

Corporate Peer Challenge **East Devon District Council**

23-25th September 2019

Feedback Report

1. Executive Summary

East Devon District Council (EDDC) has an in-depth understanding of the communities it serves. Prior to May 2019, there had been a long period of political stability, which combined with a highly effective and very experienced Chief Executive saw many long-term plans and ambitions come to fruition. Alongside being amongst the top performing councils nationally in terms of customer satisfaction with services and perceived value for money, EDDC is also achieving top quartile performance in key priority areas. We found a pride and commitment to the whole of the district from everyone we met during the peer challenge: members, staff and partners and a council with a strong history poised for a positive future.

EDDC faced a change of political control for the first time in many years in May 2019, not only were a significant number of 'first time' councillors elected, but the elections returned a 'No Overall Control' outcome. The new administration is aware of the need to crystalize its ambitions and they also know that with many new members, both within the Cabinet and the wider membership, they will need support to play their demanding leadership roles. The council should grasp the opportunity that its new political leadership team creates, to retain and build upon its many existing strengths, but importantly forge ahead with confidence, by planning and then delivering against its new priorities.

We found the officers and members of EDDC to have a passion for the district – with a demonstrable commitment to the objective keeping 'East Devon Outstanding'. East Devon District Council has a strong track-record of successful delivery. Over time the council has provided coherent leadership of place through the delivery of key projects such as the Cranbrook Development and the Exeter Science Park, while at the same time proving an effective guardian of the vast areas of the district which are designated Areas of Outstanding Natural Beauty.

The council is in a good position to support the existing and emerging priorities. It is well led and well managed, as demonstrated by the ability to continue to deliver high quality services during a period of political uncertainty. High levels of customer satisfaction in specific areas reflect a council with a strong understanding of place and the ability to respond to local needs.

EDDC has a strong track-record of financial management. In particular the council has worked hard to capitalise on the growth rewards of New Homes Bonus and Business Rates retention and has made prudent decisions around the use of these income streams to the benefit of the council's financial standing. As a result, the council has been able to retain services which other councils have been forced to cut

A cornerstone of the new administration's plans has been to promote enhanced openness and transparency with the decision-making process. It is positive to see the progress which is already being made in this respect as demonstrated by the significant reduction in the number of reports considered in confidential session.

The council is now based in a purpose-built office within Honiton. The ability to deliver services from purpose built and efficient buildings has enhanced organisational capacity, reduced operational costs and proved an effective catalyst in adopting flexible ways of working.

We have confidence that the council will continue to make progress. It has a strong foundation and track record for achievement. It is valued as a collaborative and reliable partner; for example, through the Greater Exeter Strategic Plan Partnership.

A key task now is for members and officers to work with purpose to translate ambitions into action. With so many new members with new ideas in the early days of a new political administration, there is the potential for tensions to develop between members and members and officers which will slow down the delivery of the council's ambitions. Members and senior officers need to work together in a supportive collaborative manner to avoid this and ensure that the council's key priorities can be delivered effectively through a 'one council' approach. Positive steps have already been taken and a draft Corporate Plan is making advanced progress through the decision-making process. It will also be very important that senior members and officers take the time, both formally and informally to continue to work on this together. It will set their agenda and, just as importantly, help frame their way of working together.

The council's governance arrangements are well managed and fit for their current purposes. We however acknowledge the desire to review these arrangements with a view to return to the committee system. Before progressing further with this review, we encourage both officers and members to spend time identifying specific issues and/or concerns that such a review would be intended to address and to consider all options fully before adopting a solution. It is recommended that the council seeks external advice and support for a member-led review body at the earliest opportunity,

As with all change, East Devon now faces a period of challenges and opportunities. The simple thing to do, following such a profound change would be to postpone the Corporate Peer Challenge. The council chose the opposite, opening itself to external challenge and scrutiny and we hope the process of doing so and this report adds value to that. That commitment to external challenge, learning, expertise and innovation were all features of our visit and this report and is a demonstration of the council's desire and intent in respect of improving for the benefit of its citizens.

