

Corporate Peer Challenge Follow-up Ryedale District Council

26th April 2018

Feedback Report

Introduction

Ryedale District Council (RDC) had a three-day Corporate Peer Challenge in October 2016. The challenge used the LGA standard framework (see appendix 1), with an additional focus on how well the Council was achieving and had appropriate plans in place to deliver its stated vision of “a place where all residents can enjoy a good quality of life with strong, prosperous and welcoming communities”.

The council drew up an improvement plan based on the recommendations in the report. Four of the original team members returned to Ryedale for one day in April 2018 to assess progress against this improvement plan, and make recommendations. This report provides feedback on the key actions in the improvement plan, as well as highlighting some general themes that are working well, or would benefit from further consideration. There are also some key recommendations and signposting to other councils that RDC could learn from.

The peer team met with Members, staff, and partners to understand how things had progressed since the corporate peer challenge. They read recent key documents, and were provided with the (regularly updated) Improvement Plan. Some of the suggestions in this report may not have been triangulated in full due to the team being on site for only one day.

The team that were on site on April 26th 2018 were:

Jane Toman (Lead Peer)	Chief Executive, Blaby District Council
Paul James (Member peer)	Leader, Gloucester City Council
Andrew Seekings	Corporate Director, Allerdale District Council
Becca Singh	Challenge Manager, Local Government Association (LGA)

The full corporate peer challenge took place in 2016 during Ryedale’s transformation programme (T2020). At the time, staff felt unsettled, did not understand or appreciate the value of a behaviours-based appointment and appraisal system, and were anxious about what the future might hold. Councillor behaviour at council meetings was fractious and damaging the reputation of the council. Despite this background, RDC was delivering excellent services, which customers appreciated. Staff were thoroughly committed to doing a good job for the district, despite their concerns about the transformation programme. They demonstrated a high level of skills and knowledge, and support for one another.

Shortly after the peer challenge, staff and managers began to be appointed to new posts, including the new Deputy Chief Executive post. The new structure started operating in April 2017. Within a few weeks, the leader had stepped down, the Chief Executive resigned and several Conservative councillors left their group, which resulted in the council coming under no overall control, and with no Leader of the Council. The Deputy Chief Executive was appointed Chief Executive on an interim basis while decisions were made about political and managerial leadership.

The follow-up session took place shortly after several key decisions had been made by the council, namely:

1. Appoint a Chief Executive of RDC that would also be an Assistant Chief Executive of North Yorkshire County Council (NYCC) (out to advert at the time of the follow-up)
2. Use a shared political leadership model rather than appoint a Leader and a Deputy Leader. Six political group leaders meet regularly with the Chief Executive (Interim) and senior managers. Other senior roles (such as Chairs of committees, and the Chair of the council) were appointed.
3. Move the council from Ryedale House into a public-sector hub in the centre of Malton
4. Use the site to build some of the district's much-needed housing (including affordable housing)
5. Explore shared services arrangements with the council, particularly with Legal, Human Resources and Finance teams

The effect of these major strategic decisions, on staff resilience, capacity and morale, as well as on service delivery, should not be underestimated. Delivering this work will need to be well planned and managed, bringing in external project management or other expertise as needed.

Feedback on the key actions in the Improvement Plan

1. **Establish a strong and effective strategic officer leadership team with a collective vision and shared strategic responsibilities, such as financial management.**

The Strategic Leadership Team (SLT) was a new team in October 2016. The team is now more familiar and comfortable with one another, and working better as a team, but there is still more to do to increase effectiveness, and shared strategic responsibilities, particularly around financial management.

Good strategic management needs investment and support from Members. Managers need to act decisively, professionally and cohesively on strategic matters, giving a clear steer on priorities, behaviours and responsibilities across the organisation. This includes recognising, and addressing quickly, allegations of bullying or harassment.

The peer team feel that Ryedale would benefit from investment in senior management skills and responsibilities to work as an effective strategic management team. In addition, significant project management skills and experience are needed to deliver the ambitious tasks that the councillors have set. Consider how leadership skills could be developed and harnessed at all levels of management.

The peer team recommend holding regular (perhaps quarterly or annually) away days for senior managers, sometimes with the senior councillors. These should have no strict agenda about work delivery, but provide an opportunity for the senior leadership of the council to build relationships, establish a vision for the future,

identify skills gaps, and facilitate strategic planning. Members have not yet agreed the post-Corporate Peer Challenge Action Plan, although some of the actions have been taken. This could send a negative message to both staff and partners about the Member commitment to working together with staff for continuous improvement.

