition to housing expansion proposals on green-belt sites, some of which are championed by the MP in the south of the Borough. You need to continue working in partnership with developers and local communities to create the conditions for and ensure the delivery of growth in line with the core strategy's objectives. Creating political champions to support ward councillors to work collaboratively with opposition groups should improve understanding and reduce concerns. Officers should work with communities to develop Neighbourhood plans using a co-creative approach to problem solving the Borough's housing needs rather than presenting proposals for consultation.

Nevertheless, we applaud Broxtowe Borough Council for striving to reconcile these seemingly conflicting challenges and hopes this report helps this process.

Detailed findings

Understanding of Local Context and Priority-Setting

There is a clear understanding, based on statistical information, of the local demographics and how these are likely to change in the coming years. The ONS Subnational Population Projections indicate that there will be a 78.6% rise in those aged 80-84 by 2031 and an increase of 131.8% in those over 85 by the same time. There is also a more qualitative understanding of elderly persons' needs through the use and analysis of surveys and consultation exercises. This understanding is being shaped and driven by key senior people in the Council, both elected members and officers, who are working with partners to ensure that agreed priorities are delivered. The Council will need to ensure that the Joint Strategic Needs Assessment (JSNA) is robust enough to provide a sound evidence base to drive through commissioning arrangements in order to deliver desired services within shrinking financial resources. Partners and residents will need reliable, understandable information to help them come to terms with and accept any changes in provision.

There is an emergent strategy for updating the Council's housing stock to make it more suitable for a predicted increasing number of residents suffering from dementia. This is coupled with a priority to create affordable housing by examining all opportunities to make land available for development, wherever practicable, and generally updating existing housing stock to a high standard. All of the Council's 4,700 homes meet the Decent Homes standard and 73% meet the higher "Broxtowe standard", which includes additional security features. This is a significant strength. However, the Council will need to be clear about how this level of quality will be maintained into the future. The Council will want to continue to review its thirty year housing business plan as and when appropriate. This will need to be used to ensure that the existing rate of updating and provision will in fact meet the changing needs of residents.

There are clear infrastructure opportunities that have been acted on (the extension of the Nottingham tram line) and future development opportunities presented by the potential arrival of HS2 are being actively pursued. Both of these are reflected in the Local Plan with land being made available to promote growth and housing. You are aware of opposition to green belt development and you are addressing this to ensure the Local Plan is adopted and that potential income schemes from these developments are safeguarded. Working together with partners to actively engage with the MP in the south of the Borough, should help address concerns, especially where compromise can be seen to be found. Failure to do so could call into question the viability of existing levels of service provision.

Relations with Nottinghamshire County Council (NCC) appear to have proved difficult in the past and the change of control at County Hall has made improved partnership working more possible. Relations with other partners demonstrate that the Council can work effectively across service and geographical boundaries so continued attention needs to be given to improving working with NCC. However, the relationship with NCC appears to operate effectively at officer level. You will need to make sure of the continuation and improvement of dialogue at a political level so that effective partnership working to care for an increasingly elderly population can be delivered, given that the County Council's social care provision for the population will need to be closely aligned with your own aspirations and strategy. There is a great opportunity for both councils to act as exemplars to other

two tier local authorities who, inevitably, will find themselves in similar strategic circumstances throughout the country. The Team recommends that the Council reviews its political relationships with the County, identifies where these are most effective and takes the initiative to discuss how and where else these can be built upon.

Financial Planning and Viability

In a time of national financial reductions, the Council has a clear ambition to deliver a full range of high quality services and engage in large-scale projects. This is supported by the Council's ability to act quickly and seize opportunities when they are presented. The leisure centre development is an example of this. The ethos of the Council is of a 'traditional' local authority that has retained most of its services in-house, although you also have shared service arrangements with other authorities and are looking to expand on these. This model has served you well, enabling you to deliver low-cost, good quality services and provides interoperability and other benefits (e.g. refuse and street cleaning staff being able to cover each other's jobs). The Council needs to decide whether this continues and to plan for the long term to ensure that it is able to deliver services in this way into the future. In 2011/12 the Council managed a grant reduction of 14.2% and in 2012/13 there was a further reduction of 12.5%. Both achieved through a fourfold approach of; creating addition income, redesign of services, efficiency and raising prices. The Council has also set out how it will manage a reduction of 7.7% in grant.

However, something radical will need to occur if the Council intends to continue with its current operating model, as the current approach is unlikely to be financially sustainable. Revenue will have to be increased and decisions will need to be made about where this may come from, including increases to council tax, car parking charging, selling services to other authorities, etc. Given that elections are to be held in 2015/16, the Council will need to consider and act quickly to implement any changes so that the effect occurs in 2014/15.

