

Corporate Peer Challenge South Gloucestershire Council

14 – 17 March 2017

Feedback Report

1. Executive Summary

South Gloucestershire Council (SGC) is well led. It has strong, stable, political and managerial leadership and a track record for delivering its priorities. The future ambitions for their area and more broadly the West of England benefit from its leadership – it is proactive, focused, confident and collaborative. That same determination to succeed and deliver was evident when the LGA peer team met with the council's members, managers and staff. They know what is expected of them; are consistent in their understanding of their roles and responsibilities, and deliver accordingly within a value based framework that empowers and engages people. It is reflective of a 'one council' workforce and as a consequence we met with some exceptional people taking real pride in what they do for the communities of South Gloucestershire.

To date there have been excellent outcomes in the delivery of growth plans with a clear focus on the physical and social infrastructure that is required to sustain housing and jobs within the council area and beyond. There is more to come as the West of England Combined Authority (WECA) becomes established, and rolls out over the next 30 years, following on from the benefits already being realised from the City Deal agreed in 2012. As such it will be crucial to maintain and where possible enhance that strong resource base because as a council SGC is really pushing boundaries in respect of leadership of place

The council is aware of the challenges ahead. Its leadership is well aware of the housing supply pressures for their own area and the West of England. As part of that they will need to deliver in excess of 30,000 properties over the next 20 years. These targets will test them, as will future spatial planning in relation to greenbelt and urban planning in respect of density. Fundamental to all of this will be the delivery of the necessary transport infrastructure, which is key to the future growth of housing. How the council and its partners tackles these matters will be crucial in determining the future development agenda.

The growth plans for place are dependent upon the way partners work together around shared priorities. We spoke to a range of partners, several of whom are fundamental in ensuring the South Gloucestershire and West of England growth ambitions are realised. The overwhelming feedback we received from them was, that as a council and partner SGC is credible, focused, respected, trustworthy and modern. All of these attributes will be critical to the success of the WECA. In terms of challenges, the establishment of the new combined authority is naturally a key issue –it will be dependent upon successful partnership working and of course subject to the potential political uncertainties surrounding the mayoral election. These growth opportunities are significant and the fact that SCG has the leadership, partnership ethos and a real will to achieve bode well for the future of the council and WECA too.

SGC has very good member and officer relationships. There is clarity of role and responsibilities and a very healthy respect, trust and sense of collective purpose. Such a foundation will be critical in helping the council see through its own political governance and forthcoming boundary review changes. We gained an impression that not all stakeholders felt as sighted on the planned changes as they might want

and this will be something we suggest is addressed quickly. Furthermore, the move to a cabinet model, with a scrutiny commission being developed, will require members to recalibrate their roles and focus within new governance arrangements and members should be proactively engaged in preparation for this.

The council has a good track record for managing change effectively. This is evident in the successful rationalisation and refocusing of council accommodation and a move to more smart/flexible working. Good partnership working with Town and Parish Councils has enabled savings as other partners have stepped into, and provided funding for some areas of activity particularly in relation to clean and green issues. These positive approaches has led to significant financial savings and allows for the delivery of more effective and efficient services to the communities of South Gloucestershire. As such the council has and continues to be a very effective financial steward – by March 2017 the council will have made savings in the order of £63m.

The council has wisely managed its financial reserves to prepare and navigate through national austerity, local demand and change pressures as well as preparing for its own future financial sustainability. There are further budget pressures looming and the council's medium term financial plan charts a course over the next 4 years. Nevertheless, within the life of this plan there are further and significant spending pressures to come, especially from 2019 onwards. The council is already mitigating against these risks. It is using some of those reserves it has built up to smooth its course and is presently developing plans for further transformation including enhanced digital enablement in respect of service demand and delivery.

