

Corporate Peer Challenge

Mansfield District Council

15-17 February 2017

Feedback Report

1. Executive Summary

The council is ambitious and there is a culture of thinking 'outside the box' which is very much being stimulated by councillors in addressing the challenges the council faces. This is a major driver for the council's move to increased commercialisation.

The council understands the need for change and Mansfield's likely trajectory. Also it has good links with other authorities/agencies to support delivery of the wider agenda of which Mansfield is a part.

The Executive Mayor and Chief Executive are clear about the direction they want to take the council. Both are highly regarded by strategic partners and do excellent work on STP and links with other agencies. There is a strong and collaborative relationship giving a strong platform for communicating a consistent message and a common vision for the council.

MDC is self-aware about the areas of particular challenge facing the place, communities and council. This includes financial resilience and external perception. There is a clear focus on addressing these and MDC appears well-placed to identify priorities

There is an evident commitment from the Executive Mayor, Chief Executive and Corporate Leadership Team (CLT) to the staff of MDC which is felt, recognised and appreciated by staff across all levels of the Council. There is clarity from the Chief Executive about the direction in which the council needs to progress allied to recognition that the change in culture she is driving will take time to fully become embedded with staff. The Corporate Leadership Team are a cohesive, supportive group who recognise their corporate role and they are fully committed to the vision set out by the Chief Executive

Going forward, however, the council's processes around Personal Development Reviews and in particular the absence of performance appraisal window make PDRs optional and the job more difficult. Clear and consistent appraisals within a given time frame would enhance the clarity of message to all of what is important and what needs to be delivered.

The legitimate tension between the Administration and the Opposition can prevent the full talents of all councillors being engaged and utilised for the betterment of Mansfield. It is important for the betterment that the council works towards having mechanisms which enable a range of members to contribute to policy and place development in Mansfield.

There is a feeling in some quarters that the quality of scrutiny has diminished in recent years. This may be to the detriment of the longer-term performance of the council. We heard examples of excellent practice in both overview and scrutiny but certainly sensed a nervousness that the state of current political relationships was in danger of undermining the excellent foundations that have been put in place to ensure effective scrutiny can support the organisation's delivery of its objectives.

In order to have this more rounded and complete operating model for financial self-sufficiency investment is needed both in terms of specific projects but also 'enablers'.

Investment in ICT and the platform for major and organisational-wide digitisation of services, contact channel shift and customer journey work; skills in working more commercially ; rationalisation of accommodation and depot requirements; flexible working; and a realignment of the structure of the organisation. These investments all lay the foundations for future significant delivery of financial imperatives (savings and income) and will contribute to a clearer and more widely owned MTFS. Commercialisation, IT, Community Capacity and digitisation being brought together under one transformation programme would be of benefit. Aligning all of these areas will be important as they impact directly on, and contribute to the success of, each other.

We would encourage the council to spend some time in gaining a better understanding of the needs and views of its customers. Subsequently building some guiding principles for decision making around those and MDC commercial ambitions would be of benefit. Also better use of data, benchmarking and evidence will assist in MDC sharpening its delivery and more robustly evaluating success.

Capacity looks to be very stretched in view of so many priorities and the council may wish to consider further needs investment in this part of the council's business. There may also be scope for the council to consider whether partnership arrangements might be leveraged further to deliver this function more effectively. In addition the council may wish to consider whether its structure fully supports the way in which Mansfield is now looking to operate.

2. Key recommendations

The main section of this report contains a range of suggestions and observations that inform some quick wins and practical actions. Many of these came from the onsite conversations, which provided insight into the organisation, and are informed by ideas and examples of practice from elsewhere.

The following are the peer team's key recommendations to the Council:

1. Keep doing what you are doing with your people.
2. Spend some time understanding what will make the most difference in delivering your corporate priorities, resource it appropriately and do not be deflected from it.
3. Develop and resource a 4 year transformational programme (Change for the Future) which encompasses digitisation, service transformation, shared services, commercialisation of services and asset-based incomes which spreads risk and opportunity.
4. Define and develop a vision and narrative for the town centre with partners and the community.
5. Create an effective shared space between Cabinet and CLT based on trust and collective responsibility to enable MDC to reach its full potential.

