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Chief Executive
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07 April 2014

Dear Roberto

Spelthorne Borough Council
Corporate Peer Challenge – 14-17 January 2014

On behalf of the peer team, I would like to say what a pleasure and privilege it was to be invited into Spelthorne Borough Council to deliver the recent corporate peer challenge as part of the LGA offer to support sector led improvement.

Peer challenges are delivered by experienced 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 Spelthorne were:

- Kevin Finan - Chief Executive, Mid Devon District Council
- Councillor Paul James - Leader of Gloucester City Council
- Andy England - Assistant Head of Planning, Cornwall Council
- Chris Traill - Strategic Director, Charnwood District Council
- Mark Harrison - Peer Challenge Manager
- David Lock - LGA Adviser

Scope and focus of the peer challenge

You asked the peer team to provide an 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?

Within this framework you asked us to comment on the economic development strategy fitness for purpose, effective use of assets to generate further income and more effective engagement with business and the public. We have endeavoured to do this.

The peer challenge process

It is important to stress that this was not an inspection. Peer challenges are improvement-focussed and tailored to meet individual Councils' needs. They are designed to complement and add value to a Council's own performance and improvement focus. The peer team used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read.

The peer team prepared for the peer challenge by reviewing a range of documents and information in order to ensure they were familiar with the Council and the challenges it is facing. The team then spent 3 days onsite at Spelthorne Borough Council, during which they:

- Spoke to more than 100 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 200 hours to determine their findings – the equivalent of one person spending more than 6 weeks in Spelthorne.

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 (14th-17^h January 2014). In presenting feedback to you, they have done so as fellow local government officers and councillors, 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.

Summary of feedback: overall observations and messages

Spelthorne Borough Council is aware of the challenges ahead and the organisation is preparing for them, building on a track record of improvement and inviting external challenge. The Council benefits from sound financial management and has made revenue savings in excess of £6 million over the past five years. The Council recognises that its finances will be squeezed over the medium term and is working to ensure that it maintains a balanced budget going forward.

The organisation is well managed with the key systems and processes in place to enable good governance and performance management, although there is a need to ensure that some of the performance management arrangements are more consistently applied. Officers are dedicated and professional, and feel generally well supported within the organisation. Opportunities for development are available and staff seem keen to take on new challenges that support the work of the Council and add to their own experience. They enjoy working for the Council where they feel valued by officer colleagues, many councillors, business and public sector partners and residents. The Council is very well regarded and respected by partner organisations and other external stakeholders.

In some aspects the Council is well placed to meet its future challenges, but needs to ensure that its significant resources are aligned and that staff and councillors are working towards the same goals. The Council has many opportunities for future growth and is actively looking at options to support the provision of jobs and homes locally. Business partners and other stakeholders are keen to continue to work collaboratively with the Council.

There is a strong “can do attitude” in the organisation which was commented on by many councillors and external stakeholders. The Council should look to build upon this. The peer challenge took place when the Council was fulfilling its emergency planning role with severe flooding across the borough. We were told of staff pulling together, across the Council and often with councillors, to ensure the well-being of those residents adversely affected by flooding. At the same time the day to day work of the Council continued unabated.

However there is widespread concern over some internal officer and councillor relations within the Council. This is creating a distraction from developing a strategic approach to sustaining continued improvement and to maximise the opportunities that have been identified for Spelthorne. The senior management team and Cabinet must reconsider how they can best work together collaboratively and with common purpose.

Spelthorne has good communication networks and is well located in relation to Heathrow and London. It has a significant and diverse business base with notable businesses such as BP and Shepperton Studios. It has a significant small and medium sized business sector which is a growing. The Council recognises there are some issues with local skill levels which need to be addressed and has consulted widely on these issues as it developed its new economic development strategy.