The council's next phase of transformation plans are developing and in several areas being enacted. It would be wise to develop these further now to meet the expected challenges set out towards the end of the MTFP. As part of this we encourage SGC to develop more granular proposals about the programmes through which it will become more commercial. These should for example, highlight how it will increase income, reduce costs and maximize resources through enhanced trading opportunities, increasing business and domestic rates, and exploring further any benefits from shared services. In line with this, a key thread to its transformation plan is its approach to both smart and digital working and we would suggest that SGC considers bringing these even closer together now. As part of this it would be beneficial to express the synergies between each and provide a narrative of how they will make a difference to its members, staff, residents and other key stakeholders in terms of effectiveness and efficiency.

The council's plans for transformation and commercialisation should, if developed with pace, the necessary skills, confidence and the appropriate appetite for risk, ensure it is sustainable into the medium term. This council is equally wisely planning into the longer term with the city and devolution deals and strategic transport plan etc. With a sound financial medium term plan in place and with these longer term ambitions beginning to be realised, SGC is in a strong position to bring these now together into a council wide long term financial plan.

Overall the council's performance across the board is impressive. We heard about and saw effective performance management reporting and monitoring. However, the council is acutely aware that it needs to adopt an even more robust approach in this area. Key to this will be balancing the need for change and transformation whilst maintaining excellent 'business as usual' services in, for example, its adults and children's services. We would encourage the council to be proactive through this process of change by continuing to welcome and encourage both internal and external challenge.

The council has positioned itself well to influence and lead change. This is testament to its highly capable, respected leadership and the skills and wherewithal of some remarkable staff. From here on and especially over the next 2-3 years, following the creation of WECA and the election of the first Mayor in May, SGC should plan to maximize the opportunities that this will present. Given the scale of known change ahead the peer team feel it would be wise for SGC to consider bolstering its senior strategic capacity. As part of this it should risk assess the impact of change on that stable leadership team and think through its approach to knowledge management, organisational resilience and succession planning within and beyond it.

The political landscape is complex because it is ground breaking. The council is managing many stakeholders and multiple arrangements - towns, villages, parishes, council wide, MCA, WEP etc. All of these require reconciliation of multiple and perhaps at times competing priorities. The council needs a clear view of how it will most effectively manage such arrangements into the future and use this to engage with stakeholders. As such we would suggest that SGC link its key strategies into a coherent overarching one that can show the interdependencies, risks and opportunities - charting its course through this change. This would ideally be complemented by an effective communications plan with a clear narrative about what this will mean for the council, its stakeholders (especially citizens) and the area it serves.

In line with the council's vision we concur that South Gloucestershire is indeed 'a great place to live and work'. It is also, from our perspective a wonderful place to visit. We heard much of its rich historical tradition, its wonderful villages and towns, of its buoyant economy, relative prosperity and good health outcomes. We also heard about its innovation, its amazing range of industry, including aerospace and of course about the potential for further growth. Our conclusion is the council is very modest and not telling that story as well as it might for its stakeholders both locally and nationally. We would encourage SGC to revisit this, describe its 'USP' and through the plethora of its current and future attributes and breathtaking opportunities it has helped to create to retell that wonderful story with more confidence and vigor.

2. Key recommendations for the council to consider

Establish a clear vision and narrative for both South Gloucestershire the area and council too so you can more readily engage stakeholders and proudly describe the 'USP' of both.

Link the council's key strategies (Corporate, Spatial, Transport and Economic etc.) into a coherent overarching one that can show the interdependencies, risks and opportunities-this will help all stakeholders know, understand and contribute more fully to the direction of travel. (Consider presenting this in a simple infographic/diagram.)

Review and build resilience to the strategic capacity at the top of the organisation, through a HR/OD plan building in talent management, development opportunities, and succession planning through this change period so you are in a stronger position to lead through it.

