Corporate Peer Challenge
London Borough of Bexley

19th to 22nd March 2018

Feedback Report
1. Executive Summary

Bexley has experienced strong and stable political leadership over many years, under a Leader who is widely held in very high regard, and there is strengthening corporate leadership, headed by a Chief Executive who commenced in post just under two years ago. Tremendous ambition and a clear strategic direction is being demonstrated, reflected in the recently established Corporate Plan and Growth Strategy. The aim is the securing of ‘growth that benefits all’ – combining future growth with protecting all that is special about Bexley already.

There is an increasing profile for Bexley, both as a council and a place, and a growing engagement and influence on the part of the authority across an increasingly wide geography. Within the borough there are a number of partner relationships that have been strong for a long time, whilst other relationships are seen to have improved significantly in the last two years.

The council has a long track record of strong financial management. Now supplementing this is an increasing appetite for carefully managed risk. The move to the new Civic Centre is a case in point and it has proved to be an enormous success. The challenge now for the council is making the move to secure financial self-sufficiency by 2019/20 and addressing the projected financial gap of £20m over the next four years.

All of the council staff that we met were highly committed and enthusiastic and they demonstrate a real passion for Bexley. A major shift in culture within the organisation has been delivered in the time since the Chief Executive arrived. Many staff spoke of having greater variety within their roles, freedom to operate and the opportunity to deliver innovation. The change that has taken place is a marked one, although there is inevitably more still to be done with the difference not yet being felt to have impacted fully at all levels or in all areas.

Progress is being made on a change and transformation agenda. A deliberate approach of ‘igniting’ change activity has been adopted within the council. A variety of initiatives is being encouraged and enabled and constructive “disruption” techniques and methods are being deployed. Digitalisation and commercialisation have also featured within the council’s move to change and transform. It is accepted that these are still at the outset but, like many councils, a lot more potential exists to be capitalised upon.

Absolutely everybody that we met within the organisation, in terms of both elected members and officers, is supportive of Bexley’s growth ambitions. This is an incredible achievement and is testimony to the leadership that has been delivered. The fact that the Growth Strategy enjoys cross-party political support cements its strong position and provides for certainty. The potential benefits in relation to future funding for the council are also widely understood within the organisation, contributing to the sense of positivity that exists around a difficult financial position. The concept of growth is viewed positively beyond the council too. Partner organisations are switched on to the notion of ‘growth that benefits all’ and are keen to see the ambitions being realised.
However, anxieties are emerging that growth will be at the expense of quality of life in Bexley. Major challenges are looming already around the London Plan and the securing of vital infrastructure, particularly transport, ahead of major developments being delivered. Strong political leadership will need to continue to be demonstrated both in pursuing Bexley’s interests and in maintaining support across the council, amongst partners and within local communities. The council is committed to taking people with it in relation to the growth agenda but there are weaknesses currently in community engagement and community development arrangements and councillors are seen as needing to lead more. Any such gaps risk enabling anxieties to grow and attitudes to shift.

The council is felt to ask a lot of partners. There is excitement about the agenda within Bexley and lots of goodwill amongst partners who are keen to contribute to it. However, they feel that the focus is very much on the council’s plan rather than everybody working together to deliver in line with a jointly agreed plan for the borough. There is an opportunity here to build constructively on partner relationships by developing just such a plan.

There is universal acknowledgement across the council and partners that Overview and Scrutiny is not effective. Some good work is felt to be taking place at sub-group level and the support provided by scrutiny officers is very much valued. However, a number of far less positive aspects are also in evidence and the situation is worse than Overview and Scrutiny simply not being effective – the impact of it is actually a detrimental one and swift action is required. However, the answers don’t lie simply with reform of Overview and Scrutiny. Making changes to this aspect of the governance arrangements in isolation won’t achieve the required change.

The reduction in the number of elected members following the Ward Boundary Review and the future agenda facing the borough necessitates the council ensuring the maximum possible benefit is derived from councillors and the roles that they fulfil. We therefore recommend a review of the council’s governance arrangements, looking at the entire breadth of elected member roles, including Overview and Scrutiny and that of the ward councillor. This should be externally facilitated. It is also important to ensure that adequate support is in place going forward to enable councillors to fulfil their roles – ensuring they have ‘the tools to do the job’.

