

Peer Challenge: Feedback and Evaluation

Purpose of report

For discussion and direction.

Summary

The report invites the Improvement Board to consider and comment on the evaluation of the first phase of the peer challenge programme in the light of feedback received from participating authorities and more broadly with the sector, together with the emerging findings of the evaluation being carried out by Cardiff Business School.

In addition, Councillor Sean Brennan, the leader of the London Borough of Sutton at the time of their peer challenge in February, has been invited to the meeting to share his experience of the peer challenge and reflect on issues discussed at the recent leaders' sounding board meeting.

Recommendation

The Board is asked to comment on the feedback and evaluation and approve the proposed actions to further strengthen and improve peer challenge.

Action

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

Contact officer: Andy Bates
Position: Principal Adviser, Peer Support
Phone no: 07919 562849
E-mail: Andy.bates@local.gov.uk

Peer Challenge – Feedback and Evaluation

Background

1. Peer challenge is a key element of the LGA's "Taking the Lead" offer.
2. 20 councils have so far had one of the new corporate peer challenges, with a further 60 booked/ in discussion.
3. At its previous meeting the Improvement Board received a brief update on the programme and was promised a detailed report on the outcome of the review and evaluation of the peer challenge programme at its meeting on 15 May.
4. Peer challenge is sector-led, and one of the key principles we have followed throughout the development, initial piloting and current roll-out of the programme, has been to ensure on-going dialogue with the sector to ensure we learn from and adapt the programme to meet the sector's requirements.
5. Feedback takes a number of forms, and this paper draws on learning from the following:
 - 5.1 telephone interviews with each chief executive after a peer challenge;
 - 5.2 sounding board meetings in February with leaders of councils that have had a peer challenge, and leading members on peer teams;
 - 5.3 sounding board meetings, held in January and March, with chief executives who have led or received peer challenges;
 - 5.4 the Advisory Board on sector self-regulation and improvement in March who heard from the leader of Swale and chief executive of Sutton; and
 - 5.5 a survey of the views of county councils involving the Association of County Chief Executives (ACCE) completed in April.
6. In addition, as part of the wider evaluation of "Taking the Lead", approved by the Improvement Board, we have commissioned Cardiff Business School to undertake an evaluation of the effectiveness of the LGA's peer challenge programme. This is being undertaken in two parts: a process review, which has been completed and is due to be reported in June, with a longer-term impact assessment due by spring 2013. The emerging findings from the first phase are outlined in this paper.

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7. Councillor Sean Brennan will offer his personal reflections on the process as experienced by London Borough of Sutton.

Feedback from the sector

8. Overall the feedback from the sector generally, and in particular among those authorities that have participated in the programme, has been very positive. A number of themes have emerged:
 - 8.1 The voluntary and flexible nature of the peer challenge offer is strongly supported. The ability of councils to choose the timing, reflecting their own planning and improvement cycles and to take account of elections and changes in political and managerial leaders, as well as to choose the areas of focus has been universally welcomed.
 - 8.2 The forward focus, looking at the present and how to inform the next steps on a council's improvement journey (rather than backward looking review, based on a one-size fits all benchmark or KLOE) is seen as positive. This has helped councils gain expert insights from others in the local government sector to help them with their own issues and agenda.
 - 8.3 The quality of the process and in particular of the peer teams has been high. It is recognised that the value of the process rests very heavily on the quality of the peers and this is seen as one of the potential on-going challenges to the long term success of the peer challenge programme.
 - 8.4 Peer teams have provided constructive challenge (described by one council leader as "having raised good questions for us to consider, rather than dictating solutions") but have also delivered tough messages, on the effectiveness of the political or managerial leadership, the need to strengthen corporate capacity and focus on key priorities, or to put in place robust plans for transition and to achieve budget reductions.
 - 8.5 Retaining a small core focus on corporate issues is seen as important and there is support for strengthening our focus on financial planning and viability, given the potential risk this poses to councils in the medium-term.
9. Leaders and chief executives also put forward a number of helpful suggestions for how the LGA could strengthen the offer, summarised below. An extract from the meetings with leaders and leading members is attached at **Appendix 1**.
 - 9.1 Strengthen pre and post engagement of the peer team with the council.