Develop clear statement of intent for your transformation plans and be clear what success will look like in terms of required outcomes. This could include:

- Commercialism - Why, how and to what end you will seek to develop more commercial approaches to income and savings.
- Consideration of an investment fund in order to have the capacity to take advantage of the opportunities arising from the Growth agenda, allowing the council to create revenue/income streams to help with the future funding of services.
- Building on the proposals for shared procurement and supply chain management to maximize the benefits of the various strong partnerships which have been built.
- Smart and Digital - A consideration of bringing your Smart and Digital strategies together and express the synergies - including a robust programme management with critical milestones, which describes how it will make a difference to the stakeholders, this should include a financial assessment of savings v potential for increased demand for service due to improved access.
- Why, how and to what end you will engage with the voluntary and community sector, and Town and Parish Councils, to develop your ambitions around double devolution.
- Longer Term Financial Plan - Produce a long term strategic financial plan to deal with the funding issues identified at the end of the current 5 year Council Savings Plan (taking into account the risks and opportunities associated with reliance on the City Deal and Devolution Deals).

Consider ways you could enhance your approaches to engagement and Governance by:

- Ensuring your members are sighted on and engaged in your governance changes, and that these are made clear to all relevant stakeholders.
- Expanding your organisational culture to further support positive internal and external challenge.
- Given the ambitious growth agenda being undertaken consider reviewing the current spatial planning decision making processes to ensure the structures and levels of delegation will continue to be effective going forward.

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 with you. The peers who delivered the peer challenge at South Gloucestershire Council were:

- John Comber - Chief Executive, Royal Borough of Greenwich
- Cllr Paul Bettison OBE - Leader, Bracknell Forest Council
- Duncan Sharkey - Corporate Director Place, Milton Keynes Council
- Jacqui Kennedy OBE – Corporate Director Place, Birmingham City Council
- Sarah Bryant - Director of Exchequer and Transactional Services at oneSource
- Becky Forrester – Policy Officer, Dorset County Council
- Paul Clarke - Challenge Manager, Local Government Association

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? (including how the council can maximise its transformation and digital plans)

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 South Gloucestershire Council, during which they:

- Spoke to more than 120 people including a range of council staff together with councillors and external partners and stakeholders.
- Gathered information and views from more than 30 meetings, visits to key sites in the area and additional research and reading.
- Collectively spent more than 260 hours to determine their findings – the equivalent of one person spending more than 7 weeks in South Gloucestershire.

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 (14 – 17 March 2017). 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

We found that SGC was very clear about its own area -its historic heritage, mix of towns and villages, special and unique nature, pressures and demands and most importantly its significant opportunities. We heard South Gloucestershire being described as 'relatively affluent and healthy with a great potential for growth'. To lever that growth potential the council is influential in shaping and taking key leading roles across the West of England economic sub region in respect of economy, housing, transport and planning. In the view of the peer team SGC has, through its purposeful and collaborative political and managerial leadership, helped guide the ground breaking city and devolution deals.

Because SGC knows and understands its area and people well its own priorities are clear and purposeful. The council is very aware of the housing supply pressures not only for its own area but for the West of England too, and as such addressing that is a key priority. Indeed SGC will need to deliver in excess of 30,000 properties as part of the Joint Strategic Plan (JSP) across the sub region. Such targets will test them as will future planning in terms of greenbelt and urban development in respect of density. How the council tackles these challenges will be crucial in determining the future development agenda and at its heart will be how SGC and its partners deliver the Joint Transport Strategy (JTS) that will help ensure its sustainability. As such the council's main priorities and focus on environment, education, jobs, skills and its communities are the right ones and are all evident in their strategic planning documents. We saw plans, such as the council's corporate plan and sustainable community strategy with links made to the JSP and JTS to form a coherent framework which provides a rich evidence base to inform and guide them.

In the development of such policies and especially in their delivery, we saw time and again the way that SGC works tirelessly with its partners both formally and informally to constantly engage, keep abreast of each other's priorities and work to a common end. This meant that as we spoke with the council's partners we heard recurring themes – SGC are trusted, purposeful, modern and the 'partner of choice' This is true of the strategic agenda across the West of England but equally true of the work on the ground, be that with its vibrant voluntary and community services or with its proactive approaches with towns and parishes in respect of street scene. This both means and demonstrates that SGC fundamentally believes and is confident delivering in, through and with partners.

