



# Corporate Peer Challenge Follow-up Richmondshire District Council

October 2018

Feedback Report

## Introduction

Richmondshire District Council (RDC) had an LGA Corporate Peer Challenge (CPC) in November 2016 with a focus on growth and identifying further savings. At that time, there was a relatively new Conservative administration, and the Council was still getting used to the move in 2013 into its new office in Mercury House.

In October 2018, a smaller team returned to do a follow-up, and give feedback on the progress made. The team was on site for only 1.5 days, so by its nature it was a light-touch peer challenge, more informal than the full CPC and further investigation may be needed on some of the areas identified. The team provided some observations on progress and provided some suggestions and quick wins.

The team that attended in October 2018 was:

Terry Collier: Deputy Chief Executive and S151 Officer, Spelthorne Borough Council (on original team)

Cllr Andrew Proctor: Leader, Norfolk County Council, Councillor on Broadland District Council (on original team)

Stephen Meynell: Planning Manager (Major Projects), Hinckley and Bosworth Borough Council

Becca Singh: LGA Peer Challenge Manager (managed original CPC)

## Scope and focus of follow-up

The focus of the follow-up was on the ten key recommendations from the CPC in November 2016:

1. Develop and strengthen two-way communications to ensure staff, councillors and partners have a consistent understanding what the Council is trying to achieve and feel able to contribute.
2. Clearly articulate and specify the Council's role, ambitions and expectations when engaging with strategic partners and key stakeholders.
3. Maximise the influence the Council has with partners and potential partners by strategically working together.
4. Bring forward the taking and timing of difficult decisions and thereby strengthen the Council's financial position in order to ensure sustainability of services.
5. Encourage and act on creative thinking on commercialisation in order to maximise income generation through thinking "outside the box" and taking managed risks.
6. Clarify what the Council is looking for as "Growth" and ensure there is a balance of development in the deeply rural areas and the more urban locations
7. Prioritise the use of funds, capital and revenue, to meet the Council's key objectives

8. Continue to develop the scrutiny role and function to involve as wide a number of members as possible
9. Be aware of and actively consider shared services opportunities that could benefit the Council and its residents.
10. Further develop the 'Digital' offer in light of recent Government announcements. Include this as part of a broader set of demand management techniques, such as channel shifting and early intervention.

This report feeds back briefly on each of these under the following headings:

1. Two-way communication
2. Council articulating its role
3. Influencing partners
4. Difficult decisions being taken
5. Prioritising and using funds
6. Commercialisation and income generation
7. Growth
8. Scrutiny
9. Collaboration
10. Digital Agenda

## **General observations**

Richmondshire District Council (RDC) has worked hard on its responses to the CPC recommendations in 2016. The Council is still a welcoming place to visit and work. Staff are dedicated to their work and are keen to do a good job for residents. It has taken considerable steps to improve communication with its partners, to further develop its 'growth' agenda, and has considered its approach to commercialisation.

Since the CPC, RDC has had a one-day LGA Communications Health Check and there have been important announcements from central government: expanding the Garrison at Catterick and giving planning consent for the Scotch Corner developments. These two areas have the greatest impact on the growth aspirations for the Council and RDC is aware of the importance, benefits and challenges of these two developments.

Good communication is something that is always changing and always something councils are striving for. Internal communications need to be regularly refreshed and revised. Staff changes, changes in policies and funding mean that change and development is inevitable. RDC has a good structure of 121s and team meetings with line managers. Managers have 121s with their Director who has 121s with the Chief Executive. There are managers' meetings and an active, representative staff forum. With all these different channels available, it is important that staff take up the opportunities that are available to express concerns, give feedback and praise when needed, making these channels truly two-way. RDC has taken the opportunity recently of asking staff how they currently want to communicate, to refresh the processes used.

The Senior Management Team (SMT) has spent a good deal of time working with the Conservative administration to help it grow into its role and be more assertive and confident about what it wants to achieve. This is recognisable in the improvement and confidence of how both Members and SMT operate with each other and wider communities.

Staff morale was very high in November 2016, linked to positive changes in working conditions, partly due to the office move. This extremely high morale was unlikely to be sustained. The team heard that morale was no longer as high as in 2016, and in some cases was considerably lower. Staff still came across as highly professional and welcoming.

Comments were made that SMT has worked very well with politicians but less well with staff. There are perceptions of inconsistencies between different directors and with different teams when implementing policies and procedures. Annual leave, flexible working, training, and professional subscriptions and fees were mentioned. However, SMT have been committed to addressing inconsistencies that were identified in 2016, so in 2018, the team assume that this is likely to be about how information about changes in working conditions is shared. Planned communications improvements may well address these perceived inconsistencies.

