

# Corporate Peer Challenge **Council of the Isles of Scilly**

28<sup>th</sup> September-1<sup>st</sup> October 2015

**Feedback Report**

## 1. Executive summary

The Council of the Isles of Scilly is at a significant stage in its evolution. The political and managerial leadership have set a new direction of travel for the Council and is creating a new sense of energy and purpose. This is acknowledged by partners, councillors and senior officers, with the latter seeing the recent re-shaping of the organisation and the introduction of a Corporate Plan as important milestones, and the start of significant and sustainable change, improvement and development. There is an opportunity now to build on this positive momentum further as the Council looks to develop its thinking and capacity to realise the ambitions and aspirations articulated in the Corporate Plan.

Councillors have provided strategic direction and leadership through the formulation of the Plan. This provides a succinct summary of the issues to be addressed to enhance quality of life on the Isles, and the emphasis on health and wellbeing, growth and employment, housing quality and supply, and infrastructure development appears relevant given the local context and challenges. The Plan represents an excellent start in terms of providing a focus and purpose for the Council. To ensure the Plan succeeds in helping to determine where resources, capacity and energy are directed there is a need to proactively communicate and engage with staff, residents, partners and other stakeholders about the Plan and their contribution to it.

The Council has rightly recognised a need to become more productive and collaborative in order to deliver effective and efficient services, and realise its future ambitions. The thinking behind 'one council' is clearly to help the organisation do this through the creation of a stronger corporate culture. To achieve this goal the Council recognises some basic core support and enabling functions, processes and systems need to be developed as a priority. In particular, financial management, ICT and communications require investment to improve the productivity and efficiency of existing capacity and resources. Progressing this will require a fully funded, planned and prioritised approach so as not to overload the organisation. There is also a need to further develop the approach to medium term financial planning, and a range of outstanding issues identified through internal and external audits that need to be addressed too.

Relationships between councillors and officers that are based on mutual understanding about respective roles and remits is another aspect of the 'one council' ethos you are striving for. There are positive signs that councillor-officer dynamics have improved towards this over the past couple of years. There is though both the scope and a need to continue to pursue opportunities for officers and councillors to work together to be clearer about respective responsibilities and relationships that support the delivery of the Corporate Plan. The four new corporate values are well designed to provide an important catalyst for this work, and it will be important for officers to work together with councillors to define the behaviours and boundaries associated with them.

The new Corporate Plan, and the strategic leadership from councillors and officers that has informed its development, demonstrate the Council's capability and passion for setting the agenda for the Isles. Using its democratic mandate and legitimacy, and drawing on robust evidence and analysis, the Council should be confident in its role as

‘leader of place’ in shaping the debate about the future of the Isles, and determining how best to influence, enable and deploy resources and capacity. The Council should continue to seek to be informed and influenced by public engagement and opinion, but not allow the agenda to be dictated by those who appear to be pursuing parochial and/or destructive agendas.

## 2. Key recommendations

**Recommendation 1: Consider how you will inclusively develop a vision for future of the Isles.** This needs to be a longer-term ambition and one that is developed and shared with key partners and stakeholders. There are some sound partnerships to build on, but relationships will need to continue to evolve and focus more on mutual benefits and feature more of the characteristics of ‘negotiation’ and ‘deal making’.

**Recommendation 2: Invest in yourselves so that you can be great place leaders.** All high-performing organisations invest in their leadership. It is important to create the time and space for senior management and political leaders to consider the strategic development of the Isles and the role that the Council needs to play in enabling and influencing that. This is as essential as maintaining and further developing the management of the Council’s day-to-day services and operations.

**Recommendation 3: Strengthen the role of councillors in leading the delivery of the Corporate Plan.** This should build on the recent governance changes you have made and include consideration of:

- Further re-focussing committee remits to better support the Corporate Plan priorities and themes, moving away from the current service and operational focus;
- Using the term ‘Leader’ rather than ‘Chairman’ and ‘lead members’ instead of ‘committee chairmen’ to better reflect the role of councillors to provide strategic leadership rather than emphasising their role in chairing meetings; and
- Holding more joint councillor/officer workshops to provide further clarity about respective roles and responsibilities, and to develop a new protocol for councillor-officer relationships and a councillor role profile. This might usefully be focussed on the themes of community leadership, council leadership and place leadership. The LGA would be happy to facilitate this.