The need to reduce expenditure to maintain the breadth of service delivery has encouraged innovation and creativity. Changes in car allowances have made savings of approximately £90k and had environmental benefits. The Council's role as enabler and facilitator is highly valued and appreciated by both partners and service users. However, the Council needs to consider how best to broaden further its range of partnership working and shared service options. This may include the outsourcing of certain services or charging for particular types of waste, such as green waste. The Council needs to look at existing relationships and joint working with neighbouring authorities and the County. This is likely to require an attitudinal shift on both sides of any partnership and the Council is in strong position from which to consider all options, however radical. Businesses cases should be developed that explore both the benefits and risks of possible joint ventures that are both transparent and collaborative.

The Council's current financial position allows for reserves to be used to support the revenue account, with £129k being allocated for 2013/14. However, reserves are finite and this will not be sustainable in the longer-term. The Council must look again at how services are delivered and consider other delivery models for services. There appears to be a reliance on the new homes bonus and increased revenue through the business rates, if new developments are delivered. However, these may be sometime distant and the realities of the looming financial crisis facing local government are likely to impact before these benefits can be realised. Some very difficult choices will have to be explored.

Considering other options for service delivery in the future are likely to be necessary to manage the scale of future financial reductions. These may include, for example, revisiting Large Scale Voluntary Transfer of housing stock. Officers are keen to support members through this process, which has the potential to mean radical change if the quality of service delivery is to be maintained.

Political and Managerial Leadership

The team considered there to be a good relationship between the Leader and the Chief Executive. The senior management team has a lot of professional experience and experience of Broxtowe as a place. These relationships provide for a strong senior team that has a good understanding of place. Ideas are explored and are then developed with partners to create original solutions, including the Oxylane proposal which would have brought about a significant change to the Council's operating model. However, the senior team needs to ensure that it continues to consider radical ideas afresh, within the current context, so as to be able to confidently and comfortably challenge perceived beliefs and advise members accordingly.

The Leader demonstrated a commitment to Broxtowe, its resident and its staff. He was clear in his vision for level and breadth of services people deserved and the way in which he believed these should be delivered. The team heard that the Leader engaged with staff teams and had reassured them that there would be no compulsory redundancies in order to meet the coming financial constraints. The team also heard that staff had received and appreciated briefings from the Chief Executive about the Council's financial position. However, in understanding these financial realities, some staff were still concerned for their future employment. The team also heard from some staff that they had not been visited by senior management or elected members. The Council needs to deliver a consistent message, both from the political and managerial leadership, to staff that is based on a clear, financially sound workforce strategy, so that they and the staff can plan for the future. With terms and conditions being eroded across the country and the Council managing staff reductions through vacancies, not replacing short-term contract staff, etc. the Council will need to increase staff communication and ensure that morale is maintained in order to avoid staff dissatisfaction.

The Council is well served by effective, knowledgeable politicians who are driven by commitment to their communities and by a desire to see a wide range of high quality Council services delivered throughout the borough. The coalition is working well; issues are discussed, decisions reached and action taken. Politicians work in a consensual way and take an active interest in the way in which the Council is managed. Dementia was a key priority and this was evidenced in the development of a dementia mission statement, an awareness-raising campaign and the creation of member champions. However, the Council needs to assure itself that this passion and commitment to the care of older people, together with the positive coalition relationships does not prevent robust challenge or the formation of new ideas. The political leadership needs to find a means of explaining the financial challenges to the wider membership of its groups and to residents in such a way that options can be explored whilst still remaining committed to the core values that underpin the politics of the borough.

Governance and Decision-making

There is strong political leadership, within and across parties, combined with a relationship of mutual trust and respect with officers, which makes Broxtowe Borough Council a powerful advocate for residents. This also provides for a strong, meaningful dialogue with partners who see the Council as reliable and effective. However, the Council needs to ensure that these relationships are not seen as static and that robust challenge, with new ideas, is welcomed and indeed sought by all parties.

Members work well with officers and hold them to account. There are weekly meetings with the portfolio holders and their relevant director and, from what the team witnessed, scrutiny works well with appropriate membership. Nevertheless, the Council will need to assure itself that members and officers are sufficiently challenging, particularly with regard to ensuring that the debate around service delivery and financial realities is thoroughly undertaken and alternatives considered. To do this effectively the Council may need to review its scrutiny arrangements and ensure they are still fit for purpose. There is an option to involve partners in this work. Openly reviewing arrangements in this would demonstrate to partners that the Council is open to robust challenge and provide a model that could be used in other forums, including the H&WB. However, it cannot be seen that challenge is solely the role of scrutiny. The Council needs to embed a culture of open and reflective challenge from frontline supervision arrangements through to effective and open partnership negotiations.

Relationships with the County Council and the Clinical Commissioning Group (CCG) on health and social care integration are improving. However, these relationships need to develop further with more formal structures and governance arrangements to help decision-making and ensure implementation. Although the JSNA was produced with a housing chapter, the JSNA data was not sufficient to deliver CCG commissioning decisions. Therefore CCG data is being used to engage with private sector clients so as to help determine how to meet their needs. Although a County document, the Council should work to influence the JSNA so that it is more robust and with a clear approach to access CCG funds to support agreed actions.

The team were concerned that the relationship with NCC might be affecting the influence and impact of the Council on the H&WB. The Council should use the issue of the H&WB to fully engage with NCC and work proactively to meet the needs of Broxtowe's ageing population.