2. Review the expertise and capacity and resilience of the organisation

There are highly skilled, professional staff working for Ryedale District Council. However, capacity is stretched as the council tries to continue to deliver a 'gold' service with 25% fewer staff, at a time when demand may increase. This may not be sustainable. The Council has delegated authority to the Chief Executive (Interim) to explore options for shared services arrangements, which will increase resilience. The team encourage these explorations to be broad, and decisions made based on evidence. Current plans appear to be opportunistic, rather than strategic.

The CPC report indicated that RDC should review capacity and expertise in key areas of Communications, Governance and Planning. The Communications Officer from Selby District Council was made a shared post with Ryedale soon after the peer challenge. By the time of the follow-up visit by the peer team, Governance and Finance had been identified for shared services arrangements. In 2016, Planning at RDC was considered an exemplar regionally, but capacity has been affected by national shortages in professionals for this department. Despite this, Planning is maintaining its good performance, and the team is expanding.

Tourism and Economic Development are both important to the council's long-term financial sustainability as grants from central government continue to reduce. Members (and staff) will need to understand the impact of the council's involvement in both and how these link to the forthcoming Industrial Strategy. Work in these areas are largely delivered by partners (through the LEP and through 'Welcome to Yorkshire'). The peer team therefore recommend that RDC consider how Ryedale's needs are met and potential realised for these key areas, for example, Ryedale's identity and visibility in regional decision making. Linking these areas of work to the Industrial Strategy, and identifying how these can support and provide opportunities for commercial activities in future will give RDC control over the effects of any further reductions in capacity.

3. Review governance arrangements in order to prepare future political Leaders and ensure succession planning. Consider investing in external support to develop Member capacity through learning and development and consider how politicians are involved in priority setting

RDC decided not to review its governance arrangements. The peer team understands the reluctance to go ahead with this review, given the potential for it to use a great deal of the council's limited capacity. However, after deciding not to have a Leader of the Council, an alternative had to be established. Six group leaders meet regularly with the Chief Executive (Interim) and senior managers. It does appear that relationship between the different parties have much improved, in part because of these meetings. All parties are now involved early in strategic

discussions with senior officers. The peer team recommend that this arrangement should continue whatever the future leadership model.

However, a move to a more mainstream system would enable the council to ensure that it was visible and heard, at strategic, national, regional and sub-regional political discussions. Partners described Ryedale as having a “leadership vacuum” and are unsure how stable it is without this leadership role. Potential national and regional partners are more likely to invest time and resources in the district if it appears to be politically stable. The Chief Executive is not the same as a Leader of the Council at regional political strategic meetings or partnership boards. The peer team recommends that the council review the arrangement and its impact on strategic relationships in due course. In the meantime, Members should consider putting in place alternative measures to ensure that RDC is represented politically at strategic level.

Further work may be needed for long-term political succession planning. The LGA political leadership support programmes could help ensure that in the future, key roles in the council are filled by skilled members. With all-out elections in May 2019, Ryedale could encourage new members of the community to stand for the council (for example through the LGA ‘Be a Councillor’ campaign). These support mechanisms will help succession planning.

Unfortunately, the team did not have time to explore member learning and development in detail.

The Council adopted specific priorities in May 2017: Sustainable Growth, Customers and Communities, One Council. However, it was not clear how these were determined, and who was involved in developing them. They are not widely familiar amongst members or staff, and it was not clear how Members relate resources or Managers relate staff allocations to priorities.

4. Establish and demonstrate a collective commitment to shared values and behaviours, developed, agreed and demonstrated by all Members and officers.

The shared values acronym – PROUD (Passion, Respect, Openness, Unity, and Decisiveness) – is well-known amongst staff; however, it is generally viewed with cynicism and not everyone is sure what the acronym stands for. Members have not formally committed to them, although member conduct in council meetings has improved significantly. Relationships between senior officers and senior councillors have also improved, and this has improved member understanding of the changed wider local government context.

There are still examples of where some member behaviour could be damaging the reputation of the council, and there appear to be no clear procedure for addressing this. It is important to remember that even when not officially speaking on behalf of the council, councillors will still be identified as Ryedale District Councillors and this could affect the reputation of the council. More work should be done with

Communications, Standards and Governance arrangements to ensure that this is clarified and understood.

5. Develop and Deliver Strategic plans jointly with Members and staff

The council has taken specific strategic decisions regarding the political and managerial leadership of the council, shared services arrangements and assets. However, it is not clear how strategic planning works, either with members or senior officers, or how the wider staff group can be involved.

