



Reigate & Banstead
BOROUGH COUNCIL
Banstead | Horley | Redhill | Reigate

REPORT OF:	DEPUTY CHIEF EXECUTIVE
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TO:	OVERVIEW & SCRUTINY
DATE:	10 DECEMBER 2015

SUBJECT:	LGA CORPORATE PEER CHALLENGE
RECOMMENDATIONS: <p>(i) that the report of the recent LGA Corporate Peer Challenge, received by the Executive on 12 November, be noted; and</p> <p>(ii) that the Overview & Scrutiny Committee make any observations for consideration in the development of the action plan.</p>	
SUMMARY: <p>Attached at Annex 1 is the report received by the Executive on 12 November 2015 regarding the feedback from the recent LGA Corporate Peer Challenge. Appended to this report is the Peer Challenge Team's Feedback Report, setting out their findings and recommendations.</p> <p>The observations of the Corporate Peer Challenge Team are extremely positive; the Report recognises the excellent services and support that the Council is delivering, and identifies Reigate & Banstead as a leading council and exceptional community leader.</p> <p>The Executive has approved the preparation, by the Deputy Chief Executive, of an action plan in response to the recommendations made within the report, and this work is currently in hand.</p>	



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TO:	EXECUTIVE
DATE:	12 NOVEMBER 2015
EXECUTIVE MEMBER:	COUNCILLOR V.W. BROAD

KEY DECISION REQUIRED:	NO
WARD (S) AFFECTED:	N/A

SUBJECT:	LGA CORPORATE PEER CHALLENGE
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RECOMMENDATIONS:

That

- (i) the report of the recent LGA Corporate Peer Challenge be noted and published on the Council's website;
- (ii) the Deputy Chief Executive prepare an action plan in response to the recommendations made within the Corporate Peer Challenge report.

REASONS FOR RECOMMENDATIONS:

The Council has recently undertaken a Corporate Peer Challenge, led by the Local Government Association. The report sets out their findings and recommendations, which the Council will need to consider within our service and financial planning.

EXECUTIVE SUMMARY:

The Council is a member of the Local Government Association, which offers Corporate Peer Challenges to support improvements and sharing best practice across local government. The Council has recently undertaken a peer challenge and the final report is attached at **Annex 1**.

The feedback from the Corporate Peer Challenge is extremely positive, recognising Reigate & Banstead Borough Council as a leading council which is ambitious, confident and high achieving and enjoys high satisfaction levels. The peer challenge also recognised the Council's strong financial position, with strong and robust financial planning and strong political and managerial leadership.

As the Corporate Peer Challenge is an improvement programme, it also sets out some recommendations on how the Council can perform even better. These will help inform our service and financial planning and the Deputy Chief Executive is preparing an action plan to respond to each recommendation.

Executive has authority to approve the above recommendations.

STATUTORY POWERS

1. The Council has a range of statutory duties which it is required to deliver.
2. The Local Government Association Peer Challenge programme is voluntary, but in undertaking this process the feedback will enable the Council to provide better services and support to residents.

BACKGROUND

3. The Local Government Association (LGA) developed the Corporate Peer Challenge programme to support sector led improvement following the abolition of Audit Commission and local government inspection regime.
4. Reigate & Banstead commissioned a Corporate Peer Challenge in order to provide external feedback on our performance and inform further improvement and learning.
5. The peer challenge process is designed to be forward looking, facilitative and problem solving. Whilst it can be used to provide an external 'health-check', the peer challenge is not a form of inspection, and does not deliver a detailed diagnosis or scored assessment.

The Peer Team

6. Peer challenges are delivered by experienced elected members and officer peers. The make-up of the peer team was agreed between the LGA and Council, based on their relevant experience (in both the public and private sector) to support the focus of our peer challenge.
7. The peers who delivered the peer challenge at Reigate & Banstead Borough Council were:
 - Jack Hegarty, Chief Executive of Wychavon District Council and Managing Director of Malvern Hills District Councils
 - Cllr William Nunn, Breckland District Council
 - Mike Hill, Director, Health & Environmental Services, South Cambridgeshire District Council
 - Helen Titterton, Strategic Director of Community, Housing and Health, Lichfield District Council
 - Paul Tombs, Head of Public Services and Infrastructure, Zurich Municipal
 - Anne Brinkhoff, Programme Manager, LGA
 - Rachel Stevens, Project Support Officer, LGA

