



Corporate Peer Challenge **Craven District Council**

18th – 20th September 2017

Feedback Report

1. Executive Summary

Craven District Council (CDC) is clearly punching above its weight. This is evident in all manner of areas (individual services, events promotion and management, leveraging in money), and was highlighted by all the partners we met.

The Leader is very well-recognised and well-respected by all, including partners. The Chief Executive is similarly described as being well-respected, approachable and accessible. There is considerable expertise and talent in the authority, which could be shared with others internally and externally.

There are a lot of partners out there that really value your contribution to a wide range of strategic and operational initiatives. Indeed one key partner encouraged you to “be more ambitious in your collaboration”. Partners believe that you can deliver, but are hesitant to request more collaboration because of the perceived singular focus on limited capacity.

Staff, partners, and councillors alike are consistent in their understanding of CDC having few resources and limited spare capacity. This story dominates all other discussions and can limit what you can achieve. Although there is no doubt that resources are limited, you are still able to achieve a great deal. The success stories are being lost in the narrative about resources. With further programme and project management, and considering more proactive communications, your communities, residents and partners will be able to recognise your achievements and work with you to continue to deliver good services.

2. Key recommendations

There are a range of suggestions and observations within the main section of the report that will inform some ‘quick wins’ and practical actions, in addition to the conversations on-site, many of which provided ideas and examples of practice from other organisations. The following are the peer team’s key recommendations to the Council:

- 1) Establish a new narrative around the council. Craven District Council is achieving a significant amount with limited resources. Ensure partners and the public know and understand your considerable contribution to the local community and economy within this financial context. Invite everyone (staff, partners and public alike) to join you in setting and delivering the outcomes in your new story.
- 2) Don’t let financial concerns become a heavy anchor that slows you down, stifles creativity and prevents you acting on opportunities. There are opportunities to borrow and invest that can and should be explored.
- 3) Ensure that there is clear understanding of the impact of the current governance arrangements on commercial activity in future, to ensure that timely decisions can be made where necessary.
- 4) Review the work you are doing and identify quick wins and priority projects with maximum impact. Align resources and capacity to achieve your priorities then re-align as necessary.

- 5) Consider expanding strategic capacity to ensure that strategic partnerships and discussions (regional and sub-regional) are not compromised by capacity. Partners want to work with you, but are concerned about your strategic capacity to engage.
- 6) Establish a Corporate Programme Office to lead on the Income and Savings Plan. This would make it a clear corporate priority, reduce any negative views of the Finance team, and bring the plan into the day-to-day running of the council. Ensure that it builds on the excellent examples already achieving efficiencies and income generation (ICT, Waste Management, Skipton Town Hall and Regeneration).
- 7) Improve operational capacity by streamlining the governance of projects, setting clear project priorities, and re-aligning resources more directly to council priorities.
- 8) Consider the development of a corporate strategy setting out a clear vision beyond 2020 and the necessary approach to achieve this ambition.

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 Craven District Council were:

- Stuart Brown, Chief Executive, Mendip District Council
- Councillor Duncan McGinty, Leader, Sedgemoor District Council
- Clive Mason, Head of Resources, Huntingdonshire District Council
- Simon Jones, Cultural Services Manager, Hinckley & Bosworth Borough Council
- Becca Singh, Challenge Manager, Local Government Association

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 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, for example economic and other partnerships beyond the District's boundaries (e.g. North Yorkshire, Leeds City Region, Yorkshire and the Humber, role in looking at the pros and cons of a devolution deal) through its elected members, officers and constructive relationships and partnerships with external stakeholders?

3. 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?
4. 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?
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?

The peer challenge process

Peer challenges are improvement-focused and tailored to meet individual councils' needs. They are designed to complement and add value to a council's own performance and improvement. The process is not designed to provide an in-depth or technical assessment of plans and proposals, nor is it a form of inspection. 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 current LGA sector-led improvement support offer includes an expectation that all councils will have a Corporate Peer Challenge every 4 to 5 years. Craven District Council had a Corporate Peer Challenge in 2012. Where relevant, findings from that previous peer challenge have been referenced in this report.

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 on-site at Craven District Council, during which they:

- Spoke to around 110 people including a range of council staff together with councillors and external partners and stakeholders.
- Gathered information and views from almost 30 meetings, visits to key sites in the area and additional research and reading.
- Collectively spent around 200 hours to determine their findings – the equivalent of one person spending more than 5 weeks in Craven District Council.

This report provides a summary of the peer team's findings. It builds on the feedback provided by the peer team at the end of their on-site visit (20th September 2017). 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

Craven District Council is a rural council, two-thirds of which is within the Yorkshire Dales National Park. It is connected by rail and road to the urban centres of Leeds and Bradford, and by road to East Lancashire and Cumbria. There are no motorways within the district, and few stretches of dual carriageway. The well-known rail-link north to Carlisle is not mainline and has comparatively few services along it. At times, Craven was described as the 'western frontier of North Yorkshire'. Economically, the largest sector is financial, with Skipton Building Society and Computershare based within the District. Tourism and the visitor economy are also a significant proportion of the economy, the agricultural sector is important, and there is a thriving voluntary sector.

