Corporate Peer Challenge

Walsall Metropolitan Borough Council

26th to 29th September 2017

Feedback Report

1.   Executive Summary

Walsall Metropolitan Borough Council is a well-respected Council which serves many diverse communities within urban, suburban and semi-rural areas. The Borough is home to over 278,000 residents with many minority ethnic communities and is divided by the M6 motorway, creating a Borough of two halves. The Council leadership is well regarded in both the Black Country and the newly formed West Midlands Combined Authority (WMCA) and is seen as a key driver and challenger in the combined authority and a stabilising influence representing the Black Country.

The current Chief Executive, Paul Sheehan, will retire in November. He is highly regarded by partners, external organisations and colleagues. His departure will create some risk for the organisation but it also provides an opportunity as the organisation enters a new phase in managerial leadership, with the new Chief Executive starting in November. The current organisation transitional stage in terms of its Corporate Management Team (CMT), provides a further opportunity to recruit suitably skilled staff to deliver the future organisation model and this needs to be accelerated to allow the existing interim staff to be released. The formation of the new CMT will also enable clear accountability to be established, at the most senior level, for transformation and change programmes.

The Leader of the Council and Chief Executive provide visible and credible leadership to the Council and are passionate about Walsall the place. They are seen as symbolic to the improvement journey the Council has embarked upon.

The Council is financially sound with adequate reserves and has produced a four year financial plan to 2021. This has allowed the organisation to do some long term planning and to focus on demand management in challenging areas of children's and adults, where more robust predictive budgeting is required and tighter controls over spend. Now that a four year financial plan has been established, there is an opportunity to more explicitly demonstrate the alignment of financial plans with the strategic priorities of the organisation.

The political landscape is challenging with three changes in administration over the past three years. A history of the Council moving between periods of Conservative and Labour control mean that political change is a big part of the operating environment for the organisation. The current No Overall Control (NOC) and minority administration is part of the operating environment and this should be the driver for the longer term focus, not assumed to be a barrier to it. Despite this, external stakeholders feel that the values of the organisation are shared cross-party and, therefore, the impact of the change for them has been minimal. This appears to be due also to the skilful handling by the Chief Executive.

It was clear from our findings that the Leader and his cabinet are committed to redefining the organisation model and to re-aligning the budgets to deliver strategic priorities. Despite the political landscape and potential for political change, the current administration has taken and implemented some very difficult and unpopular decisions and they are to be commended for this.

There is growing sense that the Council and the place is improving and on the cusp of positive change. The Council has recently embarked on a journey of transformation,

recognising that due to high level of savings required they can no longer continue to be the provider of all services to all people. They have invested in transformation and regeneration and also in capacity building in the voluntary and community sector (VCS), although it is not clear what the organisation expects from the VCS and this needs to be established and co-designed before a transition of services to the VCS can be achieved.

The transformation programme has been established with a reasonable level of funding and it is recognised the programme now needs to be continued, broadened, increased resources committed and delivered at pace, to ensure the Council is prepared for the substantial challenges that are ahead. The funding for provision of fit for purpose IT is committed in the MTFS so systems need to be rapidly upgraded, to allow staff to use it as an enabler for other transformational activities.

There are several strategies articulating the vision and priorities for the Borough but the organisation and the Borough would benefit from a single, clear, fully defined narrative for 'Walsall the Place', with a refreshed long-term vision for the Borough and this needs to bring the Borough together into a single cultural entity, rather than being a Borough of two halves and could be co-designed with the community and partners. Flowing from this, a refreshed vision for the Council is needed to articulate how it will facilitate the delivery of the vision of place. The transformation programme should then be embedded in the context of this vision and key strategies, priorities and financial planning aligned accordingly.

The organisation feels like it is in a period of stability but given the fine political balance within the Council it would serve the organisation if there is cross-party recognition and support for the vision and the transformation programme as being the right thing to do for the residents of the Borough and the organisation. The delivery programmes should be fully embedded to ensure continuity and avoid a hiatus during any future transition periods.

