

EXECUTIVE – 16 JULY 2020

LOCAL GOVERNMENT ASSOCIATION PEER CHALLENGE

SUPPLEMENTARY REPORT

Executive Summary

The Overview and Scrutiny Committee considered the report as “pre-decision scrutiny” at its meeting on 13 July 2020. The Chief Executive agreed with the Committee to amend the wording of recommendation (ix) from:-

an Internal Audit Review be undertaken in respect of the Overview and Scrutiny function and the resources required to ensure its effectiveness; to

an Internal Audit Review be undertaken into the resources required to ensure the effectiveness of the Overview and Scrutiny function;

Accordingly the composite recommendation is amended and set out below.

Following the meeting the Chairman issued a paper to the Chief Executive setting out her views on the discussion at the Overview and Scrutiny Committee and put forward a range of recommendations and suggestions. The email from the Chairman is attached together with the paper and the email response from the Chief Executive. The Executive is requested to take these into account when determining the recommendations set out below.

Recommendations

The Executive is requested to:

RESOLVE That

- (i) Officers prepare a summary strategy document based on existing approved strategies and present it to Council for approval as part of the Business Plan process for 2021/22;
- (ii) following the approval by Council of the summary document of existing approved strategies, proposed at (i) above, to undertake a programme of communications with residents and stakeholders outlining the wider policy approach of the Council;
- (iii) Officers undertake a series of public engagement events to explain the framework for town centre development proposals;
- (iv) the Citizens Panel be re-established and a programme of issues upon which to consult it be established with an initial focus on the health and well-being in partnership with the Integrated Care Partnership;
- (v) a survey of Members be undertaken to establish what further information they would find helpful to include in the Green Book and what further awareness raising and/or training is required in respect of the Council’s financial arrangements;

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- (vi) the proposal to Council in respect of a Standards Protocol to allow Members access to commercially sensitive information in respect of Thamesway Group companies, and any other Woking Borough Council subsidiaries, be supported;
- (vii) the consideration by the Director of Finance of the appropriateness of borrowing periods be highlighted when the Council is requested to approve its annual budgets and its annual accounts;
- (viii) the Council's efficiency strategy be revitalised in two main parts, one to explore procurement savings and the other to explore operational efficiencies through automation and use of digital services;
- (ix) an Internal Audit Review be undertaken into the resources required to ensure the effectiveness of the Overview and Scrutiny function;
- (x) Officers review the extent to which customer feedback opportunities and Local Government Association case studies could be used in the management of the Council's services with a view to improving outcomes and securing efficiency improvements linked to the efficiency strategy;
- (xi) the use of Zoom, Teams and Digital services will all be expanded and continued, post Coronavirus, and form part of the efficiency strategy, use of automation; and
- (xii) in the autumn the Council should consider its longer-term management arrangements as part of its 2021/22 business planning process.

Reasons for Decision

Reason: To determine the response to the LGA Peer Challenge.

The Executive has the authority to determine the recommendation(s) set out above.

Background Papers: None.

Reporting Person: Ray Morgan, Chief Executive
Email: ray.morgan@woking.gov.uk, Ext: 3333

Contact Person: Ray Morgan, Chief Executive
Email: ray.morgan@woking.gov.uk, Ext: 3333

Portfolio Holder: Councillor David Bittleston
Email: Cllrdavid.bittleston@woking.gov.uk

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Shadow Portfolio Holder: Councillor Ann-Marie Barker
Email: cilrann-marie.barker@woking.gov.uk

Date Published 16 July 2020

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From: Cllr Deborah Hughes <CllrDeborah.Hughes@woking.gov.uk>

Sent: 15 July 2020 16:35

To: Ray Morgan <Ray.Morgan@woking.gov.uk>

Cc: Cllr Melanie Whitehand <Cllrmelanie.Whitehand@woking.gov.uk>; Cllr Graham Chrystie <CllrGraham.Chrystie@woking.gov.uk>; Cllr John Bond <CllrJohn.Bond@woking.gov.uk>; Cllr Chitra Rana <CllrChitra.Rana@woking.gov.uk>; Cllr Saj Hussain <CllrSaj.Hussain@woking.gov.uk>; Cllr Rashid Mohammed <CllrRashid.Mohammed@woking.gov.uk>; Cllr James Sanderson <CllrJames.Sanderson@woking.gov.uk>; Cllr Mohammad Raja <CllrMilyas.Raja@woking.gov.uk>; Hanna Taylor <Hanna.Taylor@woking.gov.uk>; Gareth John <Gareth.John@woking.gov.uk>

Subject: O&S pre scrutiny report regarding the papers on the Peer review for the Executive

Importance: High

Dear Ray,

I apologise that this paper is later than intentioned, but as you will realise having a pre scrutiny on Monday evening to go to an Executive in the same week is a challenge. The report from this committee is attached and as stated in the meeting includes comments, responses from Monday evening and also comments received until this afternoon from committee members.

