

# **Corporate Peer Challenge Southend- on- Sea Borough Council**

13-16 October 2015

Feedback Letter

## 1. Executive Summary

Southend-on-Sea Borough Council (SoS) is a council that constantly strives to improve outcomes for its resident and itself. All stakeholders refer to the 10 year journey to date that has led to many significant improvements for the Borough and for the Council.

The Council and its partners have a track record of achieving. Many stakeholders referred to this as a 'can do' attitude and the results of this are clear. We saw the physical manifestations of both purposeful partnership and effective leadership of place, for example the development and growth of the Airport and the inspiring Hive building.

We also saw a very clean and prosperous Southend-on-Sea. A range of exciting developments achieved through visionary planning for place are now in existence as evidence of this. Amongst these are these are Chalkwell Park, the Garrison development, and the investment in infrastructure of railway stations and the road network.

We also saw a council and its partners who took their responsibilities for their communities seriously. The "Better Start" programme, the creation of joint commissioning team and a focus on 'safeguarding is everyone's business' as outlined by a range of partners is evidence of this.

All the above have been achieved with the benefit of significant foundations. Without question the Council has benefitted from an enduring and purposeful senior management leadership. Likewise the Council as a whole, politically and managerially has faced and met the significant financial challenges to date, notably £55.6m of savings since 2011/12. It has done this in a whole range of ways including driving efficiencies and service improvement, for example a new waste contract saving £22m over 15 years and improved outcomes again achieved through effective partnership.

That stability through effective political and managerial leadership over these last 10 year journey has been continued by the current joint administration which is working in a very determined manner to offer stability through a changing period. This leadership is responded to effectively and the evidence is in the plethora of staff we met who were simply excellent and fully engaged in creating a better council and a better Southend-on-Sea. The achievement of IIP Gold this year is testament to that.

The council is embarking on its next journey from a position of strength, which is important as the challenges ahead are significant. Primarily, the future financial challenges will require all the expertise the council can muster, new skills and potentially different approaches to service delivery.

As the Council and its partners address these challenges it would be wise to create a strong narrative around the next stage of their journey for place and the Council. The current narrative is compelling but this peer challenge has come at an ideal opportunity for the Council to now look forward and create the time and commitment to set out a

vision for Southend-on-Sea confirming priorities for the future and the outcomes for the people of the Borough.

## 2. Key recommendations

From this position of strength, and in order to enable you to deliver the next stage of your journey, you may wish to consider the following:

continue to redefine your relationship with communities and residents

build upon and review your relationship with public and 3rd sector partners

be very clear about what you will deliver in terms of: service levels, standards, how and by whom

ensure the political and managerial interface is fit for the future and invest in developing your council members

articulate some of your fantastic innovations through a more overt transformation plan

maximise your clear performance management framework to encourage still greater cross directorate working through themes developed as part of the transformation programme

ensure your priority setting drives budget setting over a three year period

making further headway with the adoption of your business focused approach

consider reviewing your governance structures to ensure they are fit for purpose to deliver expectations in the changing devolution landscape and tougher economic climate

### **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 Southend-on Sea Borough Council were:

- Tracey Lee, Chief Executive, Plymouth City Council
- Cllr Clyde Loakes, Deputy Leader, LB Waltham Forest
- Denise Hyde, Director of People, North Lincolnshire Council
- Caitlin Bateman, Senior Communications Officer, Gloucestershire County Council
- Paul Clarke, LGA Programme Manager

#### **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. 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?
4. 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?
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. 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 4 days onsite at Southend-on-Sea Borough Council, during which they:

- Spoke to more than 130 people including a range of council staff together with councillors and external partners and stakeholders.
- Gathered information and views from more than 40 meetings, visits to key sites in the area and additional research and reading.
- Collectively spent more than 140 hours to determine their findings – the equivalent of one person spending more than 4 weeks in Southend-on-Sea.

This feedback letter 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 (13-16 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 you are already addressing and progressing.

## **4. Feedback**

### **4.1 Understanding of the local place and priority setting**

The peer challenge team found that the council and its leadership are very self-aware. They are a massively well respected by all of the partners we spoke to in terms of their focus on the improvement of Southend-on-Sea. Equally the council plays a full part in helping influence and determine the future ambitions for Essex and the wider sub-region. Finally, the council really does seek to influence and play its full part in national developments for local government and public services.

We were very impressed about how well both key partners and the leadership of the council understand and promote Southend-on-Sea. This was evident when they spoke to us about their clarity of the existing vision for place, their confidence and pride in the successes that have been achieved, the pride of its residents and the strength of the current and potential business and visitor offer.

We found a core and ever present clarity about what the council is seeking to do and achieve for Southend-on-Sea. The current corporate plan has a clear and unequivocal vision, 5 clear aims and 15 priorities. All the stakeholders both internally and externally knew, understood and often repeated these.