**Recommendation 4: Quickly agree and prioritise ‘the operational basics’ that need attention and identify appropriate resources to resolve them.** This will free up the organisation’s capacity to deliver priorities and give it confidence. In particular financial systems and ICT need to be prioritised for investment. We suggest a first step is an externally facilitated session to help the senior leadership team to agree the organisational development priorities.

**Recommendation 5: Develop a more meaningful Medium Term Financial Strategy (MTFS)** that is based on robust modelling, scenario planning, past trends and clearly identified opportunities and risks. The LGA is well placed to provide support and guidance through its peer-led finance offer.

**Recommendation 6: Align business planning, performance management and personal objectives to the Corporate Plan.** This will help create the ‘golden thread’ that is needed to ensure that all the energy, capability and capacity available to the Isles are more effectively focused and aligned to the delivery of agreed priorities and outcomes. It is likely that officers from the City of London Corporation can offer further advice and guidance on this.

**Recommendation 7: Further develop internal and external communications about the what, how and when the Council will deliver** (and what it will not deliver). The LGA’s communications team provides a range of support to councils and is well placed to help you develop a narrative to communicate internally and externally.

### **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 their participation was agreed with you. The peers who delivered the peer challenge at the Council of the Isles of Scilly were:

- Gavin Jones – Chief Executive, Swindon Borough Council
- Councillor Clarence Barrett (Independent) – London Borough of Havering
- Councillor Elaine Atkinson (Conservative) – Poole Borough Council
- Susan Attard - Deputy Town Clerk, City of London Corporation
- Sally Hammond - Independent Consultant and Interim Manager
- Paul Clarke – Programme Manager, Local Government Association (LGA)

#### **Scope and focus**

The peer team considered the following five questions which form the core components looked at by all Corporate Peer Challenges. 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?

### **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 the Council of the Isles of Scilly during which they:

- Spoke to more than 50 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 across the Isles and additional research and reading; and
- Collectively spent more than 200 hours to determine their findings – the equivalent of one person spending more than five working weeks in the Isles of Scilly.

This report provides a summary of the peer team's findings. It builds on the initial feedback presentation provided by the peer team at the end of their on-site visit (28<sup>th</sup> September -1<sup>st</sup> October 2015). 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 the Council is already addressing and progressing.

## 4. Findings and feedback

### 4.1 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?

The Council has a good understanding of the place and its immediate needs. Councillors and officers are clearly very knowledgeable, passionate and care deeply about the Isles, its communities and people. The focus of the Corporate Plan on health and wellbeing, growth and employment, housing, and infrastructure development are obviously appropriate given the local context and challenges. Housing supply and connectivity are clearly the key issues. The Plan provides a succinct summary of the Council's priorities and articulates the outcomes sought in the short to medium term. It has been informed by engagement with councillors and supported by evidence of need. It is a good basis on which the organisation can - through its service planning, performance management, and member-led scrutiny - more effectively align its resources, capacity and capability to its top priorities.

The Plan has not yet been widely communicated, either internally or externally. As a result understanding about the shared outcomes and how they might be delivered is not yet sufficiently developed with partners and staff to consistently ensure their effective contribution to the definition and achievement of the goals set out in the Plan. The Council recognises that this now needs to happen quickly. Having established the priorities for the Council, it is important to set out the organisational development needed to align capacity and financial resources to their delivery. Staff are hungry for clarity about the future and their role(s) in it. The Plan also needs to be the basis for influencing and informing the discussion with residents, partners and other key stakeholders about their expectations, respective roles and the contributions each can make to shaping and delivering the outcomes and aims.

