



REPORTS

Overview and Scrutiny Committee

Wednesday, 9th January 2019

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		Report of the Chief Executive.

OVERVIEW & SCRUTINY COMMITTEE
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**LGA Peer Review: Update
9 January 2019**

Report of Chief Executive

PURPOSE OF REPORT

To provide an update against the LGA Peer Review Action Plan, and propose a future approach to monitoring key outcomes.

This report is public.

RECOMMENDATIONS

- (1) That the Overview & Scrutiny Committee note the progress updates and refer any recommendations to Cabinet or the Chief Executive, as appropriate.
- (2) That the Overview & Scrutiny Committee refer future monitoring of key outcomes, identified through the LGA Peer Review or other strategic analysis, to be reported via 'Delivering Our Ambitions' performance and project reporting.

1.0 Introduction

- 1.1 The LGA Peer Review, conducted in 2015, identified a comprehensive range of recommendations for Lancaster City Council to focus on its key aims and improve its future effectiveness in delivering these. An Action Plan was agreed by Cabinet in December 2015 to implement the recommendations.
- 1.2 Progress has previously been reported to Overview & Scrutiny Committee and the Appendix to this report provides a further itemised update on progress against each of the recommendations. The Appendix shows that there has been a considerable level of achievement in progressing many of the priority recommendations, as well as wider initiatives such as implementing the Council's Values with staff and delivering the Council Plan 2018-22.
- 1.3 A key theme of the progress that has been made is in the sphere of partnership and collaboration. Moreover, the Council has had a key role in being an enabler and facilitator resulting in meaningful and productive partnerships with communities, partner organisations and businesses, which is critical to achieving great outcomes. The Appendix identifies just a number of the partners who have been instrumental in delivering success in our area since the Peer Review took place.
- 1.4 The recommendations of the Peer Review for the future direction of the council have since been included in strategic decisions and council prioritisation. Furthermore, priorities identified by the Peer Review such as economic growth (particularly through the visitor economy), service re-modelling and commercialisation, partnership working and digitalisation have all strongly featured in the new Council plan, Cabinet and

Council decisions and discussions on how best to use the council's resources for the benefit of its communities and stakeholders.

2.0 Integration of Peer Review Recommendations

- 2.1 The content of the LGA Peer Review 2015 and subsequent Action Plan have been deeply integrated into the organisation's strategic planning and delivery activity. This can be seen through the priorities and activities set out in the Council Plan 2018-22, which directly reflect many of the recommendations of the Peer Review.
- 2.2 The council's restructured Executive Team, appointed during 2018, will have a fundamental focus on delivering the four Council Plan ambitions, and hence further embed the Peer Review recommendations.

3.0 Additional Themes

- 3.1 The LGA Peer Review 2015 also identified a number of matters not originally included in the Peer Review Action Plan, which are explored below.

3.2 Delegation to Individual Cabinet Members

The Peer Review states

"We would strongly advocate more power being delegated to individual Cabinet members. This would not only help to accelerate the pace of decision making and strengthen the accountability of individual Cabinet members."

The Peer Review Action Plan includes the item *"Consider what level of delegation is most appropriate for Cabinet Members"*, which carries less emphasis than the statement from the Review itself. The Constitution Review project during 2018-19 provides an opportunity for improving decision-making and accountability through delegation.

3.3 Staff Reward and Recognition

The Peer Review states

"To help maintain staff morale the introduction of non-financial staff reward and recognition schemes may well aid organisational culture."

This matter was not included in the Peer Review Action Plan, however staff reward and recognition has been identified as key to developing a healthy culture within the organisation going forward.

In 2017 the council's Celebrating Success staff awards were launched, with a further event in 2018 and opportunities to build reward and recognition into the organisation's everyday work. Staff at all levels and from across the organisation have received awards and recognition for their important work in a way that would not have been possible otherwise.

3.4 Communication

The Peer Review states

“External and internal communication remains a key element of any organisational strategy. With the challenges it faces, and recent changes to its communication capacity, the authority would be well placed to reassess its resource needs in this field. Effective communication will be central to managing the future change process and developing a consistent narrative both internally and externally.”

The Peer Review Action Plan did not include any content around external or internal communication. It is recognised that providing a consistent narrative and the positive management of perception through communication both inside and outside the organisation has a powerful effect on employees and stakeholders.