The council is rightly proud of its track record in the way it has managed its finances. Supplementing this now is a growing focus on outcomes, which extends thinking from how budgets are used to the wider resources picture – how the overall resources available within the council and collectively across the borough are best deployed and the impact that is achieved through their use. This way of looking at things is very different and may be challenging of long-established approaches, traditional values, professional domains and organisational ‘boundaries’ and needs tactful and diplomatic handling and facilitation. However, everything possible needs to be done to ensure that genuinely maximum benefit is being gleaned for the people of Bexley from all of the resources available to the borough.

There is a huge amount going on in the council, reflecting the tremendous ambition that exists. In order to help the agenda feel more manageable and provide a sense of progress we recommend that the council tests out the concept of ‘sequencing’. This would entail
mapping out what needs to be focused on over the months ahead, on a rolling basis, and, for longer-term projects including many of those within the Growth Strategy if the approach was applied to that too, identifying key milestones. This combination would enable progress to be seen and reflected on as the months go by and help to translate complex and long-term goals into more tangible elements that provide people with greater meaning and enable them to see how things will get done.

2. Key recommendations

There are a range of suggestions and observations within the main section of this report that will inform some early practical actions, in addition to the conversations on-site which provided ideas and examples that the council may wish to think about adopting. The following are the peer team’s key recommendations to the council:

- Fully leverage the support and capacity of partners in relation to delivering the growth priorities and ambitions for the borough
- Take forward the idea of developing a borough plan with partners
- Ensure that the resources and approach to community engagement and community development are geared to fulfilling the commitment to ‘taking communities’ with you on the growth agenda
- Commission an externally facilitated review of the council’s governance arrangements, with the aim of optimising all parts of the council’s governance
- Test out the concept of a ‘sequencing’ approach to map out what needs to be focused on and in what timescales in order to make things feel more manageable and provide a sense of progress

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 with Bexley were:

- Carolyn Wilkins, Chief Executive, Oldham Council
- Councillor Kevin Davis, Leader, Royal Borough of Kingston upon Thames
- Andy Lewis, Deputy Chief Executive (Place), Southend-on-Sea Borough Council
- James Rolfe, Executive Director for Finance, Resources and Customer Services, Enfield Council
- Chris Bowron, Peer Challenge Manager, LGA
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, the council asked the peer team to consider, review and provide feedback on:

- Is internal capacity and expertise appropriate to deliver the new corporate plan?
- Is the council best-placed to lead and influence within the borough and beyond its boundaries?
- The effectiveness of Overview and Scrutiny

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 current LGA sector-led improvement support offer includes an expectation that all councils will have a corporate peer challenge every 4 to 5 years.

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 being faced. The team then spent 4 days on-site with the council.

This report provides a summary of the peer team’s findings. It expands on the feedback presentation provided by the peer team at the end of their on-site visit. In presenting feedback to you, they have done so as fellow local government officers and elected 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 now already addressing and progressing.

The team would like to record their thanks to the London Borough of Bexley for their warm reception, the collaboration of the participants and the wide range of ideas the peers have taken home.
4. Feedback

4.1 Sound foundations and solid progress

The London Borough of Bexley has experienced strong and stable political leadership over many years, with a Conservative Administration in place since 2006 and the Leader, who is widely held in very high regard, having been in the role for nearly 10 years. There is strengthening corporate leadership, headed by a Chief Executive who commenced in post just under two years ago and who is held in very high regard both internally and externally. Tremendous ambition and a clear strategic direction is being demonstrated for Bexley, reflected in the recently established Corporate Plan and Growth Strategy. At the heart of these ambitions are the goals of establishing over 30,000 new homes and almost 18,000 new jobs across the borough by 2050. The aim is the securing of ‘growth that benefits all’ – creating places where people choose to live and work and where businesses would like to locate whilst at the same time protecting all that is special about Bexley already.