Given the diversity of the Isles and the understandable plethora of local views and opinions, it is important that plans, proposals and policies are informed by evidence and analysis as well as engagement and consultation. Key strategic decisions will rarely be universally popular and the rationale for them will need to be clear. Linking decisions and policy more clearly to evidence will help councillors, as accountable decision-makers, to own, advocate and explain Council policy and strategy to the community and stakeholders, even if they don't personally support or fully agree with them. The 'Island Futures' work for example, provides a useful analysis and evidence base for the longer term economic and infrastructure development requirements.

The next iteration of the Corporate Plan might usefully connect the vision and priorities explicitly to key evidence (the most salient facts and figures) so that it articulates more clearly the rationale and reason why something is a priority and crucial for the Council to address. There will also be value, we believe, to annually review progress against the Plan with councillors. The outcomes rightly cover the medium term (to 2021) and aligning the Corporate Plan cycle directly with the electoral cycle will mean that the Plan will cover the term of office of each Council. This could provide a good means of achieving more political ownership to it.

#### **4.2 Leadership of place: Does the Council provide effective leadership of place through its elected members, officers and constructive relationships and partnerships with external stakeholders?**

The formulation of the Corporate Plan has demonstrated that the Council can think strategically, and beyond its own operational role and activity. There is an explicit reference in the Plan to working in partnership, and both councillors and officers appreciate the Council cannot deliver its objectives on its own. There is an evolving understanding that the Council needs to continue to expand its role to beyond that of service delivery. Enabling and influencing others, working more collaboratively and taking on a stronger commissioning role will need to become consistent features of how the Council operates.

This evolved style of working will need a new form of debate and relationship – with partners and the local community. The aim needs to be the co-creation of a longer term shared vision and ambition for the sustainability and economic viability of the Isles. The vision and the narratives supporting it will need to be compelling and inspiring. When progressing this, the Council should be confident about using its democratic mandate and the legitimacy this provides to proactively convene stakeholders and harness the capacity they can offer, particularly to push forward on addressing key priorities and challenges, such as housing and connectivity. Partners will expect this of you.

The Council has existing productive relationships that it can build on, and we know the Council has been developing its thinking and approach about how it works in partnership. There are examples of recently formed partnerships, such as the Housing Partnership Board and Smart Island Partnership that are focussing the strategic debate and helping to progress thinking around key issues and challenges. There are also more regular liaison meetings about waste, water and sewage. You know that to better serve, develop and promote the Isles, many more new relationships with key stakeholders need to be refocused and strengthened further.

All of this provides a good foundation on which to continue to develop more purposeful, proactive and collaborative relationships with key partners and stakeholders including the Duchy of Cornwall, local businesses, and other public sector organisations about the wider vision and broader strategy for the Isles. A comprehensive and more sophisticated approach to corporate affairs and communications will be required. This will include lobbying, stakeholder mapping, and relationship management, supported by a clear communication strategy, so that others are clear about what the Council's offer is. Based on a shared narrative and commitment other stakeholders will ultimately be able to campaign, including on the Council's behalf, about what the Isles can contribute to 'UK plc'.

The relationship with local communities will also need to develop further to support successful place leadership. It needs to go beyond statutory consultations and feature more engagement and participation. Given the diversity of local views and opinions, it is important for the Council to clearly communicate the case for change, drawing on evidence and analysis. The recent community engagement exercises about water and sewage appear to be a good example of involving people in developing the case for change and clarifying what the Council does and can do. The role of councillors in community engagement is vital - as community representatives and even more

importantly as strategic leaders and Council advocates. This is a key facet of every councillor's role in a unitary authority.

#### **4.3 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?**

There has evidently been strong and visible leadership from the Chairman and Chief Executive over the past year and more. This has created a positive and tangible culture for change across the organisation. There are high levels of respect and positive endorsement for both. Many people we spoke to - particularly council officers - see the appointment of the current Chief Executive as signalling a new era for the Council, albeit one that is still evolving. It will be important to build on this positive sentiment to secure further understanding about, and buy-in to, the future direction of travel.