The team recognise a considerable increase in strategic meetings with local businesses and partners, which have been very valuable for those involved. There are varied responses from strategic partners, and sometimes tensions too, but RDC takes steps to try to build relationships that work well. Leverage and influence on others was not always easy to see, perhaps more where the priorities of others are not the same as RDC's priorities. For some, the relationship is in its infancy. For other relationships, they are more clearly developed, and RDC works in active partnership to achieve good outcomes. For example, the relationship with Catterick Garrison is well-established locally, although dynamics naturally change when there is a new Garrison Commander, and the MoD nationally is harder to engage with. Relationships with the voluntary sector have improved, and the Council recognise that this is an evolving relationship, where there is potential to work together in different ways.

The political administration has grown into its role, after some initial challenges. It should be proud of what it has done and articulate clearly its achievements. After the election, the new political administration will undoubtedly be reviewing its priorities on economic growth, member development and communications.

# Feedback on Key Recommendations from CPC 2016

## 1. Two-way communications

External communications have improved since RDC has strengthened its relationships with local businesses. The Chief Executive's meetings with local Small and Medium Enterprises (SMEs) were introduced because of the CPC suggestions. This has raised the Council's profile and enabled businesses to better understand its role and what it offers. These meetings have also enabled RDC to better appreciate the needs and concerns of SMEs.

RDC has considerably improved partners' understanding of the focus on economic growth. RDC has worked particularly hard on this over the last two years, and this has paid off. Larger partners recognise the focus being more on economic than housing growth to provide employment for those that live in the district.

Internal two-way communications could still be improved. The team understand that there have been improvements and changes since the LGA Communications Health Check and hope that the perception of inconsistencies will diminish as these improvements become firmly established. There may be some benefit in refreshing how change is communicated to better manage perceptions and avoid or reduce ill-feeling amongst staff. For example, there are mixed messages regarding forthcoming investment in IT hardware, especially mobile technology. A more co-ordinated, planned approach to talking to staff about these plans would help ensure that everyone understands what is going to happen and to manage expectations and prevent any negative perceptions. It's important to be clear about timescales, and about what is going to be provided, for example mobile printers.

The Staff Panel is regarded by staff and managers as a good forum for discussion. Its current focus is largely on building morale through social events and keeping the positive culture of the council. There could be an opportunity for it to be used as more of a two-way communication and discussion mechanism providing a way for staff to feel involved in decisions.

The Leader and the Deputy Leader have improved their visibility by attending team meetings. This is helping senior politicians and staff teams to better understand each other's roles in delivering council objectives. This could be developed and improved by giving teams a timely reminder of why councillors are attending the team meeting, and how staff can maximise this opportunity.

The team encourage the Council to continue to implement the recommendations from the LGA Communications Health Check. The team also encourage the Council to further consider employing more specialist communications professionals, perhaps shared with another council in the first instance, to ensure that there is enough professional expertise in communications within RDC.

## **2. Council articulating its role**

Since the CPC, Richmondshire District Council has given this recommendation a strong focus. As a result, there have been significant improvements externally. Councillors and the Senior Management Team (SMT) are better articulating the focus on growth, particularly economic growth. SMEs and partners are hearing that message. However, there remains further work to do internally as the team heard views that not all staff were clear what the Council hoped to achieve by the end of its term.

## **3. Influencing partners**

RDC has further raised its profile considerably with partners since November 2016. Politicians and officers alike have had more meetings with partners across different sectors.

The team heard positive feedback about improved working partnerships and a better understanding between organisations about what each can do for the other. RDC is recognised as a good partner but some said that the Council could ask more of them. The Council could consider the balance of how responsibilities, resources and tasks are allocated between partners when collaborating.

Whilst building and improving relationships is a good starting point, RDC could give more consideration to how much influence it has over partners' behaviour and decision-making. It could also be clearer in how it describes its strategic role and influence with partners. Is the Council able to influence partners to change how they deliver services to benefit its residents? If so, ensure that this is known. For example, the local MP has been learning from RDC about the additional costs involved in delivering services in rural areas, for basic as well as innovative services. The visit by civil servants will improve understanding when developing national policies around rural funding.

## **4. Difficult decisions being taken**

Some difficult decisions have been taken, for example charging for public toilets, which was being piloted in 2016. This has led to improvements in services as the income generated has enabled the council to better afford the cost of refurbishing these facilities.

The team feels there is an opportunity to improve officers' (middle managers and frontline staff) understanding of how political decisions are made and how they can support members to take those decisions. Officers' work (e.g. options appraisals) helps politicians to be clearer about the financial and other impacts on staff, customers and resources of making (or not making) decisions. There are staff that are not aware that Councillors do consider officers research and explanations when making decisions. Staff need to understand that their role is to implement politicians' decisions, unless there is a compelling or legal reason not to, irrespective of their

personal views. Some may need to have political decision-making more clearly explained.

