Purpose of the report:
The Council commissioned the Local Government Association to carry out a Corporate Peer Challenge in Plymouth in November 2015. The Peer Challenge Approach is set out in the feedback report attached at Appendix 1, but can be summarised as an improvement focused review carried out by a team of experienced elected and officer peers who considered a number of key areas considered critical to all councils’ performance and improvement. As well as giving feedback on their findings, the peer team made a series of recommendations for consideration.

This report:

- Contains the full Corporate Peer Challenge Feedback Report
- Sets out the Council’s response to the six recommendations made in the report

The Brilliant Co-operative Council Corporate Plan 2013/14 – 2016/17:
The Corporate Plan was a key document considered by the peer team, and is referenced in the feedback report.

Implications for Medium Term Financial Plan and Resource Implications:
Including finance, human, IT and land
The quality of the Council’s financial planning and its viability was one of the key questions explored during the challenge. In addition the report covers the Council’s capacity, skills and potential to deliver against its priorities.

Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:
None arising directly from this report.
Equality and Diversity
None arising directly from this report

Recommendations and Reasons for recommended action:

1. That the Cabinet formally extends its thanks on behalf of the Council to the Peer Challenge Team for their work
2. That the Cabinet agrees its response to the recommendations made in the report

Alternative options considered and rejected:

The Peer Challenge is a voluntary process, and the Council is under no obligation to make commitments with respect to recommendations made in the report. The process does however represent best practice in the local government sector, and the recommendations represent the considered view of experienced and senior local government peer members and officers.

Published work / information: As appended
Background papers:
Plymouth City Council Peer Challenge Self-Assessment October 2015

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Originating SMT Member: Tracey Lee
Have the Cabinet Members agreed the contents of the report? Yes
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<td>1. Consider phasing and firmly branding the individual and collective elements of the council’s Transformation Programme so that the capability and capacity of the council does not diminish. Also to reinforce the key message that it must be collectively owned by everybody.</td>
<td>The Council’s Transformation Portfolio Board is currently working on the next phase of the programme: the Transformation Journey - next steps. During January 2016 this will be discussed with the city's leadership prior to broader consultation and communication with all stakeholders. The approach will be formally adopted by the Cabinet in February 2016.</td>
<td>Lesa Annear, Director for Transformation and Change</td>
<td>29 February 2016</td>
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<td>2. Ensure the council's internal communications, policies, systems and operating model keep pace and reinforce your Transformation Programme and engage staff effectively through change.</td>
<td>Capacity for internal communication has been increased with immediate effect in the Integrated Health and Wellbeing Programme, and is in the process of being added to the Corporate Communications function. The review of the service that is due to consult on revised structures and functions in January 2016 has specifically been tasked with addressing the communications learning from the peer review and from other stakeholders.</td>
<td>Giles Perritt, Assistant Chief Executive</td>
<td>31 May 2016</td>
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<td>3. We advise you to review your current Digital strategy and practices.</td>
<td>The Customer Services programme board is actively considering the feedback received from the peer review, and will reprioritise and increase the speed of delivery of its projects.</td>
<td>Kelechi Nnoaham, Director for Public Health</td>
<td>31 March 2016</td>
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<td>Peer Review recommendation</td>
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| 4. Renew your focus on your ways of communicating, with an emphasis on narratives of success and purposeful internal communication which engages staff effectively through change. | This recommendation builds on the points made at (2) and (1) above. We will build on and share the excellent practice of engagement and co-design with staff that has taken place during the Integrated Health and Wellbeing programme and elsewhere in the Council. There will be a detailed communication and engagement strategy prepared to support the implementation of the Transformation Journey: next steps from February 2016. Concurrently, a workforce development and culture change strategy is being prepared for consideration in February 2016 which will focus on providing the support and resources necessary to engage staff through change. | Giles Perritt, Assistant Chief Executive  
Lesa Annear, Director for Transformation and Change | 29 February 2016 |
<p>| 5. Adopt a 'learning organisation' approach where you ensure that you make the most effective use of both your internal learning as well as the experience of others undertaking similar changes. | The Council is part of a number of networks where best practice is shared, and in line with the upcoming workforce development and culture change strategy we will re-examine our approach to exploiting all opportunities for learning from others, and disseminating learning across the organisation. | Lesa Annear, Director for Transformation and Change | 29 February 2016 |</p>
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<td>6. Focus upon your approaches to data and information to enable the council to make informed and evidence based decisions as your transformation programme progresses at pace.</td>
<td>Improved analysis of data and information to provide better intelligence for decision making is a priority and is already evidenced through the business case approach to capital allocation adopted by the Corporate Capital Investment Board and the transformation programme business cases. Further evidence of improved approaches will emerge as the programme develops over the next few months, and as a single intelligence community of practice is developed across the Council. Specifically the issue of financial modelling and analysis capacity is being addressed as the finance service is reviewed.</td>
<td>Kelechi Nnoaham, Director for Public Health, Lesa Annear, Director for Transformation and Change</td>
<td>30 June 2016</td>
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Corporate Peer Challenge
Plymouth City Council
17-20 November 2015
Feedback Report
1. Executive Summary

