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Chief Executive
Corby Borough Council
The Corby Cube
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24th November 2014

Dear Norman

Corby Borough Council – Corporate Peer Challenge 7th to 9th October 2014

On behalf of the peer team, I would like to say what a pleasure and privilege it was to be invited into Corby Borough Council to deliver the recent corporate peer challenge as part of the LGA offer to support sector led improvement. We commend the council for its willingness to invite an external team to provide feedback.

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 Corby were:

- Allen Graham – Chief Executive, Rushcliffe Borough Council
- Cllr Vince Maple (Labour) – Labour Group Leader, Medway Council
- Cllr Andrew Proctor (Conservative) – Council Leader, Broadland District Council
- Dean Langton – Head of Central and Regeneration Services, Pendle Borough Council
- Paul Costiff – Head of Built Environment, East Staffordshire Borough Council
- Peter Rentell – Programme Manager, LGA (peer challenge manager)
- Ian Cole – LGA Adviser (shadow role)

Scope and focus of the peer challenge

You asked the peer team to provide external consideration to assess progress by the council and provide validation of improvement to enable the Voluntary Improvement Board to be closed down and enhance the reputation of the authority.

In addition, you asked the peer team to provide a generic external 'health-check' of the organisation by considering the core components looked at by all corporate peer challenges:

1. Understanding of the local context and priority setting: Does the council understand its local context and has it established a clear set of priorities?
2. 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?
3. Political and managerial leadership: Does the council have effective political and managerial leadership and is it a constructive partnership?
4. Governance and decision-making: Are effective governance and decision-making arrangements in place to respond to key challenges and manage change, transformation and disinvestment?
5. Organisational capacity: Are organisational capacity and resources focused in the right areas in order to deliver the agreed priorities?

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 council's 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 and views shared by the people they met, the things they saw and the material 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 Corby Borough Council, during which they:

- Spoke to 90 people including a range of council staff together with councillors and external partners and stakeholders;
- Gathered information and views from more than 30 meetings including visits and additional research and reading;
- Collectively spent more than 180 hours to determine their findings – the equivalent of one person spending more than 4 weeks in Corby Borough Council.

This letter 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 (7th to 9th October 2014). 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. We appreciate that some of the feedback may be about

things you are already addressing and progressing. The LGA would be pleased to be involved with any further support you might require to progress any issues arising.

We also hope the feedback provided will help stimulate further debate and thinking about the continuous improvement programme for Corby and how it might develop and evolve.

Summary of feedback: overall observations and messages

The review process identified that there was significant and strong evidence of improvement resulting in a recommendation of the peer review team that the voluntary improvement board could legitimately be closed down. The improvement evidenced was also combined with a clear and evidence based determination to continue the journey of improvement with a willingness to make the necessary organisational and political adjustments to reflect the current environment and the emerging corporate plan.

It was clear to the team that the recent past has had a significant impact upon the organisation as a whole. However whilst this report does not and should not make any judgments upon past actions or decisions, it is abundantly clear that the members and senior managers had “stepped up to the wicket”. The positive results of the regeneration of the Town are clearly evident to all, and this is something the staff and members of the Authority can be proud about.

However it also became clear that due to recent past events the organisation had become cautious in its decision making, thus increasing the potential of becoming overly cautious and therefore risk averse. The review team believe that the evidence suggested there is a recognition by staff that further change and transformation is required and that they are “up for it”. However it is suggested that there should be a rebalancing of focus between regeneration and organisational/service transformation. In addition it is suggested that the focus upon regeneration needs to be realigned to set realistic objectives in respect of the “softer” elements of regeneration and in particular the concentration and development of future skills and employment.

There was clear evidence that the improvement trajectory is being driven by both the political and managerial leadership. There was also a clear willingness “to do business” with both the Leader and Chief Executive which is seen as a strong and complementary team. However there was also clear evidence that the managerial team has been formed during a traumatic period and that they were not all currently working in a way that is consistently corporate with examples of departmental thinking. It is recommended that the leadership team requires significant encouragement to develop itself into a strong corporate team, focussed upon delivering the corporate agenda and priorities. The peer review team’s view is that consideration of ongoing mentoring and coaching support should be considered to grow the leadership capacity and capability both within the officer and political domains.