We saw a number of emerging strategies and plans during the peer challenge. Their delivery will require consideration to help redefine the way the Council works, both internally and with its partners. This work will need to be undertaken at pace and with momentum to ensure that projects are delivered and that subsequent income can be applied to match the budget forecast as set out in the medium term financial strategy. There are a range of elements that you may wish to consider, including:

- Develop clarity about your priorities and how to resource and deliver them, and check that they articulate the needs of the borough
- The Cabinet and senior management team reconsider the balance between providing operational services and providing a strategic overview and leadership of Spelthorne
- Review the alignment and deployment of capacity and resources necessary to achieve your priorities and possibly stop doing things that you currently do or could be done by other providers
- Work to rebalance member – officer leadership, ensuring that the priority outcomes for the future are clearly set and informed by political vision and drive
- Continue to evolve your positive relationships with residents, partners and stakeholders and engage them in co-production
- Be clear about the Council’s role, particularly where partnerships may be working to achieve similar objectives to the Council e.g. the economic development task group, the LEP and LSP

The Council is working hard to better engage with its residents. The peer team were advised that the Council is procuring a new CRM system as part of its “Enhancing the Customer Experience” programme, and other recent developments have included a phone app for residents, a new automated voice recognition payment line, out of hours telephone for core services and web link to planning applications.

Core corporate peer challenge areas

Understanding the local context and priority setting

Spelthorne Council has recently adopted both a new corporate plan (December 2013 - 2015) and updated its community plan in 2013. The Council has gone to lengths to collect evidence in relation to relative deprivation, health, educational attainment and economic development potential. Both councillors and officers demonstrate a good understanding of the local context. Notwithstanding this, the peer team questioned whether the Council's priorities are clear enough, shared and well enough evidenced based. Some of the content of the new corporate plan appears to be operational (e.g. the very detailed section concerning the Planning Service) rather than strategic, although we do acknowledge the importance of these matters to residents.

It is clear that there is a perception, particularly among some residents groups, that Spelthorne is a "forgotten" part of Surrey. This view is exacerbated by the borough being enclosed by the M25 and M3 motorways. The Council recognises these views and understands that they may have been reinforced in relation to the perceived imposition of the Eco Park by Surrey County Council.

Relations between the borough and county Council have generally improved in recent years. Some councillors are now twin hatted which helps with liaison and understanding of different perspectives and Spelthorne's potential ability to influence the county Council. However maintaining a positive relationship with Surrey County Council remains a challenge for some councillors in Spelthorne Borough Council e.g. the current differences of opinion over Surrey County Council's proposal to establish an Eco Park in at Charlton Lane, Shepperton.

Spelthorne is part of a number of identified economic development areas: the Heathrow economy, outer west London area and Thames valley and North West Surrey economy. In particular Heathrow airport exerts a considerable influence on the borough and 8,500 jobs are dependent on this. The Council is aware of this and has indicated its support for further runway development at Heathrow. This is subject to ongoing consultation with the communities affected, via the Davies Commission.

The Council recognises the strong and distinctive separate communities which coexist within the borough. The Borough is felt to be "well endowed with community spirit". The Council engages with them through the activity of councillors and maintenance of good links with various active residents associations. Whilst these links appear to be in the main good, there has however not been a residents' survey for several years and the peer team feel this is now overdue.

The Council has been proactive in engaging with its diverse communities. The peer team was shown good practice examples of community engagement, for example in Stanwell the NewStart project is progressing well in providing a new community centre and additional care facilities for local residents. However, the disbanding of the Area Forums has led some residents to perceive that the Council is “not as good as it used to be at finding out what residents think”. We recognise that this may not be a universally-held view, but the Council may wish to consider what it can do to counteract it.

Financial planning and viability

The Council has a good level of reserves relative to many other Councils and has no long term borrowing. Historically the Council has used reserves to support its revenue budget, and latterly for “Invest to Save” initiatives. The Council understands that further inevitable cuts in central government support will mean increasing pressure on revenue budgets. Against that background you are well aware that there is a need to change the structure of your finances to help future-proof the funds necessary to ensure the ongoing provision of services to local residents.

The peer team noted that the Council has successfully implemented savings of over £6M in the past five years.

The medium term financial strategy (MTFS) recognises that the Council cannot continue to make further savings through “top slicing” budgets. The peer team feel that there is scope for further creativity in future budget savings. We would suggest that more officer resource or other capacity is put into achieving the potential benefits of the Council’s priority projects. Particularly, as the MTFS depends on the successful delivery of a range of new projects which the Council hopes will generate income on investment. Care needs to be taken to ensure focus on and delivery of a small number of big hitting projects and that the most appropriate skills support the projects, especially those with a suitable track record of large scale project management.

