

To: Scrutiny Committee
Date: 8 December 2014
Report of: Chief Executive, Peter Sloman
Title of Report: Corporate Peer Challenge –LGA Peer Review

Summary and Recommendations

Purpose of report: To update members on actions since the peer review to implement their key recommendations and to outline the future action plan.

Key decision No

Executive lead member: Councillor Bob Price, Leader

Policy Framework: Corporate Plan

Recommendation: Members comment on the action plan

Appendices

Appendix One – Peer Review letter

Appendix Two - list of accolades received by Oxford City Council

Background

Scope and Focus of the Peer Challenge

1. The peer team was asked to provide an external reality check and reassurance that the Council's progress and plans over the next few years are sustainable, and that there is sufficient capacity and capability to move confidently into the future.

The Peer Challenge Process

2. Peer challenges are improvement-focused and tailored to meet individual councils' needs. They are designed to complement and add value to a council's own performance and improvement focus.
3. The team members reviewed a range of documents and information in order to familiarize themselves with the Council and the challenges it faces. The team spent three days onsite at Oxford, speaking to a range of staff, councillors, and external partners and stakeholders, gathering information and views from more than 30 meetings and additional research, reading and site visits, and collectively spending more than 200 hours to determine their findings.

Summary of Feedback: Overall Observations and Messages

4. The Council is delivering some impressive outcomes. It is clearly building on its notable and sustained improvement journey over the past few years. The significant progress has been externally recognised extensively through a range of awards and accreditations, including the 'Best Achieving Council' award at the Municipal Journal Awards 2014. The Council is striving to be even better, and wants to move from 'good to great'.
5. There is strong and stable political and managerial leadership, underpinned by good member-officer relationships and a mutual understanding of the respective leadership roles.
6. Staff are clearly proud and passionate to work for the Council. There is a good awareness of the key future challenges which will include advancing the 'one council' approach further and ensuring workforce development keeps pace with the organisational change required to deliver the ambition of building a 'World Class City for everyone'
7. Effective and strengthened financial management, the significant efficiency savings delivered, a well-developed trading approach to deliver income generation, and a prudent approach to risk have helped the Council to respond well to the financial challenges to date. Plans in place for the medium term beyond 2015/16 have helped to put the Council in a position of financial resilience relative to many other local authorities.
8. The Council has a good understanding of its City. There is an evidence-led approach to policy development and a corporate planning and delivery model that looks to align the Council's organisational capacity and resources with the agreed priorities. However, the unique context and complex set of issues in Oxford, coupled with a diverse range of stakeholders and views, and political differences, mean there is less consensus and agreement about how to tackle some of the key priorities, such as housing growth and economic development, and the pace at which this needs to be delivered.
9. There are good examples of the Council working in partnership with others on shared agendas, which can be developed further to deliver positive outcomes. The Oxford Strategic Partnership appears to be well regarded as a mechanism for the key agencies and organisations in the city to come together to consider strategic issues and priorities.
10. The Council is keen to provide strong and visible leadership to the city to enable the delivery of its ambitions and to be seen as the 'leader of place'. Although the Council has promoted partnership working with the County Council and Districts through the City Deal, Strategic Economic Plan and the development of the Growth Board, there is the need to develop some of its key relationships further.

Key Recommendations

11. The peer team made four key recommendations that they believe will help the Council progress the work on which it has embarked:
 - a) Capitalise on the external awards and accolades to further strengthen the Council's reputation and credibility to deliver for the City.

- b) Continue to further improve organisational efficiency and grow capacity in order to meet your growing ambitions.
- c) Better co-ordinate partner involvement to harness their energy, commitment, and resources.
- d) Further develop the influencing role and strategy through a more sophisticated and wider approach to corporate affairs, communications and branding, and in doing this be clear about the purpose of influencing.