In respect of strategic alliances and partnership working the previous perception had been that Corby would frequently act alone and protect its boundaries, however this perception is changing and local neighbours and partners indicated that there is a willingness, recognition and desire to forge strategic economic based alliances to ensure the economic benefits and financial return to the area are maximised. Therefore the team would recommend that the exploration of such strategic alliances is accelerated and revised priorities established and that a more robust stance is considered with developers to improve the delivery of affordable housing.

The authority has a clearly stated ambition “to double its population by 2030 with a complementary increase in jobs, prosperity and public services that rank with the very best”. However, it should be noted that this is often misunderstood by partners due to the lack of a defined starting base. Also data made available to the team indicated that current progress against this ambition is insufficient to meet this ambitious target in respect of population or employment. Therefore clarification of this statement would further enhance the trust and opportunity to work effectively with strategic partners. Also the formulation of a strategic economic board comprising the key local partners required in order to assist the development of local skills, employment and retail opportunities could assist in determining the focus and priorities to pursue within the strategic alliance framework.

The peer team noted a very good level of community leadership provided by local ward members resulting in a high level of engagement and understanding of the local needs of the community. However this appeared to also be resulting in too many priorities. It is suggested that to deliver the current financial targets that a sharper focus on a reduced number of priorities will be required.

Notwithstanding the clear priority to double the population it is essential that there remains a focus upon completing key strategic documents to provide the framework of policies and plans to deliver its ambitions. In particular effort needs to be made complete the Core Strategy, Local Plan and Corporate Plan.

The improvement journey has been supported by an increased openness and transparency across the whole organisation, combined with a growing recognition of the importance of financial and legal considerations within the decision making process. This improvement needs to be carefully and consistently reviewed to ensure the decisions are being taken in the correct domain and with the appropriate level of information. Therefore it is recommended that the effectiveness of the governance and decision making structure is considered, in particular due to concerns that the overview and scrutiny arrangements are considered weak. There was a distinct impression formed by the team that overview and scrutiny should be more proactive in objectively scrutinising decisions and emerging policy to support the improvement journey and underpin debate at One Corby Policy Committee. There was evidence to suggest that members required further development, support and understanding of good practice within this area of work to achieve this. Therefore it is strongly recommended that a package is developed to review the structure and focus of overview and scrutiny, for

example focus on policy development or performance monitoring, and ensure decisions and policy development receive the correct level of challenge.

It will be imperative that there is a strong understanding of the emerging solutions in respect of transformed service delivery models and it was identified that due to the current internal focus that there was a lack of knowledge and understanding of for example issues such as “channel shift” and “mutual or trust delivery models”. The team would suggest consideration needs to be given to increase and improve members’ awareness of the palate of service delivery models that could be considered to accelerate both the improvement journey and financial position.

There is an acknowledgment that Corby is now in a much stronger and financial position. In particular a whole council view is being taken and there was strong evidence of a better understanding of the financial imperatives at a corporate level. It is clear that through a systematic and planned financial approach that the Housing Revenue Account is in a strong position for future funding capacity and that front line services have been largely protected from cuts to date. However the team believe that the current strategy is at risk if key assumptions do not come to fruition or shift beyond the assumptions made. It is recommended that regular scenario planning and testing is undertaken to ensure a “plan B & C” is developed and understood and that this should be used to further improve the members’ understanding of the councils finances.

The improved financial position has seen an improvement in the level of reserves held by the authority and it is recommended that careful management is maintained. The reserves could be utilised to cleverly maximise their value and support the future financial stability whilst also maximising the leverage within the strategic alliance arena.