It took the peer team very little time to understand the council's strategic approach and intent but in truth it took us a little bit longer to develop a clear understanding of South Gloucestershire, the place. Once we did, for example through visiting a range of development sites or by understanding better some of the local communities, it was clear this was a place with a rich history and a strong aeronautical tradition including being the home of Concorde. There is a real pride and sense of community within its vibrant villages and towns and undoubtedly it is an area with massive potential. Our reflection is that although as an area South Gloucestershire is, as the

council's vision portrays '...a great place to live and work', it is so much more than that and we believe there is a real opportunity now to develop a new narrative for the area and for the council's role within that. The story of South Gloucestershire and the council is one of success and ambition and it would benefit from a greater airing both regionally and nationally.

4.2 Leadership of Place

The council is incredibly well led. The effectiveness of the individual and joint leadership shown by its Leader and Chief Executive was very evident to the team and constantly remarked upon by people we met with. They are credible and reflect the values espoused in the council's corporate plan – they respect their staff, they lead with partners and they embody strong community leadership. Importantly we also saw these same characteristics throughout SGC-the Chief Officer Management Team (COMT) is rich with talent, the council's members help drive the ambition for the area and the staff group make things happen.

Leadership of place is within the 'DNA' of SGC. The positive attitude to and from partners and partnerships is palpable and just a small example is the way that COMT both as a collective and individuals, time and again face outwards to meet partners formally and informally to help carve out joint opportunities. As part of this SGC and its COMT team are very active, for example working with the Police, Health bodies, Universities, towns and parishes, community groups, local businesses and developers and many more besides. This all demonstrates evidence of SGC putting its energy, thinking and resources into partnership working to help others and themselves to jointly succeed.

It is clear that SGC was a key driver in forging the new arrangements underpinning WECA and have employed to great effect a very deliberate strategy of confidence building, honest brokering and visible leadership. That confidence, trust and purpose that derives from this has been reflected in the significant groundwork undertaken by all West of England partners in delivering the cutting edge devolution deal. This gives all the councils the potential for excellent future returns for local people with immediate and on-going investment funding.

Either as part of a broader partnership or of its own volition SGC has shown it is prepared to invest in the area. As part of our development site tour we saw a range of both excellent sites and places which had benefited from significant investment including Filton and Patchway and we know there are many more in the pipeline. We are clear that the regeneration programmes SGC is engaged with is, as well as housing, also delivering the associated physical and social infrastructure including significant transport and connectivity through re-opening local railway stations, to new roads and improved public transport with the new metro bus service.

We met or spoke with some wonderful partners and given the council's record in that area we would encourage SGC to explore more fully a new and potentially exciting role in shaping place by being more directly engaged in development – be that for example potential joint ventures in extra care/specialist social care provision, or investment funding to build housing. The housing supply issue in general but

especially specialist and affordable housing are real issues for the area and SGC becoming more proactive in such ways may promote accelerated growth and create income streams for the council too.

Like all councils with an urban component SGC must create a positive debate about what constitutes 'good' housing in the future. With so much pressure on development land a position should be sought with communities that delivers excellent homes in denser, different developments. SGC should maximize land utilization through its role as the Planning Authority to respond to the demand for new homes and an apparent under supply/availability of affordable homes. As part of this and through the planning process the peer team thought SGC could consider ways to increase the pace for developments through speeding up the planning process, e.g. published policies with increased officer delegations.

The opportunities for WECA are significant, but alongside these there are also risks. To the same timescale SGC is also developing new political governance arrangements as it moves to a leader and cabinet model and away from a committee structure. The peer team's advice is obvious – SGC must ensure the strength of existing leadership of place is enhanced and not destabilised through the move to these new arrangements and all parties and councillors must be engaged and kept on board throughout and after the changes to assure ongoing positive co-operation and support.

