

REPORT OF THE LEADER OF THE COUNCIL

LGA PEER CHALLENGE 2019

Purpose of the Report

1. This report is for the Policy Committee to consider the report arising from the Corporate Peer Challenge undertaken in 2019 and to agree actions in response to the recommendations made by the Peer Challenge team.

Information

2. In June 2019 the Council invited the Local Government Association to undertake a Peer Challenge. 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 and are organised into the following themes:
 - Understanding of the local place and priority setting
 - Leadership of Place
 - Organisational leadership and governance
 - Financial planning and viability
 - Capacity to deliver
3. Peer challenges are delivered by a team of experienced elected member and officer peers. The team spent three days on-site in Nottinghamshire, from 4 – 6 June, during which they:
 - Spoke to more than 200 people including a range of council staff, Councillors, external partners and stakeholders;
 - Gathered information and views from more than 65 meetings, visits to key sites and additional research and reading; and
 - Collectively spent more than 240 hours to determine their findings – the equivalent of one person spending more than 7 weeks in Nottinghamshire.
4. The Council's Strategic Plan 'Your Nottinghamshire Your Future' sets out a clear and ambitious vision for the future of Nottinghamshire, as a County that is a great place to bring up a family, to fulfil ambition, to enjoy later life and to start and grow a business.

5. The feedback received from the Peer Challenge was very positive and recognises the progress made and steps taken by the Council to implement this approach.
6. The Peer Challenge feedback highlighted the following key attributes of Nottinghamshire County Council:
 - The authority is an effective council, delivering good quality citizen-focused services to its residents. It has an excellent and committed workforce and a good track record for delivering savings whilst protecting front line services.
 - The Peer Team found the Council to be an open, friendly and a welcoming organisation with a very enthusiastic and committed workforce that is focused on the needs of residents.
 - There is financial stability in the organisation and the Council has a proven track record of delivering savings while maintaining front-line services over a long period of time. The Peer Team was impressed by this achievement.
 - The Council has a proven track record of project-based innovation and this is evident in the way it is using technology; focusing on service users; and developing alternative delivery models.

Key recommendations and the Council's Response

7. The report of the Peer Team is set out at Appendix A and includes a range of suggestions and observations intended to support improvement. The Peer Team also offered five key recommendations which are listed below, along with the Council's response.

A. Recommendations One and Two and the Council's Response

Develop an inclusive vision and plan for Nottinghamshire in conjunction with partners and residents. This will help in developing a compelling narrative for Nottinghamshire as a place backed up by shared ambitions among all strategic partners and communities. It will also secure buy-in and commitment to the delivery of those ambitions by bringing partners and communities together.

Show leadership of place by reaching out to key partners and communities. This means reaching out and resetting relationships with district councils and working more closely with Town and Parish Councils and the Community and Voluntary Sector to engage with all sections of the community across the whole County. Modern technologies and creative approaches could be utilised.

8. The Council Plan is a comprehensive strategic plan, which exists within a wider planning and performance framework, including companion plans for each of the Council's four departments. These plans contain clear priorities, which are measured through the Council's performance management arrangements.