Corby Borough Council has loyal, committed and supportive staff who are clearly willing to “go the extra mile”. There were many good examples and inspirational stories of job rotation and career progression which had fostered a “family feel” and clearly brought a strong loyalty factor to the authority. The improved communication and openness was clearly welcomed by all staff which appeared to the team to have fostered a highly motivated team attitude. However there was clear evidence that due to the recent past and current environment that staff are feeling increasingly fatigued and unrecognised. It was clear that the organisation had forgotten how to acknowledge and celebrate successes. It is strongly recommended that the utilisation of staff communication groups is fully utilised to share good news, practice and success but more importantly to provide the feedback of suggestions and issues raised. It is also evident that the current departmentalism culture could be resulting in the underutilisation of some skills and capacity and therefore the team would suggest that a workforce plan is developed and implemented to ensure you have the right skills and structure to support the council’s priorities moving forward.

It was also clear that whilst there is a well-run and comprehensive performance management system that this is not being sweated, stretched and utilised efficiently to drive proactive performance management of the priorities. This is resulting in “a trying to do everything” approach which we would suggest is not sustainable. It is going to be

imperative for the organisation to “learn to say no” if it wishes to maintain the progression up the improvement curve. It was noted that whilst the authority had invested heavily in new and safe of the art buildings that it has not yet maximised the opportunity to embrace different and more efficient ways of working to support a corporate and flexible culture. In particular the team would suggest that consideration is given to understanding flexible working, utilisation of assets, technology and social media to enhance the customer experience for its residents.

In summary there was clear and strong evidence of learning and progress resulting in demonstrable improvement in the key areas of previous concern resulting in the teams’ recommendation to disband the voluntary improvement board. However to maintain progress it is essential that effort, resources and time are allocated to growing the leadership capability and capacity whilst also further strengthening the member challenge and scrutiny.

There will be an ongoing requirement to ensure the organisation prioritises efficiently and effectively to secure the long term financial resilience and that there is a rebalancing of the services of the Council with the regeneration agenda, which clearly remains important to stimulate new employment and skills opportunities.

To maintain the current progress it is also recommended that a focus is placed upon devising and implementing workforce plans to maximise the capability and capacity of the workforce. Finally the team would recommend that it is essential that the authority does not forget how to celebrate its successes.

The key elements the corporate peer challenge looked at were:

1. Understanding of the Local Context and Priority Setting

There is clearly a tremendous amount of civic pride both within the council, the partners and the community. The area has had some difficult and challenging times but the council has been an anchor in protecting that civic pride. In part that is why some of the key capital projects, like The Cube, have support even though there were some major issues through the process. The ambition of the council is clearly stated and understood by all staff and partners we spoke to. Neighbouring local authorities spoke highly of their relationship with Corby and saw them as a good partner.

Despite the damning criticism from the KPMG Public Interest Report (PIR) in 2013 on the council’s management of major development projects such as the Cube, the council have dealt with all the recommendations and actions arising from that review. It should also be acknowledged that Corby has always delivered on key projects and that the swimming pool project was bought in on time and within budget. This will auger well for future investment and delivery of major projects.

Working in partnership across a number of agencies the council has been successful in overseeing a significant drop in crime and anti-social behaviour (Corby Community Safety Partnership considered the most successful in the County) and proactive in

preventing homelessness by returning empty properties back into use. Corby is part of the Northamptonshire restorative justice county work. A lot has been invested to turn the community around and improve peoples' views of the area. As a key plank of the 'P' of the new P.R.I.D.E in Corby vision the challenge the council now faces is to sustain the level of investment in the work. For the future there also needs to be a strong focus in creating healthier lifestyles for the community by working with other partnerships, particularly the Clinical Commissioning Groups.

Corby Borough Council's draft Corporate Plan (P.R.I.D.E) has 17 priorities. There is the risk that staff and the community are unclear about the message below Corby's overarching vision of growth. These priorities could be grouped together under a smaller number of headings e.g. supporting growth, enhancing quality of life, improving efficiency of service delivery in order to provide a clearer and sharper focus to staff, members, partners and the wider Corby community.

There is also an opportunity to explore and create strategic alliances in more depth to build capacity and consider creative solutions. This could be in the form of joint venture arrangements with Developers to deliver on growth aspirations or partnering with Registered Social Landlords to increase the supply of affordable housing. This opportunity is enhanced by the continuing environment where available growth funding will be maximised by the pooling of priorities, combining skill outcomes and developing employment opportunities. It is becoming increasingly likely that funding to support future regeneration will be distributed to the District Authorities that collaborate rather than compete.