The Peer Challenge Focus

8. Peer challenges are improvement-focussed and tailored to meet individual councils' needs. They are designed to complement and add value to a council's own performance and improvement focus. Whilst all peer challenges cover core governance questions, the Council can also focus the challenge on local issues and priorities.
9. In Reigate & Banstead, we asked the peer team to consider our performance against 5 core areas:
 - Understanding of local context and priority setting: Does the Council understand the local context and has it established a clear set of priorities?
 - Financial planning and viability: Does the Council have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully?
 - Political and managerial leadership: Does the Council have effective political and managerial leadership and is it a constructive partnership?
 - Governance and decision-making: Are effective governance and decision-making arrangements in place to respond to key challenges and manage change, transformation and disinvestment?
 - Organisational capacity: Are organisational capacity and resources focused in the right areas in order to deliver the agreed priorities?
10. In addition, the peer challenge team was asked to consider the Council's performance against the following local areas:
 - Health & wellbeing:
 - Do we understand the local health economy and associated issues?
 - How effective are we at supporting our health partners, particularly on the prevention agenda, to ensure our residents remain happier & healthier for longer?
 - Prosperity:
 - Do we understand the local economic context and its impact on our residents?
 - Are we doing enough to support residents, particularly young people and families, to succeed within the borough?
11. The peer team prepared for the peer challenge by reviewing a range of documents and information in order to ensure they were familiar with the Council and the challenges we are facing.
12. The team then spent three days onsite at Reigate & Banstead Borough Council, during which they:
 - spoke to more than 120 people including a range of council staff together with councillors and external partners and stakeholders.
 - gathered information and views from more than 36 meetings, visits to key sites in the area and additional research and reading.

- collectively spent nearly 200 hours to determine their findings – the equivalent of one person spending nearly six weeks in Reigate and Banstead

FINDINGS AND RECOMMENDATIONS

13. At the end of the on-site visit, the peer team provided immediate feedback to the Executive and Management Team through a summary presentation. This was followed by a written report, which is attached as **Annex 1**.
14. The peer team recognised the excellent services and support that we are delivering and described Reigate & Banstead as a leading Council, exceptional community leader and one of the top Councils in the country.
15. Other great feedback includes the following highlights – the Peer Challenge team believes:
 - We are an ambitious, confident and achieving Council, with strong political and managerial leadership
 - Our focus on supporting people is to be applauded
 - We are a strong community leader, with an excellent reputation amongst our partners.
 - We have a range of great activities and projects such as our health action plan, living and ageing well work and our Joint Enforcement Team
 - We have an impressive focus on talent management and staff development, including the Emerging Stars and Next Generation Leader programme
 - Our unique focus, dedication and programmes to help challenged young people into work are very impressive.
16. The peer team were particularly positive about the Council's staff, describing them as 'motivated and empowered, proud to work for the council and keen to shape its future direction'. They also noted that our staff were of high quality, engaged and enthusiastic and committed to improving our borough.
17. The key recommendations from the peer challenge were:
 - Articulate your innovative approach to financial sustainability at a corporate level
 - Allocate funding to political priorities
 - Deliver the Development Management Plan and a parallel marketing strategy
 - Create a sustainable approach to a recurring pressure on homelessness
 - Continue the strong future workforce planning
 - Internal and external challenge will ensure you remain a leading council
 - Tell people your story

NEXT STEPS

18. The Deputy Chief Executive will prepare an action plan to respond to each of the recommendations from the peer challenge.
19. In many cases, the Council is already taking action, for example, developing communications campaigns and sector award submissions to raise our profile.
20. The action plan will be reported to the Executive in December for approval.
21. The peer challenge report will also be reported to the Overview & Scrutiny Committee.

OPTIONS

22. This report provides a summary of the LGA Peer Challenge and recommendations. The Executive can agree the recommendations or request further information regarding any aspect of the LGA report.

LEGAL IMPLICATIONS

23. There are no legal implications arising from this report.

FINANCIAL IMPLICATIONS

24. There are no immediate financial implications arising from this report.
25. However, the action plan to respond to the peer challenge recommendations may have resource requirements. This will be set out within the action plan and reported to the Executive for approval.

EQUALITIES IMPLICATIONS

26. There are no equalities implications arising from this report.

RISK MANAGEMENT CONSIDERATIONS

27. The Corporate Peer Challenge recognised that the Council is managing risks well. The recommendations within the report will help us deliver services even better, thereby managing our risks even better.

POLICY FRAMEWORK

28. There are no policy framework considerations arising from this report.

Background Papers:

None



Corporate Peer Challenge Reigate & Banstead Borough Council

22-24 September 2015

Feedback Report

1. Executive Summary

Reigate & Banstead Borough Council (RBBC) is ambitious, confident and high achieving. It is a leading Council which enjoys high satisfaction levels from residents, businesses and partners.