Update on Progress since the Review

12. The Council Leader has developed a structured programme of contact with key stakeholders:
 - a) Businesses
 - b) University
 - c) Health Sector
 - d) Cultural organisations
 - e) Local Authorities
 - f) Public Sector Partners
13. This contact is through individual organisational visits and partnership structures such as:
 - a) Oxford Strategic Partnership
 - b) Oxfordshire Growth Board
 - c) Cultural Industries Partnership
 - d) Local Enterprise Partnership
 - e) City County Bilateral
14. The Chief Executive and the Leader also maintain informal networks locally.
15. In recent months significant work across the University and with neighbouring Borough Councils has taken place to promote the vision and agree the approach to implementing the City Deal for economic growth and the supporting infrastructure which is required to support it.
16. At a national level the City has met with Lord Adonis and supported the Lyons review both aimed at encouraging national support for growing cities like Oxford in terms of changes to the spacial planning framework and devolution to cities.
17. We have also formed an alliance with Norwich and Cambridge to lobby for these changes and to raise our profile nationally as a Key City which can contribute to national economic growth.
18. We have become a member of the Key Cities Group to raise the city profile.
19. The awards and accolades have kept coming since the peer review and a current list is appended (Appendix Two). We have publicised them locally and held events with successful staff teams. The awards continue to promote the Council nationally as leader in the sector.
20. The Chief Executive has agreed with Service Heads, Directors and the Leader to undertake a management structure review by Easter 2015. The aims of the review are:
 - a) To improve efficiency: flattening structures, reducing numbers and cost;

- b) Grow capacity and capability to meet new challenges such as community cohesion, neighbourhood working, strategic corporate policy, improved approach to external affairs, place-shaping and delivering a significant housing investment programme;
- c) Temporary additional resources will be brought in to support the external affairs work and implement the recommendations resulting from a review of our communications and consultation work.

21. The Administration has commissioned the Corporate Management Team to pilot an approach to Neighbourhood Management in three areas with larger social housing estates, namely Rose Hill, the Leys and Barton.

22. The Corporate Team has pulled together an officer working party for each area chaired by a Director. This Director is liaising with local members and community organisations in the locality to ensure:

- a. Actions plans and projects in place are resourced and progressed;
- b. The quality of local public services improves and the work of Council teams is co-ordinated;
- c. The action plan for the area is developed and it addresses social, economic and environmental needs of the location, and local people are involved in its formation, and it is realistic and prioritised.
- d. There is effective work being undertaken to grow community capacity and involvement;
- e. Other agencies are fully involve in work addressing deprivation and community priorities, particularly Health, the County Council, the Police and the voluntary sector;
- f. That harder to reach groups are actively involved.

23. The Council is about to review its medium term financial strategy. We are committing to achieve a £7M revenue expenditure reduction by 2018/19 on an annualised basis. The total savings and increased income proposed over the next four years is £22.5M.

24. The efficiency challenge is significant and will involve:

- a. Reducing the cost of management;
- b. Reducing administration costs;
- c. Increasing income from trading;
- d. A significant fall in annual general fund capital spend.

25. To achieve these efficiencies the Corporate Management Team will:

- a. Work to achieve a one organisational culture reducing costs of transactions between services;
- b. Increase the capacity to focus on strategy, policy development to ensure we are securing value for money and working most effectively to achieve the Council's objectives;
- c. Work closer in partnership across city organisations to bring in external resources and focus our efforts on what makes a difference.

26. Whilst resources on the general fund are reducing, we are proposing embarking on the Council's largest ever Housing Capital Programme: redesigning and improving our estates, building 700 new homes and reducing energy poverty and reducing the housing stock's carbon footprint.

27. The organisational challenge is to complete our work on community centres and park facilities and our new investment in Housing in a manner which involves communities in shaping the work and not allowing reducing general fund revenue resources to undermine management capacity to achieve this.

28. The Council in 2020 is likely to employ less staff and managers, be more focused on achieving the economic, social and environmental objectives through strategic partnership across the City. We will be focused on making a difference city-wide but also focused on local neighbourhood partnerships.

Future Actions

29. These are to:

- a. Raise Oxford's profile through the LGA and Key Cities Group;
- b. Continue to network at Chief Executive and Leader level with critical local stakeholders;
- c. Continue to strengthen Oxford's Local Strategic Partnership;
- d. Council Leader to continue making bilateral visits to stakeholders;
- e. Appoint an interim manager to boost capacity on external corporate affairs and communications ahead of the management restructuring designed to resource this work;
- f. Complete the management restructure;
- g. Focus training on creating a 'One Council' culture;
- h. Implement the efficiency strategy and MTFS targets;
- i. Keep neighbourhood working under review and roll out approach to other parts of the City when concept is proved.

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List of background papers:None

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