With thanks

Deborah

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Overview and Scrutiny Committee

Pre Scrutiny comments on the Chief Executives paper response to the Corporate Peer Challenge (CPC)

The Overview and Scrutiny Committee have been requesting the peer report since the visit in November 2019. It has referred to this report on several occasions and had this scheduled for the meeting on the 13th July whether or not having the written report. The subsequent paper from Mr Morgan was presented to this committee for pre scrutiny on this recommendation to the Executive on how the recommendations in the peer review are to be implemented.

It is noted however that the wording in the CEOs report and that in the Peer Challenge is not consistent and presents at times a less impactful response. The committee requested that these recommendations be in plain English not management jargon, more in keeping with the original report.

The timeline on the production of the report was challenged in O&S. The Peer challenge occurred between the 12th and 14th of November 2019. The verbal feedback was at the conclusion of this and was available to members at the time. The chair and vice chair of the present O&S committee were not questioned in this review. Officers were asked several times in 2020 regarding the availability of the written report which was anticipated within 4 weeks of the verbal feedback, but this committee were informed that it had not yet been received by the Council.

We heard in the O&S meeting on the 13th of July that the written report had been received prior to Christmas 2019 and was discussed in CMG in early January. The feedback to the LGA was provided in July and the track changed report provided to Group Leaders on the 6th July, and the agreed final CPC report with the additional CEO paper being produced on the 9th July.

The Peer Report refers to the need for papers for members to be available in good time and for the quantity to be not too great. The presentation of a paper for pre scrutiny only 4 days prior to the committee and 8 months after the original review, 7 months after the draft report was produced is disappointing and does not bode well for the implementation of the recommendations. Also the timeframe now for the comments to the Executive to be drafted is highly pressured and does not allow them to be submitted to the Executive for pre reading in the Exec papers.

There are many positives that mentioned and highlighted in the CPC report. These were applauded by the members and congratulations to all involved on these.

We are expected, and should take forward the recommendations on how we can improve as this is a key function of this review and we should benefit from this.

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Taking the recommendations of the CEO one by one and incorporating comments made by O&S members in the meeting on Monday 13th June but also received subsequently as was requested.

Recommendation 1.

It is considered that the response of amalgamating all existing strategies and collating into a summary strategy leaves short the creation of the overarching high level strategy which is referred to within the report. The report also refers to the strategy for now as well as in the future. The recommendations from the CEO paper puts this strategy into the 2021/22 business plan.

Recommendation 2.

Much clearer to keep to the original peer wording;

‘Communicate the rationale for the Council’s vision and priorities to all stakeholders’. This clearly indicates what we need to do, to explain the why’s behind the ' what' we are planning to do.

Recommendation 3.

The wording of the Peer report is wider than the recommendations in the CEO paper. Not limited to the town centre development although this was highlighted as an area of particular concern.

Recommendation 4.

O&S highlighted the desire of the Peer Review to include other ways of communication and to include specifically the emerging Neighbourhood Forum and Residents Associations. The reinstatement of a citizens’ panel was welcomed.

Recommendation 5.

O&S considered that the Peer Review's recommendation ‘for elected members and officers to be aware of and understand the Council’s overall financial position’ was broader than just the data listed in the green book. It also considered the verbal feedback at the conclusion of the Peer Review that people (as in residents) should also be able to understand the finances, not just members and officers. It is therefore suggested that any review of the green book should be in consultation with residents also, to meet their needs and requirements for information on how the Council finances stand. With the green book showing summary information which shows the overall financial position whilst highlighting key trends on a monthly basis.

Recommendation 6.

Is taken out of sequence with the review recommendation which talks specifically of the need to ‘address concerns and mistrust about a perceived lack of transparency and oversight of trading companies’. O&S is not clear on how the CEO recommendation for a Standards protocol which permits members access to commercially sensitive information in respect to the Thamesway Group and other arms’ length companies is going to fully address this recommendation?

Recommendation 7.

The original recommendation is specific in which it suggests the Council structures ‘future borrowing to align to the life of assets across the Council’s portfolio’. This is not referred to in the recommendation.

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Recommendation 8

No feedback received, but suggested that more detail is required here.

Recommendation 9.

This was an interesting one to be presented to the O&S committee as relates to this entity. Significant debate around the wording and the unfortunate use of the word function was explored as this inferred an internal audit review into the TOR of the committee which is defined in the constitution.

A review of the resources was broadly welcomed by the committee, and it was noted how this committee started in 2019/20 municipal year with excellent training put on by the South East Coast Employers and that the TOR for the committee has been reviewed by members. Resources in terms of financial support would also be welcomed and it was noted that the budget that O&S used to have control of was removed sometime in 2018 and that an internal audit review would help to see what would be appropriate here moving forwards.

Wording in the recommendation was agreed to be changed to reflect the committees concerns and to truly reflect those recommendations of the CPC report.

Recommendation 10.

The CPC report suggests that the Council use customer feedback and benchmarking to inform our performance management. Rec 10 is a difficult read and lacks the clarity of the original wording.