The Council is in a strong financial position and manages its finances prudently. It has a robust Medium Term Financial Plan and is planning to be financially self-sufficient by 2018. It plans to achieve this through a rigorous approach to becoming a more commercial organisation and through investments in assets and property to generate income. They include large town centre schemes in Redhill and a local community based scheme at Merstham which will drive physical and community regeneration of the Borough's more disadvantaged communities. In total, the Council is directly involved in development schemes on its own sites worth £250m. Including other private sector development schemes under way, this brings the total investment in the Borough to £1 billion. This is an impressive achievement.

The Council's internal and external focus on people is to be applauded. It is investing in talent management programmes for aspiring and middle leaders and is developing an organisational culture and working practice that has an external focus and is outcome driven. The Council's focus on supporting residents to enjoy healthy and happy lifestyles goes far beyond the statutory functions of a Borough. It is driven by sound analysis of data, customer insight and political priorities.

Political and managerial leadership is strong, with members and officers working as 'One Team'. The Council attracts high quality, engaged and enthusiastic staff who are committed to improving the Borough and are ambassadors for the Council.

There are a number of key challenges for the Council. Fuelled by continued and projected economic growth, there is significant pressure for the Council to deliver housing that is affordable as well as employment sites. This requires the Council to place a continued focus on delivering its Development Management Plan and to better market the need for housing and the difficult decisions that come with this need. An ageing population and pockets of deprivation bring about variation in the quality of life and life expectancy for residents of the Borough. The Council has a strong commitment to delivering for people but needs to allocate funding to its priorities. For example, the current investments in health, well-being and ageing well are not financially sustainable. Most of the activities are funded through the Personalisation, Prevention and Partnership Fund (PPPF), a four year fund of £180k per year, which is due to expire next year. There is a need to consider how the Council will continue to fund these two key priorities, either through dedicated reserves or by creating headroom in its revenue budget. Lastly, the Council would benefit from setting out a more detailed and compelling narrative of its future operating model, the principles behind this approach and what this

looks like in practice. This will set expectations for residents, partners and staff.

2. Key recommendations

1. Articulate your innovative approach to financial sustainability at a corporate level
2. Allocate funding to political priorities
3. Deliver the Development Management Plan and a parallel marketing strategy
4. Create a sustainable approach to a recurring pressure on homelessness
5. Continue the strong future workforce planning
6. Internal and external challenge will ensure you remain a leading council
7. Tell people your story

3. Summary of the Peer Challenge approach

The peer team

Peer challenges are delivered by experienced elected members and officer peers. The make-up of the peer team reflected your requirements and the focus of the peer challenge. Peers were selected on the basis of their relevant experience and expertise and agreed with you. The peers who delivered the peer challenge at Reigate & Banstead Borough Council were:

- Jack Hegarty, Chief Executive of Wychavon District Council and Managing Director of Malvern Hills District Councils
- Cllr William Nunn, Breckland District Council
- Mike Hill, Director, Health & Environmental Services, South Cambridgeshire District Council
- Helen Titterton, Strategic Director of Community, Housing and Health, Lichfield District Council
- Paul Tombs, Head of Public Services and Infrastructure, Zurich Municipal
- Anne Brinkhoff, Programme Manager, LGA
- Rachel Stevens, Project Support Officer, LGA

Scope and focus

The peer team considered the following five questions which form the core components looked at by all Corporate Peer Challenges cover. These are the areas we believe are critical to councils' performance and improvement:

1. Understanding of the local context and priority setting: Do you understand the local context and have you established a clear set of priorities?
2. Financial Planning and Viability: Do you have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully?
3. Political and managerial leadership: Do you have effective political and managerial leadership and is it a constructive partnership?
4. Governance and decision making: are effective governance and decision-making arrangements in place to respond to key challenges and manage change, transformation and disinvestment?
5. Organisational capacity: Are organisational capacity and resources focused in the right areas in order to deliver the agreed priorities?

In addition to these questions, you asked the peer team to consider/review/provide feedback on:

6. Health and wellbeing:
 - a. Do you understand the local health economy and associated issues?
 - b. How effective are you at supporting your health partners, particularly on the prevention agenda, to ensure that your residents remain happier & healthier for longer?
7. Prosperity:
 - a. Do you understand the local economic context and its impact on your residents?
 - b. Are you doing enough to support residents, particularly young people and families, to succeed within the Borough?

The peer challenge process

It is important to stress that this was not an inspection. Peer challenges are improvement-focussed and tailored to meet individual councils' needs. They are designed to complement and add value to a council's own performance and improvement focus. The peer team 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.