2. Key recommendations

There are a range of suggestions and observations within the main section of the report that will inform some 'quick wins' and practical actions, in addition to the conversations onsite, many of which provided ideas and examples of practice from other organisations. The following are the peer team's key recommendations to the council:

- Consider establishing more formal engagement channels with a range of stakeholders and look to maximise opportunities to build on the willingness of key stakeholders to engage positively with EDDC, and in doing so, fulfil its potential at both local and regional levels.
- Improve data insight arrangements to inform decision making and priority setting and look to establish a mechanism for evaluating and prioritising new areas of work, with a focus on evaluating and learning lessons from major development projects.
- The new commercial approach should be carefully articulated and understood by all officers and members alike. The council should explore the opportunity to acquire land to build more houses given the financial capacity within the HRA.
- Explore the many positive steps that can be taken to support the developing relationships within the council and embrace the opportunities that exist, with external support and advice, to take further steps to continue to develop leadership cohesion between the new administration and EDDC Management Team.

- Engagement and support from officers needs to be developed to reach all council members. Develop and deliver a member development programme to support all elected members in their roles – consider using external advice and support and encourage participation.
- Ensure that there is clarity about the reasons for any change to governance arrangements and the options available, seeking external advice and support where appropriate from the LGA.

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 by you. The peers who delivered the peer challenge at East Devon District Council were:

- Councillor John Pollard – Cornwall Council
- Councillor Derek Bastiman – Conservative Group Leader, Scarborough Borough Council
- Mike Dawson – Chief Executive, Tewkesbury Borough Council
- Caroline Cooper – Head of Commercial and Cultural Development, Canterbury City Council
- Andrew Jones – Deputy Chief Executive and Monitoring Officer, Warwick District Council
- Vic Allison – Deputy Managing Director and s151 Officer, Wychavon District Council
- Emily McGuinness - Peer Challenge Manager, LGA

Scope and focus

The peer team considered the following five questions which form the core components looked at by all Corporate Peer Challenges cover. 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. 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?
4. 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?
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 consider and provide feedback on the role elected members play in setting the strategic direction and objectives of the council.

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. The process is not designed to provide an in-depth or technical assessment of plans and proposals. 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 3 days onsite at East Devon District Council during which they:

- Spoke to more than 115 people including a range of council staff together with councillors and external partners and stakeholders.
- Gathered information and views from more than 40 meetings, visits to key sites in the area and additional research and reading.
- Collectively spent more than 210 hours to determine their findings – the equivalent of one person spending more than 5 and a half weeks in East Devon.

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 (23-25 September 2019). 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.

4. Feedback

4.1 Understanding of the local place and priority setting

East Devon District Council has an in-depth understanding of the communities it serves. Prior to May 2019, there had been a long period of political stability, which combined with a highly effective and very experienced Chief Executive saw many long-term plans and ambitions come to fruition. Alongside being amongst the top performing councils nationally in terms of customer satisfaction with services and perceived value for money, EDDC is also achieving top quartile performance in key priority areas such as:

- Stewardship of natural environment (including two Areas of Outstanding Natural Beauty)
- Street Scene
- Low rates of waste to landfill and high recycling rates; and
- High levels of tenant satisfaction and provision of decent homes.

High levels of customer satisfaction in general and in the above areas specifically, reflect a council with a strong understanding of place and the ability to respond to local needs. Alongside the provision of these services, EDDC has also led on the development of a major housing development at Cranbrook and employment and growth at sites such as Exeter Science Park showing an awareness of the need to deliver sustainable growth both within the district and as part of the wider area in partnership with other councils and agencies.

Following the elections in May a new political administration has formed. Understandably, in the absence of a single manifesto, it has taken time for the new Independent administration to articulate its priorities and plans for the community. The political context that East Devon District Council finds itself in following the election in May 2019 will inevitably, and rightly, impact on future priority setting and the strategic direction of the council. In recognition of this by the council (and showing an encouraging level of self awareness) the Peer Team were specifically asked to consider the role of members in setting this strategic direction, accordingly this is explored in more detail of section 4.6 of this report.

The council is making good progress in developing its new corporate plan. The process of formulating the new plan is well underway with significant progress having been made in the short period of time since May. This provides a valuable opportunity to engage with all members to continue to build a clear set of objectives. The Council Plan is progressing well through the democratic process and establishing strong political ownership of the priorities and associated actions will be a critical next step.