There is no doubt that the elected members and staff we met are ready for change. This appetite for change needs to be tested beyond the cabinet members. The workforce is committed, talented, loyal and eager to drive forward with transforming the organisation and the place and there is a hunger for empowerment and a 'safe space' to be creative and innovate. The staff recognise the scale of the challenge but are not daunted by it. The recently produced workforce strategy is positive and many staff believe it will provide a 'catch all' solution to some of their current frustration with policies. To be effective, when reviewed, this strategy needs to be reflective of the direction of travel of the organisation and the ambitions of the staff and should remove some of the perceived bureaucracy. It needs to facilitate and support the objective of the future organisation and its workforce, nurturing internal talent through formalised succession planning and empowering staff to be creative and innovative.

The Council has a strong culture of loyalty and pride in the Borough. However, the changing environment the organisation is now embarking upon, will require an organisational cultural change. As with any change programme, this will need investment and a committed focus from the top of the organisation, otherwise there is a risk that the shift to a new delivery model will not become properly embedded.

Relationships with strategic partners are strong and building on this, there is an opportunity to collaborate more to drive better value from the Walsall £. Location based work in communities has recently been refreshed and Strategic Locality Partnership Boards are in the process of being rolled out across the 4 Localities. It is not fully clear as yet the role elected members will play on these strategic boards and this needs to be defined and communicated if the approach is to be successful. Also, the role of members at ward level requires some further consideration and this could be done in the context of the vision of place. Locality working and strong strategic leadership at a local level will be crucial as the Council begins to consider the transfer of services to the voluntary and community sector. These service transformation intentions need to be clearly articulated and consulted on at an early stage.

The Council currently has a small communications team and as in many Councils, it has been reduced over the years. It is effective in managing media requests and rebutting social media but is far more reactive than it is proactive. External media stakeholders provided positive feedback and said the Council was responsive, although it is recognised by staff that local media can be hostile, a strategy for engagement would help to enhance this relationship. Going forward, the Council needs to establish how and at what level it wants to communicate with its stakeholders both internally and externally and resource up accordingly. The organisation would also benefit from communications having a stronger voice at the top table, so there is a clear line of communication from the top to the bottom of the organisation. A greater understanding of residents' perceptions would also enable the Council to focus efforts and resources where they are most effective and this feedback should be tested on a regular basis.

As there is no clear vision for Walsall the place, it is difficult to sell this as a concept and this vision needs to be articulated, so that staff and residents can rally round it and strategic priorities set against it. There are many positives to be proud of and good stories of success but there appears to be a reluctance to shout about them.

Channel shift is a key strategic priority for the Council and in rolling this out there should be full engagement with the customer to align the outcomes with customers' expectations and not just focus on driving savings. There is an appetite within the organisation to embrace digitalisation but investment in training will be required to maximise the benefits from this.

The peer team concluded that the Council is ready and willing to move into the next phase of their journey. The Council had a turbulent and difficult period leading up to 2002. Having come through this, the Council is stable and stronger for the experience. The current political and managerial leadership and commitment continues to provide a strong, sound foundation to enable the organisation to become more agile and to move into the next phase at pace. Walsall is ready for an ambitious vision for change and this needs to be co-designed and articulated to the residents and staff, so they can embrace it and 'Tell the Story' of all that is good in Walsall with confidence and pride.

Key messages from the peer team are:

- The organisation has moved on in recent years so time now to put the past behind you;

- Council is now in a strong and stable position and ready to embark on the next stage of its improvement journey;
- Develop an ambitious long term vision for Walsall the place, its people and the Council;
- Deliver the strategies, infrastructure and cultural change required to deliver the long term vision at pace;
- Articulate the vision to the community, partners and staff;
- "Tell the story"

2. Key recommendations

There are a range of suggestions and observations within the main section of the report that will inform some 'quick wins' and practical actions, in addition to the conversations on-site, many of which provided ideas and examples of practice from other organisations. The following are the peer teams key recommendations to the Council (see Sections 4.6 and 4.7 for specific suggestions for improvement for Transformation and Communications):

1. Develop a coherent narrative of place and your ambitions:

Much of this already exists in a variety of places but it needs bringing together as a coherent vision for the long term future of Walsall the place. This will enable all members and managers to articulate that narrative consistently both internally and with external partners.