9. A new Council Plan will be published in 2021. It is proposed to establish a process to develop this new Council Plan in line with the recommendations of the Peer Challenge. For example, the process will more systematically include engagement with local communities, Parish and Town Councils, and the Council's wider stakeholder group. Plans are in hand to engage Parish and Town Councils in the latter part of 2019, and a programme of wider engagement will be undertaken during 2020. This will include the use of new technologies and the Council's Customer Services Centre and Communications and Marketing Service.
10. Actions have already been taken to engage District and Borough Councils, for example:
- The County Council's Chief Executive has initiated three workshops with District, Borough and City Council peers to examine the opportunities for joint working. These workshops were facilitated, free of charge, by a world-leading consultancy. At the meeting of the Nottingham and Nottinghamshire Economic Prosperity Committee (EPC) held on 27 September, it was agreed that a report, setting out the opportunities in more detail, would be received at the next meeting of the EPC.
 - As part of this work, the Council's Corporate Director for Adult Social Care and Public Health has held two meetings with District and Borough Councils to examine the potential for closer working in respect of vulnerable adults, particularly in supporting this cohort to be more independent, in their own homes, for longer.
 - At the same meeting of the EPC, the Leader of the County Council and the Corporate Director for Place, made a presentation of the economic development potential across Nottinghamshire. This presentation was the product of ongoing work, with District and Borough Councils, and the City Council, to align planning and priorities for growth and prosperity. This work will continue and will inform the priorities of the Council's Place Strategy, and the Local Enterprise Partnership's (LEP) evolving Local Industrial Strategy. In this regard, the Council's Corporate Director for Place made the same presentation to the new LEP Place Committee on 1 October.
 - The County Council is in a formal business rates pooling arrangement with the district and borough councils, with pool proceeds being used to support the work of the EPC.
 - The Council has also been engaged in the work on the various strands of Government funding to improve towns and high streets, with five Nottinghamshire towns standing to benefit.
 - The Council is engaged fully in Nottingham Trent University's (NTU) work to increase its presence across Mansfield and Ashfield.
 - The Council's Corporate Director for Children, Young People and Families has been working closely with the Chief Executives of Borough and District Councils on their engagement with our strategies for Looked After Children and Care

Leavers. An example of this, is the agreement across all seven District and Borough Councils to exempt Care Leavers from Council Tax.

B. Recommendation Three and the Council's Response

Use the forthcoming reviews of the Constitution and Operating Model to improve governance and corporate working. This is about strengthening and consolidating - going from good to great. Building in more opportunities for public engagement, robust debate, overview and scrutiny, and consistency and speed into the process will help to demonstrate even more openness and transparency.

11. It is gratifying to note the Council is on a journey from good to great. This journey is supported by the Council's system of governance, which is highly transparent and representative, through a comprehensive set of committee, sub-committee and scrutiny arrangements. All documents (unless exempt in the terms of the relevant legislation) are published and all debate is held in public. Every member of the County Council engaged, in one way or another, in the Committee system. There are few, if any, examples of other Councils, locally or nationally, with a similarly open system.
12. The current review of the Council's constitution is underway and will be overseen by the Governance and Ethics Committee. The outcome of the review – a revised constitution – will be presented to the meeting of the County Council in December 2019.
13. In the meantime, the Service Director for Governance is undertaking a review of the consistency of the operation of the committee system, to ensure that papers and agendas are prepared to a high standard, and that the underpinning principles and rules of the system are operating consistently. Any changes arising from this will be implemented as management actions or reported as recommendations under the cover of the report to County Council in December, which deals with the constitution. This includes recommendations in respect of broadcasting future meetings of the County Council, to bring them to a wider audience.

C. Recommendation Four and the Council's Response

Model sustainable savings plans around different financial scenarios. This may require some difficult conversations, but the acid test is how deliverable and sustainable savings plans are. Consideration could be given to presenting different scenarios in relation to the Medium-Term Financial Strategy (MTFS), in order that Members are aware of the impact of different funding settlements on the MTFS position and the potential savings needed to bridge the gap. As an example, this could include 'expected', 'worse' and 'best' case scenarios.

14. The Council has good track record of managing its complex budget, and of achieving savings, across the recent years of austerity. This is particularly the case in respect of the ration of savings achieved from approved business cases.
15. Whilst it is important to understand a range of potential scenarios for the MTFS, the Council is legally obliged to set a balanced budget every year. In recent years, this has required increased use of scenarios and options, with the resultant blended approach to

savings, income (including Council Tax and Adult Social Care Precept), pressures and the use of reserves and underspends.