To this end, additional resource was allocated to the Communications and Marketing function from 2017-18 for an initial fixed period.

The development of external communications has been particularly significant, including the launch of the Lancaster Story and a large growth in the social media presence facilitating positive, direct interactions with residents.

Internal communications have also improved and embedded, for example, regular engagement sessions with managers from across the organisation; senior officers delivering briefings on key initiatives to all staff; and weekly headlines from Management Team to all staff. Further development is required around opening up digital and other communication channels, but a consistent and positive message is being reinforced across the organisation.

3.5 Relationships with Universities

The Peer Review states

“Lancaster and Cumbria Universities are both key stakeholders for the council. The contribution of both universities to the local economic wellbeing of the district is considerable. The council has forged good working relationships at an officer level, with its universities, and it is important the political leadership of the council continues to recognise and build upon these working relationships. The universities are likely to be a source of increasing the council’s capacity in areas like research and intelligence. Tapping into the significant student population in the area should enable the council wider reach on better understanding the needs of local communities.”

Whilst the Peer Review Action Plan identifies the importance of partnerships, the Universities are not specifically mentioned in this. The last two years in particular have seen considerable growth in the breadth and depth of interaction with Lancaster University and University of Cumbria, through activities such as:

- Eden Project North proposals
- Specific projects such as reducing plastic waste and weed spraying
- Participation in courses such as the Executive MBA through scholarships

There will be many further opportunities to work with both Lancaster University and the University of Cumbria in delivering the council's ambitions for the area, and both universities' open and collaborative approach is welcomed in this.

4.0 Future Proposals

- 4.1 It is proposed that given the alignment between the Peer Review Action Plan and the Council Plan 2018-22, the Peer Review recommendations & actions should be integrated into 'Delivering Our Ambitions' regular performance and project reports.
- 4.2 It is also proposed that, in line with good practice, the LGA be invited in the future to conduct a follow-up Peer Review.

CONCLUSION OF IMPACT ASSESSMENT (including Health & Safety, Equality & Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing):	
No direct impact from this report.	
LEGAL IMPLICATIONS	
No direct implications from this report.	
FINANCIAL IMPLICATIONS	
No direct implications from this report.	
OTHER RESOURCE IMPLICATIONS, such as Human Resources, Information Services, Property, Open Spaces	
No direct implications from this report.	
SECTION 151 OFFICER'S COMMENTS	
The Section 151 Officer has been consulted and has no further comments.	
MONITORING OFFICER'S COMMENTS	
The Monitoring Officer has been consulted and has no further comments.	
BACKGROUND PAPERS Cabinet Report December 2015 Overview & Scrutiny Report April 2016 Overview & Scrutiny Report March 2017 Ambitions: Our Council Plan 2018-22	Contact Officer: Susan Parsonage Telephone: 01524 582011 Email: chiefexecutive@lancaster.gov.uk

LGA Peer Review Action Plan Update January 2019

What	How	February 2017	Lead	January 2019
CONTEXT AND PRIORITIES				
Develop options to manage demand in public realm services	Use local intelligence/knowledge and results of consultation exercise to establish priorities and then develop a range of options	<p>Public Realm is currently looking at a number of different delivery models to help cope with demand and changes in managing open spaces. With the emphasis on ensuring that despite cuts in funding our open spaces are still managed, maintained and improved so that they can be enjoyed by our residents and visitors. To help with this the Council encourages and supports the formation of friends of groups, looks at ways of generating additional income from open space and works with partners like the County Council, Parish Councils, Probation Service and Police to improve the appearance of the District. This means despite less funding standards are being maintained.</p> <p>In 2017/18 we intend to gain green flags for all the major parks in the District and support entries for the 'in bloom' competition. Changes in delivery of street cleansing are also being looked at, and this will deliver a more efficient way of working whilst offering a financial saving.</p> <p>Benchmarking with other local authorities is happening regularly and are currently investigating the use of the APSE Land Audit Management System to see if this would benefit us.</p>	WG	<p>A new Street Cleansing delivery model based on '5 out of 7' working was implemented in July 2017 to allow cleansing staff to be available at peak times, resulting in a financial saving to the authority whilst increasing litter collections.</p> <p>Grounds Maintenance schedules are being reviewed to provide a greater outcome focus and work in the most efficient way. At the same time adopting a 'neighbourhood' approach to serving communities. With the aim that residents receive a much improved service.</p> <p>Options for enhancing service delivery through technology, such as bin sensors, are also being explored. (via budget process)</p> <p>Collaboration with partners such as Morecambe Town Council, voluntary groups and the business community has proven successful, evidenced by recent achievements such as receiving 2 Green Flag awards, 1 Green Flag Heritage award, and a North West in Bloom Gold Award. (First time green flag for Ryelands Park.)</p>