Corby's attitude has always been to do as much as possible as part of their community leadership role. With a need to focus on key priorities, maximise financial leverage from development and ensure the viability of essential services there will be a time to say no to taking on more and possibly having to drop certain things in the future. This is the cultural shift needed by the authority to manage change in the future.

The council has clearly worked hard at building some key relationships (including police, voluntary and community sector) which have seen positive outcomes. The strong evidence heard through the visit was of a council that clearly was ambitious, however there may be a need to focus that ambition in a more refined way, in particular through completion of the key strategic documents (Core Strategy, Local Plan and Corporate Plan) so all can be clear on what the next steps on the journey look like. The importance of having adopted strategic planning documents in place cannot be overestimated to ensure that future growth is plan led. Policy work can be resource hungry and it needs to be decided how the Planning department will be funded to get this done quickly.

Although the headline ambition has been tempered under P.R.I.D.E there is concern about whether that ambition can be achieved when Corby will need to rely on developers in delivering growth. Housing growth has been the dominant form of regeneration but focus should also be on ensuring it is underpinned by the relevant infrastructure, hard and soft, as well as creating a range of diverse employment

opportunities. The target of 30% affordable housing will always be under pressure for Corby to deliver in the context of relatively low land values and developers presenting their views on viability. Corby needs to continue to invest in good advice to challenge developers' viability statements on an open book basis and take a firm negotiating stance with developers in getting their affordable housing aims delivered.

It is recognised that there is a skills deficit in the area and as part of the overall regeneration work more needs to be done, working in partnership with others particularly SEMLEP, NEP the FE & HE sectors and other agencies, to improve educational attainment and provide a wider skills balance. Creating new higher value jobs is important but it needs to be balanced with creating opportunities for all to keep more people working in the Corby Borough Council area.

Good work is being undertaken as part of the sustainable growth programme, some of which is in conjunction with "Electric Corby" to create different types of jobs and a different environment e.g. electric charging points as part of the "greening the growth" initiative. Recycling rates have improved but have probably peaked without further investment and innovation which highlights another resource challenge for the future.

It was evident that Corby has turned the corner and is on an improving trajectory. We saw learning and progress that has resulted in demonstrable improvement in the key areas of concern. However, there can be no complacency and here is still much work to do in order to meet future challenges but Corby is well placed to tackle these challenges.

2. Political and Managerial Leadership

Following a number of turbulent years the council has now instilled a clear pride and ambition across the organisation and partners. The key ambition *"to double our population by 2030 with a complementary increase in jobs, prosperity and public services that rank with the very best"* is known by mostly everyone we spoke to and appears on the front screen of every pc and laptop. Whilst challenging there is no doubt that staff and partners know what they are jointly working towards.

This is all driven by a well-regarded, inclusive and supportive managerial and political leadership team. The Chief Executive and Council Leader are known by all staff and are visible and operate an 'open door' policy. Throughout the evidence gathering by the peer team there was clear respect and trust in the combined leadership team of Chief Executive and Council Leader. It was also regularly commented on that this is a leadership approach which is inclusive and helps to encourage both effective partnership working as well as helping to move the organisation forward. Staff and residents alike spoke warmly about the pride in the town with the new developments around The Corby Cube i.e. the international swimming pool, Willow Place shopping centre and the soon to be opened cinema complex.

Officer and member working relationships are clearly positive. This, coupled with very effective partnership working across all sectors, has enabled the council to drive

significant improvements over recent years, and to position itself well in the current economic climate. Staff are highly motivated to deliver good quality services and there is a 'family feel' to the organisation, providing a very supportive environment during challenging times with a 'can do' attitude. This is demonstrated through recent positive staff surveys. Senior Managers we spoke to are generally committed and in tune with the future challenges for the council and are actively responding to these. In addition, the establishment of a Middle Managers Forum was positively received by those involved and creates a vehicle to address budget proposals, assist in the consultative process when formulating corporate policy and consider creative and innovative solutions. This can form the pillar of succession planning within the council and might benefit from greater empowerment and delegation of tasks.