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 Mansfield District Council were:

- Adrian Pritchard - Chief Executive, Colchester Borough Council
- Dave Hodgson - Mayor of Bedford Borough Council
- Samantha Mowbray - Head of Performance, People and Engagement, Swindon Borough Council
- Andrew Pollard- Managing Director, Place Partnership Ltd
- Ernest Opuni - 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. 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 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?

In addition to these questions, you asked the peer team to consider/review/provide feedback on:

- The Mansfield Journey
- Mansfield's Medium Term Financial Strategy (MTFS)
- Mansfield's approach to Strategic Asset Management

The peer challenge process

It is important to stress that this was not an inspection. Peer challenges are improvement focussed 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. 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 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 3 days onsite in Mansfield, during which they:

- Spoke to more than 70 people including a range of council staff together with councillors and external partners and stakeholders.
- Gathered information and views from 30 meetings, visits to key sites in the area and additional research and reading.
- Collectively spent more than 200 hours to determine their findings – the equivalent of one person spending more than 6 weeks in Mansfield.

This report provides a summary of the peer team's findings. It builds on the feedback presentation provided by the peer team at the end of their on-site visit (15-17 February 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

The vision and three priorities identify the priorities for the place and residents which MDC is looking to address. The council understands the need for change and Mansfield's likely trajectory. It has good links with other authorities/agencies to support delivery.

MDC is self-aware about the areas of particular challenge facing the place, communities and council. This includes financial resilience and external perception. There is a clear focus on addressing these and MDC appears well-placed to identify priorities.

There is a recognition of MDC needing to do some things fundamentally differently to be more financially sustainable.

MDC's Transformational programme could be better defined in terms of customer (digital by default), commercialisation of certain services and use of assets for income generating purposes. The council does not feel customer or resident centric and there appears to be no clear mechanism for understanding the views, needs and challenges of residents. Engagement with the community on place and priority setting has not really begun. There is a need to complete Local Plan/engagement on Local Plan whilst priority setting needs to be sharper to ensure resources are targeted towards the 'Big Ticket' items.

There is a need for a longer term view of realising savings and generating income. As regards the pace of change, we would encourage the council to give further consideration to identifying a smaller number of critical priorities for delivery in the short to medium term.

4.2 Leadership of Place

There is strong partnership working across the county and with key agencies in relation to the D2N2 (LEP) and the wider devolution agenda. There is a clear recognition of the value of partnership working and the importance of Mansfield contributing to the vision for Nottinghamshire and the region more widely. There are strong partnerships and a good culture of working in partnership as exemplified by the MDC working with Ashfield for shared service benefit.

There is a strong collaborative relationship with Ashfield. The Executive Mayor is involved strategically with Health and Well Being as well as on skills with the West Nottinghamshire College and 2020. This means that MDC is well placed to influence agenda at that level.

The Executive Mayor and Chief Executive are highly regarded by strategic partners and do excellent work on STP and links with other agencies

There is clear evidence of real leadership in delivering innovation in extra care (Poppy Fields) and in health (MDC housing staff located in the Hospital – the only DC in the

county to do this). The Poppy Fields initiative is a first class example of collaboration. Whilst the team also saw really good examples of tenant engagement and involvement in capacity building, scrutiny and service improvement

There is a need to find more of a narrative and compelling vision on investment into and regeneration of Mansfield. MDC has a powerful story to tell regarding: investment in Mansfield and the council's ambitions for the place. We would encourage the council to be more forthright in its public explanation of it and find a clear narrative for this. The vision for Mansfield is developing at pace however it appears there remains more to do in order to engage local people in knowing, understanding and fully participating in delivering the vision

We would encourage MDC to consider its priorities and how the council will deliver these in view of resource capacity.

4.3 Organisational leadership and governance

The Executive Mayor and Chief Executive are clear about the direction they want to take the council. There is a strong and collaborative relationship giving a strong platform for communicating a consistent message and a common vision for the council.