The current joint political administration has been in place since May 2014. At that stage they established a joint administration agreement and priorities for 2015/16, reconfirmed the corporate priorities and established a range of commitments to deliver against. Again this provided consistency and certainty and this now needs to be sustained as the council proceeds to its next planning window.

With so many existing strengths in this area and with a clear narrative for the journey the council has been on these last ten years your challenge is now to clearly articulate this for the future; the next 3,5 and 10 years. This council and its partners will be doing this from a position of real strength but we believe it's a core task you should now address your combined efforts to.

In developing that narrative we would equally encourage the council to spend dedicated and co-ordinated time and effort both listening to and engaging with its communities and partners to inform this. In doing so we are confident that the council will be able to more effectively project and plan forward with confidence.

### **4.2 Leadership of Place**

The Chief Executive and his senior management team have been in situ for a significant period. Both in terms of time but also in relation to their approach and intent, this has provided consistent, empowering and trusted leadership. There is a strong sense of community with staff and they are very proud to work for the council and the collective ambition to improve Southend-on-Sea, the place.

We have already remarked that the joint administration is offering stability through change. This should not be understated. The council had been led very effectively by the previous administration and the current four way arrangement has worked really hard to maintain a collective focus on leading the council. They have adopted a very collaborative and mature approach in doing so.

We met some inspiring partners who spoke about how they and the council influenced and led change in Southend-on-Sea. There are so many examples including the successful completion of works to the A127 and the outstanding 'Forum'-a first class library and so much more achieved through a very purposeful partnership between Southend-on-Sea Borough Council, the University of Essex and South Essex College.

We fed back to the council that we recognised as a very effective approach what we termed as 'horse-trading' between partners. That is, a willingness to work purposefully, always bringing things to the table and seeking win/win outcomes for all and most importantly the residents of Southend-on-Sea.

The regeneration of the place and the council over these last ten years is a story every council would be proud of and the foundations for the future are in place: Airport, Med TECH, town centre, IIP Gold achieved by the council are all evidence of this.

As outlined in section 4.1, the council is self-aware and is an active and influencing stakeholder in the potential devolution plans for Essex and the sub-region. The council is a signatory to the main Essex wide submission and is equally very clear about the needs of Southend-on-Sea and has forged a strong alliance with Thurrock Council in particular.

In line with our comments in 4.1 we reiterate the need to now develop a narrative for the future of Southend-on-Sea at such a critical time. We strongly advocate that this is co-designed with partners and importantly politically owned and led. The council and its leadership has worked hard to 'keep the show' firmly on the road these last 3-4 years with both political change and continuing challenging finances. As effective stewards they now know they should dedicate real time to this updated vision for Southend-on-Sea and equally focus their collective efforts on the system wide leadership of public services that are a pre-requisite for achieving positive outcomes in such testing times. We are confident they will do so.

The range of fantastic innovations that we became aware of during our time in Southend-on-Sea all provide a strong foundation. It is now time to now harness them through a transformation plan so that the best use of resources is collectively dedicated to turning that new narrative for place into a robust and dynamic action plan to deliver further change.

The council is relatively small and agile. In our view it is for the present dedicating sufficient time and resources to devolution plans but this is very much a moving feast. For this reason we stress how important it is to recognise the time and effort

this is going to take in addition to everything else the council is doing and planning to do. That is why gearing up effectively with a coherent transformational plan is important.

To enable its staff to more effectively meet the challenges it faces, the council has purposefully invested in them and that has borne fruit. The achievement of Investors in People Gold award is testament to that. The councillors of SoS are equally committed to improvement and in line with this we would encourage more active and purposeful investment in them as a collective so that they feel equipped to help deliver focus, ownership and improved leadership during challenging times ahead.

### **4.3 Financial planning and viability**

The council has been served well over recent years through strong and purposeful financial stewardship. We saw demand led budgeting, for example in adults and children's services being very effectively managed.

We read with interest and explored with you your approach to financial planning. Your Medium Term Financial Strategy is very effective in outlining your future challenges and equally summarising your future forecasts for savings and efficiencies.

In line with our views about the existence of an effective performance management system being in place, we saw effective in year budget monitoring including the engagement of: cabinet, scrutiny, corporate management team and senior managers.

We have outlined our views on the existence of effective staff engagement. In terms of the 'golden thread' of performance and expectations that underpin this we saw examples of good practice. A notable example is the specific time and effort the Chief Executive and his senior team take to ensure that staff hear any budget plans directly from them before they are subject to wider communication. This builds trusts and many staff remarked upon it.

The council and its partners constantly focus on service and contract efficiencies and are increasingly becoming more commercial in their outlook to generate income. There are so many examples of this, notably: Southend-on-Sea Energy, renting ducting as part of the Digital Strategy, the new waste contract with Veolia, some first class small models of 'commercialism' within the Parks Team, winning schools contracts and finally shared and joint teams with neighbouring councils.