We saw clear evidence of an improving performance trajectory with a basket of KPIs around service delivery improving between 2012 to 2014. In addition, there has been a significant reduction in recorded crime (42% between 2006 to 2013) which is a credit to the council and key stakeholders. Corby is now seen as a safe place to live, work and invest in.

Corby has and continues to be focused on regeneration, particularly the delivery of new homes. We were informed that there was not the same level of focus on matters outside of regeneration. We believe the emphasis now needs to change to the outcomes of physical regeneration, that is skills, employment and quality of life. There was an example of issues of performance with the grounds maintenance contractor, Kier, although the reason for this appears to be the content of the contract itself, having been negotiated some years ago. The contract was revised two years ago with a substantial reduction in cost to the council. There is now a Strategic Partnership Board comprising Corby Borough Council members and officers and Kier management which oversees the contract.

Below the existence of the corporate KPIs, the Council may wish to consider if its performance management culture, in terms of detail, is sufficiently strong. The council is rightly proud that the training budget had not been cut, but in terms of wider staff development, there does not appear to be any overarching corporate skills strategy, such as workforce planning or audit.

Delegates of the middle managers' forum mentioned an inconsistent senior management style and pace across the organisation. The senior management team should reflect on this issue and work together to understand why this is the case, and whether this could lead to inconsistent decision-taking. There were also frustrations of a small number of frontline staff being able to abuse the adopted grievance / capability procedures, and "playing the system" to avoid actions being taken against them.

It will require strong leadership to develop an organisational culture that fully utilises skills across the organisation to deliver service priorities, particularly with a different operating model. This will need people to work closely together to ensure the right decisions are being made at the right time by the right people. Levels of corporate

awareness and responsibility need to be addressed and the Middle Managers' forum could be an ideal vehicle to consider and address this.

Corby appears to have avoided frontline service and job cuts, which is to be commended. However, the sustainability of this aspiration is questionable.

3. Governance and Decision Making

An improved openness and transparency was evidenced across the organisation and working with partners. We saw high standards of behaviour within the council amongst members. We have already noted the good levels of mutual respect and trust among members and officers and the way they behave with each other and among themselves which was pleasing to see.

There are very effective levels of operational partnership working which supports strong community leadership and the council is now well placed to work in a more strategic manner with partners. As an example you could establish a Strategic Board to enhance employment, skills and strategic alliances across partners to further benefit Corby.

The One Corby Policy Committee appears to work well and is valued and we were pleased to see "job and finish" working groups established for all major projects. Officers and members (usually cross-party) attend to help ensure wider participation in the development phase of respective projects, ensure appropriate scrutiny and see there is financial and legal input at each key stage.

We previously mentioned the positive response to the Middle Managers forum and wondered whether increased empowerment and a subsequent increased delegation of authority could harness greater output from this group. Many people spoke to us about the often slow decision-making process and we can see that given the previous turbulent history the pendulum has swung too far to one side in terms of financial controls and delegated authority. This type of risk averse approach is understandable given the circumstances but it is now timely to reconsider your approach and we suggest a review of the governance structure and officer delegation scheme to ensure streamlined decision making at the appropriate level. In conjunction with this the council need to develop and implement a strategic risk register focused on the broader risks faced in achieving the Council's Corporate Plan. The Council may also want to consider developing a Strategic Opportunities Register which can be used to monitor and act upon matters which will help deliver the Corporate Priorities.

The challenge provided by members through a committee system and Overview and Scrutiny, and where there are a large number of members of one party, could be significantly improved. Recognising this provides the catalyst for a review of the whole governance structure and for more member development and training. There were examples from various stakeholders of concerns around where decision making is made and the appropriate levels of officer delegation and scrutiny by members. This is understandable after the journey the council has been on but to move forward looking carefully at who is making decisions, the right levels of members' scrutiny and the level

of member challenge will be vital to successful outcomes. This will also need suitable training and potentially looking at other council's scrutiny function for best practice.