Complete Local Plan	To progress towards the formal adoption of a new Local Plan in accord with the latest project plan (Local Development Scheme) Council consensus now obtained on Objectively Assessed Need. Option evaluation with technical appraisals now being undertaken.	Plan submitted for examination by Summer 2018. Draft Plan agreed at Council December 2016.	DL	Further evidence is being collated, with consultation to follow ahead of an examination during 2019.
Continue to focus on development of Lancaster Visitor economy through linking Retail /Arts /Heritage	To prepare a new Masterplan for Lancaster City Centre identifying development and economic opportunities and weaving them with existing investments. To focus potential into a joined up suite of funding bids to the Heritage Lottery Fund to assist in the delivery of that Plan.	Masterplan being undertaken. Review of Canal Corridor proposals. Museum Review being undertaken. Consideration of options on how to raise the profile of the area.	AMH	The Lancaster Story launched on 6 December 2018, with a newly-formed Place Board (chaired by business) convening in early 2019 to progress initiatives for the prosperity of the district. The Museums service returned to direct council management in October 2018, with provision to be reviewed and options for enhancement developed. Other projects including Canal Quarter and Eden Project North will also significantly drive the growth of the visitor economy.
Continue to focus on the visitor economy as a means of leveraging economic development	By continuing to identify the visitor economy as a key economic development function and driver of the local economy. By examining new potential from Coastal Communities and other funding streams to develop the quality of the district's offer aligned to the	Budget proposals for 2017/18 to introduce reserve for economic development activity. Visitor economy and attracting new workers to become a priority in economic vision to be developed. Recent success in Coastal Communities bid opens up opportunities to bring funding into the area.	AMH	Coastal Revival Funding of £40,000 was secured in November 2018 as an example of activities underway to deliver economic growth across the district. The emerging Eden Project North provides a potential opportunity to transform the visitor economy in conjunction with the Lancaster Story and other activities planned to enhance the district's appeal as a visitor destination.

	two new destination brands.			
Consider how best to provide Senior Elected Members with meaningful performance reporting	Ongoing review of performance framework and development of Corvu is being undertaken by the HR&OD Manager. The revised performance management framework, approved by Management Team and reported to Cabinet in September and presented to the Budget and Performance Panel, will be developed into a plan to implement changes in performance management arrangements.	<p>Organisational performance framework being formulated, due to be reported to Budget & Performance Panel.</p> <p>Engagement taking place with Management Team, managers and team leaders on the Performance Indicators and narrative.</p> <p>Additionally, drawing together an Economic Development Strategy.</p>	CEX	Performance measures are in development to align with the Council Plan 2018-22, along with a more streamlined data collection and reporting solution.
Conduct Service Review of Planning / Regeneration	By taking the existing Peer Review work undertaken by Planning Advisory Service and addressing its findings through an early review of capacity and skills in the Regeneration and Planning Service.	Undertaken and additional resources put in place and under continuous review as workload increases, resulting in significant improvements in the performance of the Planning function.	MC	Since the review was undertaken, the Planning function has consistently been one of the best performers in Lancashire and among the top performers in England.
Consider how best to influence educators to develop the skills that will be needed in this	By using the evidence base available through planning and economic policies to challenge education providers to enable private sector careers advice to be	<p>Budget proposals for 2017/18 introduced reserve for economic development activity.</p> <p>Skills agenda and influence on education sector likely to become a priority in economic vision</p>	AMH	Strengthening relationships with educational establishments provide opportunities to improve skills across the district. Therefore such relationships have been developed with Lancaster & Morecambe College, Lancaster & Cumbria Universities. Resulting in the