The peer team prepared for the peer challenge by reviewing a range of documents and information in order to ensure they were familiar with the Council and the challenges it is facing. The team then spent three days onsite at Reigate & Banstead Borough Council, during which they:

- spoke to more than 120 people including a range of council staff together with councillors and external partners and stakeholders and residents.
- gathered information and views from more than 36 meetings, visits to key sites in the area and additional research and reading.
- collectively spent nearly 200 hours to determine their findings – the equivalent of one person spending nearly six weeks in Reigate and Banstead

This report provides a summary of the peer team's findings. It builds on the feedback presentation provided by the peer team at the end of their on-site visit (21-24 September 2015). In presenting feedback to you, they have done so as fellow members, local government officers and private sector partners, not professional consultants or inspectors. By its nature, the peer challenge is a snapshot in time. We appreciate that some of the feedback may be about things you are already addressing and progressing.

4. Feedback

4.1 Understanding of the local context and priority setting

The council has a very good understanding of the opportunities and challenges for the Borough. This is based on sound data and on listening to the views of people. Using a wide range of internal and external data sources the council produces a regular Quality of Life Profile that provides data and statistics about its people, place, economy and the environment. Users shape the format and content of the Profile to ensure that it is fit for purpose. Commitment to and investment in a range of market research mechanisms, including bi-annual resident surveys, ensure that hard data is overlaid with resident views. This builds a strong foundation for intelligence led strategic planning.

The Council's Five Year Plan 2015-2020 provides a very clear, succinct and engaging narrative for the future. It sets out the Council's priorities, outcomes and success measures under three key themes: People, Place and Organisation. The plan is well understood and owned by members, staff and partners the peer team spoke with. Given the complexity of the Council's business it provides an essential narrative about what staff are expected to deliver and what residents can expect from the Council.

RBBC have an ambitious and opportunistic approach to commercialisation, using assets and its property portfolio to generate income. The reduction in government grant and the recession in 2008 prompted the Council to radically change its approach. This was about taking a more commercial approach to setting fees and charges where this is appropriate, developing a more commercial model in services such as legal, building control, revenues & benefits and environmental health, encouraging residents to self-serve and a planned programme to driving efficiencies from each service. RBBC's focus on maximising investment opportunities to generate income is becoming a game changer in its ambition to becoming financially sustainable. To-date, a number of key developments have been delivered, while others are under construction or in the pipeline. They include large town centre schemes in Redhill and the local community regeneration at Merstham which will drive physical and community regeneration of the Borough's more disadvantaged communities. In total, the Council is directly involved in development schemes on its own sites worth £250m. Including other private sector development schemes under way, this brings the total investment in the Borough to £1billion. This is an impressive achievement.

The Council's focus on health and wellbeing of its community is supported by a strong evidence base. The Health Action Plan sets out the strategic focus and delivery for health and wellbeing with good links to the priorities of the Health and Wellbeing Board in Surrey and with strong reference to the social determinants of health, including housing and employment and a focus on the key health priorities. Responding to the changing demographics and the increasing pressures on the NHS Acute and County

Council Social Care, the new Five Year Plan places a key focus on supporting older people to live at home independently. The Council's understanding of and commitment to investing in many activities which are beyond its statutory functions and where the impact will create savings for other public sector organisations such as the Clinical Commissioning Group or the County Council is to be applauded. It not only demonstrates the Council's community leadership role but also its ambition to be, with partners, a leader of place.

The Council is adopting a strong and targeted approach to communication and engagement. It has invested in systems such as Mosaic (customer insight data), as well as data from its Customer Relationship Management (CRM) and Geographical Information System (GIS) data. This enables engagement activities and communication styles to be specific and relevant to customer groups. For example, mapping and Mosaic customer segmentation produced targeted mailing lists for the R&Be Active campaign, targeting households with children aged 5+. This approach to communications and marketing is considered best practice in both the public and private sector and will result in higher impact marketing as well as better customer satisfaction and efficiencies.

RBBC is regarded as an innovative, committed and even a 'ground breaking' partner within Surrey. This message came across clearly in many of our conversations with partners from the voluntary, private and public sectors. The new Joint Enforcement Team (JET) is a good example: council officers and police staff are working together to tackle enviro-crime and anti-social behaviour quicker and more visibly. The transfer of extra powers from the Police to Council officers have significantly increased capacity resulting in community safety improvements, including increased licensing spot checks of taxis and minicabs and better enforcement of parking restrictions outside schools.

Projected growth bringing employment and prosperity is a key feature of the Council's socio-economic profile. With this comes the key challenge of continuing to provide housing that is affordable and employment sites. The Council's adopted Core Strategy states the need for 460 new homes per year but the peer team understand that the economically assessed housing need is considerably higher. Without providing housing that is affordable the Council will risk losing employers. This is a clear message from interviews with business partners. The Council is well sighted on the need to deliver the Development Management Plan which is a key priority in the Five Year Plan and there is a need for continued sustained focus to achieve this. More could be done to develop a marketing plan that reinforces this message and includes the voices of the Council's business partners to underline the importance of effective planning for growth.

