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Stratford-on-Avon District Council
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18th March 2019

Dear David and Isabel,

LGA Corporate Peer Challenge Follow Up visit 28th February and 1st March 2019

Following the original LGA Corporate Peer Challenge (CPC) in March 2017 Stratford-on-Avon District Council (SADC) asked the Peer Team to make a Follow Up visit to help review and assess progress and development in response to the original feedback and recommendations. This visit took place on 28th February and 1st March 2019.

This letter summarises the main observations of the Peer Team. The peers 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 before and during their visit.

Process and peer team

Peer challenge is one of the key tools to support sector-led improvement. It is tailored to meet individual councils' needs, and designed to complement and add value to a council's own performance and improvement focus. The Peer Team provide feedback as critical friends, not as assessors, consultants or inspectors.

The Follow Up visit included two members of the Peer Team who were involved in the original CPC:

- Antoinette Jackson – Chief Executive, Cambridge City Council
- Councillor Peter Fleming - Leader, Sevenoaks District Council
- Joanne Wagstaffe - Director of Finance, Watford BC and Three Rivers DC
- James Millington - Peer Challenge Manager, LGA

To inform their findings, the Peer Team spent a day and a half on site at SADC, during which they spoke to around 40 people including a range of council officers, councillors and external partners. The Team gathered information and views from around 20 meetings.

We would like to thank you for inviting us back to Stratford-on-Avon to provide further challenge to the Council and we hope that our feedback helps to support continuous improvement.

Messages and Observations

The focus of this Follow-Up was to specifically review progress and developments in response to the peer challenge feedback and recommendations in the 2017 CPC. SADC has taken the CPC seriously and has made progress in implementing the recommendations.

The Peer Team saw how the Council's political and managerial leadership is making positive changes to the organisation and there was recognition from key partners that good relationships are in place. This represents a strong base to move on from.

The Peer Team heard many positives about the District from inside and outside of the Council and how this is a significant asset for SADC. The Council should maximise the value of the District's brand.

It is important that the future direction is clearly articulated through the Council's new Corporate Strategy which will be developed following the election in May 2019. We heard from staff that they will go with you: ensure they are clear on the destination and that you have the right skills and capacity in the organisation for the future.

The current Medium Term Financial Plan (MTFP) makes use of reserves to balance revenue which is recognised as being unsustainable in the longer term. There remains uncertainty surrounding the outcomes of the Government's Fair Funding Review, which may also impact on New Homes Bonus. The Fair Funding Review could lead to a significant funding gap going forward. The Leadership Team recognises the significant financial pressure facing the Council in the medium term and there are some plans to address this. The Peer Team stress the importance of implementing these plans and that further proposals are brought forward for consideration.

Following the election, the new Council will want to ensure that it is poised to move at pace in developing the Corporate Strategy as well as maintaining the momentum of the work already being delivered in some key areas.

1. Develop a coherent narrative of place and your ambitions

The Leadership Team have ambition to deliver for the District and the Peer Team heard about the breadth of projects and activity which the Council is currently delivering. In conversations across the organisation and with partners there were consistent themes and issues being expressed but the plethora of activity can make it less clear for those outside of the Leadership Team to articulate the overall vision of the Council.

The Peer Team feel that there is an opportunity through the development of the new Corporate Strategy and vision to undertake a review of your ambitions and prioritise these accordingly. This vision can then be clearly articulated to staff, partners and residents. It will be critical to ensure the Council's plan to produce the new Corporate Strategy is delivered at pace following the establishment of the new Council and the Peer Team recommend that time is set aside early-on to finalise this. SADC may also want to consider if external support may be helpful in developing this.

2. Use the narrative to place shape more effectively with partners

The Peer Team heard how the new political and managerial Leadership Team have settled in well and key partners noted that they have good working relationships with the Council. The Council should continue to nurture these relationships and ensure it understands what

matters to each partner.

SADC has globally recognised brands – including Shakespeare's Birthplace, Royal Shakespeare Company and Jaguar Land Rover - so the Council should be confident in working with these assets to the benefit of the District. There was recognition from Council members, officers and key partners in the significance of Stratford as a place and as a powerful brand.

The Peer Team encourage SADC to focus on where it can add value and where the District makes a difference to the wider West Midlands region through its uniqueness of place. Similarly, the whole of the District can benefit if Stratford-upon-Avon is flourishing and the Peer Team would encourage the Council to make the most of these opportunities.

In the development of the new Corporate Strategy and vision the Peer Team encourage the Council to ensure it clearly articulates its priorities and the story it wants to tell in order to place shape with partners. As well as building on the clear strengths of the District, one of the themes the Council may need to consider is as the District grows and changes, new communities will be formed and the Council's role in helping to build a strong, cohesive and welcoming District will increase.

3. Make sure members have appropriate support to lead the future direction of the Council and the District

There is a clear commitment to member development by the Council through a Member Development Programme (MDP) which is well planned, evolving and has high take up from councillors. The Programme is well funded and has strong leadership through the working group and officer support. Personal Development Plans for members are also well received and working well for SADC. The Council will want to consider how to maintain this momentum through any future changes.

Opportunities for members are well planned and incorporate innovative, varied and engaging methods including drama based & interactive training for councillors. Joint sessions are delivered for members and officers, for instance through the use of mock planning meetings. Training is also made available for Parish and Town Councillors. The Peer Team encourage SADC to continue exploring creative development opportunities beyond the functional training to enhance what you are doing. For example, sessions on 'strategic thinking', including design thinking could be built into the programme. The MDP should continue to be kept under review and evolve as new issues and challenges emerge. It may be beneficial to use a mix of providers, including the LGA, as well as in-house expertise to ensure sector-wide knowledge is brought in to the Council.