The Council reviews its financial strategy on a continuous basis with regular budget briefings taking place. Cabinet approved the MTFS in November 2013. The Cabinet has adopted a strategy that identifies an increasing but managed budget gap over the four year period 2013 – 2017. The strategy is predicated on increasing income and realisation of capital receipts for further investment. The peer team was advised that the projected budget gap over the period of the MTFS has reduced, to £1.3M in 2017-2018 as a consequence of the new Homes Bonus not now being subject to 35% top slice from 2015 – 2016 onwards.

There appears to be a lack of clarity about how different income generating projects are prioritised and on what basis. Some of the current priorities include projects which may not generate substantial income or deliver within the necessary financial timeframe underpinning the MTFs. This highlights the need to make sure that all councillors understand the extent of the financial squeeze over the next few years.

The Council has a positive story to tell about being an attractive place to do business and has been listed as 13th in the UK competitiveness index (up from 61st last year). The Council considers that this provides a clear signal that Spelthorne is a premier location for any businesses looking for a place to relocate or start up.

The Council demonstrates an ability to attract external funding to support the delivery of its priorities. The Council has recently obtained DCLG funding of £439K for a two year project to improve recycling in 4000 difficult to reach properties.

The Council is provided with investment advice by Arlingclose, a retained capital financing, treasury management and treasury consultancy

Political and managerial leadership

There has been a period of political churn and instability over recent years. There has been a succession of different Council leaders since 2007, and the current leader has been in post for less than a year. In addition the Spelthorne Independent Party was formed in early 2013, following the breakaway of a number of former Conservative councillors. The 2011 election resulted in 22 of the 39 councillors being newly elected, with some immediately taking up cabinet positions. It may be that in hindsight more support may have been given to councillors to ensure they were better prepared to carry out their executive duties.

External partners are hoping that the churn in leadership in recent years settles down and that will encourage greater partnership working. We noted that the Leader has helped to calm recent political turmoil. It appears that the Chief Executive, Management Team and staff have done their best to get on with the normal operational business of the Council. It will be important for the Council to ensure that there is clarity between the respective roles of councillors and officers to enable more cohesive leadership to both the organisation and community. A period of stability and continuity of political leadership will help to rebuild trust, and clarify expectations of officers and councillors respectively.

The Cabinet, and other non-executive councillors, demonstrate energy and enthusiasm but currently there is a lack of understanding of role boundaries between some councillors and officers. There is a lack of understanding about how officers' work should be

managed and prioritised. It appears that a perception of insufficient communication on the progress of projects has led to Members becoming more involved in day-to-day matters than they should be. A lack of clear Member role profiles and insufficient clarity on priorities may have led to a blurring of responsibilities for checking delivery and performance management.

There remains a lack of clarity about relative priorities. Cabinet state that they have six “flagship” priority projects, but some of these are made up of a number of projects in themselves. A mechanism needs to be put in place to ensure that all parties are agreed on what needs to be done and officers are allowed to get on and deliver. Further work is required on prioritisation of these projects, particularly if there are insufficient resources to work on all of them simultaneously. In the current financial environment, continuous review of the work priorities and organisational arrangements to meet them will be needed. Whilst good performance management arrangements are in place, these need to be consistently applied and regular reports and assurances on delivery should be given to Cabinet.

A lack of confidence and trust amongst some councillors in the arrangements to complete work has led to their direct intervention with staff. This has created tensions within the Council and has been a considerable distraction from the Council’s regular activities. A much more united front from the political and managerial leadership to staff and the outside world is required. We encourage you to continue to jointly address this.

In all the Council’s activities and decision making the recently-adopted corporate plan will provide a framework for resource allocation and agreement on the absolute priorities for the Council. We note that the current corporate plan is due to expire in 2015 and work should start to take place in the near future on formulating its successor document. This may provide an opportunity to check what residents views are via a resident survey. We think that the new corporate plan needs to stand the test of time, tackle the big issues and act as a “guiding star” for the Council.

Governance and decision-making

During our visit we were shown a booklet, “Spelthorne Borough Council – Cabinet 2013 - 2014” outlining the areas covered by the different cabinet councillors. We welcome the willingness of Cabinet councillors to be held accountable. It is clear which services fall under their portfolios, but it may be worth considering in future whether to construct Cabinet portfolios around the Corporate Plan priorities to enhance further that sense of accountability.