The final element around this is members' ability to recognise the various service delivery models which are far more than a simple "in-house v privatisation" debate. The environment is clearly there for that improvement, with strong recognition of areas such as financial and legal implications in informed decision making. Members need to have a more open mind of the scope of service delivery models which could be actively promoted by offering relevant member training including the benefits of alternative models.

From the observation by the peer team of the Overview and Scrutiny meeting on 8th October there was a lack of in-depth challenge and scrutiny of reports considered at the meeting. An example was a report presented on Tourism that included a budgetary growth item in the recommendation. Not one member challenged how this project would be funded. The meeting had the feel of a "member briefing". The discussions were short and the majority of members did not actively participate in the proceedings. We suggest you review the structure; capability and operation of Overview and Scrutiny taking account of best practice in this area to ensure you obtain maximum effectiveness around challenge.

4. Financial Planning and Viability

Acknowledging the financial difficulties experienced by the Council in recent years, the Council's financial position appears to be stronger and has stabilised. This is evidenced both by having a balanced budget for 2014/15 and a Medium Term Financial Plan (MTFP) which indicates a balanced budget position for the period to 2017/18. Equally, following the outcome of the reforms to the Housing Revenue Account (HRA) in April 2012, Corby's HRA appears to be in strong financial health with funding capacity sufficient to provide adequate investment into the Council's social housing stock at least over the medium term.

It is the case that a more holistic view is being taken with the Council's finances, not least with the way in which central recharges between the General Fund and the HRA have been reviewed and apportioned accordingly. This clearly shows a more corporate approach to the management of the Council's overall finances and is a good basis on which future financial planning can be taken forward.

An indication of the improvement in the Council's financial position is the increase in the Council's reserves over recent years. At present, the Council has c£6m and the Medium Term Financial Plan indicates that this could increase by a further £1m on current projections. In the main, these reserves are contingent sums to cover potential financial risks which is a reasonable medium term strategy but will require plans to be developed to deal with forecast funding deficit from 2018/19.

To corroborate the improvements, for 2013/14, the External Auditor concluded that '*the Authority has made proper arrangement to secure economy, efficiency and effectiveness in the use of its resources.*' in their most recent Audit Findings Report.

The relative strength of the Council's forward financial projections stem mainly from a reliance on New Home Bonus as a means of countering the reduction in Revenue Support Grant. In the circumstances, this approach is reasonable but, whilst there is a recognition this is susceptible to changing Government policy on the distribution of funding, there appears to be no regular scenario planning or testing to alert Members or Senior Officers of the potential impact of a change in this policy. The council have a good track record in both securing and using external funding to the benefit of the community.

Similarly, the Council has a significant amount of debt which is short-dated. This strategy is intentional – exploiting current low interest rates to reduce the cost of debt for the Council – and a specific reserve has been set-aside to deal with increases in interest rates. Nevertheless, it does present a refinancing risk that unless the Council is able to reduce its debt in the medium term and before interest rates increase, the medium to long term impact of higher debt charges may have a detrimental impact on funding available for service delivery. Again, this is another example where scenario planning may be used to illustrate the impact for Members and Senior Officers.

The efforts of the Council to protect front line services from budget reductions are noticeable with the focus of budget reductions being generally in areas such as back-office services and shared service arrangements. Whilst the Council's financial position does provide a good foundation for future service and financial planning, it is necessary to guard against any complacency that this might create. Notwithstanding potential changes in the distribution of funding, the medium to longer term financial viability of the Council will require services to be delivered with a lower cost base. Whilst the Council's 'can do' approach with service delivery is admirable, it is not sustainable and the current stable financial position provides both the time and opportunity to develop and implement changes in a measured way to both achieve cost efficiencies and improve service delivery. This opportunity should not be missed.

In this regard, there are opportunities for some 'quick wins' to deliver efficiencies which will both reduce costs but also potentially improve service delivery. Examples of this could include adopting a 'Channel Shift' programme (exploiting technology to improve the customer contact experience with the Council) and an 'Agile Working' programme creating flexibility in the workforce and workplace to make better use of the Council's staff and property resources.