## **5. Prioritising and using funds**

Politicians took the decision to build reserves back up through underspends and have prioritised work which promotes economic growth. This strategy has been successful, and reserves have increased since 2016. In future, the Council may wish to further consider the balance it wishes to strike between saving money and resourcing delivery in the context of the underspends, depending on future funding settlements.

The Economic Action Plan has been revised. RDC identified the work of the Business and Community (B&C) team as a priority in the 2016 CPC recommendations. The team understands that one of the B&C Manager's early tasks is to consider future resource needs and put forward relevant business cases. The team encourage this to be a priority, as there are very high expectations on the B&C team and some additional initial capacity could get work progressing quickly.

The CA&H team was established prior to the CPC in 2016, to collate and implement money-saving or income-generating ideas from within the Council. It was initially set up on a temporary basis, but the Council report in February 2018 confirmed that the CA&H team is now funded on a more permanent basis. The two temporary posts (Improvement Manager and Officer) have been made permanent posts, and two new posts were created, focused on digital communications and products. This means that in effect, four new posts have been established and are coming together as a single team. Staff, as well as the peer team, and staff, were not clear what the role of the CA&H team had become. Since the team were on site, RDC has provided briefings to refresh knowledge of existing managers, and clearly explain to new managers what the CASH programme is.

## **6. Commercialisation and Income Generation**

RDC politicians decided that they do not wish the Council to invest in commercial property for income generation. The council considers this to be too high a risk as it is mindful of its limited experience of commercial activity. It is good for councils to be clear what levels of risk they are prepared to take.

There is some level of income generation through charges and fees, and politicians have kept these low compared to other councils. Some of these have been controversial to introduce and demonstrates that the council has been having difficult conversations and taking some unpopular but necessary and sensible decisions.

As relationships grow with partners, further possibilities for future collaboration are emerging. The team suggest that RDC continues to explore the opportunity for other collaboration models, such as joint ventures as well as purchasing from others. Other North Yorkshire Districts may also be receptive to this idea, building on other collective discussions that are taking place.

Central government is not being clear how local government will be funded in future. The team suggest that the Council considers scenario planning for potential funding models. All local councils are facing the same uncertain future; many are researching and considering different operating or investment models. Local government faces challenging financial times, and the team suggest that RDC explores all options for when the future becomes clearer.

## 7. Growth

In 2016, RDC asked the CPC to focus on growth, although at the time, the focus was mainly on housing growth. The Council has been very successful in delivering more than its required housing numbers as well as maintaining a five-year land supply for housing. The focus is now on economic development.

Partners understand this shift, but it is not clear if staff have the same view of what 'growth' is, and whether residents understand its benefits. This may need to be more clearly stated, or a clear strapline developed for the strategy.

The Scotch Corner development is providing a large proportion of the economic growth that RDC is looking for. Currently, plans have a significant reliance on the retail market, although there are elements of warehousing, distribution, and leisure opportunities within the footprint. RDC recognises that Scotch Corner provides a wider potential beyond the junction area itself, for example along the former A1 access road, and other land in the vicinity. As part of work on the Local Plan, RDC is commissioning consultants to look the potential of the whole area, so that it could be an area for employment development within next 10-15 years. The Council could learn alongside and from other places developing similar schemes, for example, Blaby DC or Harborough DC.

There are good initiatives identified and started, but the team did not see the ongoing evaluation of them. More could be done to demonstrate impacts and outcomes as the work progresses. These are works in progress:

- RDC is developing the 'Invest in Richmondshire' prospectus. The team would encourage RDC to further consider how this is to be launched for maximum impact.
- Involvement in the Garrison Masterplan is good, but it would be useful to be clearer who is leading on which aspects of it.
- Attracting Families is a great initiative and working well. Continual ongoing evaluation will allow the initiative to adapt and continue to improve.
- Good development of start-up units for small businesses. The need for grow-on units has been identified, but not yet taken forward. RDC could potentially learn with others going through a similar process (Harborough District Council and Hinckley and Bosworth Borough Council).
- RDC has recognised the potential of the equestrian sector as a significant sector in the district. This could be taken forward in the next few months.



## **8. Scrutiny Role**

There has been an investment in the role of Scrutiny in RDC decision making. This has included internal training on chairing skills and attending LGA leadership training for Scrutiny Chairs. This work has enabled RDC to recognise that it is not unique in the problems it has faced in relation to scrutiny; many councils face similar challenges. The quality of chairing has improved, the behaviour of committee members has changed for the better and scrutiny committees are beginning to be more proactive about their work plan. The review of the constitution is considering scrutiny models.