This strong and evident sense of place allows you, as officers and members, to clearly articulate what you see as the challenges you are facing, namely climate change and protecting the environment, health and wellbeing and poverty and homelessness. We heard from numerous members and staff who are passionate about addressing these issues and positive about the role the council can play in doing so.

The planned 'Careful Choices' budget consultation exercise will form an important part of future priority setting. This campaign which will include a consultation will be designed to ensure that there is a wider appreciation and acknowledgement of the council's financial situation and the difficult choices ahead. This will also ensure that going forward you are using your financial and people resources optimally and that East Devon continues to be 'fit for purpose'.

To date, due to sound financial and organisational planning and management, East Devon District Council has retained many services which other councils have been forced to cut and has consistently delivered good services which are highly valued by residents. Moving forward, the council faces budget pressures and recognises that some difficult decisions may need to be taken by members. High quality data insight will play a fundamental role in this. The 'Knowing East Devon' document, the latest version of which was published in May 2019 is a strong starting point upon which to build to ensure that future service delivery decisions, across the council, are underpinned by sound, multi-agency derived evidence. The fact that this document already exists is positive and will have even greater organisational impact if it is further embedded across all services and has a higher profile in priority/objective setting discussions and decisions.

It was clear from the officers and members we spoke to that the new Council Plan is broadly reflective of their views. Nevertheless, representatives of groups from the voluntary sector, business community and residents we spoke with would welcome more engagement in priority setting discussions and their involvement would enhance the Corporate Planning process. This strong understanding of place which exists now needs to be aligned with much needed political priorities /direction so that East Devon District Council can continue to deliver the high level of services that we heard residents value so highly.

The Economic Development Service at East Devon is regarded extremely highly by service users. In a district with 7,295 VAT registered businesses (which is the highest number of businesses of all the Devon districts including Exeter) and a high number of micro and small businesses as well as high levels of self-employment, proactive and professional advice to the sector is vital – and positively received. Key partner agencies also value the 'open for business' approach adopted by East Devon District Council, in particular there is much support for cross boundary initiatives to support inward investment into the area.

Depending on the emerging priorities for the new administration, further investment in this service could deliver even stronger outcomes, primarily in terms of establishing effective communication channels and forums for discussion with the business communities in the district. In speaking with some service users, both internal and external, it is clear there is a lack of clarity on the status of some priorities. For example, we have seen how the council actively supports small business growth through the Economic Development team, but it is sometimes perceived that plans for growth and expansion are prohibited by the interpretation of planning regulations. Economic Development and Planning Policies need to be delivered 'hand in glove' to achieve maximum effectiveness and in the case of East Devon, could perhaps benefit from being co-located within the same directorate?

EDDC is willing to look at different service models to meet the needs of residents as illustrated by their innovative Handy Person Scheme. As a direct response to a recognised need, the council has developed a scheme whereby a trained EDDC employed Handy Person can undertake a range of maintenance jobs, primarily to EDDC tenants over 70 and / or living in Sheltered Accommodation. This service has been very well received and has contributed to increased customer satisfaction for the Housing Services Team, but more importantly has established an informal channel of communication between the council and some of their most vulnerable residents.

When mapping the delivery of the new Council Plan, care will need to be taken to ensure that traditional service boundaries do not adversely impact on achieving priority aims. Whilst new working practices, mainly associated with the new council offices, have improved cross-council working, we saw some remaining evidence of silo-working between services for example between Property Services and Legal Services. If the commercialisation ambitions of the council are to be realised, this will need to be addressed.

4.2 Leadership of Place

We found the officers and members of East Devon District Council to have a passion for the district – with a demonstrable commitment to the objective keeping ‘East Devon Outstanding’.

East Devon District Council has a strong track-record of successful delivery. Over time the council has provided coherent leadership of place through the delivery of key projects such as the Cranbrook Development and the Exeter Science Park, while at the same time proving an effective guardian of the vast areas of the district which are designated Areas of Outstanding Natural Beauty.