There is an increasing profile for Bexley, both as a council and a place, and a growing engagement and influence on the part of the authority across an increasingly wide geography. The Leader is very active in the capital, through her role with London Councils, and has been able to forge good links now with other authorities within the region and sub-region, including Kent. The Chief Executive is well engaged on the local government scene and the council, represented by a variety of officers, is featuring increasingly on national platforms profiling the work it is delivering, for example around change and transformation. Within the borough, there are a number of partner relationships that have been strong for a long time – particularly with business and the private sector – whilst other relationships, essentially those with community-based partners, are seen to have improved significantly in the last two years.

The council has a long track record of strong financial management. Budgets are very tightly managed, with the authority having delivered underspends in the last couple of years, and officers at all levels are clearly very conscious of their responsibilities in relation to being prudent. A real virtue has been established around managing within the available financial envelope. This has now been built on with a move to ‘outcomes based budgeting’ – encouraging services and staff to focus beyond staying within budget and looking to deliver the best possible outcomes for the money that is available. This shift in thinking focuses on what can be done, rather than the savings necessary in more traditional budget planning processes.

Now supplementing the corporate rigour and track record around financial management is an increasing appetite for carefully managed risk and the taking of brave decisions. The move to the new Civic Centre in 2014 is a case in point and it has proved to be an enormous success. It provides a quality, flexible and modern working environment for staff and elected members, is financially prudent given it is estimated as having saved around £2m expenditure annually and has facilitated several significant regeneration schemes in the borough through the freeing up of buildings and land, including in Sidcup, Slade Green, Hillview, Bexleyheath and Abbey Wood. It has also enabled the co-location of the Clinical Commissioning Group with the council.
The creation of BexleyCo, as a vehicle for establishing regeneration and housing in the borough, is another example. The council’s Transformation Reserve is supporting ‘invest to save’ initiatives, such as the £800,000 provided to facilitate change in the Fostering Service, resulting in both improvement in service quality and the anticipated financial return.

As well as making the types of investment outlined above, the council is ensuring it maintains a focus on key areas of performance and local priorities, including the ‘clean and green’ agenda and the public realm and both sustaining and building upon improvements in social care.

All of the council staff that we met were highly committed and enthusiastic and they demonstrate a real passion for Bexley. A high proportion of people who work for the council also live in the borough, certainly compared to many other London boroughs. A major shift in culture within the organisation has been delivered in the time since the Chief Executive arrived. Many staff spoke of having greater variety within their roles, freedom to operate and the opportunity to deliver innovation. People generally feel that they work in a supportive environment and that they are kept well informed. The change that has taken place is a marked one, although there is inevitably more still to be done with the difference not yet being felt to have impacted fully at all levels or in all areas. Amongst frontline staff there was a sense of them feeling less empowered than people at other tiers and staff (from different levels) within services based away from the Civic Centre, who are less well-positioned when it comes to being able to engage with internal communications activity, such as staff briefings, feel less well-informed. This includes, for example, staff based in libraries who are an important conduit for informing the public about the council’s activities.

Progress is being made on a change and transformation agenda. Aspects of this include an increasing emphasis being placed on the use of insight and data (such as Acorn and Origins), particularly in a commissioning context, and the involvement of residents and users in the co-design of how services are delivered. A deliberate approach of ‘igniting’ change activity has been adopted within the council. A variety of initiatives is being encouraged and enabled and constructive “disruption” techniques and methods are being deployed. In taking this approach, as a deliberate alternative to establishing a corporate-wide systematic programme of change and transformation, it is fully accepted that some things will work whilst others will not succeed. In the case of the former, these go on to be applied more widely whilst the latter are moved on from, with the lessons learnt and without any sense of blame or failure.

Digitalisation and commercialisation have also featured within the council’s move to change and transform. It is accepted that these are still at the outset but, like many councils, a lot more potential exists to be capitalised upon. In doing so we would encourage the council first to take a step back in relation to ‘commercialisation’ and reflect on what it means and what is being sought. There was a strong sense that commercialisation is interpreted simply as ‘out-sourcing’ by many people that we spoke to on the matter and it clearly held negative connotations for them. When we spoke to staff about the notion of them and the council seeking to become more ‘entrepreneurial’ – as a different definition of commercialisation – that concept seemed to sit much more comfortably with them. Thus there would be benefit in taking the time to think through
what the agenda means and what outcomes the council is trying to achieve. Commercialisation provides an opportunity not just to reduce cost and/or increase income but also to impact on many other priorities within the borough, such as workforce development, apprenticeships, housing and growth. Scoping out what ‘commercialisation’ means and could deliver in a Bexley context, and conveying this clearly to staff, would help in moving the agenda forward.

