

Meeting:	Cabinet Briefing Audit & Governance Committee Group Leaders Cabinet	Date: 17 th June 2013 24 th June 2013 26 th June 2013 10 th July 2013
Subject:	Peer Review	
Report Of:	Chief Executive	
Wards Affected:		
Key Decision:	Yes/No	Budget/Policy Framework: Yes/No
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Appendices:	None	

1.0 Purpose of Report

- 1.1 To update members on progress for the arrangements for the proposed peer challenge for 2013/14.

2.0 Recommendations

- 2.1 That Audit and Governance Committee note the report and receive further reports in due course.
- 2.2 That Cabinet note the report and receive further reports in due course.

3.0 Background and Key Issues

- 3.1 Members will recall that the City Council has not had a peer challenge since 2007 and it is therefore timely that one should take place this year. Discussions to that effect with the administration have been in hand for some time as it is important that an outside view of the Council's organisation and performance takes place at appropriate intervals.
- 3.2 Following the difficult and challenging year experienced by the Council last year, both Cabinet and the Audit and Governance Committee were keen to see a review take place in the City Council with a view to obtaining an external perspective on the necessary tasks to take the authority forward in a continually challenging and changing environment.
- 3.3 Proposed peer challenge

The Local Government association who run the peer reviews for local authorities have been contacted and have come up with a proposal that takes the traditional peer review but adds to it and tailors it for our particular circumstances. Your

officers have sought out this 'peer challenge plus' approach to give members comfort that the extensive steps put in place to take the organisation forward are the right ones and are bearing fruit. Discussions have been held with the leaders of the political groups on the City Council who are in agreement with this proposal.

The proposal is that the review would take three parts:

Financial Healthcheck

Firstly, to help inform the challenge there will be a financial 'health-check' resulting in a report that provides an overall view of the Council's current financial standing, an appraisal of resource pressures bearing down on the Council, a summary of other likely financial challenges which may affect Gloucester City in the near future, a view of the appropriateness of the steps the council is taking to tackle financial issues and finally a set of recommendations as to how to tackle any identified issues and in what order.

This will be done in September and will be carried out by Bill Roots, former Chief Executive of London Borough of Westminster and one of local governments foremost finance experts. As this is part of the LGAs developing finance offer to local government there will be no costs to the Council as support will be provided by the LGA.

Workforce Capacity

The second piece of work to be done in the autumn will be to assess the capacity of the workforce to deliver the tasks and challenges that lie ahead and examine the things that we have in place to engage and reengage the workforce. This will be a very practical piece of work that will consider the workforce from Corporate plan to front line worker. The outcome will be an assessment of the organisation's preparedness for change and its potential for responding effectively. Cost will be minimal as again this has been negotiated through our membership of and links with the LGA.

Peer challenge

Finally, in December 2013 the peer challenge itself will take place using the above work to inform the challenge.

The challenge will concentrate on five key headings:

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. 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?
3. Political and managerial leadership: Does the council have effective political and managerial leadership and is it a constructive partnership?
4. Governance and decision-making: Are effective governance and decision-making arrangements in place to respond to key challenges and manage change, transformation and disinvestment?
5. Organisational capacity: Are organisational capacity and resources focused in the right areas in order to deliver the agreed priorities?

The challenge will take three days in December. Further discussion will be held with Group Leaders concerning the make up of the team, but it will include a Chief Executive of a District/Borough council; at least two member peers of different political parties; one or two senior officers from local government possibly leading their organisation's service and performance transformation programme and with relevant experience and practice to draw on, with one of them potentially being from a different type of authority.

Again there will be no cost to the Council as this is included in our LGA subscription.

4.0 Alternative Options Considered

4.1 This approach has been specifically tailored for the City Council and discussed with Group Leaders. The LGA are responsible for peer challenges nationwide. While other models could be formulated they would not have the cross local government recognition that this will do.

5.0 Reasons for Recommendations

5.1 To ensure members are aware of the plans in place to meet the requirements of Cabinet and Audit and Governance Committee.

6.0 Future Work and Conclusions

6.1 Preparatory discussions are being held with regard to the Workforce Planning module during week commencing 17th June. The financial module is being timetabled now and the detail of the peer review process is being worked on and will be brought back to Group Leaders shortly.

7.0 Financial Implications

The costs of the challenge itself will be minimal. Clearly there are some staff costs throughout the organisation involved in preparing and taking part in the review process, but these are good investments in the development of the organisation

(Financial Services have been consulted in the preparation this report.)

8.0 Legal Implications

8.1 None at this stage.

(Legal Services have been consulted in the preparation this report.)

9.0 Risk & Opportunity Management Implications

9.1 The peer challenge and associated assessment processes are a risk mitigation mechanism which will attempt to ensure that organisationally the Council is well prepared to meet its objectives and cope with future challenges and demands.

10.0 People Impact Assessment (PIA):

10.1 At present there are no identified adverse impacts for any of the protected characteristic groups. The challenge may flag up the need for further impact assessments.

11.0 Other Corporate Implications

Community Safety

11.1 None.

Sustainability

11.2 None.

Staffing & Trade Union

11.3 None at this time.

Background Documents: None