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- 9.2 Maintain and improve the quality/availability of local government peers.
 - 9.3 Expand the peer pool to include others from outside the sector.
 - 9.4 Look at ways to survey external partners and community organisations
 - 9.5 Organise an event with the trade press to promote understanding of the new approach and its value to the sector.
 - 9.6 Ask leaders, chief executives and county councils to encourage take-up.
 - 9.7 Ensure peer teams deliver an appropriate level of challenge.
 - 9.8 Encourage councils to publish the findings of their peer challenge.
 - 9.9 Publicise those councils that have a peer challenge to encourage others.
10. The independent Advisory Board on sector led improvement specifically asked that LGA give further consideration to the issue of publication and whether there should be a stronger expectation that the peer challenge reports were in the public domain.

Emerging findings from the external evaluation

11. Cardiff Business School have conducted structured interviews with 12 of the councils which have had a peer challenge. In 5 authorities, interviews were conducted in person with the leader, chief executive and head of performance, plus two of three other senior officers involved in the peer challenge. Interviews in the other seven authorities were conducted by phone with the leader, chief executive and head of performance.
12. The final report on this first phase of the evaluation will be available in June 2012, but the emerging findings include the following observations:
 - 12.1 The reasons for requesting corporate peer challenges are many and varied and the timing was often crucial to feed into the council's own planning horizon.
 - 12.2 The set up meeting was often seen as absolutely crucial in determining the success of the challenge. Most councils were very happy with how the process had been handled, but there would be value in formalising and standardising it. There is value in contact between the team and

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authority in advance. All recognised the process was less onerous than preparation for the Comprehensive Performance Assessment (CPA) and Comprehensive Area Assessment (CAA).

- 12.3 There was widespread praise for the way in which the peer challenge process was conducted. Interviewees were impressed by how well prepared teams seemed to be, how quickly they got to grips with the local context and particular issues, and the insights they provided in their feedback.
- 12.4 There was near unanimous support for the inclusion of the core components, but views varied about whether this part of the process was sufficiently rigorous, including the need for more in-depth and expert examination of use of resources. The quality of the examination of the specific issues which authorities asked challenges to focus on depended on the expertise of the team. Most councils felt that the process had been proportionate and time well spent. Several also reported on the need for a change of attitude on their part to get out of the 'old inspection mindset'.
- 12.5 Overall, councils were extremely impressed with the quality of peer challenge teams and what a good match had been achieved. Councils also wanted (and valued the LGA's ability to source via the national pool) peers from outside their region. Teams had been of the right size and had the right combination of skills and experience. There is recognition that in the absence of a standardised methodology, scoring system or KLOEs, that the quality of the peer challenge is very dependent on the experience of the peer team that undertakes it. There is concern about whether the current quality can be maintained as demand for peer challenges grows, one commented, "the LGA needs to jealously protect the quality of the peer team".
- 12.6 Feedback given at the end of the visit was seen as fair and balanced. Authorities valued an external perspective, the reassurance it gave to some that they are on the right track, the confidence it gave politicians to tackle issues or press ahead with changes; or in other cases that it raised issues that the council had been not particularly aware or had not prioritised before. In these cases the feedback often gave the authority a framework for thinking about and language for talking about issues that they had not previously addressed. The importance of politicians being at this final session is something that should be stressed.
- 12.7 On the whole councils that opted for a written report were content with it. Views about whether reports should be published varied. Most saw

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transparency as important, but that forcing authorities to publish reports would detract from the process.

12.8 There is some uncertainty about the follow up process. Most councils understood that they had the option of a follow up visit, but were less clear how this could be best used and some suggested the LGA provide a clearer menu of options. What is clear is that councils value the opportunity for on-going dialogue and engagement of the peer team. Some praised the follow up work by the LGA in providing examples of good practice in areas that the peer challenge process had identified as priorities, but there is room for doing much more of this. There was also a fairly widespread feeling that there was an opportunity for the LGA to use the challenge process as a springboard for taking a more comprehensive look at the kinds of support that each authority would benefit from and helping to broker this with other councils.