District in the future	made available in schools. To ensure that the further and higher education sector tailors provision more closely to the economic need of the region and the north.	and strategy.		establishment of a skills board to drive forward this agenda in the district. A key priority of the Council Plan 2018-22 is to support the development of new skills and improved prospects for our residents.
Clearly establish priorities for the current administration	Through Cabinet to Council as part of the Corporate Plan process	Developing new Corporate Plan approach and timetable during 2017 to inform future budget priorities and decisions.	CEX	The Council Plan 2018-22 was adopted in July 2018, setting out the council's Ambitions for the next four years and providing a strong framework for decision-making.
Continue to build relationship with County Council and neighbouring Councils (eg Preston)	Continuous, but also to consider Shared Services with Preston	Relationships across Lancashire Councils developing through Combined Authority discussions e.g. on economic growth. Meetings with South Lakeland; Barrow Preston; and Wyre. Looking at Shared Services where appropriate.	CEX	Lancashire Leaders continue to meet regularly to discuss greater collaboration. Particular focus on economic growth. The Lancaster and South Cumbria Economic Region partnership also provides an opportunity to work with local authority partners, on shared aims. Some services e.g. Internal Audit resources are now being shared with other Lancashire authorities (Wyre).
POLITICAL AND MANAGERIAL LEADERSHIP				
Continue to contribute positively to the Combined Authority debate	Through Leaders and Chief Executives meeting and Full Council	Officers attending CA working groups e.g. Housing theme, Economic theme as well as Leader and Chief Executive attending Shadow Combined Authority.	CEX	Lancashire Leaders are progressing each of the themes while formal devolution proposals are developed.
MT to review their skills / capacity requirements for delivery of organisational change and establish a clear	MT to work with HR&OD Manager to establish what new skills and competencies are required by senior managers, and at what	Cabinet report Feb 2017 detailed capacity requirements at senior management level. Review alongside Council Plan. Further work will continue during 2017 to review skills requirements for current and future needs.	CEX	The restructure of the senior leadership team has been undertaken along with departmental changes. Departmental alignment will continue in 2019. With a specific focus to deliver the ambitions of the Council Plan 2018-22.

plan of action	level, to deliver on revised council priorities and different delivery methods			
Consider how Council partnerships can be best managed to get the most out of them	As part of council Community Leadership Priority. Consider which partnerships can help deliver objectives alongside the council.	Ongoing partnership development and enhancement across sectors with local partners; for example partnership working with Universities; Police; Fire; Chamber BIDs; voluntary sector. Continually looking for new opportunities.	All	Collaboration and partnership has been a key theme throughout progress made since 2016, with many examples of productive partnership; from operational matters such as tackling anti-social behaviour, early intervention and working with local BIDs to large-scale projects such as the Lancaster Story; the Canal Quarter and Eden Project North.
GOVERNANCE AND DECISION MAKING				
Consider what level of delegation is most appropriate for Cabinet Members	Does Leader/Cabinet want further delegation? Review definition of key decisions – look at criteria for level of decision taking into account risk	Scheme of delegation to be reviewed on appointment of Chief Officer: Legal and Governance.	DB	Proposals for reviewing the Constitution have been developed through a member Working Group, with proposals to be brought for approval in early 2019.
Agree what a proportionate approach to the management of risk looks like for the organisation	Through Leaders' Briefings and Audit Committee – review of Strategy?	Responsibilities to be reviewed and linked with recruitment to Chief Officer (Legal and Governance) role. Future risk appetite to be informed by strategic planning and review exercise. Discussions on assurance framework and risk management approach during February 2017 at Management Team.	NM	The overall management of risk will be the responsibility of the newly appointed Director for Corporate Services. An outline risk register has been produced and discussions about risk incorporated into decision making e.g. 'Funding the Future'.