4.2 Financial planning and viability

The Council is in a strong financial position and manages its finances prudently. It has historically been able to deliver its budget position and its position on revenue and capital reserves is very sound. The General Reserve Fund stands currently at £6.7m, well in excess of the 15% of expenditure target. The Council has a number of earmarked reserves to mitigate against future risks, including a Business Rates Equalisation Reserve, Insurance Reserve and a Superannuation Reserve. The Council does not rely on New Homes Bonus to maintain its revenue budget but allocates this to a special reserve prior to it being used for capital projects. This is a prudent approach towards a revenue stream that is time limited and for one off purposes.

The Corporate Planning Delivery Fund is a dedicated reserve providing time-limited funding to deliver key priorities and invest to save initiatives. The current balance is £2.3m and provides scope to deliver organisational transformation and key priorities in the Five Year Plan that may not require on-going financial commitments. This creates opportunities to deliver specific projects within the Five Year Plan.

RBBC has a robust Medium-Term Financial Plan (MTFP). The plan forecasts savings requirements until 2019/20 to deliver a balanced budget, which amount to £2.7m over that period. It includes detailed savings proposals of £1.7m for 2015/16 which include efficiency measures and income generation; and growth proposals of £700k for the same year. These show a net saving of £1m which is higher than the projected £800k savings requirements for 2015/16, thus building in flexibility. The MTFP does not detail projected savings or growth beyond 2015/16; however they are outlined in rolling three year business plans for each service area. Business Plans set out how each service area will deliver quality services, reduce costs and focus resources towards the delivery of the Five Year Plan. Business Plans are reviewed annually and are used to update the five year forecasts in the MTFP.

Arrangements for financial management and control are sound. The Council has received unqualified audit opinions in the 2013 and 2014 Annual Audit Letters. Where recommendations have been made they have been low priority and implemented. Members and officers have a strong focus on financial management which is commensurate to the Council investing in new approaches to generating income.

The Council is planning to be financially self-sufficient by 2018, and this has recently moved forward from 2020. While government grant may continue beyond 2018, this prudent approach means, however, that the Council is well prepared and on the front-foot, particularly in view of uncertainties over future economic conditions and the impact of, for example, welfare reform.

The Council needs to consider how it provides a compelling narrative of its sustainable future. The peer team consider this to be a corporate

document that provides a link between the financial reality (as demonstrated in the MTFP) and the council's future vision and priorities (the Five Year Plan). It should describe the future operating model in terms of organisational values, principles and the political philosophy; what it is and how it will work; why it is important and how the Council will implement it. For example it may include:

- How will the Council grow the business
- How will it get capital returns
- What does a commercial approach to services mean and what will change
- What are the principles for investment and disinvestment

Given the size of the Capital Programme and the Council's reliance on capital schemes to generate a sustainable income stream, it requires a well-defined and resourced Asset Management Plan (AMP). The peer team acknowledge that an updated AMP has already been identified by the Council as a risk and is being addressed. However, it is important that this is done as a matter of priority.

Waste and recycling is an area of budget variance with an overspend of £575k in 2014/15 as a result of reduced income for recyclates. The Council is mitigating this through funding the loss of income from the Stabilisation Fund. While the Council's strong financial position can absorb the loss of revenue, the peer team consider that consideration needs to be given to the longer term planning of the recyclates market.

The Council needs to continue to be aware of existing and emerging risks, for example the Harlequin Theatre. While the Council has been successful in reducing subsidy very significantly in recent years, this is an example where the Council could go further in reducing the revenue subsidy.

4.3 Political and managerial leadership

The Leader provides open, inclusive and strong political leadership. This was acknowledged and welcomed in conversations throughout our visit. The Leader has appointed a strong Executive who are supported by 'shadow' portfolio holders; this is facilitating good communication within the leading Group and supports succession planning. He introduced quarterly meetings with all Political Group Leaders and monthly surgeries where any member can meet with him and discuss any issues or concerns that they have. This provides a strong foundation for inclusive and effective decision making which is particularly important as Councillors are elected 'in thirds' within a four year period.

The Chief Executive provides strong and developmental leadership which is acknowledged and highly valued by staff. Staff are being encouraged and supported to grow and develop and take on new areas of work, some of which are outside their direct professional experience. Relationships

between the Chief Executive and the Deputy Chief Executive are strong; they are a strong and coherent team, are visible, open and approachable and encourage self-management and delegation. These are important principles for the Council to manage the organisational transformation and to move to a much more commercial model which requires managers and staff to develop new skills and become more risk taking.