Just as the council must manage change well, at the same time it must continue to deliver high quality responsive business as usual core services, whether that is adult social care, protecting its vulnerable children or waste and street scene services. It will be crucial that through change it remains steadfastly focused on ensuring these services are delivering the outcomes that are set and expected from them. This Corporate Peer Challenge did not delve deeply into people related services, but it is known that SGC's children's services are subject to an improvement notice. As such the focus upon this and external challenge into the future will be crucial. We know that the council is intent on improvement in this area and a scheduled peer challenge in April 2017 focusing on specific aspects of children's services is therefore to be welcomed.

The opportunity presented by the WECA across a broader strategic footprint should also afford the council the opportunity to reflect on its core issues of place and local economy. For example, it has good working relationships with parishes, towns and communities and within the context of its growth agenda it is a timely opportunity to also see what mutual benefits can be further explored at a very local level. The peer team thought that now might be an opportune moment to explore, for example with towns and parishes what further services might be devolved to very local levels.

We have made reference to the suite of strategies that the council and its partners have developed-be that corporate plan, sustainable community strategy, strategic transformational plan in health, Joint Transport Strategy etc. The peer team felt that now was a good opportunity to spend some time reflecting upon the interdependencies, risks and collective outcomes from these into the longer term including a longer term financial plan which can help underpin and guide it. This will

help with the council's planning processes and through doing so hone the narrative for place, the ambitions of the council and the resourcing requirements needed to help achieve this.

4.3 Organisational leadership and governance

The council has strong, purposeful leadership provided by its politicians and officers which comes right from the top through the Leader and Chief Executive. When we met with members, managers and officers it was clear that they work very well together and are strongly focused on delivering against the council's priorities. Furthermore, we met with politicians across the main political groups and our observation is that there are mature political relationships which are currently stable.

We found good evidence of performance management. Progress against targets are reviewed and monitored both by officers and members through formal and informal means. As such it could be argued that there exists a clear golden thread from corporate targets to individual appraisal and a well-managed system to address poor performance. However, given the council's recent Ofsted report the practical application of performance management and the quality assurance that accompanies this will naturally benefit from review. As such we would encourage SGC to look afresh at the how it can ensure the effectiveness of its arrangements and in doing so suggest it encourages more internal and external challenge around performance for core service areas.

We were shown and heard about a draft Leadership and Management Development Plan. It is underpinned by a practical and focused offer of development which serves to supports leaders through change, offers core training and importantly a range of further opportunities designed to meet the needs of individual's leaders and managers. We met with some impressive managers who report to the COMT leadership group. Two things struck us –firstly these people individually and collectively are SGC's managers for the present and secondly and even more importantly the potential leaders for the future. As the council progresses its change agenda we would encourage more regular meetings, briefings and change orientation work with this group. It is clear that there is significant talent within this group, and SGC should seek to retain these leaders of the future.

The councils employs a sensible mix of informal arrangements working to support the formal council's leadership and governance framework. These covered the range of scheduled partners meetings and reviews, internal management sessions, pragmatic decisions relating to council representatives on the boards of external bodies etc. As such we felt that the council's overall arrangements were proportionate, focused and seeking to keep up with change.

We did not feel that all councillors were as well sighted as they could be on the governance changes that are imminent at SGC. In May, the council is planning to revert to a leader cabinet model, away from its current committee structure which has been in place for 5 years. It will be employing an overarching scrutiny commission supported by task and finish groups. This matter will be subject to a full council decision later in March 2017. Given the imminent change we would advise

that SGC addresses this matter quickly and put in place a project plan including training and development for members to help them prepare for their new and changing roles. Ensuring all councillors remain engaged, informed and content in their roles will be essential to maintain stability and focus on the challenges ahead including a boundary review in 2019.

4.4 Financial planning and viability

SGC has been proactive in the management of its financial resources and as a consequence has an impressive record in terms of its stewardship. The lead for this is set by the Director of Resources who instils confidence, but the ownership of budget management and financial planning is evident throughout the authority – it is well planned, collaborative and focused on managing demand. Associated with this we saw regular, effective and coherent financial reporting.