4.2 Opportunities and challenges

There are a wide range of opportunities and challenges for the council both now and into the future, including:

- Making the move to secure financial self-sufficiency by 2019/20 and addressing the projected financial gap of £20m over the next four years. 2019/20 represents a ‘crunch year’ not just because of the challenge of becoming self-sufficient by then but also over half of the financial gap (£11m of the £20m) needs to be delivered in that year. Planning is already underway for addressing this, with a clear process in place and a positive narrative having been adopted widely across the organisation centred on ensuring the council does the best it can with the resources that remain. The projected £20m gap is predicated upon achieving the anticipated contribution from BexleyCo of £17m over four years, so this needs to form a key area of focus now and into the future.

- Working through the implications for governance arrangements of the Ward Boundary Review. With the number of elected members reducing from 63 to 45 at the time of the local elections in May this year, linked to the number of wards reducing from 21 to 17, there is both a need and an opportunity to review the council’s governance arrangements. With a reduction by more than one third in the number of councillors, the status quo cannot be maintained in relation to the way governance operates and both the nature of the elected member roles and the way they are fulfilled need to be geared to delivering the maximum possible benefit for the borough. We recommend that the authority commissions an externally facilitated review of the council’s governance arrangements.

- Translating the ambitions of the Growth Strategy into a reality. The objective of delivering ‘growth that benefits all’ has captured the imagination of people we met both within the council and in partner organisations. Achieving it, with the challenges and hurdles that entails, will not be easy but the council is strongly motivated.

- Responding to the widely recognised capacity pressures within the organisation. Given the scale of the ambitions and the agenda in Bexley, it is unsurprising that there is pressure on capacity. This situation will continue for the foreseeable future as resources reduce and the demands on the council continue.

- Extending the focus on outcomes. The shift that has been made to ‘outcomes based budgeting’ is a mindset shift as much as anything. With the work having recently been completed to establish a set of outcome measures, the task now becomes one of embedding them, not least through the performance management framework, and enhancing them further over time given people recognise they
represent the first iteration of a set of measures. The positive narrative around the financial challenge – that of focusing on achieving the best that is possible from the resources available – and the growing focus on outcomes form key aspects of an important shift to be made that supplements strong financial management with looking at the wider resources picture. That picture includes not only the overall resources available to the council – including staff and elected members, knowledge and expertise, data and intelligence, assets and investment means – but also those held by partner organisations and, within communities, the capacity and social capital that exists there.

- Contending with the changing partnership geography and its implications. With significant change taking place in the spheres of key partners, including health and the police, the partnership geography that the council is used to is shifting. The co-terminosity that has been enjoyed is being revised and, along with that, the relationships that have been formed are being disrupted. There is no simple solution to this – it is just a reality that staff and elected members need to adjust to and, as part of doing so, formulate new relationships with partners who will have a focus that includes, but also goes wider than, Bexley.

### 4.3 Place leadership

Absolutely everybody that we met within the organisation is supportive of Bexley’s growth ambitions. This is an incredible achievement and is testimony to the political and managerial leadership that has been delivered. The fact that the Growth Strategy enjoys cross-party political support cements its strong position and provides for certainty, not least for potential investors in Bexley. The potential benefits in relation to future funding for the council are also widely understood within the organisation, contributing to the sense of positivity around a difficult financial position. The concept of growth is viewed positively beyond the council too. Partner organisations are switched on to the notion of ‘growth that benefits all’ and are keen to see the ambitions being realised. Very good examples exist already of what can be achieved in terms of regeneration, including developments in recent years in Slade Green and Welling, the development of the new Civic Centre and the focus that is being applied to the design quality of development projects in Abbey Wood.