Consider how to make best use of O+S	To be considered by MT (bearing in mind the resources that would be required to support O&S). Any suggestions for input from O&S would need to be considered by O&S as part of its discussions on its work programme	Changes to O&S proposed through Council Business Committee, and to be discussed at Council.	CEX	<p>Pre-Scrutiny meetings allow members of O&S to discuss Cabinet reports and Forthcoming Key Decisions.</p> <p>A number of O&S Task Groups have made recommendations to inform future policy direction on key issues.</p>
FINANCIAL VIABILITY				
Agree the Council's approach to digitalisation	Workshops, development of draft strategy, joint working using partners (eg university), officer working group and consideration by Members during the Budget	Approach/strategy development underway, with external facilitation. To feed into next year's strategic review / budget timetable. Opportunities for expanding joint working with partners, especially University, being explored (strong relationship with University on digital and other matters).	CR	<p>The council is leading on bidding for a Full Fibre network for Lancaster city centre, benefiting local businesses and the public.</p> <p>Proposals for making use of technology to drive agile working practices and customer interactions are also in progress.</p>
Model the likely future financial scenarios the Council could face	Usual financial planning processes – drawing on Government announcements and other commentaries, etc	Ongoing piece of work, reflected in budget and financial planning. Note that more information is needed on Government's finance reform plans for 2020 onwards before medium to longer term modelling can become more meaningful. Any developments will feed into 2018/19 budget process.	NM	<p>Budget planning processes draw on the latest available information to forecast future scenarios.</p> <p>The 'Funding the Future' strategy to delivering a balanced budget includes a range of initiatives to reduce costs and generate income.</p>
Establish how best to approach commissioning	Include potential for commissioning in service reviews and budget options. Also, consideration being given to clarifying/expanding the existing procurement strategy to address commissioning explicitly.	<p>Specific functional commissioning now being progressed, e.g. VCFS arrangements, through an informal task group (led by Chief Officers (Environment) and (Health and Housing)) and for discussion at Overview & Scrutiny.</p> <p>As part of work with other local Councils and the planned Commercialisation Strategy, we will look at options on appropriate mixed economy of service</p>	CEX	<p>Commissioning on key strategic initiatives has delivered significant additional capacity, on projects such as the Canal Quarter and lean service reviews (with the pilot project resulting in a considerable HRA saving).</p> <p>The Voluntary, Community and Faith Sector (VCFS) commissioning programme continues, but with the need for a review of these arrangements to deliver the ambitions of the 2018-22 Council Plan.</p>

		delivery.		
Develop options for the Council's building assets	In progress – need to establish clear proposals and timescales though (then project plan)	As reported during recent Member briefing and budget process – delayed, but extra resources/capacity being put in place so that progress can be achieved.	GW	Various proposals are underway for making use of the council's existing assets, as well as further investment opportunities. This is part of 'Funding the Future' strategy. In addition, the recent senior team restructure made changes to where strategic decisions and options on assets are considered.
ORGANISATIONAL CAPACITY				
Develop a refreshed approach to service reviews	MT to work with HR&OD Manager to develop approach	Plan for renewed Corporate Plan in 2017. Service reviews and the agreed approach to service reviews will be developed alongside this. There has already been a refreshed approach utilised for Regen & Planning (autumn 2015), Repairs & Maintenance (ongoing)	CEX	The lean review of Council Housing Voids resulted in a more efficient service and a significant increase in income. Further opportunities are under consideration for similar reviews across the council.
Establish the council's appetite for transformation eg. in income generation terms, alternative models of delivery (eg trusts).	Establish Lancaster City Council definition of transformation. Initially through MT	<p>A Commercialisation Strategy will be developed during 2017/18 which will encompass proposed options and models.</p> <p>Officers have also attended commercialisation training during Autumn 2016.</p> <p>Other actions such as digital developments will also form part of the Council's transformation agenda.</p>	KK	<p>Alternative delivery models and income generation form a key part of the 'Funding the Future' commercialisation strategy.</p> <p>Agile working through technology and rationalised use of assets would also transform the council's operation and deliver significant cost reductions.</p> <p>Invest-to-save initiatives such as those agreed during the 2018-19 budget process continue to develop.</p>

Establish a mechanism for staff to feed ideas about service delivery, budget savings or income generation to managers and MT	Existing Budget Options Work Programme	<p>Ideas and Income Generation officer group established on a trial basis; regular meetings with senior and middle managers to enable dialogue.</p> <p>Designing a mechanism for staff to feed ideas about service delivery improvements and savings.</p>	CEX	<p>A greater level of interaction between senior team, managers and staff is embedding two-way communication and enabling the development of ideas. E.g. these have led to invest to save initiatives.</p> <p>Continuing to encourage and enable staff to offer ideas for cost reduction or income generation.</p>
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