It will also inform more clearly Walsall's role and investment requirements within the West Midlands Combined Authority to deliver a Strategic Economic Plan for the region.

2. Use the narrative to place shape more effectively with partners:

This stronger narrative would help partners understand the Council's priorities more clearly and would also enable the Council to focus its resources on the partnerships and relationships that are most important in achieving that vision.

Consider a Place Shaping Board to join up regeneration with other activities.

3. Make best use of newly appointed Chief and Executive Director roles:

Strengthen corporate oversight and drive transformation change at pace through the newly appointed Chief Executive and new role of the Executive Director for Resources and Transformation (currently in recruitment process). This should include an increased appetite for managed risk.

Ensure the newly appointed Executive Director for Children's Services is adequately supported to meet future financial and service challenges.

4. **Review Workforce Strategy:**

The forthcoming planned review of this strategy needs to ensure it is reflective of the direction of travel of the organisation and the ambitions of the staff. This will ensure it will facilitate and support the objective of the future organisation and its workforce by addressing skill gaps, nurturing internal talent through formalised succession planning and empowering staff to be creative and innovative.

5. **Channel Shift as a key strategic priority for the Council:**

There needs to be full engagement with the customer to align the outcomes with customers' expectations and not just a focus on driving savings. Harness the appetite within the organisation to embrace digitalisation and ensure investment in training to maximise the benefits from this.

This must include funding for provision of fit for purpose IT with the systems upgraded rapidly, to allow staff to use it as an enabler for other transformational activities.

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 Walsall Council were:

- Theresa Grant – Chief Executive, Trafford Council
- Cllr Sir Stephen Houghton, Council Leader, Barnsley Council
- Cllr Robert Light, Former Council Leader, Kirklees Council
- Mike Poulter, Head of Transformation and Business Support, Sunderland City Council
- Lindsay Coulson, Director of Communications & Communities, London Borough of Waltham Forest
- Peter Rentell – LGA Peer Challenge Manager
- Alan Finch – LGA Principal Adviser (London Region)

Scope and focus

The peer team considered the following five questions which form the core components looked at by all Corporate Peer Challenges cover. 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, you asked the peer team to provide a review of your transformational programme in terms of direction of travel, resourcing, governance and progress to date along with a view of external/internal communications and marketing of the Borough.

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 to reflect on the information presented to them by people they met, things they saw and material 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 4 days on-site at Walsall Council, during which they:

- Spoke to more than 195 people including a range of Council staff together with Councillors, external partners and stakeholders.

- Gathered information and views from more than 50 meetings and additional research and reading.

- Collectively spent more than 220 hours to determine their findings – the equivalent of one person spending over 6 weeks in Walsall Council.

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 (26th to 29th September 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 Council is fully aware of the complexity and diversity of the communities that make up the Borough and we evidenced good working with minority communities and PREVENT work. Partners we spoke to felt the Council knows its communities. There is a Council plan that is becoming increasingly embedded across the organisation. Many staff we met were aware of the corporate priorities and the role they play in achieving them. We saw a growing sense of optimism that the Council and the place is improving.

The Council leadership is well regarded in both the Black Country and the newly formed West Midlands Combined Authority (WMCA) and is seen as a key driver and challenger in the Combined Authority and a stabilising influence representing the Black Country. We also evidenced strong and appropriate investment in regeneration which places the Borough in a good place to benefit from future WMCA major infrastructure investment. You might wish to consider establishment of a 'Place Shaping Board' to join up regeneration with all other activities.

There are several strategies articulating the vision and priorities for the Borough but the organisation and the Borough would benefit from a single, clear, fully defined narrative for 'Walsall the Place', with a refreshed long-term vision for the Borough and this needs to bring the Borough together into a single cultural entity, rather than being a Borough of two halves and could be co-designed with the community and partners. Turning this vision into a compelling, forward looking narrative for Walsall will be the next stage of the journey.

This stronger and coherent narrative would help partners understand the Council's priorities more clearly and would also enable the Council to focus its resources on the partnerships and relationships that are most important in achieving that vision of place. This will also enable all staff, partners and stakeholders to 'tell the Walsall story' in a consistent and unified manner.