16. Following the Peer Challenge, and in anticipation of the Spending Round, consideration was given to various scenarios, including how the ongoing impact of temporary grant-funding would impact in the shorter and longer term. Now the Spending Round has been announced, work continues to model its implications for the MTFS.
17. Beyond the immediate impact of the Spending Round, the Council will continue to look at the potential impact of the Government's intention to implement Fairer Funding, Business Rates Retention, and devolution. The Council is well placed to do so, with several of its Corporate Leadership Team in positions with professional associations, which are invited to engage in the criteria and distribution of major financial reforms, such as Fairer Funding.
18. Aside from understanding the impact of national reforms, the Council intends to engage external advice in respect of the modelling of demographic/service related pressures across all its people related services. This will include analysis and forecasting for the key drivers of demand in both adult social care and children services. Specifically, work will be undertaken in the forthcoming months to assess the current methodology used to predict demand in children's social care, where budgets have overspent in recent years, due to unanticipated demand in services for Looked After Children and Special Educational Needs (including transport). A separate report will be considered at this Policy Committee, which deals with the future intentions for the Council's transformation and change processes. This report will seek formal approval to engage external advice, through an open-market procurement.
19. In the meantime, the Local Government settlement is due in December 2019. In advance, a report detailing the key assumptions from the Spending Round, and their impact of the MTFS, will be brought to a meeting of the Finance and Major Contracts Management Committee.

D. Recommendation Five and the Council's Response

Develop a corporate and agile approach to the Change and Digital Development Programmes. This calls for a corporate and culture-led approach to digitisation across the Council. This is to ensure that any change and transformation delivered through such programmes is deeply embedded into the everyday business of the organisation to make their benefits more sustainable.

20. The Council has a strong record of using change management processes to deliver service change and financial savings. These processes and systems, refined over many years, have driven a succession of high-quality initiatives, under successive administrations, which have helped protect and enhance front-line services. This has included the implementation of innovative strategies for the remodelling of both people and place services. The Council has retained critical services such as libraries, children's centres, an open-access youth service, highways, school improvement, and many others, which have been reduced to a greater extent elsewhere.

21. That being said, it has become increasingly challenging to identify further opportunities for wholesale change and financial savings, which continue to protect the front-line. For this reason, there is a separate report to Policy Committee on 16 October, which sets out the intention to review the way in which change and transformation is undertaken. Specifically, it seeks approval to engage a suitable external partner to advise on the potential for further service transformation, with a focus on the use of data and intelligence to drive change, and the opportunities for cross-council working.
22. Subject to approval, it is anticipated that a period of initial assessment/diagnostic will identify key interventions, which can come forward for approval, as appropriate.
23. In addition to assisting with the identification of interventions, the external partner will be asked to advise on the current arrangements for the use of data and evidence in service planning, and the future skills and capacity needed to drive the next era of change and transformation across the Council.
24. In respect of the Council's new Digital Development Programme, this has now been established and a report was approved by the Improvement and Change Sub Committee on 23 September.
25. This report identified five themes with associated key deliverables. A separate item was approved at the same committee, for the development of the Council's new My Notts App.
26. The Digital Development Programme has a strong cross-Council approach and is led by the Deputy Chief Executive. Progress will be continue to be monitored by the Improvement and Change Sub Committee.

Other Options Considered

27. Consideration of the feedback from a Peer Challenge is a key part of the local government approach to sector led improvement. No other options were considered.

Reason/s for Recommendation/s

28. Peer Challenges are designed to complement and add value to a council's own performance and improvement. The recommendations contained in this report are aligned to the outcomes of the Peer Challenge.

Statutory and Policy Implications

29. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATIONS

It is recommended that:

- 1) Policy Committee welcomes the positive findings of the 2019 LGA Corporate Peer Challenge
- 2) Policy Committee endorses the response to the Peer Challenge, which is set out in the body of the report.
- 3) Further reports, in respect of individual actions, which are part of the Council's response to the Peer Challenge, are submitted to the appropriate committees and sub-committees of the County Council.

Councillor Mrs Kay Cutts, MBE
Leader of the County Council

For any enquiries about this report please contact:
Anthony May, Chief Executive of the County Council

Constitutional Comments (LW26/09/2019)

30. Policy Committee is the appropriate body to consider the content of the report.

Financial Comments (NS02/10/2019)

31. There are no direct financial implications arising from this report.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- Nottinghamshire's Peer Review Position Statement

Electoral Division(s) and Member(s) Affected

- All