Organisational capacity

The Council has a large in-house provision that is used to flexibly; multi-skilled maintenance operatives, multi-skilling officers in support functions e.g. HR and co-locating with Police officers and this practice should be built on and extended. The fact that the Council delivers a wide range of services means that there are options when considering possible cost savings. This could include reviewing non-statutory services and considering whether the Council continues to provide these or not or if they could be delivered in some other way. However, continuing with a wide range of in-house services without the necessary increased revenue to maintain them is not sustainable.

Staff were committed to the organisation and those the team met were enthusiastic about delivering a high quality service to the residents of Broxtowe. Staff turnover was low and there are clearly advantages in having a stable workforce including detailed local

knowledge, experience and continuity for residents, which was supported by the findings of a 2012 survey when there was an 85% tenant satisfaction. This was supported by the residents the team met who said staff delivered a good service for them. The workforce has experienced significant change, with some departments going through extensive restructuring e.g. the retirement living staff. Terms and conditions regarding car and mileage allowances have been changed with the agreement of the unions. However, a stable workforce may experience change fatigue, particularly if they perceived that there was no longer the resource to deliver the services they felt they should be delivering. The Council will need to engage in a further programme of staff development to prepare staff to continually working differently and encourage them to generate their own ideas for alternative service delivery.

Managers need to ensure that the Retirement Living Officers (RLO) are equipped with the specialised skills, tools and training to deal with the complexity of the residents' needs and their enhanced job role. Whilst the Council appeared to have an awareness of future housing needs for an ageing population, there was little evidence that this will be met through the current planned accommodation projections. The Council needs to assure itself that the future housing plan is based on robust data and that, where gaps are identified, a variety of options are considered to address these.

The Council needs to continue to encourage people to do more online; increasing efficiency and encouraging service user participation through online surveys, feedback and discussion forums. There is also an opportunity for the council to review how services in general are delivered online and to further consider where these could provide a cost effective alternative to traditional delivery. Also, an online directory of services would be beneficial to signpost older people to advice, services or support (the team were told that currently this happens through local knowledge and Google). More printers and scanners in Retirement Living Schemes, care homes and centres would help residents and RLOs distribute information to those who are not able or willing to access electronic information. The Council needs to encourage older people to remain mobile and, to facilitate this, car parking facilities need to be provided that are convenient, secure and accessible, as well as providing mobility scooter storage and charging facilities.

Tenants said they were happy in their homes, which were of good quality as a result of the modernisation programme. There was a good level of engagement with the older population and tenants said they had the opportunity to have a say in how services were designed and to plan their future housing needs. Social activities were available, varied and accessible. The Aids and Adaptations service is well delivered and residents said they were satisfied with the service, which enabled people to remain independent. The Council will need to engage in meaningful discussions with residents about the level of service they would like, how much this would cost and the reality of whether this could be delivered.

The Covalent system provides the Council with a strong performance management regime. However, there appears to be a focus on presenting input or output data. The Council may wish to review what information is collected and if necessary how it is gathered, with a suggestion that still more focus is given to outcomes: the difference the activity has made to the lives of local residents. We also suggest that more qualitative data is used to produce meaningful measures whilst decreasing the resource expended on the potentially less illustrative performance measurement.

Through the peer challenge process, we have sought to highlight the many positive aspects of the Council but we have also outlined some difficult and challenging messages. It has been our aim to provide some detail on them through this report in order to help the Council consider them and understand them. The Council's senior managerial and political 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. Mark Edgell, as the Local Government Association's Principal Adviser for your region, will continue to act as the main contact between the Council and the Local Government Association, particularly in relation to improvement. We hope this provides you with a convenient route of access to the organisation, its resources and packages of support going forward.

All of us connected with the peer challenge would like to wish the Council and the borough every success in the future.

Yours sincerely

Jonathan Trubshaw
Peer Challenge Manager
On behalf of the peer challenge team

How the peer challenge aims to add value

The LGA is keen to understand how peer challenge can add real benefits for the Council. We will evaluate the peer challenge, but we are also keen to track the benefits the Council have derived from the work. The benefits will be explored sometime after the peer challenge. However, the peer team have identified the following likely significant benefits from this peer challenge:

- **External challenge heightened awareness of the need to balance high quality in-house provision against financial pressures** – the peer team acknowledged the Council's choice in retain in-house provision of services and the flexibility this gave. It was also keenly aware of the financial changes that were presented by adhering to this ethos.
- **Better awareness of the need for robust information to support decisions** – the peer challenge aims to encourage members and officers to clearly set out the level information they require in order to make reliable decisions; particularly in relation to the level and type of housing required by an ageing population, the type of data required to demonstrate outcomes and workforce data in order to produce a partnership wide Workforce Strategy.
- **Re-examining the political relationship with the County Council** – the peer challenge aims to act as a catalyst for members and officers to take bold action to improve the options created by working more closely with other organisations and particularly NCC through the work of the H&WB.