As indicated above, the projections in the Medium Term Financial Plan outline a potential growth in reserves. This is to be commended, not least as it could provide the Council with a greater degree of resilience going forward. That aside, it also provides the Council with the flexibility to use those reserves in a strategic way as part of a 'change programme' with targeted 'invest to save' projects that will deliver some of the cost efficiencies referred to above.

In considering the future delivery of services, there is a need for the Council to have an open mind to alternative models of service delivery. It is acknowledged that the Council wishes to avoid any reduction in service provision and has a commitment to maintain staff at levels that allow for the effective delivery of services. There are models of delivery such as partnerships, jointly procured services, and Trusts which could achieve the aims of the Council but at a lower cost. Along with looking at different ways to deliver services, not just at the strategic level, the council need to consider staff efficiencies within the current service delivery model, and (where needed) to redesign services specifically towards that particular group of service users.

Whilst the Council's Revenue Budget and Housing Revenue Account appear reasonably robust, this is not the case with the non-housing Medium Term Capital Programme, a position which reflects the dearth of capital resources available. Future projections indicate limited available resources for capital investment and, given limited assets holdings for disposal and existing debt levels, the Council will need to be clear about its priorities for investment to ensure any available resources are targeted appropriately.

In saying that, there has been considerable success in attracting external funding to deliver some significant projects in the Borough and the Council will, inevitably, continue to seek out opportunities for new funding. In the absence of that, the Council should consider developing and building upon its strategic alliances with other Councils in Northamptonshire, Northamptonshire County Council and the South East Midlands and Northamptonshire Local Enterprise Partnerships (SEMLEP/NEP) to make the case for additional resources and strategic investment.

Turning to a key role of the Finance function in a local authority context, there appears to be greater confidence within the Finance Team (and indeed in the Legal Team) that their advice and input into the decision making processes of the organisation is being requested and listened to so that Senior Management and Councillors are taking informed decisions. An example of this was the proposal for a Solar Farm where, taking into account the financial implications as part of the overall project appraisal, the Council decided not to pursue the project.

This provides a good base upon which to build wider Member understanding of the Council's finances to further support and inform decision making. Whilst the Political and Managerial leadership of the Council appear to have a good and consistent understanding of the Council's finances, there is a need to ensure that this is the case with all Members. The absence of individual and collective Member Development Plans currently inhibits this and should seek to enable Members to access the 'tools' to allow them to provide a robust challenge to and scrutiny of the information they are presented with. We are aware a training template is in place for this with implementation from May 2015.

The drive to build new homes could have a detrimental effect on how much increased value Corby secures from developers. Developers are keen to provide as much housing as possible, but only on their own terms (i.e. maximising profitability). This was clear from the developers' forum. A more robust discussion with the house-building industry might lead to a slowing down of completion rates, but should lead to richer returns in terms of community benefits.

5. Organisational Capacity and Resources

Those who work for Corby clearly have pride in their employer which is no doubt enhanced by some of the examples of staff who have progressed through the organisation to senior roles. Staff we met are loyal and committed to the Corby cause with a real 'can do' attitude. Improved communication coupled with a clear sense of openness has contributed greatly to increasing staff morale and resilience.

There is very notable engagement in the EDS (performance appraisal) process with a return rate many other organisations would be envious of. There is a need to look ahead with the backdrop of reducing numbers in the workforce and the potential for organisational burnout if workforce planning is not developed. Implementation of a Workforce Plan will ensure the council has the framework to develop the right structure and skills to support its future priorities whatever the new operating model for the council becomes. The council is commended for protecting the training budget and we acknowledge the internal audit report (Welland Partnership) on Workforce Development 2014-17 to address the above issues. We are aware the council is working through the actions and recommendations arising from this audit report.

There are various staff engagement tools, but some of these need to close the loop so staff who engage get quality feedback, even if ideas and suggestions are not fully taken on board. Following the challenging journey, there has been a dampening down of celebrating success; this needs to be addressed to ensure that the 'going the extra mile' culture which runs throughout the organisation is recognised.