Since 2014, EDDC has secured over 1,640 new affordable homes across the district and 400 new jobs and £30 million of public sector investment in the Exeter Science Park. This is in part testament to the effective partnerships which exist with neighbouring councils in key areas such as spatial planning and economic growth. EDDC is very much seen as an integral and valued partner and the district has benefited considerably from partnership working.

The district faces major growth demand and East Devon District Council has, and continues, to lead in meeting this demand. The creation of a new settlement in Cranbrook is a significant achievement and evidences a bold and innovative approach, of which the council should feel proud. Delivering sustainable growth is an iterative process and it will be important to learn the lessons from major development projects such as Cranbrook, particularly around the need to manage the social elements of creating a new settlement. The Council acknowledges that ensuring a stronger sense of community within Cranbrook e.g. through supporting the creation of a more clearly defined ‘town centre’, would have enhanced the project. In future projects, East Devon District Council should feel confident to step into the leader of place role as successfully as they fulfilled their role as development partner.

The Greater Exeter Strategic Plan is an opportunity for East Devon District Council to fulfil some, if not all, of its growth delivery plans, but to do so, the council will need to reaffirm its commitment to the partnership approach with the other constituent councils so that they can all move forward collectively. It is the view of the Peer Team that the importance of this partnership cannot be overemphasised. Similarly, whilst East Devon District Council has undoubtedly participated effectively in the partnership arena to date, there is scope to do more and to use the change in political leadership to re-engage with key partnerships that have perhaps not delivered optimum results to date. Partnership working will continue to be important to the future of the district and needs to be fully understood and embraced by all.

The positive action the council has taken in response to community concerns around climate change is be commended. Working in partnership with other Devon councils and Exeter University will allow the council to lever greater advantages than working in isolation would ever achieve. Going forward, ensuring a measured and credible response to this pressing global concern will be paramount.

We found varying levels of stakeholder engagement in service design and delivery. Tenant representatives we met with spoke highly of the Housing Services Team and felt they had meaningful opportunities to comment on and influence key services. However, business community and voluntary sector representatives felt that there could be much greater engagement with them. Both groups suggested more regular forums for effective two-way communication and expressed a desire and willingness to contribute to effective service delivery in the future. Such established support from these key stakeholders should be maximised at the earliest opportunity to allow for continued effective leadership of place and to further demonstrate in practical terms your stated commitment to openness and transparency. Indeed, now is a great opportunity for the new leadership to reach out to some key stakeholders afresh

where less progress has been made, for example the voluntary sector and town / parish councils.

4.3 Organisational leadership and governance

East Devon District Council is well placed to face the ongoing challenges common to all local authorities, benefiting as it does from an extended period of stable organisational leadership, led by an experienced and capable Chief Executive. The political changes experienced by the council, and expanded on in section 4.6 of this report, have inevitably led to new relationships between senior officers and members starting to be developed. Building new relationships is not confined to senior officers and members – the dynamic within the minority administration and its relationship with other political groups and independent members will be a critical success factor as EDDC moves forward.

Over the past 5 years, East Devon District Council has seen a significant intake of new members, in particular in May 2019 which saw just under 50% of members newly elected to the council, and a change in administration from Conservative to minority Independent - the first change in administration in over 17 years. This was an unprecedented level of change, the impact of which should not be underestimated. In the period since May, as the new political arrangements have taken shape, including relationships within and between political groups, it is a credit to the Chief Executive and officers at all levels of the organisation that services have continued to be delivered to a high standard, a fact acknowledged by all those we spoke to.

The new political leadership of the council is bringing new ideas and a new energy to the council, as one would expect, and it is vital that comprehensive support is offered to all members of the Cabinet as they develop their leadership roles. Such support could and should include on-going dialogue, mentoring and where appropriate external support. It is encouraging to note that such opportunities have already begun to be explored.

Following the elections in May, Members were provided with a Member Induction and Development Programme which covered many of the core requirements of an incoming councillor. Given the political composition of the council, it may be worth revisiting this programme to ensure that elements specific to successfully operating in a minority administration environment are addressed such as consensus building.