The Executive and Management Team work effectively in their portfolios and as 'One Team'. Heads of Service have regular formal and informal contact with their portfolio holders to deal with day-to-day business as well as discussing strategic issues. Relationships are respectful and members and officers are clear about their respective roles and responsibilities. The regular Leader's Meeting, involving the Executive, the Conservative Group Leader and most of the Management Team, provides a regular forum to discuss the key issues facing the Council. Regular Away Days between the Executive and the Management Team are held to discuss strategic issues and planning for the medium term.

Relationships with strategic partners are excellent. Officers and members are held in high regard by strategic partners, including Surrey County Council, Police, Health and the voluntary sector. There is good engagement with key strategic partnerships, such as the Health and Wellbeing Board and the Community Safety Partnership, and there is regular dialogue with the County Council through the Public Sector Board. Partners are grateful for the Council's involvement on the Health and Wellbeing Board in particular and commented positively on the quality of representation and the timeliness of feedback. This enables effective oversight of strategic issues and cements good personal relationships that are crucial in exploring opportunities or tackling day-to-day issues effectively.

More could be done to promote the value of flexible working among all members. The peer team were impressed with the Council's office accommodation and the way technology is used for the workforce to be agile and community based, resulting in better response times, higher customer satisfaction and the reduction of desk space in the Council buildings. However, this requires a shift in culture and expectations whereby staff performance is appraised by what they deliver as opposed to their visibility in the office. Use of mobile technology enables officers to continue to be responsive no matter where they are based. The community and financial benefits of this new way of working need to be championed by the Executive, while officers need to ensure that they continue to have a 'virtual presence' when they are working remotely.

There is a need to continue to improve the relationship with Raven Housing Trust as a strategic partner in order to address current and future pressures and to explore opportunities to collaborate, for example in addressing the welfare reforms and improving health and employment. The historic ties to the Council continue to be felt by the Housing Trust and the

peer team believe that the development of stronger trust and a clearer appreciation of each other's independence as mature organisations with a common purpose for the place should continue to be a priority. Many of the Council's financial challenges, including the overspend on B&B accommodation, service pressures around welfare reform and promoting health and wellbeing among the more vulnerable communities will be dependent on strong relationships and mutual respect.

Good use of internal and external challenge will continue to improve the organisation. Much of the Council's strong performance will be a result of officers and members being relentless in their focus on delivering the best for the community and the peer team heard good evidence about this challenge, for example discussions about strategic planning matters. Rigorous external challenge is an important part in this and the Council needs to continue to identify the right opportunities to challenge itself to avoid complacency.

4.4 Governance and decision making

Corporate Governance arrangements are strong and well managed. The Council has effective risk management processes that identify the top strategic and operational risks and set out mitigating measures. A small number of corporate groups ensure that some of the important cross-cutting issues are managed systemically. These include the Corporate Governance Group and a Strategic Sites Forum and a Business Change Group. The 'Key Business' list is a useful overview of key issues and decisions which the Council is expected to consider during the Municipal Year and the decision making process. Given the complexity of Council business, these core processes ensure good oversight among managers and members. This instils confidence in robust and timely decision making and ensures that decisions are not taken in isolation.

Member and officer relationships are respectful and trusted with clarity of respective roles and responsibilities and effective formal and informal mechanisms to take good decisions. Meetings of the Executive and Planning Committee are web-cast to allow residents, stakeholders and partners to listen to debate and the decision making process. However, care needs to be taken to balance the need for a professional approach with genuine debate in order to build trust and respect in the process.

The Council provides targeted scrutiny of strategic partners' impact on the local community. This involves an annual scrutiny process of partners, including Raven Housing Trust as well the Chief Executives of the CCG and the local Hospital Trust.

The Council should continue to play a key role in the Surrey debate on devolution. The economic importance and strength of the 'Gatwick Diamond Initiative' within the Coast to Capital LEP makes it a key sub-

regional economic growth point. As a respected partner and located at the heart of this economic sub-region the peer team would encourage you to play a lead role in shaping a possible devolution bid.

4.5 Organisational capacity

Earlier this year, the Council completed a significant managerial restructure which has taken out a layer of senior managers and has delivered significant savings towards the MTFP. The restructure was well managed and is bedding in quickly. The Deputy Chief Executive provides key cross-cutting organisational capacity and a team of ten Heads of Service are responsible for managing the day to day business. Managers feel empowered and supported. The Senior Management Team meets fortnightly as a group and each of the Heads of Service has a monthly 2:2:1 with the Chief Executive and the Deputy Chief Executive. Strong and deliberate investment in support and supervision is allowing Heads of Services to grow into their roles quickly.