However, anxieties are emerging that growth will be at the expense of quality of life in Bexley. These anxieties, which are not particularly significant yet, exist in the minds of some of the staff, elected members and partners that we met. Major challenges are looming already around the London Plan – which envisages a greater number of new homes than the council – and the securing of vital infrastructure, particularly transport, ahead of major developments being delivered. Strong political leadership will need to continue to be demonstrated both in pursuing Bexley’s interests – as seen with the galvanising of support amongst a range of partners within the region and sub-region for the extension of Crossrail to Ebbsfleet – and in maintaining support across the council, amongst partners and within local communities as and when things become difficult and growth potentially comes to be viewed differently.

The council is committed to taking people with it in relation to the growth agenda but there are weaknesses currently in community engagement and community development arrangements and councillors are seen as needing to lead more. Any such gaps risk
enabling anxieties to grow and attitudes to shift. It is not a case of requiring major investment to be made – rather it is making best use of the resources already available, in the form of council services, officers and councillors already based in communities being better positioned to share information with residents and community organisations and respond to queries and anxieties as they manifest themselves. As a simple example, in delivering a number of staff workshops it became clear to us that there were people involved in them who were clearly in a position to influence levels of understanding in communities but who were not fully up to date themselves on developments, including infrastructure improvements, taking place across the borough. The council could consider tailoring communication to staff and elected members to ensure they are fully equipped to actively involve themselves in communicating key messages and also enable them to feed views and issues back in. We recommend the council ensures that the resources and approach to community engagement and development are suitably geared to fulfilling the commitment to ‘taking communities’ with it on the growth agenda.

There are also opportunities for the council to leverage additional support from partners and call upon resources available beyond the local authority. One example is the potential to engage key opinion formers and influencers in communities more, whilst another is what partners in the business community highlighted to us as the potential benefit of adding the voice of major employers to the lobby for infrastructure developments in the borough. We recommend the council ensures it fully leverages the support and capacity of partners in relation to delivering the priorities and ambitions for the borough.

In leading and influencing the growth agenda for Bexley, involving engagement at governmental, regional, sub-regional and local levels, it is important to ensure the Leader and Chief Executive are focusing their respective effort to achieve the maximum benefit. Whilst there will be moments when it is beneficial for them both to be present at, and involved in, the same activities and discussions, it is important to ensure their respective skills and interests are utilised to best effect and their limited time isn’t dissipated through duplication of activity and effort. When it comes to engagement more generally within Bexley, partners are keen to see more of the Leader. They have very much welcomed the opportunity to engage with the Chief Executive over the last couple of years and are keen now to supplement this with greater engagement with the political leadership.

The council is felt to ask a lot of partners. There is excitement about the agenda within Bexley and lots of goodwill amongst partners who are keen to contribute to it. However, they feel that the focus is very much on the council’s plan rather than everybody working together to deliver in line with a jointly agreed plan for the borough. There is an opportunity here to build constructively both on the partner relationships that have been strong for a long time and those that are seen to have improved significantly in the last two years, by developing just such a plan. The process of doing this would be just as, if not more, important than the plan itself. Irrespective of whether a plan is jointly developed or not, the improvements that have been seen in partnership relationships, and the new relationships that will form as the partnership geography changes, need to be cemented by the council. This will be achieved by translating strategies into action and keeping partners engaged and informed. Partners indicated that too often in the past they have been ‘sold’ a plan by the council which has then failed to materialise.
Adopting a place leadership role to the extent that is possible would help fulfil Bexley’s ambitions and potential – entailing the council’s stewardship harnessing growth, the contribution of partners and the potential of social capital and extending the focus on outcomes.

4.4 Governance

With the number of elected members reducing from 63 to 45 at the time of the local elections in May this year, linked to the number of wards reducing from 21 to 17, there is both a need and an opportunity to review the council’s governance arrangements. With a reduction by more than one third in the number of councillors, the status quo cannot be maintained in relation to the way governance operates and both the nature of the elected member roles and the way they are fulfilled need to be geared to delivering the maximum possible benefit for the borough.

