

**Corporate & Scrutiny Management Policy &
Scrutiny Committee**

5 September 2016

Report of the Assistant Director Governance & ICT

Peer Challenge

Summary

1. At a meeting of the Corporate & Scrutiny Management Policy & Scrutiny Committee (CSMC) in June 2016 Members suggested that consideration should be given to carrying out a scrutiny review on issues arising from the recent Local Government Association (LGA) Peer Review and being placed into context with previous Peer Reviews.
2. To assist the Committee in considering whether it wishes to proceed with a scrutiny review in this area and in relation to what specific aspects, this report presents information around the implementation of the recommendations arising from the recent the LGA Peer Challenge (March 2016) together with details of the 2013 Peer Challenge and a further 2014 review into Member behaviour following a motion to Full Council.

Background

March 2016 – Peer Challenge

3. In March 2016 the Council opted to undertake a peer challenge to assess how the authority is meeting its aims to shape and deliver a strong strategic vision and its services for the city.
4. The peer challenge was delivered by experienced elected members and officers from Southampton, Trafford, Oldham, Sunderland and Preston councils together with a representative from the Local Government Association.
5. The peer team were specifically asked to explore the following areas:

- Progress since the previous LGA peer challenges undertaken in June 2013 and November 2014
 - Behaviours and relationships
 - Future plans
6. During their visit, the team met with around 130 people, including council staff, councillors and external partners and stakeholders; gathered information and views from more than 30 meetings and visited Tang Hall and Hazel Court.
7. The findings and recommendations from the peer challenge have been used to develop a corporate action plan which sets out the short and long-term steps that need to be taken to improve how the council delivers for the people of York.
8. The peer challenge report concluded that overall the council continues to make some progress since the previous corporate peer challenge, but this has been limited by a widespread lack of ownership of many of the issues and challenges facing the council then and now. It acknowledged there has been a significant period of change at both a political and managerial level, which will have contributed to this situation, but here now exists the potential for a period of stability that should be grasped.
9. The 2016 peer challenge report recommended:
- Making visible and public demonstrations of joint leadership;
 - Create Strategic Leadership Team meetings between the Executive and SMT on at least a monthly basis;
 - Provide better clarity of the roles and responsibilities of members and officers;
 - Get on with the senior management review: create officer stability, followed by SMT team building;
 - Don't lose the opportunity of being a new administration to make the difficult decisions now, and be bold in those decisions
 - Focus on action, rather than reaction to immediate issues and events;
 - Develop a positive narrative about the council and what you want to achieve;

- Consider capacity for corporate planning and performance management linked to a medium term financial strategy;
 - Beyond the social media policy, consider a wider approach to managing vocal minorities, to ensure they do not dominate and distract the council from its business
 - Develop a tactical plan to raise the profile of the council;
 - This is the third review within 3 years. We expect you to develop - with a sense of urgency - a clear and visible action plan with deliverables, timescales and individual member and officer accountabilities, ready for adoption during early summer 2016.
10. As part of the peer challenge process there is an offer by the LGA of continued activity to support the council in taking these suggestions forward.
11. Full details of the peer challenge and resulting action plan can be found on the Council's website at the link below:
- https://www.york.gov.uk/info/20036/performance_and_policies/31/peer_challenge
12. A report on the implementation of the resulting action plan was presented to the Executive at its meeting on 14 July 2016 when arrangements to monitor the implication of the action plan were considered, including the proposed role of the Corporate and Scrutiny Management Policy and Scrutiny Committee in this process.
13. Four Executive resolutions included:
- (ii) That future monitoring arrangements for the Peer Review Action Plan 2016 be through the Council's quarterly performance reporting process that is already in place.
 - (iii) That, in light of (ii), Corporate and Scrutiny Management Policy and Scrutiny Committee be invited to review any matters they feel appropriate given the committee's portfolio.

2013 Peer Challenge

14. The 2013 peer challenge was delivered by members and officers from Sunderland, Nottingham, Wirral, Plymouth and Lambeth councils alongside representatives from the National Institute of Adult Continuing

Education and the Local Government Association.