However, like anything there the potential to develop 'commercialism' models further and more aggressively across a wider range of service areas both within the council and wider Southend-On-Sea public and private sectors. Additionally, we believe there is also the opportunity of further exploring alternative service models across the council and with partners for example in your approaches to early intervention and integrated commissioning.

Your medium Term Financial Plan has stood you in good stead but equally we suggest you build upon this now. Your priorities which will sit beneath your new narrative for place needs to drive the budget process further. This will help you achieve your transformational plans and focus your attention more on years 2 and 3 of your rolling 3 year planning. We believe this will create challenges for you, as it will right across Local Government and indeed public services per se. As such it will be important that such challenges have overt political ownership of not only the budget process but also decisions and implications arising from them.

#### **4.4 Organisational leadership and governance**

The council Leader is already taking an active and purposeful approach to his leadership of the council. We were impressed with his community listening events. Equally, the joint administration has served the council very well these last 2 years. We saw a cohesive cabinet and effective, purposeful engagement across administration groups.

The strength of a nimble and focused unitary council was always front and centre. As one stakeholder said 'We make difficult things look easy'. This has been a boon for the council and it constantly has met the challenges it has faced head on. It must be recognised now though that the council, in line with others, will be facing far more challenging times.

The officer leadership at SoS is recognised as being first class and the enduring and highly respected Chief Executive underpins all of this. It will be important that you attend to succession planning to ensure these strengths are not diminished.

The clear 'golden thread' that permeates through the organisation, – top to bottom and bottom to top has already been remarked upon. Staff at SoS at all levels know what is expected from them and then they try to do more! As such we saw amazing staff engagement and pride in working for the council and significant trust at a senior level between members and officers.

A key challenge for the future will be to ensure that the political and managerial interface is fit for purpose. This will be particularly important given the challenges ahead and the requirements of decision making in a fluid environment with core issues such as devolution becoming more prominent .We have made reference to investment in staff (IIP Gold) and the need to invest to a similar level for councillors.

In addition to the above we advocate for the joint leadership team, i.e. Cabinet and CMT spending purposeful time together on developing the new narrative for Southend-on-Sea, a transformational plan for the council and focus on tackling the financial challenges ahead. This will give you a good foundation to more effectively engage and promote your priorities with core partners as you jointly work on your system leadership ambitions for your geographical area.

As part of the approach outlined above the peer team would encourage you to work hard at building upon your cross departmental working and in doing so consider outcome measures across the council as well as by service area. This will further support your next stage of transformation across the council

In our view the speed of change will only increase and the nimbleness we referred to as a characteristic of the council is not as prominent in its political governance. As the council develops and evolves to meet the demands of the devolution agenda and the financial challenges ahead, the governance arrangements of the council would benefit from a review to ensure they are still relevant and appropriate.

#### **4.5 Capacity to deliver**

The employee engagement at the council was breath-taking. The feedback from our sessions with staff and their focus on self-criticism and a desire to improve was humbling to witness. There is a real pride amongst staff in the council and dedication to improving working environment and practices on behalf of the council leadership. The changes to the civic centre are evidence of this. All of this is constantly fast tracked through a strong and empowering leadership culture. As one member of staff said ‘ we are encouraged to think for ourselves and take decisions to help improve things’

The council have a massively impressive track record for gaining external funding and partnership buy-in to support them with this. We saw many examples of effective and often ground breaking practice that we will take back to our own councils to learn from. There is a solid digital strategy including effective channel shift, sound programme management practices – ‘Delivering Better Southend’ (4 projects amounting to £25m all delivered within 18 months). The £40m external investment via the Big lottery fund is delivering the ‘Better Start’ programme for 0-3 year olds and is something the council and its partners should be very proud of.

We have already outlined how the council has delivered efficiencies through procurement and commissioning and the latest waste contract is a clear example. The council is also keen to invite challenge and does utilise external expertise where appropriate as it seeks to adopt a more commercial like approach.

The next steps to develop capacity are tied significantly to the development of the transformational agenda we have referred to several times in this summary report. It will be important that this is articulated, pulled together into a coherent plan which will require co-ordination within and across the council and its partners. Some suggestions from us would be to better integrate the skill set from public health (evidence based research) to support your transformational agenda. Equally we feel it is very important that the council is clear about what it will deliver in terms of: service levels, standards and importantly how and by whom.

The council, in line with all local government will need to make some tough decisions about services for the future and that will require real clarity of purpose and the overt Political Leadership referred to already.

Importantly as the council builds its transformation plans it will need to ensure it has the skill sets within its people resources for the future and we specifically identified: commercialisation, facilitating and empowering communities, system leadership as just three of these.

## **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. Gary Hughes and Rachel Litherland Principal Advisers are the main contact between your authority and the Local Government Association (LGA). Their contact details are: gary.hughes @local.gov.uk 07771941337 and rachel.litherland@local.gov.uk 07795076834

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 letter 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.