Plymouth City Council has made massive strides in leading the regeneration of the city over recent years. This has helped achieve significant outcomes for its citizens in terms of improvements to the economy, wellbeing of local people and place shaping. At the same time the council has also dramatically improved the focus, purpose and impact of itself as a public services organisation. This is a success story that the political and managerial leadership of the council should be rightly proud of.

There is a clear and compelling vision for the city. The ‘Plymouth Plan’ is ground breaking; having been developed with and owned by all the core stakeholders we spoke with across the city. Indeed, everyone is acutely aware of the collective responsibilities required to support a population growth of 40,000 by 2031. As one external stakeholder confirmed ‘we are putting Plymouth well and truly on the map!’

We encountered a council that was both modernising and transforming. All of this was underpinned by a developing core value based culture of co-operative principles. These were referred to and understood by everyone we spoke to. The council had responded as effectively as it could have within the public services fiscal constraints and should be applauded for achieving over £30 million of cost reductions within the last 4 years. As part of this it is exploring new and innovative solutions to achieve effective outcomes for its citizens and the integration of health and social care across the city is very much of that ilk. Likewise, the growth plans for the city and the emphasis on increasing the housing offer and support for businesses will make a significant contribution to the future of the city and the financial viability of the council.

We were very pleased to see an ever maturing political working environment and arrangement across the two main political parties which bode well for the future. This combined with the universal feedback we received about the effectiveness of the leadership of both the Council Leader and Chief Executive really does instil confidence.

The delivery on regeneration, the compelling vision, the effective financial stewardship, strong external relationships and the highly respected leadership of the council are all contributing to the realisation of tangible benefits across the city. These coupled with the huge energy and commitment of the council’s staff means that the City Council is in a strong position to address the challenges ahead that they and all of Local Government is facing.

The council has adopted a Transformation Programme to help it chart its future course and organisational development. It will be very important that it mainstreams this so it becomes as one internal stakeholder told us, ‘everybody’s business’. As part of this it will be crucial that the council appropriately phase its programme so that its capability and importantly capacity to achieve the progress it requires are effectively harnessed. As part of this it will be crucial that its policy framework and practice keeps pace and elements of its current approaches to improving services to citizens e.g. the council’s digital strategy are reviewed.