The Leader's creation of cabinet task groups looks to be a positive way to involve non-executive councillors in the business of the Council. Care will be required to ensure these groups align and do not duplicate with pre-existing wider strategic and partnership groupings, such as Spelthorne Together, the local strategic partnership, which may cover similar ground.

The Council needs to consider how to manage the potential reputational risk associated with actual or perceived poor governance arrangements. There are elements of current arrangements which need to develop further, such as the transparency of scrutiny. We understand the chair of scrutiny also provides political advice to the cabinet. The current mechanism requires the chair of scrutiny and two scrutiny committee councillors to agree before scrutiny can call in a Cabinet decision. Councillors feel that, with the current rules, a call-in will never happen. These are unusual practices compared to most other authorities. That said, there is a belief amongst some councillors that the scrutiny committee does carry out valuable work (e.g. community safety) and this positive aspect should be built upon.

We think staff could be better involved in consultations. The peer team heard how councillors involved staff in discussions about the new corporate plan but this took place too late in the process and little of the final text was amended on the basis of staff input. It is important that senior staff have a sense of involvement and influence in helping to create the plan at an early stage. This will enable them to encourage all staff to have a sense of ownership and shared vision

Delegation to staff appears to be undermined when decisions are queried by councillors and matters are elevated to the Chief Executive. Delegation needs to be exercised more rigorously, supported by the "golden thread" running from the corporate plan, through agreed priorities to individual staff objectives. This would benefit both staff and councillors in clarifying roles.

Organisational capacity

Cross departmental working and 'can-do' culture amongst staff looks to be a positive feature of the organisational culture at Spelthorne. Associated staff goodwill allows the flexible use of staff to meet priorities, even when demands are un-programmed, such as providing an effective response to the flooding issues which were current at the time of our visit. The Emergency Plan, adopted in October 2013, seems to have worked very well and demonstrates the Council's considered approach to risk management and its resilience in difficult circumstances. The peer team were impressed by the staff and councillors enthusiasm to help the public deal with the consequences of flooding. The

portfolio holder responsible for emergency planning was fulsome in her praise for the staff.

A range of partners spoke positively about their relationship with the Council, suggesting that joint working is effective and could potentially contribute to increasing the overall capacity of the Council. Businesses, public sector partners and the voluntary sector all expressed both their appreciation of the continuing partnership of the Council and their appetite to continue to work together.

Project management arrangements are improving and a simple but very effective procedure is in place. Some staff suggest that the sheer number of programmed projects together with other work arising on an ad hoc basis can make use of the system difficult. Whilst it is evident that project management principles are starting to embed in the operation there are still pockets of resistance.

We were informed that the Council has earmarked further finances for the necessary investment and funding of external assistance to provide essential specialist expertise where this may not exist amongst existing staff. However, it was suggested that a more focused list of priorities might help better allocate appropriate resources to each project. We understand the Council has 12 priority projects, 8 statutory projects, 18 service delivery projects and 6 income generation projects, but is unclear how these projects relate to each other, what their relative importance is and what outcomes their delivery will achieve for residents..

The Council continues to look for partnering opportunities as means by which to increase resilience and possible revenue savings. The Council has acted pragmatically to engage partners with some notable success, for example the Council is the lead on a supporting families programme with Epsom and Ewell Borough Council , Elmbridge Borough Council and Surrey County Council. A number of posts and services are shared with Runnymede Borough Council or Elmbridge Borough Council. A period of political stability is needed to ensure continuance of potential partners' willingness to explore business opportunities with Spelthorne and to open up further opportunities for joint working with neighbouring councils.

The Council has held Investors in People accreditation since 1993, and was successfully reassessed in May 2013. The peer team noted that the IIP report identified some similar issues to our findings which still need to be addressed e.g. joint member and officer workshop session to help all parties to identify their roles. The Council works in partnership with other Surrey Councils to provide shared learning opportunities and management development programmes.

The Chief Executive is considered to be an excellent ambassador for the borough, to the extent that some residents tend to go straight to the Chief Executive and management team to resolve issues. We think this results in senior management getting too easily involved in operational matters.

The peer team acknowledge that the Chief Executive rotates each of his three Assistant Chief Executives to cover in his absence. However, although business partners expressed admiration for the role played by the Chief Executive in engaging them, they expressed concern about who they felt they could talk to if he was unavailable. There is no assigned Deputy Chief Executive which raises questions about the adequacy of succession planning.