15. This time the team's review focused in six key areas:

- understanding the local context and priority setting
- financial planning and viability
- political and managerial leadership
- governance and decision-making
- being a responsive and innovative organisation
- community infrastructure and capacity building

16. The 2013 peer challenge team's report and findings, available at,

https://www.york.gov.uk/downloads/file/9/june_2013_peer_review_findings

fed into a report to Cabinet in October 2013 which led to the creation of a new transformation programme to drive improvements to services.

17. The 2013 report recommended:

- A re-evaluation of priorities relative to the over-arching priority of economic growth;
- Be more pro-active in determining non-priorities;
- Create opportunities to share thinking and understanding about the council's role and function will be in the future, including where and how transformation will take place;
- Create corporate resources to programme manage your ambition;
- Consider developing a mechanism for the exchange of best practice and learning across services;
- Sustaining and encouraging member engagement in developing the new approach to transformation
- Review Overview and Scrutiny's role in supporting policy development;
- Be prepared to do things differently, moving away from traditional solutions to embrace new and untested ways of working.

Full Council Concerns

18. At a meeting of Full Council in October 2014 a motion was submitted for consideration directly by the Council around the Organisational Development Plan and behavioural concerns further to the 2013 Peer Challenge. That was agreed, as amended by reference to what was referred to as 'personalised politics' and it reads:

“Council notes with concern the results of the Organisational Development Action Plan, in particular the Leadership section and the current position re ‘Concern about the Behaviour of some Members’. This follows last year’s Peer Challenge review which also expressed concern regarding members’ understanding of council priorities and the lack of clarity within the council.

Council requests that an independent body be appointed to report back to the Audit and Governance Committee no later than its meeting of 10 December 2014 and that the report is delivered directly to this committee, investigating these concerns and whether Members have acted in a manner which falls below that which staff and residents expect.

This report should take into account the personalised politics being exhibited within York by elected members and their supporters – most notably on social media.”

2014 Local Government Association Review – Council Motion

19. After the motion was discussed by Full Council it was agreed that arrangements be made for an independent body to report to the Audit and governance Committee in relation to concerns raised in the motion.
20. A Local Government Association review into the specific motion presented verbally to the Audit and Governance Committee in December 2014 and in written form in January 2015. The LGA report and proposed recommendations tabled at the meeting are available at:

<http://modgov.york.gov.uk/ieListDocuments.aspx?CIId=437&MIId=8899&Ver=4>

21. A&G Committee Members agreed on the importance of putting in place an Action Plan which addressed the governance issues within the LGA

review, the Peer Review and the Organisational Development Plan. It was agreed that Group Leaders should be involved in the development of the action plan.

22. In February 2015 Group Leaders considered the action plan being monitored by A&G Committee in response to the LGA recommendations in their review of Member behaviour in the authority. When they discussed specific recommendations it became apparent there were connections with the forthcoming induction programme for newly elected Councillors and agreed these should be considered alongside the Induction Strategy/Programme 2015.
23. Also in February 2015 Audit and Governance considered an update of this issue when Members were informed that the Joint Standards Committee had considered those aspects of the report which related to their work. The committee had indicated that it would be willing to carry out any tasks assigned to it by the Audit and Governance Committee, but had agreed that the issues raised in the LGA report would require a change in culture, including more collaborative ways of working, and a collective response supported by all Members. The Joint Standards Committee was intending to meet with Group Leaders and Whips at the start of the municipal year to look at ways of promoting ethical governance. The Committee had also agreed to draft guidance on the use of social media.
24. In addition the Audit and Governance Committee agreed that in order to maintain the momentum in the implementation of the action plan, update reports be provided at alternative committee meetings during 2015/16.
25. Action plans developed in response to both the 2013 and 2014 peer reviews and the progress of these were reported to A&G and in September 2015 when the Committee was made aware that it had been agreed to undertake a further peer review in 2016 which would consider the progress the council has made to address the recommendations of the two earlier reviews.