The council and its partners are developing a track record for achievement and our advice is to spend time celebrating the undeniable success that was evident to us. It is really important to tell such stories as they reinforce the clear message of success and in doing so it is particularly important that the council pays increased attention to its internal communication to complement and reinforce the excellent job it does with some of its core city messages.
We would encourage the council to continue and develop its approach to learning and knowledge exchange. It is important that the council keeps abreast of developments nationally as well as the learning that will be available to them through your own internal reflections. Underpinning such learning and improvement should be a clear focus upon ensuring the most up to date and accurate data and information are available. This will enable members to make informed and evidence based decisions as the transformation programme gathers momentum and to develop business intelligence for the council to develop areas to focus on and through doing so best utilise your key resources.

2. Key recommendations

From this position of strength, and in order to enable you to deliver the next stage of your journey, you may wish to consider the following:

1. Phasing and firmly branding the individual and collective elements of the council’s Transformation Programme so that the capability and capacity of the council does not diminish. Also to reinforce the key message that it must be collectively owned by everybody.

2. Ensure the council’s internal communications, policies, systems and operating model keep pace and reinforce your Transformation Programme and engage staff effectively through change.

3. As part of the above we advise you review your current Digital strategy and practices.

4. Renew your focus on your ways of communicating, with an emphasis on narratives of success and purposeful internal communication which engages staff effectively through change.

5. Adopt a ‘learning organisation’ approach where you ensure that you make the most effective use of both your internal learning as well as the experience of others undertaking similar changes.

6. Focus upon your approaches to data and information to enable the council to make informed and evidence based decisions as your transformation programme progresses at pace.

3. Summary of the Peer Challenge approach

The peer team

Peer challenges are delivered by experienced elected member 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 Plymouth City Council were:

- Rob Walsh, Chief Executive, NE Lincolnshire Council
- Cllr Clyde Loakes, Deputy Leader, LB Waltham Forest
- Cllr David Burbage, Leader, Windsor & Maidenhead
Scope and focus

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

1. Understanding of the local place and priority setting: Does the council understand its local context and place and use that to inform a clear vision and set of priorities?

2. Leadership of Place: Does the council provide effective leadership of place through its elected members, officers and constructive relationships and partnerships with external stakeholders?

3. 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?

4. Organisational leadership and governance: Is there effective political and managerial leadership supported by good governance and decision-making arrangements that respond to key challenges and enable change and transformation to be implemented?

5. Capacity to deliver: Is organisational capacity aligned with priorities and does the council influence, enable and leverage external capacity to focus on agreed outcomes?

Additionally Plymouth City Council also asked us to consider their transformation plans and progress with an emphasis on capacity, skills, outcomes and potential to deliver.

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. 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 4 days onsite at Plymouth City Council, during which they:

- Spoke to more than 210 people including a range of council staff together with councillors and external partners and stakeholders.
- Gathered information and views from more than 40 meetings, visits to key sites in the area and additional research and reading.
- Collectively spent more than 240 hours to determine their findings – the equivalent of one person spending more than 7 weeks in Plymouth.
This feedback letter 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 (17-20 November 2015). In presenting feedback to you, they have done so as fellow local government officers and members, 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 place and priority setting

The council is very self-aware and clear about its leadership role for Plymouth, within the Peninsula, South West and nationally. The political and managerial leaders ensure that the interests of Plymouth are front and centre and to do that well they make sure they seek to influence right from wards in the city, via the ‘Heart of the South West’ to Westminster! That takes time and effort but they know how important it is and as a consequence Plymouth is well and truly on the map.

The ‘Plymouth Plan’ provides a clear and compelling vision for the city. It has the collective sign up and complete ownership of all the stakeholders we spoke to during our four days in Plymouth. All partners had completely bought into the plan, evidenced by how it has brought over 100 plans and strategies into a single strategic plan. It sets a 20 year ambition for growth plans which will see the city’s population rise from 260,000 now to 300,000 by 2031.