It is a small district council which, like other councils, has recently undergone significant changes and reductions in staff numbers. This has increased pressure on the remaining workforce, who continue to deliver excellent services for its communities. All staff we met are aware of reduced capacity and are trying to find ways to continue to deliver services that benefit local communities.

The council knows and understands its communities' concerns and delivers excellent services (or influences others to provide services) to support them. There is a strong focus on delivering good quality leisure and culture services for its residents. Success in getting broadband installed across the district is being further developed to improve the speed of the broadband available. This will support local businesses to increase their productivity and reach. Equally as important, CDC plans to establish Skipton Town Hall as a culture and community hub for the district. High-speed broadband will help to connect local village halls with the Town Hall. This will help to reduce rural isolation, for example through live streaming of local, national and international events and performances.

Partners felt that CDC sometimes focuses on projects that may not have a big impact, or which are hard to deliver. Sometimes the effects on partners are not apparently considered. There is a recognition that complex challenges such as building a small number of houses in the National Park would provide significant benefits and outcomes, however, a focused approach on the development of new homes outside the park area may prove to be more advantageous and delivery timescales more achievable in the short/medium term. Therefore, it could be more effective if it prioritised projects and work activity. Partners recognise that it is a small council, and have noticed where there has been a reduction or change in a service.

Good communications and engagement, with partners as well as residents, has helped to ensure residents understand the benefits as well as risks that changes in housing provision brings. More proactive communications may be necessary where housing or economic developments could appear to threaten the local character of rural locations. It is therefore important that the services involved engage with the communications team to ensure the message is communicated at an early stage. Changes to Waste Services demonstrate how this can work. There was an 11% increase in the recycling

rate and satisfaction with Waste Services remained 'good' after changes were introduced. This demonstrates the effectiveness of proactive, tailored communications embedded within the project team.

4.2 Leadership of Place

Craven is a member of two Local Enterprise Partnerships (LEPs) with different areas of focus: Leeds City Region with skills and business needs in particular, and North Yorkshire / York / East Riding LEP with rural concerns (e.g. isolation, infrastructure and environment). Craven recognises that it needs to be part of both angles, and the council's active participation in both demonstrates your ability to think strategically on a sub-regional level. However, partners sometimes see membership of the two as a sign of indecision, or as adding strain to the limited strategic capacity of the organisation. It would be helpful for the council to consider how to improve partner understanding of the council's roles in the respective LEPs and to bolster capacity to maintain your good strategic relationships.

Craven is willing to work with others in different ways. This includes shared officer posts with individual councils (with Harrogate, Bradford and with Pendle), joint bids for working together with other public authorities (*Great Place* with South Lakeland District council, Yorkshire Dales National Park and Lake District National Park) and setting up a Joint Venture to deliver regeneration and housing schemes. Although some of these projects are in the early stages, there are good signs for delivery of outcomes. Partners are confident in CDC's ability to deliver its objectives for local communities. These partnerships are reaping rewards, with positive outcomes in terms of skills investments, rural support, housing capacity and cultural investment.

CDC recognises the benefits tourism, leisure and culture offer its local economy. It understands the value of a culture and leisure offer that not only enhances the local area, but also contributes to driving the local economy. CDC officers, supported by Members, understand that it has to have appropriately skilled people to deliver this. To this end, it demonstrates significant achievements in the way its leisure, arts and culture services lever in funding (e.g. HLF, ACE or LEP) to deliver projects that improve the health and wellbeing of residents, for example the ACE funded programme which celebrates and commemorates former residents (WW1 project), and attracts visitors. There are considerable plans and work underway at Skipton Town Hall which will bring many of these threads together: enhancing the museum, performance venue and community space through education facilities and improving disability access, as well as generating income by letting retail units.

All focus groups we spoke to, including partners, were confident and complimentary about CDC's strength in delivering and supporting large scale events. The 2014 Tour de France is of particular note, along with subsequent large events (Tour de Yorkshire, triathlon and Skipton Cycle Races.). These events are good for local residents to enjoy, but also significantly boost the visitor economy. They showcase Craven to a different niche and mainstream communities nationally and internationally, as well as supporting local hospitality and other businesses. The council's role in these events (such as providing sites, or help with planning and licensing) is not always widely understood. In

2012, the CPC report said “the council can enhance its approach to how it makes partners, the public and members aware of its achievements and the development of projects and initiatives. The council needs to ‘blow its own trumpet’ more effectively and get its messages out.” This still needs further work and services need to recognise the value of the direct involvement of communications at the start of projects.