Corby has had successful, as well as (the more publicised) less than successful projects. There does not appear to be an overarching programme management approach, or a structure in place to take an overview of corporate projects, from project initiation / business case through to monitoring successful delivery. That is not to say that individual projects are not adequately managed, but the overview of all projects appears not to be taken in sufficient depth, at the appropriate corporate level. The Council will need to ensure that arrangements are put into place to enable the linkages, sequencing and inter-dependencies between the various projects and activity to be clear. Robust monitoring and accountability will need to be a key feature of your programme governance to ensure the contribution to the budget strategy. Such an approach would be required if you were to consider the linkage of asset rationalisation, agile working and channel shift. Business process improvement will be a key factor in effectively managing projects and this appeared to be lacking with no dedicated resource to streamline business processes and reduce transaction costs.

The approach to sharing services is essentially opportunistic but as the financial climate for local government worsens there will be a greater need to take a more strategic view. This could extend to shared contracts as much as services generally. We acknowledge that the council has formed some shared service arrangements e.g. North Northamptonshire Safety and Resilience Partnership, Encor (Finance), Payroll and Fraud but there is a wider opportunity and a prize at stake which will help build capacity and generate efficiency savings. This will require a change in mind-set, particularly from elected members, to move away from local decision-making only where a business case for doing something different stacks up.

As part of any transformational change to meet future challenging financial constraints the council needs to actively consider embracing different and more efficient ways of working (agile working; asset rationalisation; income generation; better use of technology and social media). There is a need for the Council to have a more open mind to alternative models of service delivery. There are models of delivery such as partnerships, jointly procured services, co-operatives and Trusts which could achieve the aims of the Council but at a lower cost

We believe your current performance management system could be further improved. Performance management is critical for a high performing organisation and we therefore think it is important that you review your current performance management system and put in place initiatives that not only enables you to monitor performance but also to manage it on a real time basis to inform decision-making. This includes better linkages with risk management.

Key suggestions for consideration

Based on what we saw, heard and read we suggest you consider the following key actions. These are things we think will help you to deliver your future ambitions and plans:

1. Ensure your priorities are based on systematic evidence of community engagement; that all members are bought into the priority setting process; that priorities are sharp and focused and develop robust performance management systems to measure the impact of your corporate priorities on your communities. A strategic risk register should be developed to manage the risks of not achieving your priorities;
2. Undertake a review of your current officer delegation scheme and consider a cross-party member working group to look at your governance structure in order to streamline the decision-making process;
3. Ensure that the medium to longer term financial viability of the Council, which will require services to be delivered with a lower cost base, is urgently addressed to provide long term financial resilience;

4. Develop and implement a Workforce Plan to ensure you have the framework to deliver the right structure, capacity and skills in the right places to support your future priorities; ensure the correct balance between other services and regeneration;
5. Commission appropriate training to raise awareness amongst members of alternative service delivery models, including the pros and cons of each option. This will facilitate future options appraisal processes to determine the best fit for Corby and may ultimately help sustain a greater range of service provision to residents despite funding reductions;
6. Develop a strong organisational mindset around business cases and benefits realisation when developing initiatives around cost reductions and investments; and work with strategic partners to embed an entrepreneurial culture to forge stronger alliances and build capacity; and
7. Celebrate your successes and the achievements of staff within the organisation.

Next steps

You will undoubtedly wish to reflect on these findings and suggestions with your senior managerial and political leadership before determining how the council wishes to take things forward. As part of the peer challenge process, there is an offer of continued support which you can access through the LGA Principal Adviser for the East Midlands Region, Mark Edgell.

In the meantime we are keen to continue the relationship we have formed with you and colleagues through the peer challenge to date. Mark Edgell, Principal Adviser (East Midlands Region) is the main contact between your authority and the Local Government Association. Mark can be contacted via email at mark.edgell@local.gov.uk or by Telephone (07747 636910) and can provide access to further support.

All connected with the peer challenge would like to wish you every success going forward. Many thanks to you and your colleagues for inviting the peer challenge and to everyone involved for their participation. In particular, please pass on our thanks to Helen Goult and Iain Smith for their sterling support in organising the challenge.

Yours sincerely



Peter Rentell

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Local Government Association

On behalf of the peer challenge team