We saw a council seeking to push boundaries all the time to demonstrate Plymouth’s unique value and worth. The main message, which is seen everywhere across the city and beyond ‘Plymouth, Britain’s Ocean City’, sets the tone. Along with this the range of events that the City has hosted, such as the Americas Cup and MTV Crashes Plymouth, speaks volumes of how the council looks to promote the city. A current core focus will be the ‘Mayflower 2020’ celebrations when again Plymouth will have an international stage to commemorate the 400th anniversary of the sailing of the Mayflower and the Pilgrim Fathers.

We were very clear that the council understands the needs of its place and set priorities in close collaboration with its partners. It galvanises this partnership through a number of ways, ‘One Plymouth’ being an example, which is a key forum for all strategic partners right across the city and includes chief executives, political leaders and similar from Plymouth City Council, Health, the Police, MOD, Plymouth University, and the Theatre Royal, as well as representatives from the social housing sector and the business community.

The council itself ensures that its contribution to all of the above is real and vibrant. There are crisp and clear messages of intent embodied in its ‘Plan on a Page’ and the cabinet’s 150 pledges are dutifully ticked off when completed. All of this is underpinned through its core ‘Brilliant Co-operative Council’ values. As such we saw a council providing clarity, purpose and evidencing delivery for the city of Plymouth.

The council is aware that the passion and drive it has brought to the regeneration and growth of the city should now be matched in the next phase of its development to ensure
its own organisation transforms internally and at pace. This is a significant challenge and one the council is well aware of and committed to.

The council is on a constant journey of improvement. It is moving from a focus on reducing costs through efficiencies, to modernising service delivery and then onto true transformation of the operating model for the council and the culture change required to drive this. The key message here is that you will need to do things differently and better and with less. Again this will challenge any organisation and our advice to the council is to focus much of its energies on communicating this consistently and with an increasing frequency right through its organisation and beyond so that it becomes an authentic and universally led ‘change mantra’.

4.2 Leadership of Place

Plymouth’s regeneration and the council’s improvement over recent years is a phenomenal story of success. Many stakeholders spoke to us about the pivotal role the Leader and Chief Executive play individually and collectively as ambassadors for the city. This is really important in terms of leadership of place: doing it, being seen to do it, doing it through and with others and achieving better outcomes as a consequence.

In that vein the council and its partners are working purposefully towards ‘system leadership’ across public services within the city and beyond. The ground breaking integration of health and social care commissioning across the city will, we believe increasingly receive national acclaim. Likewise in April 2015 Plymouth Community Healthcare, an independent social enterprise providing integrated health and social care services for people in Plymouth took over the adult social care assessment service from the City Council. As one internal stakeholder remarked ‘We are joining together with purpose and as one’.

The council was a key driving force behind the Plymouth and the South West Peninsula City Deal which will benefit residents across the region, including Plymouth, Cornwall, Devon, Torbay and Somerset Council areas. The focus on boosting the maritime industry and youth employment is achieving traction across the city and simply reinforces the ambitions of the ‘Plymouth Plan’ referred to earlier. Furthermore, the council is also a leading player and driving influence in the Devon and Somerset wide devolution submission to national government and the three core strands: unlocking productivity, improving health, care and wellbeing as well as improving connectivity and resilience again all link coherently to the aforementioned Plymouth Plan.

At a council level, a corporate plan was adopted in 2013 which sets out four objectives around the themes of pioneering, growing, caring and confident Plymouth, all underpinned by co-operative values that are central to the way the council operates. That ‘golden thread’ between the Plymouth Plan, to the corporate plan and delivery plans is clear. That relationship is evident in initiatives such as ‘Thrive Plymouth’, a ten year programme aiming to improve health and wellbeing in Plymouth and narrow the gap in health status between people in the city. It involves working with partners and communities to support positive health-enabling choices. There is also work underway to consider developing a joint Local Plan with South Hams and West Devon District Councils which again reinforces the growth theme through effective partnership.
The challenges that the council and its partners face are clear and they are all very aware of them. We have made reference already to balancing the narrative of city growth and investment against transformation of the City Council and tackling this will be core to the council’s future success.