Analysis

26. On closer inspection and given the motion to Council set out above, it is possible to identify some common themes across the recommendations of both recent Peer Reviews:

- Engagement – with Senior Officers/Members and wider staff and the public;
 - Being Pro-Active/Forward Thinking – in terms of looking to the future and communicating and delivering upon our ambitions as a Council;
 - A focus on priorities – managing capacity to focus on priorities and be clear about what they are and are not and building in systems to help us manage what we need to deliver
 - Clear leadership and Accountability – in decision making and in delivering Council ambitions across the spectrum of Members and Senior Officers
27. Annex A endeavours to set out what progress has already been made across the organisation towards meeting the recommendations of the peer reviews and delivering Action Plans in relation to those reviews. It also identifies the recommendations against the themes proposed above in order to help this Scrutiny Committee assess whether there is any value it can add in relation to either reviewing or monitoring progress against these areas.

Audit & Governance Committee Role

28. During 2014 and 2015 the Audit and Governance Committee has received several update reports on the LGA peer reviews and action plans to ensure arrangements were in place to address the recommendations from the reviews. In particular they wanted the action plans to set out clearly the proposed actions, responsibility and, where possible, the measure of success.
29. In February 2015 the A&G Committee considered an update report on actions against the recommendations to the 2014 Council Motion; the linked CYC Organisational Development Action Plan 2014/15 and the 2013 peer review and Members asked for subsequent updates on these annexes at alternate meetings.
30. In September 2015 the A&C Committee received an update report on the actions being taken to progress the recommendations from the 2013 and 2014 peer reviews. At that meeting Members were informed that it had been agreed to undertake a further peer review in 2016 to consider the progress the council had made to address the recommendations in the two earlier reviews. It was noted that a revised action plan would be

brought to the A&G Committee following the latest review.

31. As recently as June 2016 the A&G Committee requested that reference to the 2016 peer review action plan that was due to be received by the Executive, be included in the draft Annual Governance Statement.

Consultation

32. There has been considerable consultation throughout the Council in relation to the Peer Reviews referred to in this report, in efforts to include both Members and Officers in the consultation and information gathering processes for those reviews.

Options

33. Members will need to decide whether there are any recurring themes or specific issues which they need to review in more detail in relation to the recent Peer Review and if so, how they wish to undertake that work.

Council Plan

34. Peer Review challenges and recommendations are inevitably aimed at ensuring the Council functions effectively at all levels and as such is ideally placed to put in place and deliver an achievable, ambitious Council Plan, whatever its priorities.

Implications

35. There are no direct implications associated with the recommendations of this report in relation to any of the following implications:
 - **Financial**
 - **Human Resources (HR)**
 - **Equalities**
 - **Legal**
 - **Crime and Disorder**
 - **Information Technology (IT)**
 - **Property**

- **Other**

Should Members choose to proceed with a review in relation to the peer review findings or their implementation, any relevant implications will need to be identified to Members during the course of any such review.

Risk Management

36. There are no known direct risk management implications associated with the recommendations in this report. However, there would be a significant reputational risk should this Scrutiny Committee not satisfy itself that the review findings and implementation of agreed action plans are proceeding at a proper pace. For that reason, the Committee is being asked to consider and assure itself that no scrutiny involvement is necessary to ensure the Council responds adequately to those reviews.

Recommendations

37. Members are asked to consider;
- (i) whether they wish to undertake further work into either monitoring implementation of peer review action plans or reviewing any outstanding actions or themes identified in this report; and
 - (ii) what specific further work they wish to scope or identify;
 - (iii) how they wish to undertake any such further work

Reason:

To be assured that action plans are implemented and proper progress is made in relation to peer review findings.

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Wards Affected:

All

For further information please contact the author of the report

Annexes:

Annex A – Progress against Peer Reviews

List of abbreviations used in this report:

CSMC	Corporate and Scrutiny Management Policy and Scrutiny Committee
CYC	City of York Council
HR	Human Resources
ICT	Information and Computer Technology
LGA	Local Government Association
SMT	Senior Management Team