However, attendance is still very poor, and more work still needs to be done to ensure that Scrutiny meetings are quorate. The team suggest learning from the networks established at the LGA leadership training to see how other councils have dealt with similar issues and subsequently revised their scrutiny function.

## **9. Collaboration**

RDC has a varied, opportunistic service delivery economy including in-house, collaboration, external, and services that have been brought back in house. This is working well and helps to minimise risks to services.

Collaboration opportunities are considered on an ad hoc, opportunistic and pragmatic basis. For example, the LEP Adviser is in the B&C team and is a shared role with Hambleton District Council. The Legal Service is shared with Darlington. RDC could consider a more strategic, long-term approach, identifying with other organisations future joint priorities.

There is an opportunity to establish a development team approach to developments. This could involve NYCC Highways, Highways England, developer(s), potential tenants, local community representatives, RDC and any other appropriate stakeholder. To some extent, this is happening, but it may benefit from being a formal consideration in strategic planning. For example, RDC has a NYCC Highways officer working within the Planning Team, who is involved in developments. The Garrison Masterplan is a development team approach operationally, including RDC, County Council highways and education departments, MoD officers and civil servants, and Yorkshire Water. Blaby District Council is involved in something similar for its developments on Junction 21 of the M1. There may be some value in RDC contacting Blaby as an opportunity to share learning between the two councils.

## 11. Digital agenda

Since the CPC, the digital agenda has continued to improve, with a new more transactional website, and the appointment of staff with specific digital responsibilities. Digital communications have improved considerably, for example RDC's use of social media and a more transactional website.

Collaboration around mobile coverage through the LEP and Broadband with NYCC has continued. RDC could consider how it can influence both projects to maximise their benefits. The offer to mobile phone mast providers of not paying business rates for a limited period is a good example of encouraging development in this area.

However, frontline staff such as Environmental Health or Planning Officers need better, and more mobile, technology to work as efficiently as possible. This could include taking decisions on discontinuing some services and/or changing the way others are delivered. The team understands that the CA£H team is exploring paperless processes, and that the recent refresh for managers on the CA£H programme should have reiterated to staff what is already happening, and relevant timescales. The team suggest exploring how other councils have moved towards paperless processes for their frontline staff.

## 12. Suggestions and quick wins

1. Identify a Member Champion for Growth.
2. Consider what RDC needs from its communications function and how to resource it. The Comms team should continue to implement the recommendations from the LGA Communications Health Check as soon as possible, particularly around internal communications, for example, through the internal survey already distributed to review internal communications
3. Clear communications needed about the changes in terms and conditions, and why new starters may have different benefits from long-standing staff (e.g. qualifications, professional subscriptions and training). Understand the impact on motivation of long-serving staff of these differences.
4. Plan now for Member Training for **all** members post-election in May 2019, not just new Members.
5. Set smart targets for the growth agenda. Monitor and articulate both internally and externally.
6. Consider making use of reserves to give a better rate of return. Banks offer little interest so other investments (in staff, services, resources, or commercial ideas) could be considered, for example, joint ventures.
7. Consider further capacity in the B & C team to deliver the high expectations.
8. Involve a wide range of staff in the review of constitution. This could provide a good engagement and learning tool on wider understanding of political decision-making. the differing roles in a modern council.
9. Build on the good relationships with businesses to clarify and promote what support RDC can offer.

10. Consider LGA Leadership Academy events for all politicians in key roles, including future chairs of Scrutiny to build on recent experience of one of the Scrutiny Chairs.
11. Good practice is that Scrutiny is chaired by an appropriately trained and supported opposition member. RDC may want to consider this in future, ensuring that chairs have been appropriately and recently trained. Not all councils follow this model, but appropriate training, support and experience is the most important consideration for Scrutiny.
12. Build on and expand the good relationship with the Garrison. Consider if other partnerships could be developed in a similar way, looking at areas of mutual benefit, and how others could help to deliver RDC priorities using different models, for example joint ventures.
13. Consider how to maximise the impact at the launch of the Richmondshire prospectus. The team understands that there are strategic planning meetings planned to consider some of this work. Look at how other councils have done similar activities (Wigan, Blaby, Hinckley and Bosworth)
14. Instigate a development team approach to all large developments (for example Scotch Corner and beyond).
15. The Staff Panel is seen as positive and useful. This could be built on to raise morale and be more of an engagement tool. Consider allowing the staff panel to meet without SMT members in attendance sometimes.
16. CEX visits to business could be passed on to B&C manager for follow up. B&C team to consider all the visits and analyse key themes and draw up an action plan based on those themes
17. Adapt the quarterly Managers' meeting structure so that managers take on more responsibility for running it. For example, rotate the Chair and note-taker, meet for part of the time without SMT in attendance. Have regular updates on past meetings for those unable to attend.