Additionally, those system leadership challenges are being played out against a backcloth of a shrinking public sector environment. Stakeholders did speak to us about an ‘over-dependency’ on the leadership role of the City Council and going forward it will be key to ensure that that role doesn’t dilute as the sector shrinks and the broader business community will need to be engaged even more effectively than now.

The Transformation plan was and is quite rightly being staged and phased to maximise its impact. It seems the ideal time to now refocus on the blueprint you laid out for your transformation plan some time ago. This should reinforce those critical key bedrocks which shape themselves into your diagram of a building, with its blocks aligned. This will include a renewed focus on communications, culture and technology. You now have some key appointments and capacity in place so in our view you have the platform and resources to drive this with purpose and importantly confidence too.

4.3 Financial planning and viability

The council has through purposeful financial stewardship reduced its net revenue expenditure by £30 million over the last 4 years. As to the future, you are acutely aware of the challenges ahead and have a range of measures in place to address these.

We saw several flourishing models of service delivery in place all with a co-operative focus. We have already mentioned the integrated Health & Wellbeing (IHWB) programme of co-ordination and joining up of health and social care services and budgets. There is also a successful highways partnership with AMEY and another relatively new co-operative CATERed, set up to serve almost 2.5 million meals to Plymouth school children each year and is 49 per cent owned by schools and 51 per cent by the council. Likewise, we met with your partners in DELT Shared Services, governed under Teckel exemptions and currently focussing its IT support to the City Council and the local Health Clinical Commissioning Group. As well as the services it provides the focus on growing local talent by employing apprentices and recruiting, where possible, from local universities serving to reinforce the core leadership messages referred to earlier.

We saw a clear and causal relationship between the council’s medium term financial plan and the overarching Plymouth Plan, referred to already. This was most notably in relation to the integration of health and social care budgeting and a further good example was in your ‘growth dividend’ which is your ambitious way of maximising income through the New Homes Bonus, uplift in business rates and increased council tax income to the tune of £6.74 million. However, given the recent announcement by the Chancellor of major changes to the New Homes Bonus scheme the council may want to review its assumptions in this area.

Additionally, we also saw that you were making improvements in how the capital programme was being managed. A new Member-led capital investment board was recently established to review and challenge all capital investment proposals using the strategic priorities set out in the Plymouth Plan to evaluate how scarce capital resources are allocated to projects and programmes.
We were very impressed with your approach to pooling business rates across the Devon county area and the financial benefits accrued from this arrangement. This has resulted in an estimated saving of £0.650 million in 2014/15 and £0.750 million in 2015/16. The level of business rates appeals was also very low, which reflects a close working relationship with the Valuation Office Agency.

We also saw sensible oversight of budget monitoring including members and that you were also taking action to ameliorate projected overspends, notable amongst this was the effective cost/volume work you have undertaken in relation to adult social care, which has led to a much lower level of overspend in 2015/16 than in previous years.

You know that despite all of the above there remain some significant challenges in relation to spend and services and this will test you and your partners as the period of austerity continues. Furthermore, the recent past has seen some churn in your financial expertise and although that problem has now been addressed it would be wise to think about how it would also be safeguarded against in the future should you lose or change key staff.

There are also challenges for the here and now. At the time of our visit there was a projected overspend for 2015/16 of £2.2 million spanning all areas of the council. Likewise you still had to close the budget gap for 2016/17. We know two things, firstly that you are aware of this and secondly you have in the past taken the necessary corrective action to resolve these issues. The focus for now and the future is to improve your work on forward financial projections particularly in relation to unavoidable cost pressures so that you are clear about the level of financial savings required and stay ‘ahead of the game’ when it comes to planning and delivering savings to balance future years’ budgets.

We were clear about how you were classifying and approaching your core transformation savings for 2016/17. We were less clear about the non-transformation savings you had identified to balance next year’s budget, and our advice to you is to pay these the same level of attention and focus given their importance in helping you to attain a balanced budget position.