Wider officer involvement and succession planning in the area needs to recognise that whilst developmental opportunities for staff can be very valuable, there will also be situations, particularly on economic regeneration, where outside assistance, to enhance capability and capacity may be required.

Against this background, a view was expressed in staff forums that it wasn't clear that the right balance has been reached in making best use of in-house skills and optimising the capacity of heads of service, councillors and external support.

It appears that some councillors tend to become involved in operational matters, which detracts from their focus on strategy and community leadership. A lack of trust from some Members in some senior management and frustration about a perceived lack of progress on some matters can lead to excessive and inappropriate Member involvement with staff. This in turn reduces their capacity to deliver what Members want, makes it difficult to apply the performance management framework and reduces staff goodwill to "go the extra mile" This cycle needs to be broken.

It was clear from feedback from staff that they feel that capacity is currently too limited to pick up any further unprogrammed initiatives. The pilot enforcement joint work with Reigate and Banstead Borough Council is an example of where the Council has been keen to support an initiative, in this instance from the PCC, but this can come at the expense of other work and priorities.

Additional areas of focus requested

You asked the peer team to consider and comment on aspects of your economic development strategy including use of assets to generate income and engagement with businesses and service users. Some of what is covered in the sections above relate to the ability and capacity of the organisation to deliver the strategy. This section provides a summary and reiteration of the peers' key observations

Is the economic development strategy fit for purpose to deliver your goals and aspirations?

The Council's economic development strategy has a clear focus on supporting business and income generation in the medium and longer term. This is further supported through the recent adoption of a new Spelthorne Borough Council Corporate Plan 2013 – 2015. The corporate plan states that economic development is the main priority for the borough. During 2013 the Council completed a local economic assessment and published its new economic strategy.

In pursuing its economic development priorities the Council aims to:

- Enhance and improve the borough's image as a good place to visit and to do business, and,
- Promote Spelthorne with a clear plan to stimulate more investment, jobs and visitors.

The Council identifies 3 flagship projects which appear to meet these aims, namely Laleham Park regeneration, Staines-upon-Thames total regeneration and Ashford car park. In addition there are many other potential projects that, if developed, will enhance Spelthorne's economy. In order to achieve these goals we understand that the Council is prepared to divert revenue expenditure to ensure that projects are sufficiently resourced.

The Council has strong links with global brands in BP, Heathrow and associated business and Shepperton Studios. The peer team met with them, and were impressed by the value that these businesses place on their relations with the Council. They are prepared to consider more joint working, but feel that they need to get to know the portfolio holders better, before they further commit to new initiatives. They all expressed concern about who they could work with if the current CE departed. They suggested that the Council may wish to nominate relationship managers for the major business partners in order to manage relationships and act as a gate keeper between the parties.

The Council has put much effort in to identifying key development sites in the Borough. These were considered at length in a “Special cabinet briefing – Staines-upon-Thames” on 10 June 2013. The challenge now is to move to the next stage of project development. The peer team are not convinced that the Council has the capacity or capability to develop these projects with its current staffing arrangements. Many staff enthusiastically take on new roles and work their hardest to acquire the skills necessary to deliver in their new roles. But this approach may not provide the way forward for the timely achievement of Spelthorne’s economic development aspirations. A further consideration is that the MTFS budget is predicated on increased income from these developments.

The Thames, River Colne and River Ash are identified as assets which the Council would like to exploit. Staines-upon-Thames has been identified as a key development area in the Council’s economic strategy but no action plan exists to capitalise on the recent name change from Staines. However we were pleased to note that the Council is considering developing a promotional document for Staines-upon-Thames. The LEP is awaiting a blueprint for the development of the town, as one of the three key development areas within the LEP. Again we understand that resources have been identified within the MTFS to take this exercise forward.

Heathrow airport remains a key driver for the area’s economy and provides much local employment. For these reasons the Council is supportive of further runway developments at Heathrow rather than at airports elsewhere. The Council is considering the relocation of allotments at Spout Lane, Stanwell so that the land concerned can be reallocated for income generating airport staff or passenger parking.

The Council is encouraging small business startups by providing ‘incubator’ arrangements at business units which encourage the establishment of new enterprise in the borough. The Council recognises its important role in levering in investment for infrastructure and other projects which will support local business. However it is, not clear to the peer team how Spelthorne is identifying new investment partners.