Recommendation 11

The committee would be interested to hear of innovative ideas that have developed over this period of crisis that can improve the efficiencies of the Council moving forwards.

Recommendation 12

This relates to succession planning and clearly names in the CPC report the 3 senior officers who are approaching retirement, they are concerned about having a plan in place.

O&S understood that the CEO contract was set to terminate at the end of March 2021, if this is not the case then clarity on this need to be provided. Whether the contract for this role and the two other positions specifically mentioned are due to end at that date or later the wording in the CEO report seems nebulous and does not explicitly mention the 3 key officers, but refers to CMG and communities function.

What is also clear from the report and the verbal feedback is the concern of the Peer Challenge team in how much the CEO is central to everything which happens within the Council, with the suggestion that this should be 'rebalanced'.

The recommendation of the CPC was to 'bring to a conclusion your succession plans', the suggestion that we start in the autumn to consider how this may look appears late and lacks the urgency that an imminent change could bring.

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Additional recommendations.

O&S members also felt that there were elements in the CPC report which were not picked up in the recommendations to the Executive.

The key one here was the recommendation of the review team for the Council to 'Enhance the role and profile of political leadership in the Council and in the community'. Whilst it was acknowledged in the debate on the 13th July O&S meeting that an Officer could not be expected to comment on this political component it is an important recommendation and therefore should be included in a recommendation to the Executive, even if in the original form of the CPC itself.

Another area mentioned in the CPC report but not pulled through was the challenge to members of late papers and the onerous amount of papers sometimes produced. This is evident from the challenge presented to O&S this week that this still needs to be addressed. There is apparently guidance on the preparation and distribution of papers for committees and the timeframes involved, but this is not consistently adhered to.

Financial risks were identified and the status of this Council in relationship to its borrowing. The CPC suggested that there should be increased transparency in how the financial risks are structured. This would be helpful for members and the public in providing assurance.

The information provided to members was also an element highlighted by the CPC. 'The Council may wish to reflect on the appropriate level of information provided and the process of member briefing prior to formal decisions being made'. Questions were raised on the part 2 elements in the Council papers and request that all papers should be deemed public unless commercially sensitive and these are reviewed on a regular basis, being removed as soon as possible.

It would be good to see these additional recommendations also included in the recommendation to the Executive.

Conclusion

It is considered that the recommendations as originally stated by the Corporate Peer Challenge should stand as they are and not be translated and hence modified in their context and substance. The thoughts of the CEO are helpful to support his thinking in this paper, but need to be taken in context of the original Peer Report not in isolation.

Some elements of recommendations refer to similar recommendations made by the Review team in their report of the visit made in 2015. It is suggested that these should be noted. O&S has requested the action plan and recommendations from this 2015 CRC for comparison.

It is disappointing that O&S has only had the chance to see this report 7 months after the draft publication, leaving very little time for the pre scrutiny report to be written and circulated. The opportunity for some of the recommendations to have been implemented earlier has been missed. O&S will take follow up on the implementation of the recommendations within its work programme for this year. The O&S committee applaud the work of the LGA in its preparation of the Peer Challenge Report and would suggest that the option for a revisit at 12/18 months post the CPC be taken up.

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Cllr Deborah Hughes

Chair of the Overview and Scrutiny Committee

15.7.20

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From: Ray Morgan <Ray.Morgan@woking.gov.uk>

Sent: 16 July 2020 11:54

To: Cllr Deborah Hughes <CllrDeborah.Hughes@woking.gov.uk>

Cc: Cllr Melanie Whitehand <Cllrmelanie.Whitehand@woking.gov.uk>; Cllr Graham Chrystie <CllrGraham.Chrystie@woking.gov.uk>; Cllr John Bond <CllrJohn.Bond@woking.gov.uk>; Cllr Chitra Rana <CllrChitra.Rana@woking.gov.uk>; Cllr Saj Hussain <CllrSaj.Hussain@woking.gov.uk>; Cllr Rashid Mohammed <CllrRashid.Mohammed@woking.gov.uk>; Cllr James Sanderson <CllrJames.Sanderson@woking.gov.uk>; Cllr Mohammad Raja <CllrMilyas.Raja@woking.gov.uk>; Hanna Taylor <Hanna.Taylor@woking.gov.uk>; Gareth John <Gareth.John@woking.gov.uk>

Subject: RE: O&S pre scrutiny report regarding the papers on the Peer review for the Executive

Dear Cllr Hughes

It is difficult for me to see this paper as a Decision of the Committee as there was no conclusion to the debate or any drawing together of views and no resolution sought by you and the conclusion of the debate - effectively it was only a questioning of me and I believe I addressed and explained all the points raised.

I will forward the paper to the Executive so that it can take the views you have articulated in your paper following the discussion at the Overview and Scrutiny Committee. The only amendment that I formally put to the Executive will make is the one that I agreed at the Committee concerning the Internal Audit Review.

Regards

Ray