A cornerstone of the new administration's plans has been to promote enhanced openness and transparency with the decision-making process. It is positive to see the progress which is already being made in this respect as demonstrated by the significant reduction in the number of reports considered in confidential session. Further progress could be made if time is now spent exploring the roles and responsibilities of all members in the decision-making process, supporting an appreciation of those occasions where confidentiality is required in the best interests of the council, of which all councillors are members. Doing so will positively support Members in providing collective political leadership of the authority.

The new Leader and Deputy Leader have already shown impressive levels of commitment, enthusiasm and integrity as they navigate the complex political terrain. Efforts should now be concentrated on developing a cohesive Cabinet position in respect of key policy areas and a shared commitment to the delivery of the adopted Council Plan, thus ensuring the clear political leadership the council requires. Similarly, the relationship between the Senior Management Team and Cabinet Members should continue to be developed so that they function collectively as an effective joint leadership team.

With so many new members with new ideas in the early days of a new minority political administration, there is the potential for tensions to develop between members and members and officers which will slow down the delivery of the council's ambitions. Members and senior officers need to work together in a supportive collaborative manner to avoid this and ensure that the council's key priorities can be delivered effectively through a 'one council' approach from both the political and executive levels of the organisation.

We spoke with Overview and Scrutiny Chairs and were encouraged to hear how positively they view their roles and value the contribution they and their committees make to the overall running of the council. East Devon District Council has effective governance arrangements in place, via its Constitution and associated documents. Prior to arriving on site, we were made aware that some members have expressed a wish to review these governance arrangements with a view to returning to the Committee System. The Peer Team strongly recommend that sufficient time and energy is invested at this early opportunity to establish the parameters for such a review, importantly identifying the issues members wish to address. Establishing a Member Review Panel would be an effective way to achieve this, allowing members to lead the process with support from East Devon District Council Officers (which they have already stated will be readily available) and external advice and guidance where appropriate.

SMT+ functions well as part of the overall organisational management as a vehicle for providing collective operational direction and decision making, giving an opportunity for a wider group of officers to influence activity. SMT+ is highly regarded by staff at all levels of the organisation to the extent that they would welcome similar forums to meet collectively and share ideas for improvement at lower tiers. Such a willingness to engage and commitment to future service improvement should be welcomed and harnessed.

There is clear evidence of a 'golden thread' which flows throughout the organisation from the Council Plan, through Service Plans and to individual objectives. Individuals have regular 121's and the appraisal process seems embedded. Those staff we spoke with were clear how their activity contributed to the overall aims and objectives of the council and felt they were able to access managers when necessary.

There is some understandable uncertainty as the new Council Plan progresses to adoption and implementation and the existing system which provides for clarity of objectives at a council, service and individual level will need to be actively maintained during this period of change.

4.4 Financial planning and viability

EDDC has a strong track-record of financial management. In particular, the council has worked hard to capitalise on the growth rewards of New Homes Bonus and Business Rates retention and has made prudent decisions around the use of these income streams to the benefit of the council's financial standing. As a result, the council has been able to retain services which other councils have been forced to cut.

There is also a good understanding of its current financial position and awareness of the key risks and how these might impact on future financial projections. Allowance for future resets of Business Rates growth have been made in the Medium Term Financial Plan on a reasonable and prudent basis. As for many district councils, risks remain around the future of New Homes Bonus and the results of the Fair Funding review which will feed into the Government's Business Rates baseline. The council will be aware of these further risks and their potential impact on the Medium Term Financial Plan.

Given the likely reforms to local government finance from 2021/22, members and officers will need to maintain their focus on the financial challenges to ensure there is a robust financial plan over the medium term. To illustrate the size of the challenge, it is likely that annual savings of around £3m will need to be identified over the next 1 – 2 years.

Also, there is now a need to prepare all members for the difficult decisions ahead. Careful Choices is a positive step to achieve this and its successful implementation will depend to some extent on the development of effective and collective decision making and appreciation of the roles and responsibilities of all members in setting a balanced budget.

In order to ensure that all members are equipped and supported to make these decisions, there will be a need for sufficient briefings and training of all members. The council may also want to consider potential improvements to its budget monitoring / financial reporting arrangements as the council enters a period of tighter finances and may also want to explore the benefits of a “dashboard” approach, combining finance with performance reporting.