Overview and Scrutiny featured in virtually all of our discussions. There is universal acknowledgement across the council and partners that it is not effective. Some good work is felt to be taking place at sub-group level, although few tangible examples could be cited, and the support provided by the three dedicated scrutiny officers is very much valued. However, a number of far less positive aspects were also in evidence and the situation is significantly worse than Overview and Scrutiny simply not being effective. The impact of it is actually a detrimental one:

- Outcomes – people were unable to identify positive outcomes or any tangible constructive difference that had been secured through the Overview and Scrutiny process
- Time and effort absorbed – tens of thousands of hours of officers’ and elected members’ time is being taken up annually achieving nothing in the way of positive outcomes
- Impact on motivation and morale – there is apprehension on the part of officers throughout the organisation about the prospect of having to interact with Overview and Scrutiny
- Unacceptable behaviours being demonstrated – it is simply unacceptable to have any situation in which people contributing to Overview and Scrutiny are dealt with rudely or aggressively or are treated discourteously or disrespectfully
- Reputation of the council and the Administration – very negative perceptions are being formed about the council by people who experience Overview and Scrutiny as it is currently delivered in Bexley. This has very significant implications for the authority in terms of partners’ attitudes towards the council, future relationships with partners and officers’ motivation to contribute to Overview and Scrutiny. It also has a damaging impact on the reputation of the Administration.

Swift action is required. However, we wish to be extremely clear that the answers don’t lie simply with reform of Overview and Scrutiny. Making changes to this aspect of the governance arrangements in isolation won’t achieve the required change.
Even if the issues that we have highlighted around Overview and Scrutiny didn’t exist, we would be recommending a review of the council’s governance arrangements. The outcomes from the Ward Boundary Review are sufficient in their own right to necessitate revision of how the council is governed. The reduction in the number of elected members and the future agenda facing the borough necessitates the council ensuring the maximum possible benefit is derived from councillors and the roles that they fulfil. Thus we suggest that the remit of the review of the council’s governance arrangements includes looking at the entire breadth of elected member roles, including that of the ward councillor, and how they would ideally be carried out. Given the issues raised in relation to Overview and Scrutiny, we recommend that the review is wider ranging and externally facilitated.

One outcome from the review should be absolute clarity about the roles and responsibilities of elected members. Prior to this being able to take effect, however, the council will be required to ensure the effective induction of elected members immediately after the elections in six weeks’ time. Both the review of governance arrangements and the induction process needs to be followed by the creation of a comprehensive programme of training and development for councillors. This should be delivered in a way that meets the varying circumstances and needs of elected members, including constraints upon their time and availability and variation in preferred learning styles.

It is also important to ensure that adequate support is in place going forward to enable councillors to fulfil their roles – ensuring they have ‘the tools to do the job’. As an example, as we understand it, there has historically been no IT provision for councillors (for a variety of reasons, all of which need to be worked through) and there is very limited dedicated officer support, beyond the scrutiny officers mentioned previously, even to assist with tasks such as diary management and dealing with correspondence. We fully recognise the resource constraints being experienced by the council and the reluctance that this generates on the part of elected members to be seen to be absorbing resources themselves. However, the council needs to balance the benefits of adequately supporting elected members in their roles against the inefficiencies and risks of the way things are currently positioned. The key concern here is the risks involved in council information and data being shared with, and potentially stored by, elected members on personal, rather than council-provided, IT equipment and systems. Another point to consider is whether having all elected members undertaking their own diary management, correspondence and research and having to rely on traditional paper-based approaches to some of their activities is the most efficient way of them operating.

4.5 Capacity and resources

The council is rightly proud of its track record in the way it has managed its finances. Supplementing this now is the growing focus on outcomes, which extends thinking from how budgets are used to the wider resources picture – how the overall resources available within the council and collectively across the borough are best deployed and the impact that is achieved through their use. This way of looking at things is very different and may be challenging of long-established approaches, traditional values, professional domains and organisational ‘boundaries’ and needs tactful and diplomatic handling and facilitation. However, everything possible needs to be done to ensure that genuinely maximum benefit is being gleaned for the people of Bexley from all of the resources available to the borough. A simple example lies with imagining what might be achieved if the tens of
thousands of hours dedicated annually to Overview and Scrutiny were channelled constructively and focused on achieving better outcomes for the borough.