The peer team met with Spelthorne Business Forum (SBF) which seems a very active business forum and suitable vehicle to promote business in Spelthorne. The Forum is supported by the Council and some of the larger companies in the area such as BP. The Spelthorne CE is seen as a key player in the forum. This forum provides further opportunity to encourage partnerships and promote Spelthorne’s interests in attracting new business to the borough.

Links with BP and Shepperton Studios are positive and their continued location in or close to Spelthorne indicates that the local facilities and support from the Council provide the

right environment and incentives for international global companies to continue to do business in the area. BP and Heathrow have business schools in Spelthorne which may provide more economic opportunities for the Council. The Council is working with Brooklands College to develop its Ashford Campus as a permanent teaching facility.

In some areas specialist expertise is needed to advise on financial and economic strategy, and the Council recognise this. In terms of political engagement however it is suggested that better use could be made of existing capacity. Business partners have suggested the appointment of relationship managers and a direct meeting with Cabinet Members to explore possible ways of new joint working.

Although much good work has been done, the peer team felt that the Economic Strategy could be clearer on ambition, focus and priorities. We have a concern that just a half FTE employed on economic development doesn't afford this area a high enough profile in terms of economic development being the top priority of the Council.

It is suggested that the Strategy needs 'oomph,' and clarity about the benefits of implementation. Some of the content includes related but peripheral issues and routine work which could be excised from the document to create more focus on the top priority projects.

It is suggested that wider ownership and engagement beyond the Council is needed to align key partners and help make the case for investment in infrastructure at strategic level beyond the border of Spelthorne. The Council may wish to consider holding an economic summit to engage with all partners that have economic interests in Spelthorne,

Effective use of assets to generate income to sustain future service delivery

The Council has a number of assets which have considerable potential for income generation. Many of these are set out in the Cabinet briefing paper (19 June 2013) which identifies projects that aim to develop the potential of current assets. It is less clear how these projects have been prioritised according to deliverability, outcomes and viability. In some cases projects require further assessment to determine whether income level projections are realistic and possibly assessed on other agreed criteria, such as community benefit.

We would encourage the Council to achieve absolute clarity on which driver for these projects is most important i.e. is it income for the Council or the wider economic benefit? We would also suggest that an assessment on the viability of these projects is completed as quickly as possible to enable the Council to concentrate on the projects most likely to achieve the desired outcomes. The peer team were briefed on a tour of key sites in the

borough. Sites comprise of 1) Major Businesses/Employers, 2) Council owned assets, 3) Major vacant sites. We did not see how the projects fitted into a strategic overview of economic development in Spelthorne. We realise this is all work in progress, and would expect to see a coherent narrative develop over time. This will be of particular importance in securing interest in investing in Staines-upon-Thames.

Delivering effective asset management and regeneration is a specialist function which needs the right resource investment in terms of capital and specialist staff input and management. We were told that £450,000 has been allocated for this. We understand that Cushman & Wakefield, the Council's property advisers, have been engaged and that further external support will be employed to help move this agenda forward once priorities locally had been determined more clearly.

More effective engagement with business and users

The Council has a good track record of engaging with business and residents.

The Council has a Community Plan and a Statement of Community Involvement in place. Feedback suggests that Spelthorne listens and delivers to address the needs of business and residents. Some councillors are highly visible in their communities, while others are much less so, which is almost always the case in any council. Achieving clarity of the role of councillors in respect of community leadership and ensuring that the Council suitably encourages and supports active community leadership roles will help to address this.

Business focus groups suggested that Spelthorne is a 'lovely Council to deal with' and the CE is good at handling business relationships. Without such good relationships it was suggested that businesses may consider investing elsewhere, which underlines our point made elsewhere in this report about the resilience of the management structure.

The business community values its relationship with Council officers e.g. planning, and the focus groups which the Council supports but would welcome more opportunities to interface with the cabinet.

The Council uses some very positive and active residents associations to help engage with local residents and this channel of communication in most cases dovetails well with the role of the local councillors.

The Council however could further improve in providing better feedback following consultation. The '*you said we did*' page proposed for forthcoming bulletins to the general public may assist in this.

The extent to which Council priorities match the requirements of residents and businesses needs to be tested regularly and further survey work will help in this.