In this context, the council will want to ensure that all opportunities for efficiency savings have been explored fully before making decisions about service delivery levels. In addition to continuing with transformation work, there is an opportunity to take forward joint working with other councils in a number of areas building on the sound platform of the successful IT shared service and also making the most of the new building in terms of more efficient ways of working.

The development of a more commercial approach is to be applauded. This now needs to be carefully articulated and understood by all members and officers who should be empowered to contribute to this against a corporately accepted and appropriate level of risk. For example, it might be useful to set parameters so that members and officers understand what ventures might be acceptable in terms of scale of financial exposure and other risks for the council. It should also be clarified that commercial activity is much wider than investment in property and a number of good examples already exist such as car parking and green waste.

Conversely, the prospects for the council’s Housing Revenue Account are much more positive. The financial capacity within the Housing Revenue Account does allow for investment in the existing or new stock. The council should explore this opportunity to address housing need in the district.

4.5 Capacity to deliver

The council benefits from a hardworking and committed workforce which is ready to respond to the challenges ahead and to deliver the priorities of the new administration. We heard a clear and positive message from staff that they are very much are ‘up for change’. Those we spoke with were proud to work for the council and of what it, and they, have achieved to date, which is a great foundation upon which to build. This commitment and enthusiasm should be harnessed now so that staff are engaged well, and through that enabled to understand, help crystallise and then deliver the new council’s priorities. As was the case with the ‘golden thread’ from Council Plan through to individuals, those staff we spoke with seemed well versed in the Council’s Values and accompanying Behaviours Framework and welcomed the external accreditation offered by Investors In People.

EDDC has secured additional organisational capacity through joint working ventures. Given the financial challenges facing the council, opportunities for further joint working across a broader

spectrum of services with neighbouring councils should be explored. The STRATA IT partnership in particular, is held in high regard and is acknowledged as providing a greater level of organisational resilience and improved infrastructure. The decision by East Devon District Council to reinvest savings in the partnership demonstrates an important commitment to building a fit for purpose organisation. The next iteration of the STRATA Business Plan should be used to look for greater convergence in other areas.

The council is often seen as a partner of choice and clearly benefits from this. We found a willingness amongst some of these partners to go beyond this. Therefore, in the view of the peer team a further strand or aim of the council's transformation plans could be to build upon such good relationships to look at the potential for shared services with core partners (with neighbouring councils and significant local institutions) in order to build reliance and share scarce capacity.

East Devon District Council has been successfully delivering a 'Transformation Programme' over recent years which has improved the delivery of services to residents and helped to make the best use of the council's resources. The programme has involved using a 'Systems Thinking' approach to review services in line with demand and in doing so has delivered the required level of savings for the organisation. Additionally, various other initiatives including 'Work Smart' have all contributed to ensuring the council faces future challenges in its most efficient form. We heard mention that the Transformation Programme would now be "evolving into a Commercialisation Strategy" as a way to signal organisational intent to change the approach to achieving financial sustainability.

It is the view of the Peer Team that a Transformation Strategy and a Commercialisation Strategy could and should both exist as route map for future service development and to drive the required level of savings. There is a need to establish a shared definition of what 'commercialisation' means to East Devon District Council and an understanding of roles and responsibilities within that. Some of those we spoke with saw a more commercial approach to be limited to property investment, whilst others took a more holistic view and took it to mean adopting a more business-like approach to all activity within the council. Clarity in this respect is crucial before moving onto the next stage of developing a Commercialisation Strategy. We saw many examples of effective 'commercial' activity already well established within the council, for example in car parking, the Handy Person Scheme provided by Housing Services and green waste collection, and so a prudent first step may be for the council to analyse all such activity and collate centrally.

Through an effective property team, the council has established what appear to be robust practices and processes to underpin increased commercial investment activity – although these are yet to be tested to any great extent. The role of local authorities in respect of commercial investments is an area of national discourse and as such, there are numerous opportunities for members and officers from East Devon to learn from others.

East Devon District Council has many good examples of large-scale project delivery across the district including Cranbrook, Exmouth Sea Front and the move to the new offices. Each of these projects has identified opportunities to learn and build upon in the future and if future ambitions are to be realised. Creating high quality project management capacity within the council will be essential.