4.3 Organisational leadership and governance

The Council continues to have strong political and managerial leadership (as it did in 2012), and there is a good working relationship between senior officers and Lead Members. The Leader and the Chief Executive are well-respected internally and externally, seen as approachable and accessible. Partners report that CDC is well-run and achieving good outcomes for its communities. Staff respect senior officers and generally see them as supportive and open, creating a positive culture where people want to work. There is a strong focus on supporting and helping communities, and services are designed around community needs.

Managers are working hard to deliver savings or generate income within their own service. We heard several examples where good project management has led to impressive savings (e.g. ICT and Waste Management). These could have greater effect if they worked better together at a strategic level to understand what other services do, and learn from each other about what is working. A ‘one council’ approach to efficiency could lead to greater savings, with a clearer understanding of how those affect residents, partners and communities.

The 2012 CPC report said that Members needed “to take greater ownership of the Corporate Plan...providing a clearer political steer on high-level issues...fronting committee reports, in order to strengthen members’ engagement with the issues and be more accountable.” This has improved with leading members involved in policy development. Also members do now lead on presentation of a large number of reports at Committee. The 2012 report also said that “Members and officers need to build on developing trust, and as a consequence understand their respective roles”. This area may need further work to enhance political understanding and awareness of officers, and ensure that Members set the strategic tone and direction of the council, whilst not becoming involved in the operational management of the council.

Decision-making, amongst officers and politicians, has been reported as slow, frustrating and burdensome. This is hampering your ability to be agile, particularly around the commercial agenda. Governance arrangements (the scheme of delegation from members to senior officers) can be adapted, with appropriate safeguards, in order to enable officers and executive members to act swiftly when investment opportunities present themselves. Being more agile would enable CDC to forge ahead with its strategic plans for regeneration, income generation and investment opportunities to continue to deliver high quality services to local residents and communities.

You are held in good regard by partners, but they question your strategic capacity to lobby and influence others in order to improve life for its communities and residents. There are examples where this is working well (representing district councils in devolution discussions, conversation with Pendle regarding infrastructure connections

to East Lancashire), and where it could be improved (with North Yorkshire for improved infrastructure and highways, and politically at a national level). There is a view among both officers and members that “all major infrastructure stops at Craven”. Alongside lobbying for transport links, you could use this as an opportunity to view the district as a location of choice. Craven is a location people choose to visit and stay.

Members and officers need to recognise that change is the new norm. The local government landscape is completely different from seven years ago and things will keep changing. Politicians need to recognise the impact of the speed of decision making structures on being able to respond to this ever-changing landscape.

4.4 Financial planning and viability

CDC is in a very different place from its times of difficulty in 2008. This history does need to be acknowledged, but don't get stuck in the past. The Local Government landscape has changed dramatically since 2008 and you need to move on. Thanks to very prudent planning and actions, you have developed into a high achieving council well on your way to being financially sustainable.

The budget gap is being seen as an anchor around the neck of the organisation; both within services and from external partners. This is affecting creativity; staff are feeling frustrated by the control that appears to be being exerted by the Finance Team being overly cautious.

There is a clear savings plan which you are on course to achieve. The savings target is £700k by 2020/21 (£300k, £200k, £200k) which represents 9% of the net budgeted spend (2016/17). If the highest priority savings are achieved, this would equal the 2018/19 budget gap (£300k). Strong leadership, drive and determination are needed to achieve these. We suggest that the proposed Programme Office takes responsibility for the Income and Savings Plan, releasing finance to focus on budgets and financial matters for the council.

Don't wait for 2020 to think about your longer-term ambitions, and ensure that this planning is done in a 'one council, corporate approach, not just in individual services. You want to improve people's lives, so the social impact of investments is as important as the financial return. We suggest that, alongside meeting your savings targets, you move on to the next agenda that you want to deliver: housing, economic growth, healthy vibrant communities, and looking at investments, not just financial investments but social investments.

The council is cautious about borrowing to invest, because some Members are reluctant to do this. We suggest exploring the financial benefits of borrowing, particularly at a time when borrowing costs are low. The Economic Development Team would welcome the opportunity to buy commercial investments, and the Joint Venture is a tool to progress this.

Members have expressed the wish for the council to be more commercial in order to maintain levels of funding beyond 2020. Modifying the scheme of delegation and introducing a consistent and effective project management process would enable you to

move forward more quickly, taking your partners with you. Learn from others, including the peer team's local authorities, about how you can adapt to be successful in what is increasingly a more commercial world (including speed of decision-making, project and programme management). This will help members to better understand the long-term impacts of decision-making, and how current processes may limit how commercial the council can be. Consider attending the LGA / Institute of Directors Commercialism training, or a Member and officer workshop to explore what commercialism means for you and how you can be best placed to realise your ambitions.

