

Sector Led Improvement - CONFIDENTIAL

Purpose of report

For discussion and direction.

Summary

The Leader and Chief Executive of Thurrock have been invited to the meeting to share their story of improvement in their authority.

In addition, the report provides a brief update on some key aspects of the Taking the Lead offers.

Recommendation

The Board is asked note the progress made by Thurrock Council and the support provided by the sector.

The Board is asked to comment on the approach that is being developed to detect and prevent performance failure.

Action

To pursue next steps in the light of members' discussion.

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The Improvement journey of Thurrock council

1. Thurrock is located to the east of London on the river Thames. It has over 18 miles of riverfront and 70 per cent of the land is defined as green belt. Thurrock has a population of 152,000 and has experienced an above average increase since 2001. The population is generally younger than the national rate, however 20 year projections suggest an above average increase in older people. The black and minority ethnic population is increasing, particularly with settled travellers moving into the area. Thurrock is fairly deprived, some parts being in the ten per cent most deprived areas in the country. There are also significant inequalities within parts of the borough. The political composition of the Council is currently Labour 24 seats, Conservative 22, Independent 2 and 1 seat is vacant. The Council is currently Labour controlled and the Leader is Councillor John Kent.
2. Thurrock council came to our notice in November 2008 when we were advised that their final CPA was to be 2 star but not improving adequately. In addition, its Use of Resources score was 1. The council had parted company with its CE in November 2008 and an internal acting up arrangement was in place.
3. At the initiation of the then IDeA, the leader of Thurrock Council agreed to meet with the IDeA and RIEP in early December 2008. This initial meeting confirmed the situation and agreed to the establishment of a Voluntary Improvement Board (VIB). The purpose of the VIB was to help Thurrock positively address the CPA and UoR recommendations and to demonstrate a commitment to improvement.
4. Improvement East were very closely involved and provided significant financial support totalling some £560k. The IDeA provided a range of support particularly in relation to member relationships. We also provided seconded staff to strengthen their corporate capacity. A key issue was that the Chief Executive at the time left the authority and it was clear the council needed greater managerial stability. An interim Chief Executive Bob Coomber who had many years experience of being the Chief Executive at Southwark council was brought in. This was followed by the permanent appointment of Graham Farrant who took over as Chief Executive in August 2010 and who also had served as a previous Chief Executive (London Borough of Barking and Dagenham as well as significant experience in the private sector).
5. In December 2011, Thurrock had a corporate peer challenge which was led by the Chief Executive of the London Borough of Merton and the Leader and Deputy Leader of Barnsley MBC and LB Hillingdon, respectively. The corporate

Item 2 (a)

peer challenge recognised the significant progress made on Thurrock Council's improvement journey particularly with regards to the strong leadership demonstrated by the senior political and managerial leadership, which is respected both on a local and regional level and has contributed to the significant shift in transforming the Council to a much more stable and confident organisation.

6. Improved relationships between officers and Members within the Council are contributing to the Council's positive trajectory and the recent work around Member development and corporate governance has provided Thurrock with a strong platform for continued improvement.
7. Thurrock Council has made significant progress but the peer team delivered some challenging messages to ensure Thurrock does not divert from its current focus of improvement.
8. The Chief Executive is using the outcome of the corporate peer challenge alongside their recent staff survey results to continue to build on the momentum achieved and to continue to drive improvement. The LGA and Improvement East continue to work alongside Thurrock to support them address the challenges they face.

TAKING THE LEAD

9. Good progress has been made in developing and rolling out the tools that underpin our approach as set out in "Taking the Lead."

Peer Challenge

10. We have completed the first of the new style peer challenges at:

- Mid Devon
- South Oxfordshire & Vale of White Horse
- Lincolnshire County Council
- West Lindsey
- Scarborough
- Wyre Forest
- Hambleton & Richmondshire
- Milton Keynes
- Thurrock

11. The learning from these will help to ensure we are on the right tracks. We are committed to continue to learn and refine our offer to ensure it relevance for the sector in future.

12. The initial feedback has been positive:

Item 2 (a)

- 12.1 David Buckle, the joint Chief Executive of South Oxfordshire and Vale of White Horse District Councils reflected: *'perhaps the most important endorsement I can give the peer challenge is that it is nothing like CAA. We achieved as much as we have done through previous inspections but with about ten per cent of the effort'*
- 12.2 William Nunn, the Leader of Breckland Council, the member peer on the South Oxfordshire and Vale of White Horse team: *'The experience demonstrated to me just how valuable the contribution is that it can make to sector-led improvement'*
- 12.3 Manjeet Gill, Chief Executive of West Lindsey, commented: *'The peer challenge has helped to add value....undertaking part of the process with the county council and working with our own senior officers and members has been really useful'*
13. Councils are using their peer challenge to focus on a variety of different issues, including:
- 13.1 the impact of joint working between two councils in terms of improved service delivery and efficiency gains;
 - 13.2 an external perspective of major change and transformation programmes – to inform and challenge options for the future;
 - 13.3 new ways of working, service delivery and relationships with citizens/ partners;
 - 13.4 political and managerial leadership, the 'localism' agenda, and how county/ district working can be strengthened;
 - 13.5 an improvement focus on key corporate priorities of (i) regeneration and economic development; and (ii) educational attainment and skills development;
 - 13.6 to inform the corporate strategy, comment on the council's readiness for the future, and its current trajectory and rate of change; and
 - 13.7 working with partners, and harnessing internal capacity and leadership, to deliver the corporate priority for local growth and the economy.
14. So far, we have spoken to more than 100 councils about their potential interest in corporate peer challenge, with 9 completed so far and 46 booked/ in discussion.
15. The first part of the year was taken up with developing our approach, in consultation with the sector. This culminated in the first two pilots being completed in July, followed by further reflection and refinement in August. There has been a steady increase in interest since, with a number of councils starting discussions in September and October and booking peer challenges in the final months of this year and in the first quarter of 2012-13. This reflects a typical product development cycle with increasing take up after the first phase.

16. In January and February we will hold further meetings of the chief executives sounding board and with leaders and lead member peers in order to review the learning from the first phase. All the leaders and chief executives of councils that have had a peer challenge, or who have led peer teams will be invited to these meetings. This is part of our commitment to on-going dialogue to sector-led improvement.

LG Inform

17. The Board are receiving a separate presentation on the developments of LG Inform.

UNDERSTANDING PERFORMANCE

18. At a previous meeting of the Board, Steve Freer in his role as Chair of the Independent Advisory Board on sector improvement and self regulation highlighted that his Board considered that the task of detecting, highlighting and taking action in respect of poor performance by individual authorities was one of the most challenging issues facing the LGA and sector. He said that it was important that the LGA developed a systematic approach to this issue.

19. **Appendix A** – “Detecting and preventing potential failure”, sets out our approach that we have developed to date. This is built on many of the elements we had in place for some time but updated for the new context and brought together in a more co-ordinated way. The approach has been very much welcomed by the Independent Advisory Board. It has also been discussed with the Children’s Improvement Board to ensure that there are clear connections with the important work of that Board. The approach has also been shared with CLG and other government departments who similarly have welcomed the positive steps that the LGA have taken. Given the nature of the issues that the paper is dealing with it cannot necessarily cover all the various possibilities that might occur and the way issues arise and are then dealt with is likely to vary across the country given the different sub-national structures that exist. However, subject to comments from the Improvement Board and any final comments from the Independent Advisory Board we will finalise the document but keep it under review and refine as the approach is informed by practice.

Financial Implications

20. There are no additional financial implications arising from this report.