Implementation of the re-shaped organisation and new management structure has been a key milestone in the recent development of the Council. It is still very new and understandably not yet fully embedded. There is a general understanding that the new structure was designed because the previous arrangements were no longer fit for purpose, having evolved in an ad hoc way over many years. In that sense change has been informed by moving away from where the Council has come from. There is now an opportunity to develop a deeper, shared understanding about the future purpose of the organisation, including a compelling narrative for staff about how the new organisational shape and structure will help deliver the Council's aspirations and priorities. This will be important given that there is some confusion across the organisation about what new roles are and about how the new structure will help to drive and support the 'one council' approach.

Narratives for staff should derive from explanations about how the Corporate Plan came to be agreed, and the evidence and thinking that supports it. The Plan will also provide a basis for the Council to address wider issues of organisational development, leadership and governance. There is an opportunity for officers and councillors to work together to further develop clarity about their respective roles and responsibilities. This might usefully be focussed on the themes of community leadership, council leadership and place leadership to build a generic councillor role profile. It is vital for councillors and officers to discuss what they expect and need from one another. The new corporate 'CARE' values - courage, accountable, respectful, effective - provide an excellent framework for defining the expectations and accepted behaviours and boundaries. This in turn can inform future councillor and officer induction activity, and should continue to be a feature of councillor and officer training and development so that the values are meaningful and fully embedded.

It will be vital for the Council to further develop its approach to service planning and performance management so these better support the delivery of the Corporate Plan. Aligning planning effectively will help ensure more sensible timing, sequencing and management of interdependencies. Having set out what the Council wants to deliver (the Corporate Plan), service plans will need to describe how the Council will deliver success by articulating how different parts of the organisation will contribute to each priority

through direct delivery and partnership activity. Individual performance objectives should then be aligned to service plans. This will strengthen the 'golden thread' to ensure alignment of corporate priorities to service plans to individual objectives. The senior leadership is aware of this and keen to seize the opportunity to get the sequencing and timing aligned for 2016/17 and beyond.

The Council has sought to improve its performance across a range of services. The new performance management dashboard is a good start in terms of being able to demonstrate performance in key areas such as housing, leisure and adult social care. In developing and refining the dashboard further there will be value in developing indicators that link more directly to the Corporate Plan measures so that delivery against the Plan can be assessed and reviewed. We suggest there is also merit in developing a set of indicators that measure corporate health and productivity and support the 'Our Commitment' section of the Plan. These are likely to include indicators covering staff absence, numbers of complaints, income collection and freedom of information requests.

It is clear the Council wants strong governance and accountability. There has been notable progress on improving the democratic decision-making arrangements, with recent changes to the committee structure, new terms of reference and a new scheme of delegation. To better support councillors in their role in leading the delivery of the Corporate Plan we think there is scope to build on this work. Committee portfolios currently appear service and operational focussed and there may be scope to further develop their remit to better support the priorities, themes and outcomes articulated in the Plan. Notwithstanding the wide range of functions the Council has responsibility for, the committee structure does appear extensive given the number of councillors and may need rationalising further in due course to ensure there is further clarity on where decisions are being taken and by whom.

Another refinement to consider is changing the terminology from 'Chairman' to 'Leader' and 'committee chairmen' to 'lead members'. This will better reflect the role of councillors in providing strategic leadership to place and the Council, and shift the emphasis away from simply chairing meetings. Role profiles for councillors might also be considered a useful way of articulating this further, as mentioned earlier. You might also consider whether part two agenda items (for information only items) are better collated together to form a regular (perhaps quarterly) councillor information bulletin. This may provide more timely information to all councillors and free up time at meetings for more in-depth strategy and policy discussions.

Effective communication - up, down and across an organisation - is a vital component of leadership of change. Regular and consistent messaging will be critical to help ensure that staff and all councillors clearly understand the overall direction of travel, corporate priorities and values, and the organisational development that is planned. The 'Stand Up, Round Up' (SURU) forum is well regarded but not all staff can get to it, so while it should remain part of the approach, additional communication channels are also needed. We know the senior leadership team are keen to be transparent and accountable. Agreeing a short briefing note after each leadership team meeting and circulating to all staff through managers and staff meetings may be one of the ways to communicate consistent key messages about emerging plans, policies and proposals.