Key suggestions and ideas for consideration

The peer team developed some key recommendations for you to consider. These are based on what we saw, heard and read. Drawing on our experience of the sector and knowledge of local government improvement, the following are things we think will help you to make best use of your skills and experience, deliver some quick wins, and develop the strengths you will need to see your change agenda through:

1. More informal meetings of the Cabinet and management team: We recommend that the top team in the Council may benefit from spending more time together to focus on non-operational issues and to consider how best to work jointly to deliver on the Council's stated priorities as set out in the recently adopted corporate plan. It may be worth considering external facilitation in developing this approach. Various organisations including the LGA can provide support for Top Team working.
2. Establish cabinet role profiles to clarify what is expected of councillors, cabinet members and officers: We feel that clarification, and a shared understanding, about the respective roles of senior officers and councillors and in particular cabinet members is a prerequisite to improve existing damaged relationships. We recommend that consideration is given to redrawing the boundaries of member involvement in the working of officers.
3. Councillor 'back to the floor days' or similar initiatives to help councillors and officers gain a mutual understanding of each other's work and to help rebuild trust and respect between officers and councillors: This works in other Councils and is often part of member induction, either when newly or when their role changes. Another useful idea is senior officers undertaking ward walks with councillors, to identify issues and to get to know each other.
4. Set a timetable and methodology to create the appropriate organisational structure before 2016 to achieve agreed priorities: We are aware that a number of staff changes have happened recently e.g. bringing together of customer service and Council tax teams. However we are not convinced that the current organisational structure is the best possible arrangement to ensure that the Council achieves its aspirations. The Council should consider moving its resources to align with its highest priorities as set out in the corporate plan. It may be that the Council

considers divesting or reducing certain current areas of service delivery. Or the Council could look to deliver services differently in a more cost effective fashion, through partnership or alternative delivery mechanism.

5. Capitalise on external support available: We are not sure that the Council knows how much latent support it has from external organisations. Business partners, voluntary sector and other public services all expressed a desire to work collaboratively with the Council. There are caveats such as reassurance of political stability and ensuring adequate capability of officers involved but this opportunity warrants further consideration by the Council.
6. Be realistic about priority delivery and concentrate on those projects which can be clearly seen to be most deliverable and viable: Further work is required for the Council to refine its current list of projects, as we were told “you cannot deliver 36 priority projects with your current resources”. Therefore we suggest further effort is put in to agreeing those projects that are most important to the residents of Spelthorne and are resourced accordingly. Inevitably this will mean some projects will be put on hold. Criteria for agreeing priority projects will need a process to agree what constitutes a priority.
7. Consider member development options available and further support which might be sought from peer colleagues and the regional LGA Principal Adviser: You have all out elections in 2015, which provides a period of relative stability now to look at member requirements moving forward.
8. Consider making an opposition councillor the chair of scrutiny: This is normal practice in many Councils. If scrutiny is to be at its most effective, becoming a ‘critical friend’ of the Cabinet, it is important that scrutiny stays separate from party politics. The Centre for Public Scrutiny can advise you on this.

We have attached a set of slides that summarise the above feedback. The slides are the ones used by the peer team to present its feedback at the end of the onsite visit. We will provide signposting to examples of the above and other information that will help inform your thinking.

Next steps

You will undoubtedly wish to reflect on these findings and suggestions made with your senior managerial and political leadership before determining how the Council wishes to take things forward. We would strongly recommend that you consider developing an action plan which will address the findings our visit, ensure that

actions are not only delivered but sustained. As part of the peer challenge process, there is an offer of continued activity to support this. In the meantime we are keen to continue the relationship we have formed with you and colleagues through the peer challenge to date. We will endeavour to signpost you to other sources of information and examples of practice and thinking.

I thought it helpful to provide contact details for Mona Sehgal who, as you know, is our Principal Adviser to Spelthorne Council. Mona can be contacted via email at mona.sehgal@local.gov.uk (or tel.07795 291006). She is the main contact between your authority and the Local Government Association. Hopefully this provides you with a convenient route of access to the Local Government Association, its resources and any further support.

All of us connected with the peer challenge would like to wish you every success going forward. Once again, many thanks to you and your colleagues for inviting the peer challenge and to everyone involved for their participation.

Mark Harrison
Peer Challenge Manager
On behalf of the peer challenge team