12.9 Work on assessing impacts is still at a very early stage and will continue. In some cases interviewees were able to point to tangible and they believed significant benefits from the process. It was not seen simply as 'holding up a mirror', but had helped inform authorities' views of their own performance and fitness for purpose with expert advice also provided to assist improvement. In one case a review team encouraged cabinet members in a district council to take a much more pro-active approach to economic development, which has led to a major change of direction for the administration. In other cases teams challenged authorities to be clearer about their strategic priorities. In all of these cases, authorities had responded by redefining strategies and in some cases adjusting budgets. Teams also provided challenge over the need for clear business cases for sharing management teams, or indeed of the need for more rather than less senior management capacity to see through its transformation programme. In another case the challenge advised of the need to change the culture of the organisation in order to make the management team more diverse and to provide more senior officer support to cabinet members – leading to change.

13. The paper also puts forward:

13.1 a number of suggestions for refining and improving the process;

13.2 a challenge, as the programme builds, around the importance of maintaining a supply of high-quality peers with the right technical expertise and also the interpersonal skills;

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- 13.3 questions around how to ensure the maximum added value from the process, whether there should be more targeting of resources and more intensive support on those councils most in need of assistance, the perceived need in some cases for more robust challenge from peers, the importance of timing and that it would be wrong to rush all authorities through a challenge in the next two years.

Feedback from London Borough of Sutton

14. The peer challenge in Liberal Democrat-controlled Sutton ran for four days from 20 to 23 February inclusive. Discussions both at, and subsequent to, the initial set-up meeting with the authority established a very clear and forward-looking focus for the challenge as set out below.
- 14.1 Looking at the changes you are seeking to implement to ensure the council is structured and positioned to meet the requirements of the future.
- 14.2 Providing external 'critical friend' challenge and an opportunity for reflection at a key stage prior to implementation of these changes.
- 14.3 Looking at the political priority to implement the Localism Act, make localism work and move towards community-based.
- 14.4 Considering the implications of the above for the council in terms of service design and delivery.
- 14.5 Assisting the council in exploring issues around the changing nature of political leadership as the council shifts its focus from one of direct provider to commissioner and in the context of re-introducing a committee system of decision-making.
- 14.6 Through all of the above, consider the core peer challenge questions relating to priority setting, leadership and governance, organisational capacity and financial planning.
15. As aspects of this suggest, the ability of the council to determine the timing of the challenge was of significant value to them.
16. The peer team was agreed as follows:
- 16.1 David Hill, Chief Executive, Milton Keynes Council.
- 16.2 Councillor Keith House, Liberal Democrat Leader of Eastleigh Borough Council and member of Hampshire County Council.
- 16.3 Liz Jones, Deputy Chief Executive, North East Lincolnshire Council.

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- 16.4 Peer challenge manager, Local Government Association.
17. The constructive and positive mindset of the authority towards the process helped it run very smoothly indeed and maximised the benefits gained from it. They clearly understood the distinction between peer challenge and inspection and geared themselves accordingly.
18. 'The feedback at the end of the process was delivered to an audience comprising the Cabinet and senior officers and comprised a PowerPoint presentation. The final report relating to the challenge was agreed in mid-April 2012 with only minor revisions to the initial draft being requested by the council. The report was made publicly available by incorporating it into a committee report that went to the Executive on 8 May 2012 about the future direction of the council. The council is currently reflecting on the offer of follow-up activity in order to determine what form this would best take. The dialogue between the council and the LGA on this will continue.
19. The council has been approached by a number of other authorities, particularly from within London, regarding their experiences of peer challenge and have demonstrated a willingness to promote it. They have also expressed interest in providing peers for challenges in other authorities.

Conclusion and next steps

20. Feedback from the sector and emerging findings from the evaluation provide positive endorsement of the work LGA has led to develop and roll out peer challenge for local government. We are committed to an on-going dialogue with individual councils and other stakeholders to learn from this and to refine the offer to ensure it continues to meet the needs of the sector. In the short-term, and subject to members' discussion at the meeting, we plan to:
- 20.1 incorporate the measures identified in feedback from the sector summarised in section 9, together with proposed actions to add value and strengthen and promote the programme identified at the leaders' sounding board (**Appendix 1**) into our methodology and overall approach;
- 20.2 take on board the findings of the ACCE survey and feedback from the Advisory Board;
- 20.3 continue the work with Cardiff Business School to understand and respond to the findings of the external evaluation and publish a summary of these; and

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- 20.4 publish the learning from the first phase of corporate peer challenges and promote this via a series of events in different parts of the country involving councils that have participated in the programme.

Financial Implications

21. There are no additional financial implications arising as a result of this report.