The council uses financial management effectively as a means of ensuring resilience in service provision and tackling service pressures. We heard about 'Fit for the Future' funding to ensure that the council helped support and maintain the sustainability of the areas voluntary sector into the longer term. We also heard about the proactive management of hospital discharges. Therefore, in the view of the peer team, there is currently an excellent collective knowledge, ownership and management of budgets at SGC. The key challenge is to maintain this through a further period of change and seek to continue its positive work, for example by further helping to shape the local social care markets to ensure the council working with its partners can stay ahead of the service demand curve.

SGC has a well-established 'Council Savings Plan' (CSP). This was initially focused on maintaining front-line services through a major efficiency programme of reducing 'back office' costs, streamlining its business processes, making savings from procurement and contract management and delivering the first stage of a council wider accommodation plan. This meant that by March 2015 the council had saved nearly £43m. It had also delivered year on year underspends which it sensibly set aside as reserves. The latest version of the MTFP will utilise some of the reserves and the continuation of the savings plan including for example, further efficiencies through accommodation changes and savings from digital and smarter procurement across the council. As such the council is forecasting balanced budgets up to March 2019 based upon its planned, measured and to date very effective strategic approach. However, from April 2019 (two years hence) current budget projections are showing a potential deficit of approaching £15m for the remaining period of the plan.

The council is quite rightly focusing its attention now on delivering balanced budgets for 2019/20 and 2020/21 and we heard about a range of measures being set in train to address the £15m gap. The council's growth focus and plans will help but it will need to look to ways through which it can increase income and reduce costs through bringing to the fore a further ambitious and determined transformation programme.

The potential opportunities that are available from the City and Devolution deals which amount to circa £500m and £900m respectively across the WoE are very

significant. Furthermore, the council, as part of the devolution area, will also be piloting the new local government finance system from April 2017 including the retention of 100% business rates. As such SGC is at the forefront of new, innovative and ground breaking financing arrangements. The council in the view of the peer team has been wise in developing a longer term (10 year) outline financial plan to 2026/27, therefore it is already planning into a post 2020 local government finance world. Given all of the above factors we would encourage the council to develop this modelling and planning still further and within that provide a summary of the current known and potential risks and opportunities with clear short, medium and longer terms targets which will help create an even more strategic plan for its future financial sustainability.

The council's latest plans for transformation are at a relatively early stage. We have seen the 'Digital strategy' on a page and the development of some potentially positive approaches in respect of becoming more commercially driven. It will be important now to articulate its overall plan and intended outcomes in respect of this and ensure it has the necessary resource and programme management support. This should be given sufficient lead in time to ensure it is contributing to the existing medium term budget challenges as well as contributing towards the financial sustainability of SGC into the longer term.

4.5 Capacity to deliver

Through effective partnerships and proactive relations SCG helps build its own and others capacity. The council's collaboration doesn't stop at geographical borders and as one partner stakeholder told us 'SGC has done much of the heavy lifting to prepare for the Combined Authority'. Whilst this has drawn some capacity away from the council it has done so for good reason and with a view to the 'bigger prize'. That prize is the strength and ambition of a 30 year plan of investment across the wider sub region comprising the West of England.

In tandem with the council's financial savings it has also reduced its headcount. We were told that in the last 3-4 years SGC had absorbed significant reductions in leadership numbers (35%) and yet despite this it is as one stakeholder told us 'still on top of the current change agenda'. In terms of capacity the council's senior leadership team (COMT) has been a very stable, capable cohesive but small leadership team. Through good planning its next tier of managers beneath are very impressive and are singularly focused on working with purpose; indeed the same is true of the wider workforce. All of the leaders and managers we met have high expectations of themselves and each other. This means the council is delivering its own ambitions and is fundamental to the wider West of England achieving theirs too.