Finally, in terms of challenge we beg a question and offer some advice. Firstly, it’s not for us to suggest what your approach to borrowing should be but we noticed in your draft 2016/17 budget report that you were proposing to limit the overall or gross revenue cost of borrowing to 10% of the net revenue budget. Clearly the council should only fund capital expenditure from borrowing when it is prudent to do so but it’s worth having a discussion between your senior politicians and senior officers to ensure that you are striking the right balance between risk and reward, and that the council is able to take advantage of future capital investment opportunities that may arise for which a sound financial business case can be articulated.

Furthermore, in terms of reserves, whilst the level of your working balance is sensible, the level of other reserves is relatively low, and there is some scope to review the level of cover you have in place within reserves and balances to mitigate other financial risks / liabilities such as redundancies.

4.4 Organisational leadership and governance

Some of the points we make in this report repeat themselves and for that we make no apology as they reinforce some of your core strengths that sit astride all of the main areas that a peer challenge considers. One such repeating theme is the reputation for mature and purposeful political and managerial leadership within the city, regionally and
nationally. This helps to demonstrate that a council is well led and well governed, and you are.

We found sound member and officer relationships in place with good and purposeful engagement. This was equally reflected in what we recorded as mature political working arrangements. That is to the credit of all main political parties. You are very aware of the impact of the political dynamics in a council where the two main groups are so relatively close in numbers of members. Your joint working arrangement and appointments to committee chairs, your Constitutional Review and Member Development Group and the personal insights we received from members all gave us significant encouragement.

You are increasingly finding ways to purposefully engage and empower your staff group. A good example of this is the way you effectively engaged staff through your process of transfer from the Civic Centre. In our view this was people focused, proportionate and a good example of how to do things well. That same approach and engagement can and should be extended to some of your other areas and places, for example your depots.

Our main suggestions for improvement in this area centre upon ensuring greater consistency of leadership across your transformation programme. You have made some excellent appointments and resourced the transformation team, but in essence this needs to be owned by all managers and staff right across the organisation. Leadership of change is everyone’s business. Consistency and frequency of key messages, from senior leaders in the organisation, is essential.

As a means of achieving the above we would encourage you to ensure your messaging around external ambitions, achievements and values which are frankly excellent are reflected in your approach to internal communication and engagement.

You have a real ‘engine room’ opportunity in your ‘Team Plymouth’ arrangements and the potential is really there to invest in these top 100 or so managers as the leaders of change. As they will also be responsible for the leadership of your organisation going forward they too can help the council ensure its performance management arrangements keep pace with your changes and are designed around outcomes and chart progress to delivery.

4.5 Capacity to deliver

The employee engagement at the council is good and going in the right direction. The changes to the Civic Centre are evidence of this and you need to relentlessly build upon this as you progress so that engagement and empowerment really does permeate across the whole organisation.

You are delivering efficiencies and improved outcomes through partnership, procurement and by building your capacity by doing this differently. In the finance section 4.3 we highlighted a range of key examples. They demonstrate both a ‘mixed economy’ and an increasing focus on commercialism. You should be applauded for the range and depth of your various models which are importantly all bound by your co-operative principles.

The health and social care integration stands out. What struck us was the sheer focus and energy you and your partners committed to making it happen and keeping it on track. This has included some fundamental nuts and bolts including the Section 75 agreements. The
pace of change has also been maintained and the staff we met with from across the service and from those within the transformation team working hand in glove with them was most impressive. They are a credit to you.

That determination to achieving is as one stakeholder remarked, ‘very difficult to bottle’, but approaches such as the one you took with your staff engagement in health and social care, the enabling approach of corporate services staff and the use of ‘Subject Matter’ experts are all ingredients that you should replicate elsewhere. Learn from this excellent example of well-managed, complex, change and build on it.