There is an evident commitment from Executive Mayor, Chief Executive and Corporate Leadership Team (CLT) to the staff of MDC which is felt, recognised and appreciated by staff across all levels of the Council.

The Chief Executive is clear about the direction in which she wants to take the council's workforce. She understands that the change in culture she is driving will take time to fully become embedded with staff. Her commitment to supporting her people through the change is clear. She was described to us as a 'first class Chief Executive' who inspires her CLT and the council's staff more widely.

All of the CLT are fully committed to the vision set out by the Chief Executive and are a cohesive, supportive group who recognise their corporate role. They form a strong and collaborative team who support the Chief Executive's vision. Directors feel supported and cited the 'New Directors' course as an example of this.

As part of 'People First' MDC gets a lot out of a very small Learning and Development budget. Staff development is appreciated and reaping benefits across the organisation. However the council's processes around Personal Development Reviews and in particular the absence of performance appraisal window make PDRs optional and the job more difficult

It is clear that there has been significant investment in developing a new fit-for-purpose constitution and governance framework. However whilst the framework is a strong one there remains further work to do in ensuring it is fully embedded and influencing behaviours.

Greater collaboration is needed between Cabinet and CLT in developing priorities and the process of decision making and transformation. Finding more shared space to work

through these issues should be a priority for MDC as there does not currently appear to be enough collaboration between Cabinet and CLT in the process of decision-making. This is a part of the council's business which ought to be jointly developed and is an area we would encourage the council to focus on as a priority. There would be benefit to Mansfield District Council in a truly collaborative 'Top Team' of Cabinet and CLT; 'Team Mansfield' rather than a member/officer divide.

This approach would then support the development of the next phase of People First which should be centred around your future requirements of your workforce in terms of both transformation and business as usual. We heard from your staff that they understand the direction of travel for the organisation and where transformation will lead them, however in areas like commercialisation and digitisation there was widespread recognition that the skills required to deliver on these agendas were lacking in the Council at the moment.

In order for an agenda of definite transformation to be developed and delivered, it will be important for much clearer prioritisation of the initiatives currently out to the organisation from the Cabinet. It will be important to increase focus on quality and high impact rather than the current emphasis on developing a high quantity of initiatives.

The legitimate tension between the Administration and the Opposition can prevent the full talents of all councillors being engaged and utilised for the betterment of Mansfield. We heard a consistent message that 'this is a shame' and it is not clear whether all the political talent available to the council is being fully engaged and utilised. The level of disconnection by the opposition is pronounced and we feel it is important for the betterment of Mansfield that the council works towards having mechanisms which enable a range of members to contribute to policy and place development in Mansfield.

Another impact of this tension, is the feeling in some quarters that the quality of scrutiny has diminished in recent years. This may be to the detriment of the longer-term performance of the council. We heard examples of excellent practice in both overview and scrutiny but certainly sensed a nervousness that the state of current political relationships was in danger of undermining the excellent foundations that have been put in place to ensure effective scrutiny can support the organisation's delivery of its objectives. Some work has started with scrutiny chairs and members to identify areas for improvement. We feel there would be some value in use of task and finish groups on key issues of interest as well as putting in place a more robust work programme which could assist in further engaging members more widely.

4.4 Financial planning and viability

The council is ambitious and there is a culture of thinking 'outside the box' which is very much being stimulated by councillors in addressing the challenges the council faces. This is a major driver for the council's to increased commercialisation. The officer in post to push this agenda should add value with the right support.

There appear to be short-term drivers in financial planning and management due to this being undertaken year by year. This short term approach is causing there to be limited understanding of budget planning process contributing to an apparent lack of

confidence within the council that it has a full handle on finances and risks into the future. Service managers feel like their service is under constant review and that they therefore cannot plan adequately for the future beyond the immediate short term.

Despite financial budgets being run tightly across the council on a year to year basis a greater understanding and 'ownership' of the budgets across services and budget managers is needed. This would improve the collective quality and commitment to the medium term financial forecasting and the in year budget monitoring and usage.