The council is now based in a purpose-built office within Honiton. The ability to deliver services from purpose built and efficient buildings has enhanced organisational capacity, reduced operational costs and proved an effective catalyst in adopting, flexible ways of working. The new offices lend themselves well to more modern work practices and have gone a long way to break down more traditional silo working – although there are some remaining barriers to be

addressed if the council is to create the right conditions for a more commercial approach in some areas. The move to the new offices has been a long time in the planning and has not been without opposition, but we found them to provide a welcoming environment for all those visiting the Council.

4.6 Role of Members in setting Strategic Directions and Objectives

The context of the changing political landscape is fundamental to the current and future leadership and governance of EDDC. The May 2019 elections delivered a profound change in the political make-up of the council compared to 2015 as well as an Independent Political administration.

The new political leadership is bringing energy and ideas for change and members of the Cabinet have played an active role in drafting the new council plan. Understandably it has taken time for these ideas to be brought together into a coherent set of priorities for the next four year plan period and for them to be tested with colleagues from all political groups, and further work is needed to ensure there is council-wide ownership of the plan.

In order to positively set the strategic direction of the council, and to ensure that the Council Plan moves effectively from development to implementation, the next key step is for the Leader, Deputy Leader and members of the Cabinet to establish a clear identity and an agenda which they collectively own and deliver. The willingness of senior members to engage with mentors and other sources of external support shows positive intent.

There are a number of ways in which all members can continue to be supported to fulfil their various roles and undertake their responsibilities within the council. Simple steps such as regular meetings of all group leaders to build effective working relationships and establish those areas of common ground which are so important in political contexts such as this, can achieve significant impact.

Ensuring constructive engagement between officers and members through this next period of change is critical. The build-up of tensions between political and senior officer levels of the organisation is a potential at times of significant political change and this should not be allowed to develop. There is a need to retain and strengthen a collective approach to decision-making, by both officers and members. There are pressures and future expectations arising from each portfolio area, but a sustainable outcome will only be possible if a single collective approach can be developed based on shared priorities.

We were pleased to see evidence of early constructive engagement between senior members and officers and it is important that these early steps continue to be enhanced, with SMT and Cabinet meeting regularly to discuss direction of travel, strategy and policy.

Opportunities exist to take further steps to continue to develop leadership cohesion between the new administration and EDDC Management Team and positive early signs of collaboration should be built upon. We would encourage the 'top team' of members and officers to work together both informally as well as formally and make time to this over the next few months especially, so they can ensure the range of current and new priorities begin to become embedded. In doing so they will be also building their relationship as a team going forward. Keeping strong and effective relationships will be especially important. There are a number of sources of external support which are available to both officers and members and we would encourage continued dialogue with the regional LGA team in the regard.

5. Next steps

Immediate next steps

We appreciate the senior managerial and political leadership will want to reflect on these findings and suggestions in order to determine how the organisation wishes to take things forward.

As part of the peer challenge process, there is an offer of further activity to support this. The LGA is well placed to provide additional support, advice and guidance on a number of the areas for development and improvement and we would be happy to discuss this. Andy Bates, Principal Adviser is the main contact between your authority and the Local Government Association (LGA). His contact details are: Email andy.bates@local.gov.uk

In the meantime we are keen to continue the relationship we have formed with the Council throughout the peer challenge. We will endeavour to provide signposting to examples of practice and further information and guidance about the issues we have raised in this report to help inform ongoing consideration.

Follow up visit

The LGA Corporate Peer Challenge process includes a follow up visit. The purpose of the visit is to help the council assess the impact of the peer challenge and demonstrate the progress it has made against the areas of improvement and development identified by the peer team. It is a lighter-touch version of the original visit and does not necessarily involve all members of the original peer team. The timing of the visit is determined by the council. Our expectation is that it will occur within the next 2 years.

Next Corporate Peer Challenge

The current LGA sector-led improvement support offer includes an expectation that all councils will have a Corporate Peer Challenge or Finance Peer Review every 4 to 5 years. It is therefore anticipated that the council will commission their next Peer Challenge before 2024.