You have understandably gone through a significant change process, but there is more to come! Plymouth is not unique in this regard. You have now made what we believe will be impressive appointments to some key posts and that was very encouraging for us to see. The new people we met have a clear grasp and awareness of the key issues. They now need to be given the time to transform. Importantly, they also need to have time to, as one internal stakeholder said ‘get out more’ and look beyond Plymouth and the south west to see and hear what others in public services are doing on transformation.

We could see that you are clearly seeking to effectively codify and systemise your change approaches to build your capacity. There is a renewed focus on programme management practices and an equal focus on improving working environment and practices. This needs to continue to ensure that your transformation programme is phased and implemented effectively and inter-dependencies are understood and managed. There are also some brilliant staff in place. It is wrong to single any group out but the energy from your apprentice staff and the value they will offer you into the future would be the envy of many.

On the ground we saw an increasing and determined focus on greater community involvement and volunteering and we heard about effective neighbourhood planning. We met people who were involved in the mightily impressive Cities of Service programme. We are all taking away with us from the peer challenge the brilliant work and recommendations of the Fairness Commission.

We have highlighted the ‘Dependency’ upon Council and diminishing public services to drive change. At one level that is a realisation of the burdens placed upon the council in its leadership role. Equally though, your partners are also reducing in size and it’s really important to keep a weather eye to this and it may impact on your future capacity. The integrated health and wellbeing model is perhaps a platform to explore other forms of pooled and joint resource to help manage capacity and secure continued positive outcomes for Plymouth.

In the short-term you built some of your capacity through the use of interims and consultants, to various levels of success. It is acknowledged that you are now ‘growing your own’ and that is important for your reputation and capacity. Again, we know a clear workforce plan will be realised as your new appointments take up their responsibilities but that is a key requirement going forward.

Alongside the above is a reflection from what we heard and that was you have undertaken an extensive voluntary redundancy exercise. We heard mixed messages about its coverage, impact and ownership. Our key message is to hold onto the right people.

No-one can deny the ambition for change at the City Council. Staff are very much with you. It is crucial that you constantly reflect on the pace of change and how you phase this
wisenly to make the most of the reducing capacity you have. Everything cannot be done at once and you know that. A core message is to communicate what is being done and why.

It is clear that your customer services staff are doing an incredible job through change. We did have some questions to how quickly and effectively you are developing the digital agenda to drive access to services. We heard and in our view saw that you are ‘digital by preference’. We know you recognise this as a key element in how you provide effective and efficient services to your citizens and importantly build your own capacity. As such we suggest you review your existing digital strategy. Again in that same vein we saw sight of a draft Commercial Strategy. There are some good examples of your approach to commercialisation and some are outlined in this report. Our advice is now to use the new strategy to build upon this.

Finally, we saw a performance culture in place and a focus on results. That is a solid base and one that we would now encourage you to build upon with a clearer and deeper focus on outcomes.

4.6 Transformation

You were keen that within the context of your corporate peer challenge we reflected upon your approach to transformation. Our first observation based upon the nature of the changes you have undertaken in health and social care is that you completely ‘get’ transformation. That is really important because you already have a route map and real opportunities to learn from what you have done yourselves.

The health and social care integration was a great example where your corporate services were very enabling. That was based on a highly experienced senior manager knowing what she needed from her corporate services and working in tandem with them to get the job done. In essence that learning needs to be scooped up to systemise your enabling corporate services for the future.

We know you were waiting on the outcome from your staff survey so did not know all of the results. As such this feedback from us is anecdotal, but we really felt you had a staff group that was passionate to embrace change and for you to release their potential. We also met some staff who had legitimate observations about how the change processes you have undertaken could have been done better and it’s equally important to bring them into the fold and spend quality time listening and learning – again, this is not unique to Plymouth. Your ‘Back to the Floor’ exercise undertaken by your senior staff was a good way of getting beneath this. Our advice is to mainstream much of this now. Visible, consistent and authentic leadership of change is essential and can have demonstrably positive impacts.

