

# TONBRIDGE & MALLING BOROUGH COUNCIL

## CABINET

8 October 2014

### Report of the Management Team

#### Part 1- Public

#### Executive Non Key Decisions

#### 1 CORPORATE PEER CHALLENGE

**To set out the key corporate themes arising from the review and to suggest an initial set of actions in response to the recommendations.**

#### 1.1 The Corporate Peer Challenge

1.1.1 As the Cabinet will be aware, our Corporate Peer Challenge took place at the end of April 2014 and the report of the Peer Challenge Team was issued in late June. An initial report about the key conclusions was made to the Cabinet on 25<sup>th</sup> June. It was agreed that a further report be made to the Cabinet focusing on the corporate part of the challenge process. Specific recommendations relating to the Council's Economic Regeneration agenda were reported separately to the meeting of the Economic Regeneration Advisory Board held on 3 September 2014. It was agreed that, in response to the recommendations, a number of new work strands be progressed focusing on the development of a corporate economic regeneration strategy and the promotion of a more joined-up approach to addressing the needs of local business across all key council services.

1.1.2 The Peer Challenge's 'corporate' issues that were investigated were:

- Does the council understand its local context and has it established a clear set of priorities?
- Does the council have a financial plan in place to ensure long term viability and is there evidence that this is being implemented successfully?
- Does the council have effective political and managerial leadership and is it a constructive partnership?
- Are effective governance and decision-making arrangements in place to respond to key challenges and manage change, transformation and disinvestment?
- Are organisational capacity and resources focused in the right areas in order to deliver the agreed priorities?

## **1.2 Corporate Themes Addressed**

- 1.2.1 The report of the Peer Challenge team focused on the following four themes and their key conclusions for each of these are summarised below:

### **Seizing Control of the Future**

The suggestions under this theme relate to need for the Council to take a clearer view of the future, potentially focusing on a smaller number of key priorities, engaging with the community and taking a proactive approach to shaping future changes. More specifically, it is recommended that senior leadership (political and managerial) need to develop their thinking and clarity on what is important going forward to identify the key strategic issues facing the Council and to review decision making, service provision and resource allocation in that light.

### **The Financial Challenge**

The Peer Challenge team agreed that the Medium Term Financial Strategy provided a clear basis for the management of the Council's finances. However, the team suggested that greater focus should be given to setting out how future savings targets could be delivered and, where possible, bringing forward financial decisions in order to give maximum time and opportunity to implement them. In addition, as the Council's capital reserves are likely to be utilised by 2018/19, the Council must review this position with a view to focusing resources on more tightly defined priorities.

### **Transformation and Organisational Change**

It was recommended that to give greater clarity and to set out longer term objectives, the Council's transformation agenda needs to be supported by a guiding framework that maps out key objectives, considerations and priorities. Part of that strategy should involve wider thinking on reforms including shared service delivery, reviewing business processes and, in doing so, learn from others. It should also give rise to a review of how the Council undertakes its business with a focus on outward facing activity.

### **The Way Forward**

The Council needs to retain and build on its traditional strengths but seek to drive change more quickly and take more measured risks. There is a need for the Council to be clear about future priorities, invest in its adopted priority areas and make them happen. We need to modernise some cultural and procedural aspects of the organisation. Political and managerial leadership is required to direct the organisation in the future with pro-active action to avoid any risk of being dictated to by others.

### 1.3 Initial Response to the Recommendations

- 1.3.1 It is clear, from both the recommendations on corporate issues and those relating to economic regeneration, that our peer challenge team were very quickly able to assess our strengths and weaknesses and come to some very concise recommendations on future changes that could be made to address the challenges ahead. On this basis, we believe their report provides a sound basis for the Council to undertake further business planning to take forward actions under each of the key themes they have identified.
- 1.3.2 It is pleasing to note that the Peer Challenge team identified significant strengths and consistency in the way the Council currently operates (the Tonbridge and Malling way) and, in that sense, the team believed there was a strong basis on which to further progress and address key issues. However, as their report recommends, there is little justification (or need) for the Council to make ‘knee-jerk’ reactions to the key, longer term challenges which they have identified. On that basis, Management Team therefore believes we should now adopt a staged approach to addressing the recommendations, first to establish some building blocks and then to consider a range of more detailed issues once those are in place.
- 1.3.3 The three initial actions we recommend are as follows:
- To undertake a more fundamental review of the Council’s corporate plan, potentially adopting a new, abbreviated style of document in the form of a new corporate strategy. Our existing corporate plan is shortly due for renewal in any case and this provides an opportunity to look at this afresh. Part of the review will necessarily involve a re-assessment of our adopted Key Priorities and we will need to assess the Peer Challenge Team’s suggestion that these should be reduced in number and more focused on addressing particular challenges and opportunities.
  - Linked to the above, we need to develop greater clarity around the Council’s transformation agenda. The Peer Challenge team suggest that we need to adopt a framework to guide this area of work in the future and we believe that this would be a useful starting point. The Management Team has started to give some thought to the areas and themes that this framework should embrace. These are likely to include the need to develop our customer focus, proactive asset management, and the scope to pursue commercial trading. Key to the successful delivery of this agenda will be staff engagement and development to help shape and deliver this new agenda. A detailed strategy to guide delivery will also need to be prepared.
  - We recommend that the comments made by the Peer Challenge Team in respect of the financial challenges facing the Council should be taken into account in the context of the ongoing review of our Medium Term Financial Strategy (MTFS). We are currently on track to meet our savings target for

the current financial year but Members will be aware that achieving the next three tranches of planned annual savings will be a major challenge. We will therefore seek to address the issues arising from the Peer Challenge in the context of our budget setting processes and ensure that future reviews of the MTFS take account of our revised set of key priorities.

- 1.3.4 We therefore seek Cabinet's endorsement of these initial actions to address the recommendations from the Peer Challenge. As this work progresses, we will report further on this approach and on more detailed proposals and actions as we develop these over time. Our overall aim is for the Council to adopt a clear and consistent approach to delivering this new agenda for change.

#### **1.4 Legal Implications**

- 1.4.1 Any issues arising to be considered as future actions are developed.

#### **1.5 Financial and Value for Money Considerations**

- 1.5.1 Dealt with as part of this wider agenda.

#### **1.6 Risk Assessment**

- 1.6.1 The risks inherent in not adequately addressing future challenges and pressures has been documented in the Peer Challenge Report.

#### **1.7 Equality Impact Assessment**

- 1.7.1 See 'Screening for equality impacts' table at end of report

#### **1.8 Recommendation**

- 1.8.1 That the suggested initial actions set out at paragraph 1.3.3 of this report **BE ENDORSED**;
- 1.8.2 That further reports on more detailed actions linked to this agenda **BE MADE** to the Cabinet or, if appropriate, the relevant Advisory Board.

Background papers:

contact: Mark Raymond

Nil

Julie Beilby  
Chief Executive  
On Behalf of the Management Team

<b>Screening for equality impacts:</b>		
<b>Question</b>	<b>Answer</b>	<b>Explanation of impacts</b>
a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community?	n/a	To be considered in relation to more detailed proposals for change at a later stage in this process.
b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality?		n/a
c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above?		

*In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above.*