WECA is now established and the Mayoral elections are in May this year. From this the resourcing requirements for its senior team and core officers will be established and undoubtedly in time this will include TUPE transfers of some council staff across the three councils. In such an environment it will be crucial that SGC plans to maintain its effective leadership and capacity as both a sovereign body council and a core member of WECA.

The peer team's view was that COMT, while reflecting all of the positive attributes above is lean and spread thinly. This may create potential risks associated with any turnover and change and the council needs to prepare accordingly. We beg a simple question as to whether there is sufficient senior capacity to manage the forthcoming period of change.

The council has made some good provision in terms of its transformation team which employs some very skilled staff and has an overall proactive approach to programme management. As such, where it has identified a need to grow its capacity to manage change it has shown it has responded effectively. It is noted however that this capacity is due to be reduced over the coming years as part of the CSP. Building upon this now we would expect to see the council's workforce planning arrangements gear up and attempt to future proof itself in terms of leadership capacity, giving significant attention to developing its own leadership talent, succession planning and skills development.

SGC should consider if there are capacity benefits to be had from further developing shared services. As part of its approach to building capacity and resilience we heard of just a couple of examples where it shared services, for example a joint Head of Procurement post. In tandem with its workforce planning arrangements and aligned to concepts of resilience, efficiencies and commercialisation it will be worth exploring whether there could be further benefits here. These could possibly be levered from shared working across a larger geographic or themed footprints at a strategic level for example by taking a more determined approach to its procurement and joint commissioning.

The peer team felt that the growth agenda for the area which SGC has helped shape should be used as a platform for developing its capacity and commercial plans. The council's partnership credentials are well established and when it comes to economic development - housing, skills and jobs and therefore it is in a unique position to influence and broker real change. For example, we heard about the progressive relationship in terms of housing provision with Merlin. We were very impressed with that working relationship and the impressive performance being achieved, for example in relation to high tenant satisfaction, extremely low voids and quick turn overs. We also heard about how the council worked effectively with universities, HE/FE and schools around skills and training including exploiting the high tech potential of the aeronautical field as well as developing a strong apprenticeship culture and a renewed focus on adult education and upskilling in social care. All of these excellent partnerships can be developed further to create exciting commercial opportunities.

Our question and challenges in relation to the above and more broadly in terms of commercialisation are about the positioning of the council into the future. What will be the council's appetite for risk and how does it want to enter/influence/financially gain from these potential growth markets, current partnership working, income streams and associated commercial opportunities? Our advice is to now explore this now using SGC's priorities and ambitions for the future as well as the longer term financial plan as guiding principles. .

The council has made good progress introducing new ways of working and the savings from the accommodation strategy are evidence of this. However it is now contemplating something far more fundamental which is about whole council transformation. A range of outcomes are being sought including the council becoming more efficient, whilst also improving its customer offer and making it easier for its residents to do business with it. In terms of the next steps the councils plans are developing and it has to date identified £500K growing to £2m of savings from its digital plans.

Our observations in respect of transformation mirror our thinking on commercialisation. Key questions include what outcomes is the council seeking to achieve and what does success look like? This will also be very dependent upon working with the right strategic partner and building up the necessary internal client and commissioning skills to manage what will be as one stakeholder told us 'a potential game changer'. We suggest the council considers bringing its' Smart and Digital strategies together and expressing the synergies that exist therein. This should also include a robust programme management with critical milestones, describing how such plans can and will make a difference to the stakeholders. Importantly this will also require a financial plan showing how the additional costs of potentially increasing the accessibility to services are offset by savings generated elsewhere in the plans.

5. Next steps

Immediate next steps

We appreciate you will want to reflect on these findings and suggestions with your senior managerial and political leadership in order to determine how the council 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/her contact details are: 07919562849 andy.bates@local.gov.uk

In the meantime we are keen to continue the relationship we have formed with you and colleagues through the peer challenge. We will endeavour to provide additional information and signposting about the issues we have raised in this report to help inform your ongoing consideration.

Follow up visit

The LGA 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 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 12-24 months.