#### **4.4 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?**

The Council has recently received the external auditor findings report for 2014/15. The report was considered by councillors at the Full Council meeting on 22<sup>nd</sup> September 2015. It provides an unqualified audit opinion. However, there are a number of areas for the Council to address to ensure future financial sustainability and resilience. Some of these are issues that are outstanding from the previous year's audit findings. Taken together with the Internal Audit findings and recommendations from their 2014/15 work, there appear to be some significant areas for improvement. While we were in no doubt that the Council is aware of these issues and the need to address them, there is a need for more urgency and focus in tackling them.

In particular, more work is needed to develop a robust and comprehensive Financial Strategy that sets out how the Council plans to respond to the medium term financial challenge. That challenge is illustrated by the LGA's Future Funding Outlook Model, which suggests the projected funding for the Council in 2019/20 will cover only 62.3% of its projected expenditure. The average for other English unitary local authorities is 85%. We accept the funding outlook is a theoretical model informed by current funding levels and assumptions regarding inflation and demographic changes which are applied generically to all councils. Nonetheless it points to a clear need for all councils, including the Isles of Scilly, to have a robust strategy in place that articulates how it will respond to the challenge and plug the growing funding shortfall over the medium term.

The estimated revenue budgets for 2014/15-18/19, presented to Full Council in March 2015, do show some planned decreases in net service expenditure. However, beyond the anticipated reduction in staffing costs through the organisation re-shaping there is no narrative on how budget savings or growth will be achieved – such as through transformation, service reductions, or increased levels of income generation. There is also no evidence of modelling of the Council's resource base over the spending review period, and there has been little discussion of prospects for future years, and how external events such as the Spending Review and autumn statement may impact on the Council. The approach to medium term financial planning needs to incorporate all of this, and better reflect strategic prioritisation, so that finances are planned as 'one council'. Currently the approach is focused on directorate portfolios and incremental service budget reductions.

Given the size of the Council and the limited scope to generate internal capital resources the ability to attract external investment for key projects is vital. The Council was successful in attracting over £8m in funding during 2014/15, helping to bring about significant investment in improvements to the physical infrastructure of the Isles, most notably the Airport re-development and resurfacing of roads on St. Mary's. However, overspends have occurred and there are residual costs associated with the Airport. The Council knows it needs to further strengthen and develop its approach to capital investment, and the importance to the medium term financial viability of ensuring major capital schemes and any ongoing revenue implications are supported by robust business cases and appraisals including risk assessment and identification of whole life costs.

Regular in-year revenue budget revisions and projected spend increases, and a number of overspends against budgets have also put pressure on the finances. This has resulted in a reduction in general and earmarked reserves - general reserves of £850,000 are now close to the minimum advisory level of £600,000 - and points to a need to develop a more robust approach to financial management. The Council is aware of this, and there is widespread recognition that the financial management system is 'old-fashioned', 'archaic' and not fit for purpose. Investment is needed in a more sophisticated and centralised system to support improved financial planning and management, including real-time budget performance and monitoring information.

There is also a need to address a number of outstanding issues relating to other internal control mechanisms. In particular, there are a number of areas identified by audit reports over the past year where failure to address them will result in an adverse impact on financial sustainability, and could expose the Council to high levels of organisational and reputational risk - e.g. relating to its debt recovery and fraud policy. Some progress has been made on a number of fronts, for example, a new risk management policy has been developed. But more will need to be done to embed new processes and systems so that risk and performance management become inherent parts of the organisational culture.

#### **4.5 Capacity to deliver: Is organisational capacity aligned with priorities and does the council influence, enable and leverage external capacity to focus on agreed outcomes?**

Staff are noticeably passionate and committed to delivering their best for the Isles through a strong 'public service ethos'. That came across very strongly during our time at the Council, and perhaps even more so than we were expecting knowing that most staff live in the communities they serve. This is a real asset for the Council. We were also struck by the positive pragmatism, adaptability and flexibility of officers, and their willingness to take on new responsibilities and roles. Again, it was a characteristic we expected to see given the size and scale of the Council, but the extent to which we observed it was notable.