The Council has a very strong focus on talent management and this provides additional capacity, loyalty and scope for succession planning. 'Emerging Stars' and 'Next Generation Leaders' are two flagship programmes, running for two years and 18 months respectively. Staff are invited to apply and have to go through a selection process. The programmes involve an impressive mix of tutor led workshops as well as self-learning and business development and group development, covering a breadth of skills and competencies and involving a range of local and national providers. Participants spoke enthusiastically about the programmes and confirmed the benefits for their own professional development and particularly to understand the breadth of the organisation and to forge effective networks with colleagues. They told us that '*the programme gives you a green card to access all service areas within the Council*' and that '*you can make of it what you want*'. Participants gave some impressive examples of personal impact where individuals stepped up to lead a project or programme with noticeable increase in self-confidence.

Staff we met with during our three days are motivated and empowered; they are proud to work for the Council and are keen to shape its future direction. Partners and stakeholders spoke very highly of the talent, skills, attitudes and motivations of staff at RBBC. They regard them as engaged, dynamic and keen to find solutions and work with them for the benefit of the community. We heard from members, staff and partners that there is a recognisable shift from an internal and process focused organisation to one that is focusing on residents and outcomes.

The new website is creating organisational capacity through enabling channel shift. The first quarter results show a considerable shift in transactions from phone to online, particularly in key transactional services

such as waste and recycling and council tax. The new transactional format is clear and smartphone friendly which will be advantageous for many of the Council's customers. However, some partners we spoke with miss the softer community feel of the previous website and feel that it reduces the scope for a virtual 'one stop shop' of community information. It may be that the purpose and usability of the new website could be communicated more widely and that partners are signposted to existing sites such as twitter, facebook, netmums and streetlife where communities are already discussing local issues.

Staff appreciate the Council's investment in a high quality working environment. The refurbished offices in the main Council building provide an attractive and high quality working environment where teams are co-located. People we spoke with told us that the new arrangements have improved communication and removed silos as well as building loyalty among staff. Extending this high quality environment across all Council sites will help to cement high staff morale, loyalty and very low sickness rates.

There is a need to keep abreast of succession planning in key business areas, including development management and property services. The Council's location within commuting distance to London and the buoyant local economy make the job market extremely competitive. The Council is well sighted on this and is pro-actively managing staff vacancies and succession for key posts. Investing in talent management, high quality accommodation and flexible working arrangement, organisational culture and organisational purpose are important non-financial benefits for prospective employees which will increase the Council's competitiveness as an employer.

While staff are aware of the MTFP and the need to become more commercial, it is not clear to all what this means in practice. A more specific narrative as outlined earlier in the report will fill some of this gap but the peer team would encourage the Council to consider what the key skills sets around commercialisation are, how this applies to different staff groups and how these gaps can be filled. The Council could work with some of its private sector partners or neighbouring colleagues to address this skills gap.

Conversations with staff highlight that the performance management process is variable and could be streamlined. The peer team heard that the process is too lengthy and complicated and could be changed with a greater focus on competencies and behaviours. Co-designing this scheme with staff, perhaps led by one of the talent management groups, would build ownership and confidence in the process. The peer team noted that this had already been identified within the organisation and work was underway to improve the appraisal process, tied in with the launch of organisational values and behaviours.

4.6 Health and wellbeing

The Council should be applauded for showing significant leadership in this area of work. The Five Year Plan includes a significant focus on helping older people to help them stay independent and encourage residents to lead healthy lives, particularly through the use of leisure centres, parks and open spaces.

Health partners consider that the Council has a good understanding of the health economy as well as current and future pressures. Its strategy and plans commit activity to key health priorities, such as alcohol, smoking and reducing levels of obesity as well as promoting healthy lifestyles across the Borough and reducing homelessness. The separate Ageing Well Action plan directs activity to helping older people staying at home for longer. These priorities concur with the health and wellbeing strategy for Surrey and pressures on A&E and hospital admissions as well as delayed discharges experienced by the CCG and Acute Trusts.

Relationships with your health partners are strong and they feel very well supported by the Council at different levels, from having an officer who can navigate the system and facilitate contacts with a specific Council department, to having a place at the Strategic Health Delivery Group. This Group is an effective focus for planning and targeting resources to improve health and wellbeing; partners described the meetings as both lively and well managed and an opportunity to make sure that plans are aligned and 'join up'. The Group facilitated 'whole system thinking' about the patient journey as well as exploring opportunities to pursue a proactive prevention agenda.

The Council is leading on a number of innovate schemes such as the Social Prescribing pilot. This is a prescribing service for people who do not require medical treatment but would benefit from social interaction to combat isolation or loneliness. The pilot has established links between GPs and a wide range of social, community and voluntary services and is expected to reduce the number of GP appointments. The pilot was conducted in partnership with East Surrey and Surrey Down CCGs and is now being rolled out across Surrey.