We have highlighted the excellence and ambition of your growth agenda and would add here your GAME initiatives (Growth Assets and Municipal Enterprise). You are using your assets and know how to build capacity and that is clearly positive.

We have referred to the customer service offer moving in right direction and the real drive you have had on cost reduction and process modernisation. All this is good and continues to be work in progress but in line with our comments on your digital strategy we advise that you focus on this more. In doing so it is important to recognise that good management and ‘best practise’, for example route optimisation for waste collection rounds, is not of
itself transformational. It is really important that you have a continuous focus on improving but your ambitions for transformation go further.

You are making a determined effort to resource the transformation programme and develop in-house capacity for the medium term. Staff involved are crystal clear that this is resourcing to make change and reductions. They absolutely buy in to this. As such we are clear you have good foundations in place to now move at pace. It is important, with any major transformation programme, that you see a clear return on your investment. We know you expect this and have phased a reduction in your direct transformation spend accordingly.

Our challenge is to now manage the transformation programme and its phasing well and wisely. Within that there are also some key messages. Prepare and explain your next phasing of the programme, what you are doing and why and underpin this with a consistency of messaging. Corporate Management Team and 'Team Plymouth' have a crucial role to play here.

You will need to consider how you communicate the above time and again. This message was a major theme of our feedback on site. There were two core elements. The first was that Transformation is everybody’s business and that is a core leadership message. The second was we really thought that especially in relation to internal communications, you have the potential to hone your core messages. You are frequently brilliant at external facing communications and your infographics for some of your messaging is frankly breath-taking. We didn’t feel your internal communications was at that same level yet. You are aware that this needs to change.

We picked up some simple and straightforward messages from your own staff about what they would want from that communication. In a nutshell, they described it as ‘standardisation, simplification and share’. That ‘mantra’ notion was a good one to share and discuss with you and as you know we spoke about how places like North East Lincolnshire managed its core messaging around change as ‘Services to outcomes, Data to intelligence, Risk to opportunity, Customers to citizens’. This is worth a reflection.

We made reference to your voluntary retirement/redundancy scheme and just to reinforce the point here about a link to workforce planning and to try not to lose capacity where you most need it. This ties in nicely with you developing a more determined approach to transformation as you move from reliance upon process to a focus on outcomes. In terms of this we believe it would be useful to ask yourself that fundamental question, what is the transformation agenda leading to and underpin this with a clear evidence base about costs and comparisons so you know you have the right solutions for the right reasons. You have your Plymouth Plan and your existing Corporate Plan. As such you have the building blocks to soon describe and then enact that operating model for Plymouth City Council for the next 5-10 years and be the Brilliant Co-operative Council that you aspire to.

5. Next steps

Immediate next steps
We appreciate you will want to reflect on these findings and suggestions with your senior managerial and political leadership in order to determine how the Council wishes to take things forward.

As part of the peer challenge process, there is an offer of further activity to support this. The LGA is well placed to provide additional support, advice and guidance on a number of the areas for development and improvement and we would be happy to discuss this. Andy Bates, Principal Adviser is the main contact between your authority and the Local Government Association (LGA). Andy’s contact details are: tel 07919 562849 andy.bates@local.gov.uk

In the meantime we are keen to continue the relationship we have formed with you and colleagues through the peer challenge. We will endeavour to provide additional information and signposting about the issues we have raised in this letter to help inform your ongoing consideration.

**Follow up visit**

The LGA peer challenge process includes a follow up visit. The purpose of the visit is to help the Council assess the impact of the peer challenge and the progress it has made against the areas of improvement and development identified by the peer team. It is a lighter-touch version of the original visit and does not necessarily involve all members of the original peer team. The timing of the visit is determined by the Council. Our expectation is that it will occur within the next 12-18 months.