It is also not clear whether the current vision of concentrating investment in property has been fully understood by all in the council. Therefore this need to enable council-wide ownership and shared understanding of the budget and finance is imperative. We would also encourage the council to spread the risk in dealing with financial challenges between efficiency savings, shared service arrangements, property investment, commercialisation of services and service transformation.

We feel the focus of transformation should move from tactical to strategic. It was not clear to us as to how well thought-out the plan for addressing the deficit is. As a result there is a risk that big investment plans and 'Change for the Future' service improvement plans financially mask real need for productivity and more transformational changes around digitisation for example. The council may find some value in investing in an integrated and coordinated programme of wider transformation which includes IT, customer services and digitisation. Aligning all of these areas will be important as they impact directly on, and contribute to the success of, each other.

4.5 Capacity to deliver

There is excellent engagement at a strategic level which means MDC is able to influence and contribute positively to delivering regional priorities. The council has notable influence on the STP and has health inequalities as a corporate priority which allows it to focus on this important area of delivery.

We also found some very good strategic thinking in the delivery of regeneration priorities. A notable example is the council's decision not to charge for its involvement in development for building control at the front end of the process. This is because of a good appreciation of the significant benefits to be gained from closer liaison with developers at the back end of the delivery process.

Staff at MDC are very engaged and enthused. However recruitment and retention may be difficult in certain technical and professional areas in view of the current rates of pay and perceived lack of opportunities for career progression. The council may wish to consider whether its structure fully supports the need for pace and people development.

We would encourage MDC to focus on developing clear priorities that will allow the council to identify the capacity needed to deliver. Clear prioritisation will be required and we would encourage the council to build further on the recent work on developing prioritisation criteria within the 'Change for the Future' programme. This will help to avoid mission creep and support the council in achieving its ambitions. Better use of

data, benchmarking and evidence will assist in MDC sharpening its delivery and more robustly evaluating success.

Developing MDC's corporate priorities into more detailed work programmes will ensure that the council is providing clearer direction to the organisation and to partners. The current perception of services being in a constant state of review is not contributing positively to staff morale and is not most efficient use of officer effort. We feel the council's Business transformation is under-resourced – 4.27 FTE- covering a wide and important agenda which includes policy, performance, insight and service improvement. Capacity looks to be very stretched in view of so many priorities and the council may wish to consider further needs investment in this part of the council's business. There may also be scope for the council to consider whether partnership arrangements might be leveraged to deliver this function more effectively.

4.6 The Mansfield Journey

There is a very evident pride in the place and the council. There is also a strong ambition for the council and a desire to raise Mansfield's profile. The council's investment in its people and partnerships means MDC has a strong, proactive culture which puts the council in a really strong position to deliver for the district.

The council has the benefit of a strong, stable senior team that is committed to a common vision. They are well respected and trusted by staff to make the right decisions for the council which provides a strong base for future successful delivery. The pace at which change has been implemented over the last 18-20 months is swift demonstrating a clear recognition that change was needed and required urgency

MDC is a proactive, influential and valued member of strategic partnerships. The work it does on the STP along with initiatives such as the Poppy Fields where MDC working with the county council on extra care and supported living was described on more than one occasion as 'brilliant'. MDC has put Housing officers into the hospital to support this work and is the only district council in Nottinghamshire to do so.

There is a real recognition of the need for ambitious transformation and change. However there is also a real need to build additional capacity to deliver. Longer term sustainable transformation should be a priority.

We feel that now is the time for MDC to further define its destination in both the medium and long-term. The council will need investment in transformation if it is to continue to be successful and financially sound. Commercialisation, IT, Community Capacity, digitisation brought together under one transformation programme would be of benefit. We would encourage the council to spend some time in gaining a better understanding of the needs and views of its customers. Subsequently building some guiding principles for decision making around those and MDC commercial ambitions would be of benefit.