There is a need to ensure a clear focus on getting the basics right within the council. As examples, there are issues currently with the way the Planning function is perceived, the ‘personalisation’ agenda in adult social care is only now starting to move forward meaningfully and digitalisation still feels in its infancy. Ensuring high levels of service quality and positive customer/service user experience is integral to the reputation of the organisation and the levels of confidence that people have in it. However, at the same time, and in order to assist with getting the basics right, there is the opportunity to build on the very positive work delivered to date within the council around organisational culture and change and transformation. This would include capitalising upon the increasing appetite for carefully managed risk and innovation, adopting co-design approaches more widely and progressing the digitalisation and commercialisation agendas.

There is a huge amount going on in the council, reflecting the tremendous ambition that exists. In order to help the agenda feel more manageable and provide a sense of progress (there is a feeling of the organisation having got into a habit of simply moving on to the next task or project rather than taking stock and reflecting on just how much has been achieved), we recommend that the council tests out the concept of ‘sequencing’. This would entail mapping out what needs to be focused on over the months ahead, on a rolling basis, and, for longer-term projects including many of those within the Growth Strategy if the approach was applied to that too, identifying key milestones. This combination would enable progress to be seen and reflected on as the months go by and help to translate complex and long-term goals (30,000 new homes and 18,000 new jobs by 2050) into more tangible elements that provide people with greater meaning and enable them to see how things will get done.

Given the scale of the ambitions and the agenda in Bexley, it is unsurprising that there is pressure on capacity. This situation will continue for the foreseeable future as resources reduce and the demands on the council grow. Part of the benefit of adopting a ‘sequencing’ approach would be to inform thinking about the resourcing of the growth agenda and the delivery of the Corporate Plan.

Specific capacity pressures have been highlighted to us around the growth agenda. We have already highlighted the need to ensure that the resources and approach to community engagement and development are suitably geared to fulfilling the commitment to the council ‘taking communities’ with it on the growth agenda. The demands on capacity, both in terms of people numbers and expertise, around economic development including Development Management (which links to the issues regarding the Planning function touched on earlier) are already significant and these will increase as the Growth Strategy takes effect.

The same applies to marketing and communications expertise around the growth agenda. There is much potential here that the council is not yet able to fully realise. The way it promoted Bexley internationally at the recent MIPIM (property investment and business networking) event demonstrates what can be delivered, but this required the council to source external support and expertise.
Whilst we have developed a sense of the capacity demands outlined here, the council will need to identify in more accurate detail just what is required to address them and, through doing so, aid the successful fulfilment of Bexley’s potential.

5. **Next steps**

**Immediate next steps**

We appreciate the senior managerial and political leadership will want to reflect on these findings and suggestions in order 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. Alan Finch, Principal Adviser, is the main contact between the council and the Local Government Association (LGA).

We are keen to continue the relationship we have formed with the council through the course of the peer challenge.

**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 that has been 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 but normally takes place around twelve to eighteen months after the original peer challenge.

**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 by 2023.
Annex – Contents of the feedback presentation delivered to the council on Thursday 22nd March 2018

Sound foundations and solid progress

- Strong and stable political leadership over many years, with tremendous ambition being demonstrated for Bexley
- Strengthening corporate leadership headed by a Chief Executive who is held in very high regard
- Clear strategic direction – recently established Corporate Plan and Growth Strategy
- An increasing profile for Bexley, both as a council and a place, and a growing engagement and influence across a wider geography
- Some partner relationships that have been strong for a long time and others that have improved significantly in the last two years
- A long track record of strong financial management
- An increasing appetite for carefully managed risk and taking brave decisions – BexleyCo, transformation reserve
- The move to the Civic Centre – quality working environment and financially prudent
- Highly committed and enthusiastic staff who demonstrate a real passion for Bexley
- A major shift in culture within the organisation – innovation, freedom to operate, variety, people feeling informed and supported – but not yet at all levels or in all areas
- Progress being made on a change and transformation agenda – insight/data, co-design, digitalisation, commercialisation and constructive ‘disruption’ techniques and methods
- The move to ‘outcomes based budgeting’
- An on-going focus on key areas of performance and local priorities