Strategic plans are needed to deliver these ambitions, particularly regarding the move to the public-sector hub in Malton, with specific project management expertise in place. The peer team suggest that RDC talks to other councils that have undertaken similar projects, and learn from them about the scale and size of the project. The One Public Estate programme could also offer further support and advice. The project will need significant resourcing (staff as well as finance), expertise and a realistic timeframe. Members were not clear how much they were involved in these plans, despite evidence of workshops and discussions on business cases and options appraisals.

Setting clear strategic plans with short, medium and long-term goals would enable staff to focus on delivering the priorities. Staff would be clear about what to focus on and be able to challenge Members if asked to divert resources away from priorities.

6. Improve communication across the organisation.

There is now a Communications Manager post, shared with Selby District Council. This has helped, but more work is needed. Member / Officer communications have improved, but arrangements have not been formalised. Managers need to be given support and training to be able to have difficult conversations with both staff and members. Involving communications officers at high level discussions, such as SLT and group leaders, will enable senior officers and members to understand the reputational impact of decisions or behaviours.

Concerns in October 2016 about how the T2020 programme was understood and communicated have been borne out. Staff need to have a meaningful role in working out the key outcomes for the council, and a clear strategic direction to work towards. This still needs to be developed, involving staff, and communicated well.

RDC may wish to consider a one-day LGA 'health check' for its communications function to establish what it needs and how this could be delivered.

7. Seek formal feedback regularly from staff and customers

This was not explored in detail during the follow-up visit.

8. Consider opportunities for using financial reserves to support the delivery of your priorities after conducting an appropriate financial risk analysis.

This was not explored in detail during the follow-up visit. However, it was clear that there is still a lack of collective financial management at a strategic level. It is not clear where financial decisions are taken, and therefore how RDC would proceed with the suggested approach.

9. Develop a strategic commercial income generation plan, including use of assets

Some work has been done, particularly with respect to disposing of Ryedale House and moving into the public-sector hub in the centre of Malton in due course. This involved a successful bid to the One Public Estate (OPE) programme. However, there does not seem to have been strategic consideration of commercialism or income generation. The team suggest exploring what might be possible with councils that have developed their commercial approaches further. This would help RDC assess the levels of risk and reward it is prepared to follow. The LGA provide support for Members and for officers on commercialism.

10. Develop and embed a robust performance management culture as part of the 'One Ryedale' approach.

The 'One Ryedale' approach, for members and officers, was heavily emphasised in October 2016. This was not the case at the follow-up session in April 2018. The peer team encourage Members and officers to re-invigorate this. This would demonstrate to communities, businesses and partners, as well as all staff and members, that both the councillors and the officers are committed to working together to do the best for Ryedale District.

The performance management framework has improved and is widely used across the council, although it is not fully embedded. The move to competency based job descriptions has been swift, and there has been little in depth understanding of the value of this approach, nor on why this is a positive step forward. Job titles no longer reflect work done. This is frustrating to staff, who tend not to use their new job titles when working with others.

Other issues

What is working well

- Ryedale District Council has great, skilled staff. They are committed to the council and to the locality and are keen to deliver good quality services to meet the needs of residents, businesses and other customers. Members, senior officers and partners all spoke very highly of staff. They are very supportive of one another, particularly with the increase in demand whilst

- coping with a 25% reduction in staff numbers. Consider how to reward staff, recognise staff achievements and improve morale that has fallen since 2016.
- Council meetings have improved, with more considered discussions and fewer personal attacks. There has been a strong, experienced chair since May 2017 and this has made a difference. This role is now recognised as crucial in managing member behaviour and conduct at meetings. Careful consideration is under way about the next chair who will be appointed at Annual Council Meeting in May 2018.
 - Communication between officers and members has improved. Establishing elected member briefings on forthcoming discussions and early in the decision-making process have helped.
 - Party group leaders meet regularly together with the Chief Executive (Interim). Although an unusual leadership model, it has improved cross-party communication and collaboration. All parties receive the same information, and feel able to contribute to policy discussions. The peer team encourages RDC to continue these meetings, even if at some point in the future there is a single Leader of the Council.
 - RDC, as part of the North Yorkshire bid, has been successful in securing One Public Estate (OPE) funding. This is a massive achievement and Ryedale should be proud of this. The funds will help to establish the public-sector hub in the centre of Malton. Consider how else RDC could influence this work to the benefit of residents, businesses and communities in Ryedale.