Pace is a significant issue for the organisation and the council may find value in reviewing the capacity of the workforce to deliver effectively. We heard numerous times that the lack of prioritisation meant that everything was important and needed to be done at significant pace. This isn't possible given your financial context so you need to

ascertain the most important milestones and projects for you and then decide the appropriate pace for delivery. Considering the potential benefits of shared services may be of benefit

4.7 Medium Term Financial Strategy (MTFS)

There is clear recognition of significant and potential financial constraints and year on year resource reductions. Couple this with the fact that the Council is ambitious and has identified some high profile ambitious projects means that the financial position needs corporate ownership; careful monitoring; and a longer term strategic approach.

The ability of Mansfield each year since 2010 to 'fix' the financial problem annually is admirable but unsustainable for the next 5 - 10 years of public sector austerity measures. Mansfield has certainly been prudent in its treatment of the New Homes Bonus which is not included in the base budget and this has stood the Council in good stead following the recent changes to the New Homes Bonus funding mechanism.

There is clear Cabinet buy-in and leadership to be more business-like and operate more commercially in identifying innovative ways to becoming more financially self-sufficient. However a clearer definition of what 'commercialism' means to Mansfield District Council and the communication of that understanding to all staff would assist in achieving self-sufficiency financially. Effectively the organisation and partner organisations need to know what the 'operating model' of Mansfield is in relation to the commercialism agenda and its definition.

There is clearly no lack of ideas and ambition in how commercialism can help drive the MTFS but there needs to be a framework for evaluating these ideas to ensure a pipeline of both short (quick wins) and medium term (longer term investment and return) savings which are both robust and well resourced. Mansfield must consider spreading the methods and risks in closing the cumulative budget gap in the MTFS. For example a range of methods from fundamental transformation of service delivery; genuine efficiencies; asset usage for income generating purposes; borrowing policy for asset purchases; digitisation of services; and looking at funding bids on some of the more innovative ideas for change.

In order to have this more rounded and complete operating model for financial self-sufficiency investment is needed both in terms of specific projects but also 'enablers'. Investment in ICT and the platform for major and organisational-wide digitisation of services, contact channel shift and customer journey work; skills in working more commercially; rationalisation of accommodation and depot requirements; flexible working; and a realignment of the structure of the organisation. These investments all lay the foundations for future significant delivery of financial imperatives (savings and income) and will contribute to a clearer and more widely owned MTFS.

4.8 Strategic Asset Management

We felt that MDC has demonstrated excellent clarity of thought on analytics for the consideration of new investment via the 5Q's methodology.

Although the council's aspiration for greater commercialisation is at a relatively early stage there is a shared recognition at MDC of the need to drive commercial income. It is also clear that there is exciting potential if the council gets this enterprise right. This will require the council to very clearly define what it means in promoting a more commercial approach as part of its future delivery. We would encourage the council to ensure appropriate support and time is made available for managing such a programme. The benefit of investing in this clarity upstream would help to ensure the outcomes sought from this approach are clear to all at MDC and that what success looks like is well articulated from the outset. Securing wider corporate buy-in will be a key ingredient for this being successfully embedded in MDC's culture into the future.

The logistics of properly managing investments of the sort the council is exploring are important. We would suggest a key consideration ought to be ensuring that MDC has the organisational capability to effectively manage assets which may be located away from Mansfield. It will be important that the council has a strong handle on the potential complexity of different jurisdictions that would govern ownership of property in different parts of the UK for example. Mansfield Council's drive and the approach seems to be more tactical than strategic at the present time; we would encourage the council to move into the latter mind-set as swiftly as is practicable. .

We feel that greater clarity is needed around Mansfield Council's income versus capital objectives. Some of the investments it is exploring appear institutional. Mansfield Council will need to manage the risk of overpaying when investing in a market where private companies are able to push prices up due to their willingness and ability to invest extra resources in order to secure capital growth. The investment formula for capital growth is different to situations where the priority is income generation so MDC would do well to be clear on how it wishes to engage in this arena.

5. Next steps

Immediate next steps

We appreciate the senior managerial and political leadership will want to reflect on these findings and suggestions 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). His contact details are: Email mark.edgell@local.gov.uk and Tel: 07747 636910

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 November 2021.