The Induction Programme for new Councillors in 2019 has been well organised with clear plans in place to ensure members have skills in key areas, including planning and licensing. The Council will want to continue its preparations for supporting new councillors to get up to speed with current business as this will be a significant challenge with so many new members.

4. Review support for scrutiny

The Peer Team have seen considerable progress within Overview and Scrutiny (O&S) since the original visit in 2017 with both members and officers supportive of the role it plays. The workplan now considers the balance of internal and external topics and task and finish groups have worked well, including the one focused on Preventing Homelessness. There is a clear direction of travel in developing scrutiny with recommendations on the future of O&S

being agreed. A dedicated post has added capacity to develop O&S and support members to make the most of the function. The Peer Team emphasise the importance of maintaining your focus on developing the potential of O&S for the Council, and it will be particularly important to maintain this momentum with new members following the election.

Future considerations may also include exploring the benefits of splitting O&S into two areas: the scrutinisation of performance and development of policy. Separating into these two areas may provide a better focus and benefit from the skills and abilities of members. Task and finish groups could also become a key part of the Council's model to utilise the capabilities of wider groups of members to support Executive decision making.

5. Make sure the Strategic Review happens at pace and is aligned to the MTFP

The Council has responded to declining levels of future funding and is building these into its projections. The Peer Team saw how SADC is using some of its assets to generate income and how it has also developed ideas around future income streams. The Council does still have substantial operational and investment property assets with which it can generate significant future income streams and the Peer Team would encourage SADC to ensure that it secures the best returns for these.

The Council's Leadership recognises the future financial challenges but the Peer Team felt that there is not widespread understanding of this across the organisation. The Council may wish to consider how this is communicated and how these messages are linked to its activities. For instance, the rationale behind projects such as the Elizabeth House moves and 'The Ozone' may benefit from being more clearly articulated to staff, so that the consequences of non-delivery are understood.

There are efficiencies to be made from some of the current projects and the Council will need to ensure it maintains a focus on delivering the cashable savings. Again, staff also need to understand this, and there is room for better communications explaining how changes will affect staff and the way they work.

6. Update your reserves strategy and appetite for risk in the context of the Strategic Review

The Council has a sustainable budget for the current year and still has significant reserves but it is reliant on New Homes Bonus and Business Rates income. SADC rightly recognises that Government funding reviews are likely to change the level of funding available to support general fund expenditure and is forecasting a reduction in this income over the medium term. The Peer Team encourage the Council to keep its position under review until the actual outcome and impact of government funding on the Council is known.

In the new municipal year the Council may wish to review its risk appetite for the medium term and ensure that its list of projects aligns with the Council's vision and MTFP. The Council will want to ensure that it uses resources in innovative ways and there are options available in the commercial market which can generate significant returns if the Council is willing to consider riskier options and wants to explore this. It would be worthwhile reviewing and confirming your risk appetite so you can focus on opportunities that fit with that risk profile. If the Council does decide to move in this direction, it will be important to have clear and consistent messages for the staff and the public so that the rationale and benefits are well understood.

The Council already has some ideas for how to generate sustainable income in the longer term and the Peer Team would recommend that these are progressed and built into the

MTFP.

7. Implement the required skills and capacity including an OD and Workforce Strategy

The Organisational Development Strategy and draft action plan was approved in December 2018. This will be critical to manage the change you want and support staff to work differently. Cross-Council delivery groups have been established to progress the development of the action plan and once they are clear on their aims these groups will be important for maintaining the focus and ownership of organisational development across the Council.

A new set of Council values has been developed which has benefited from wide staff and union engagement. The Peer Team support the Council's intention to manage the rollout of the values to staff by articulating clearly what this means to all colleagues across the organisation.

The Council's approach to organisational development will need to be aligned to the future Corporate Strategy. SADC will want to ensure that capacity and resources are aligned to its priorities. This will include consideration of the level of corporate capacity to 'support the doers'. Key elements of the approach may include: ensuring guidance and support is available; learning is shared across the organisation; and toolkits, processes and systems are used to support staff in procurement and project management, for example. The Council may need to consider whether some projects or programmes of work will need new up front investment in order to drive out bigger savings in the longer term. This would help inform the the phasing of programmes of activities and the deliverable savings profile over the MTFS period.

The Peer Team support your intentions for maintaining an ongoing focus on succession planning as this will be key in ensuring SADC meets future demands.

8. Member champion for Town and Parish councils

Following the Peer Team's recommendation in 2017 to nominate a councillor as a 'Member Champion' this role has now been in place for around 12 months. This is still a relatively new role, but the Peer Team heard how the regular newsletter is a useful way of keeping Parish and Town Councils updated and the annual three tier event is a good way of bringing together councillors from the Parish/Town, District and County to discuss key issues of importance.

The Council may wish to evaluate how this role is making a difference and achieving the aims which it set out. It is a big task to keep all the Parish and Town Councils up to date. The Council may want to consider how to further develop the role so that it is widely known and that connections with the member champions in neighbouring councils continue to be developed to share learning and good practice.

We appreciate that the Council will want to reflect on these findings and suggestions with the senior managerial and political leadership in order to determine how the organisation wishes to move forward.

Your LGA Principal Adviser, Helen Murray, will be happy to work with you to identify any additional support the LGA can offer to help you respond to the points set out in this letter. Helen can be contacted on 07884 312235 or Helen.Murray@local.gov.uk.