The Council is co-ordinating, facilitating and delivering an impressive range of activities to promote health and wellbeing of residents. The recent R&Be Active week (targeting children) and the Ageing Well week (targeting older people) are great examples of high profile activity campaigns with a very large and varied range of events and sessions as well as information, contacts and other resources. In both cases the purpose of the week is to capture the audience's imagination and encourage it to continue activities over the longer term. The recent 'Run Reigate' half marathon is a good example of the ambition to create a community movement around exercise with its own brand and spin offs such as running clubs and involvement with schools prior to the event.

RBBC is using its assets and investment with partners to regenerate communities and promote health and wellbeing. Examples are the planned Community Centre in Merstham, one of the more deprived wards, as well as the Council's Leisure Centres. There are strong links with GLL, the Council's Leisure Centre Provider. GLL's contract includes a Community Sports Manager who provides a good link to Council departments. GLL are well engaged in the Health Action Plan and run a range of activities to support the public health priorities.

The current investments in health, well-being and ageing well are not financially sustainable. Most of the activities are funded through the Personalisation, Prevention and Partnership Fund (PPPF), a four year fund which is due to expire next year. There is a need to consider how the Council will continue to fund these two key political priorities, either through dedicated reserves or by creating headroom in its revenue budget.

While the breadth and range of activities are welcome by many there is a challenge for the Council to consider how it can prioritise its work in order to create the most impact. There are two aspects to this:

- Given the financial challenges and the discretionary nature of the health and wellbeing offer the peer team considers that you could do more to work with partners to demonstrate measurable outcomes and impact of activities, for example the Social Prescribing pilot, which can be rolled out more systematically and where you can demonstrate to partners the value for money in being commissioned
- Continue to undertake a leadership and coordination role and provide a universal offer, particularly around lifestyle choices. In doing this strengthen your role as the enabler, broker and marketer of independent networks as opposed to delivering activities yourselves. Continue to raise awareness of the impact of many council services on health and wellbeing, particularly in planning and housing who have significant impact on designing a healthy environment and homes

Given the changes to the website, consider how you can continue to market your health and wellbeing offer and highlight your community assets.

4.7 Prosperity

The Council has a very good understanding of the economic context, opportunities and challenges as well as the impact of continued growth on residents, including the cost of housing, skills, transport and traffic management. This is underpinned by sound data and research and good engagement with key strategic networks.

Engagement with businesses is strong and highly valued. The Council is delivering an impressive range of initiatives, including bespoke and tailored

networking events, learning lunches, an entrepreneur academy and business support workshops. The programme is dynamic and constantly evolving. Businesses value a personalised and flexible service and speak highly of the skills and mindset of officers concerned. They acknowledged that *'the team understand business* and are highly credible.

Support for start-ups is strong. The Council is providing Business Support Grants of up to £1,000 and recipients commented positively on the speed and ease of the application process, the effective selection process and welcomed the follow-up support.

The Council has a unique focus, dedication and programmes to help challenged young people into work. Aimed to support young people not in employment, or training (NEETS), it has provided nearly 200 paid placements of between 6-12 months to young people over the last five years, with 67% going onto employment or further education. The Council offers apprenticeships within its depot as well as other services, offering a practical learning opportunity and provides work placement opportunities for ex-offenders. Partners are very complimentary about working with the Council and praise its passion, commitment and 'can do' attitude.

There are a number of key messages from the business community:

- Housing and employment land growth are critical for the continued prosperity of the local economy
- The Council's position on Gatwick expansion is also critical
- The Community Investment Levy (CIL) charging schedule is a live issue – with the Council needing to finalise its view about what is a competitive tariff

The peer team acknowledge that the Council are sighted on all of these issues and we consider that these need to remain at the top of its agenda.

While the business support offer is comprehensive, the Council may want to consider managed workspace for micro businesses that struggle to find suitable office space and back office support and would benefit from networking.

While partners were very positive about the engagement of the Council in delivering work placements they were clear that the demand for placements is increasing and that there is a need for placements in other work areas (for example clerical work) and a shift from targeting younger people to older people. They questioned whether you could broaden your own involvement, by making placements available in more administrative roles.

Importantly, however, Partners are calling for you to use your trusted brand and excellent reputation to broker placements through your networks with private sector and other public sector organisations, for example the Police and Crime Commissioner. They also challenge you to engage with your

contractors, for example through the Social Value Act, to offer work placements or apprenticeships. Given the planned and future regeneration schemes there will be ample opportunities to excel.