To support the continuation of this agile deployment of staff, the Council has recognised the growing importance of staff development. This needs to continue and be enhanced to support the further development of new management skills that will be required in the future, including programme management, commissioning and contract management. The Council has also notably focussed on councillor development, with the creation and implementation of a new Member Development Strategy and indicative programme of training sessions. It may be that the programme needs revisiting following work to develop councillor role profiles, as advocated in the strategy and mentioned earlier in this report.

The capacity of the organisation is currently constrained by several factors. Some have been referenced already, but all will need to be addressed if the Council is to maximise its efficiency and effectiveness, and support the 'one council' culture moving forward. These include:

- The challenge of recruiting and retaining staff, including in key areas such as finance. Several teams across the Council are not fully staffed in line with their approved staffing structures. This is likely to be having an adverse impact on productivity and morale in some areas of the Council, and means there is an emphasis for many staff on reacting to only urgent issues and challenges ('firefighting') rather than being able to proactively plan important service delivery and improvement.
- Inadequate financial management and ICT systems. ICT should be an enabler, but almost everyone we spoke to cited it as a barrier to working more innovatively and productively. We have already referred to weaknesses of the systems supporting financial management. There are several examples where ICT could be used more appropriately to support and enable modern, effective and productive service delivery – such as in planning and licensing. More generally there seems to be very little use of customer intelligence and insight data to inform service and policy improvements, or proposals to use ICT as a means to enable channel shift of customer interactions and transactions. The range of internal audit concerns regarding data security also suggests ICT needs to more quickly develop and improve further.
- Some opaqueness regarding roles and responsibilities in the new organisational structure. Given that the new structures following the re-shaping exercise have only relatively recently been implemented, it is understandable that there are perceived gaps and uncertainties. Nonetheless, roles, responsibilities and expectations need to be clear if capacity is to be deployed effectively. We have already mentioned the need for further work on clarifying the respective roles of councillors and officers, the blurring of which could also be constraining capacity by placing additional demands and burdens on officers.
- Un-leveraged partner capacity. There appears to still be the remnants of a 'paternalistic' approach and attitude to the delivery of services and responsibilities, where the Council (and others) assume it should take ownership and directly provide services or support. While there is recognition of the principle of enabling and influencing others, and working more collaboratively to achieve outcomes, this is not yet fully evolved in terms of practice. It is likely that others – including partners and communities – will be well placed to complement or supplant Council capacity in some instances.
- Ineffective communication - internal and external. A lack of clear understanding about policy, plans and priorities can lead to wasted effort. Proactive communication that clearly and confidently articulates the rationale, evidence and reasoning behind key decisions and policy development may mitigate some of the adverse reaction on social media and the effort, energy and focus on reacting and responding to criticism. It may also lead to high volumes of Freedom of Information requests that absorb and divert capacity. More proactive communication that seeks to move the debate pre-decision rather than post-decision, and increased transparency about agendas for meetings scheduled and the source of policy decisions, may help.

- A lack of clear prioritisation, co-ordination and focus for organisational development. Lots of actions and initiatives are planned and started – as several people put it ‘there is a lot going on’. But there are examples where implementation is delayed, targets are missed and work remains outstanding for a long period of time. Many of the Internal Audit recommendations, for example, have not been addressed yet. It is essential that the senior leadership team agree and prioritise the organisational development required in terms of impact, cost, time, and that there is a clear plan which is realistically resourced and managed. Otherwise there is a risk of overloading the organisation. ICT, financial management and communications are key ‘organisational basics’ that should all feature as key priorities for urgent action. This is one of our key recommendations.

As organisational development continues there will be a need to stay in touch better with how staff are responding to change. Currently there is limited use of ‘organisational health’ indicators, for example, to monitor staff satisfaction, morale, and absence. Monitoring these through better ICT, staff surveys and regular engagement will give the leadership a better sense of the impact of the changes on officers and organisational capacity.

## **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 contact details are: 07919 562849 and [andy.bates@local.gov.uk](mailto: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 12-18 months.