Opportunities and challenges

- The move to financial self-sufficiency
- Addressing the projected financial gap of £20m over the next four years – with 2019/20 as a ‘crunch year’
- Planning is underway for addressing the financial challenge in 2019/20 – a positive narrative and clear process
- Achieving the anticipated contribution of BexleyCo - £17m over four years
- Working through the implications for governance arrangements of the Ward Boundary Review
- Translating the ambitions of the Growth Strategy into a reality – ‘growth that benefits all’
- Responding to the widely recognised capacity pressures within the organisation
- Extending the focus on outcomes – embedding the recently established outcome measures, enhancing them further over time and looking at the wider resources picture
- Contending with the changing partnership geography and its implications
Place leadership

- Everybody within the organisation is supportive of the growth ambitions and sees the potential benefits in relation to future funding
- The concept of growth is viewed positively beyond the organisation too – ‘growth that benefits all’
- Very good examples already of what can be achieved – Slade Green, focus on design quality (Abbey Wood)
- However, anxieties are emerging that growth will be at the expense of quality of life in Bexley
- Major challenges are looming already around the London Plan and the securing of vital infrastructure
- There are opportunities to leverage additional support from partners around growth
- Strong political leadership will need to continue to be demonstrated
- The council is committed to taking people with it in relation to the growth agenda but there are weaknesses currently in community engagement and development arrangements and local councillors are seen as needing to lead more
- Leading and influencing: it is important to ensure the Leader and Chief Executive are focusing their respective effort to achieve the maximum benefit – in relation to the growth agenda but also more generally within Bexley
- The council is felt to ask a lot of partners and they feel that the focus is very much on the council’s plan rather than everybody working together to deliver in line with a jointly agreed plan for the borough
- The improvements that have been seen in partnership relationships need to be cemented – translating strategies into action and keeping partners engaged and informed
- Extending the focus on outcomes: fulfilling Bexley’s ambitions and potential through the council’s stewardship – harnessing growth, the contribution of partners (‘the Bexley £’) and social capital

Governance

- There is universal acknowledgement across the council and partners that Overview and Scrutiny is not effective
- Some good work is felt to be taking place at sub-group level and the support provided by Scrutiny officers is very much valued
- Fundamentally, though, Overview and Scrutiny is not effective and the impact is seen to be detrimental:
  - Outcomes
  - Time and effort absorbed
  - Impact on motivation and morale
  - Unacceptable behaviours being demonstrated
  - Reputation of both the council and the Administration
- The answers don’t lie with Overview and Scrutiny
• Following the Ward Boundary Review, the time is right – and needs to be taken – to undertake an externally facilitated review of the council’s governance arrangements, including the elected member role
• The reduction by around one third in the number of elected members and the future agenda facing the borough necessitates the council ensuring the maximum possible benefit is derived from councillors and the roles that they fulfil:
  - Effective induction
  - Clarity of roles and responsibilities
  - On-going training and development
  - Support for councillors – the tools to do the job

Capacity and resources

• The council is rightly proud of its track record in the way it has managed its finances
• Focusing on outcomes extends thinking from how budgets are used to how the resources available within the council, and collectively in the borough, are deployed and the impact being achieved
• There is a need to ensure a clear focus on getting the basics right – service quality and customer/users
• At the same time, there is the opportunity to build on the work to date around organisational culture, change and transformation – such as innovation, co-design, digitalisation, commercialisation
• We see benefit in adopting a concept of ‘sequencing’ – mapping out what needs to be focused on over the months ahead, on a rolling basis, and making them feel more manageable, shows ‘how’ things get done and provides a sense of progress
• This concept could be applied to the Growth Strategy also – translating something complex and very long-term into clear timescales and tangible elements
• Part of the benefit of this would be to inform thinking about the resourcing of the growth agenda
• Specific capacity (including expertise) pressures have been highlighted to us around the growth agenda:
  - Economic development including Development Management
  - Community engagement and development
  - Marketing and communications