There are entrepreneurial staff who have already begun to be used to make efficiencies and savings, for example in ICT, Waste Management, Regeneration, and Skipton Town Hall. Managers in these services are clearly focused on generating the needed income and leveraging in external funding in order to deliver good quality services to local communities. Using these skills more widely will help to save money, enabling resources to be shifted to where they are most effective. This includes good contract management and investing to save opportunities. Managers are focused on being financially sustainable, and CDC is on target to achieve its sustainability plans by 2020. This is a clear improvement from the 2012 CPC report, which said that there were "limited opportunities for income generation". You have also clearly achieved your 2012 stated aim to increase the capital reserves.

However, there isn't a clear vision for where you want to go after these savings have been achieved, and there is a consistently tentative approach to risk. We suggest setting clear strategic direction for income generation and investment, and encouraging relevant managers to act, within clear safeguards and limits.

4.5 Capacity to deliver

Craven District Council is reported to be a good place to work. Staff consistently refer to it being "friendly", "inclusive", "team playing", and "supportive". There is not a consistent 'one council' approach yet; loyalties sometimes lie more to individual services and teams. You are training and retaining staff through good CPD and flexible working opportunities. Staff refer to flexible working, job opportunities and the diversity of work as being motivating reasons for working for CDC.

There are a number of skilled individuals with good project and programme management experience and knowledge. They feel they are held up by the current governance arrangements of projects. The Corporate Plan is approved by CLT and Full Council, but then each project within that requires committee approval. This could be streamlined by CLT and SLT compiling a list of strategically prioritised projects, each with good business cases. A recommended cut-off within that, based on known funding, could be submitted for Members' approval. The proposed Programme Office would provide consistent and strategic oversight of projects and ensure programmes deliver the priority projects. We suggest you establish your key priority projects and quick wins, then re-align resources to these priorities.

Succession planning is good at an operational level, with an excellent track record on employing apprentices and a history of investing in staff professional development. This attracts and retains good quality staff. Maintaining capacity in statutory services is

important, for example planning and development control. Consider how good examples of shared posts (e.g. in housing) might be replicated in other statutory services where operational capacity may become stretched.

Maintaining posts in culture, sports development, leisure and arts development has reaped wider benefits, demonstrating skills in external funding applications. Building on this with improved commercial and income generation will further support your capacity to deliver.

All focus groups (including partners) said that CDC has limited capacity. There is no doubt that CDC is a small organisation with big ambitions and capacity is stretched. The workforce has reduced from just below 300FTE to around 200FTE whilst maintaining a similar level of service delivery. Strategic capacity is particularly stretched, with the Chief Executive usually being the officer representing CDC. This can hamper your ability to act regionally and sub-regionally. Partners want to work with you but are concerned that you can't because of capacity.

Operational capacity can be addressed when strategic priorities have been identified; and a programme of work established. You can then move resources around to meet the need. You are stretched but some of this could be because you are trying to do too much, without maximising your resources and assets. Capacity may not be the issue your narrative tells, and a new narrative for the CDC would be good for all.

5. Conclusion

CDC has got a really good story to tell as a successful council with good quality services, particularly in leisure and culture. These enhance the wellbeing of residents and showcase the location, boosting the visitor economy and inward investment. Get ready to tell your next story, looking to post-2020 and consider the positive communications around that. Raise external communications up from telling good news about what you've done to looking forward to what you are going to do in advance.

The public also need to know what good work you are doing in partnership with others, such as economic development across the whole region not just Craven. Be careful that concerns about capacity and resources don't limit or hamper your ability to act. Decision-making processes and governance arrangements could enable you to grow into an agile and flexible organisation which delivers exciting and much needed services to its residents and communities.

Within a few days of the peer challenge, the Office for National Statistics (ONS) published its annual "Happiness of the Nation" report. Craven residents reported the highest levels of happiness and life satisfaction in the country, along with the lowest levels of anxiety. Craven District Council is clearly doing something right, albeit often in the background, in order to achieve this result.

6. Next steps

Immediate next steps

We appreciate the senior managerial and political leadership will want to reflect on these findings and suggestions in order to determine how the organisation 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. Mark Edgell, Principal Adviser is the main contact between your authority and the Local Government Association (LGA). He can be reached by email mark.edgell@local.gov.uk.

In the meantime we are keen to continue the relationship we have formed with the Council throughout the peer challenge. We will endeavour to provide signposting to examples of practice and further information and guidance about the issues we have raised in this report to help inform ongoing consideration.

Follow up visit

The LGA Corporate 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 demonstrate 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 2 years.

Next Corporate Peer Challenge

The current LGA sector-led improvement support offer includes an expectation that all councils will have a Corporate Peer Challenge or Finance Peer Review every 4 to 5 years. It is therefore anticipated that the Council will commission their next Peer Challenge before 2022.