Areas for consideration

- Many people referred to RDC as “rudderless” and “in a leadership vacuum”. Despite recent major decisions being made, they felt that goal-setting, planning and strategic thinking was on hold, waiting for the new Chief Executive to be appointed, and for the elections in May 2019. The local government sector moves quickly, and there is a risk that waiting for new leaders means that Ryedale will miss out on opportunities to deliver sustainable growth and improve lives for customers and communities.
- The Senior Leadership Team (SLT) still acts as individual service heads, rather than a strategic leadership team with a collective vision and shared responsibilities. Managers need to be supported and trained to ensure that they are equipped to deal with the strategic responsibilities that they have. This include training in how to have difficult conversations with staff (particularly over performance), coaching in management techniques, and work on identifying and sharing strategic responsibilities. Consider how leadership skills could be developed and harnesses at all levels of the organisation.
- It is not clear what evidence and business processes have been used to make high level decisions (for example, the development of the Ryedale House site, and the new Chief Executive model). Members were not aware of options appraisal and business cases (for example, to enter into shared services arrangements). The peer team recommends that future strategic decisions demonstrate a clear reason for those decisions, linked to the council’s

strategic priorities and political consideration. This would improve transparency and accountability.

Key recommendations

- Invest in staff leadership and management training. For example, through coaching, mentoring, training in difficult conversations and great conversations, visioning workshops and strategic decision-making.
- Bring Senior Members and Senior Leadership team together. Initially for visioning workshop, to set long-term aspirations, and subsequently to ensure that they are all working together for a common goal.
- Set out clear short, medium and long-term goals that help to deliver your priorities. Use these goals to plan where your resources need to be. Ensure that timescales are based on evidence and experience of similar projects and that councillors are involved in these discussions and are aware of where resources have been targeted. Be realistic about your ambition.
- The Group Leaders' meeting with the Chief Executive should be continued, regardless of the political leadership model in future.
- Ensure strategic decision-making is based on evidence, business case and options appraisals, and that these processes are transparent. This will help achieve buy-in and ownership of decisions.
- Ensure that the Chair of the Council understands their role and can act robustly and decisively. Consider succession planning for roles such as this, for example appointing a deputy chair, shadowing etc.
- Major projects need to be led, managed and overseen by people with appropriate skills and experience, for example the move to the new offices in Malton, and development of the Ryedale House site. All major projects will need clear, appropriate communications to and with different stakeholders.
- Consider how to maximise knowledge transfer from external or temporary appointments so that the organisation learns from them.
- Explore how to encourage a more diverse range of councillors as future candidates to help with political succession planning.

Conclusions and next steps

There have been some improvements at Ryedale District Council since October 2016, for example, member conduct at council meetings, and communication between group leaders. However, key strategic skills, knowledge and management are needed to ensure that RDC can deliver the ambitious plans that have been agreed. Ryedale District Council would benefit from a more co-ordinated strategic approach to financial management, commercial activity, project and programme management, clarity over goals and realism over timescales.

Staff and members are committed to doing the right thing for Ryedale's communities, but may need some external support to help deliver its priorities and culture change.

It is an exciting time to be working for Ryedale DC with a new office, new Chief Executive, and new ways of working, on the horizon. It is imperative that senior officers and members do not lose the enthusiasm and energy of their staff as they navigate through these changing times.

Appendix 1 – LGA Corporate Peer Challenge Framework

1. Understanding of local context and priority setting: Does the council understand its local context and has it established a clear 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. 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?

Appendix 2 – Signposting

- Joint senior councillor and officer meetings: Rushcliffe Borough Council holds 'CabMan' meetings quarterly for the Cabinet and the Senior Management Team. These have helped build up strong working relationships between Portfolio Holders and senior officers.
- Member development: the LGA Leadership programme has several aspects to it that Ryedale may find useful: leadership essentials, top team development, enhancing skills of younger or newer politicians, encouraging a diverse range of candidates at election time.
- Project Management of Office Move – Newark and Sherwood District Council, Rushcliffe Borough Council and Harborough District Council are all good examples of managing a significant office move, including either a new build or complete refurbishment and re-purposing of buildings. All are good examples of partnership working, keeping to time and to budget, along with using a new building to change the culture of the organisation.
- Performance Management – Newcastle City Council has a clear method of reporting which is published on their website. Performance reporting on one of Newcastle's priorities "A working city" can be found here: [Newcastle performance on priority "A working city"](#)
- Strategic Commercialisation and income generation – Many councils have progressed in this area. The LGA website offers advice and case studies on different approaches here: [commercialisation approaches and advice](#). Specific councils to discuss with include: Rushcliffe Borough Council, Eastleigh Borough Council, Hinckley and Bosworth Borough Council, Mendip District Council.