Flowing from this, a refreshed vision with corporate priorities for the Council is needed to articulate how it will facilitate the delivery of the vision of place. The transformation programme should then be embedded in the context of this vision and key strategies, priorities and financial planning aligned accordingly. Having commended creating a new four year financial plan, this needs to be reflected in a four year strategic plan and business plans reflecting future delivery options. The refreshed vision will need to be owned cross party to help with continuity given historical political change.

4.2 Leadership of Place

The Council Leader and Chief Executive are universally recognised as providing strong, clear and complementary leadership. They work well together and this is recognised across the Borough and beyond with proactive engagement with other

Councils and partners across the West Midlands conurbation. This solid platform provides an opportunity to lead and further develop the sub-region's approach to wider public sector reform. This will require you to consider where you position yourself in the WMCA to obtain optimum value for the Borough.

It was clear from our findings that the leader and his cabinet are committed to redefining the organisation model and to re-aligning the budgets to deliver strategic priorities. The current administration has taken some very difficult and unpopular decisions with subsequent implementation and they are to be commended for this. In addition, we found that corporate values and objectives are shared cross-party. The current No Overall Control (NOC) and minority administration is part of the operating environment and this should be the driver for the longer term focus, not assumed to be a barrier to it. It is important that any changes in political leadership do not impact on service and change activity and that the shared cross-party values and objectives are focussed in order to achieve continuity. This will necessitate full support from officers to ensure a seamless transition with minimal slippage in both service delivery and change activity.

Location based work in communities has recently been refreshed and Strategic Locality Partnership Boards are in process of being rolled out with an ambition to improve inequalities across the Borough. It is not clear as yet the role elected members will play on these boards and this needs to be defined and communicated if the approach is to be successful. The member role on these boards is questioned by partners in terms of their powers and influence and particularly the large numbers involved compared to other Councils. There is also a concern that these boards could be diluted in their effectiveness through dealing with local issues.

Also, the role of members at ward level needs some further consideration and this could be done in the context of the vision of place. Locality working and strong strategic leadership at a local level will be crucial as the Council begins to transfer services to the voluntary and community sector. Ward plans are a good example of positive involvement of members as community leaders, although there is a danger that they create unrealistic expectations for the Council to deliver. The ward level role requires some structure and resources and could assist in reducing member numbers on strategic locality partnership boards. Developing them to be plans supporting members as local leaders of communities and place would be a way of ensuring they don't simply become the repository of local complaints about Council services.

We evidenced some strong and excellent local partnership arrangements. There are active and committed community leaders and voluntary and community sector organisations (VCS) who want to work collaboratively and with the Council through co-design of services. The voluntary sector know that the Council wants more from them but are not clear exactly what. This needs to be established and co-designed before a transition of services to the VCS can be achieved so early conversations are needed.

Strategic priorities need to be understood and owned throughout the organisation and the narrative of place referred to earlier needs to bind the Borough together in a unified structure.

4.3 Organisational leadership and governance

We saw evidence of strong and well regarded leadership from the Chief Executive and constructive member and officer working relationships at all levels across the Council. The Chief Executive and Council Leader are seen as symbolic of the improvement journey the Council is on and are both working well together to achieve future aspirations for the Council and the place. Elected members are supportive, engaged at all levels and are committed to making a difference.

Staff we met are loyal, committed and highly motivated to deliver good quality services and there is a very supportive environment evident during challenging times with a 'can do' attitude developing towards change. We picked up a growing sense of empowerment amongst staff at all levels though many spoke of organisational bureaucracy frustrating progress. Ensure a strengths based approach is consistently embraced to meet future challenges. This is all underpinned by the recently adopted workforce strategy which covers key areas such as recruitment and retention along with succession planning. It is the time to invest in talent management and move away from the interim appointments at senior levels to provide stability and a sustainable future for the organisation.

Regardless of effective current leadership we suggest you review plans and strategies to ensure strategic alignment to the Council plan and future agreed priorities. This will require streamlining of current policies, processes and systems and, in turn, will require you to ensure the appropriate alignment of politicians and officers around difficult decisions that will need to be taken going forward about what services to stop, what buildings to close etc. You need to be clear on what matters most and focus on that.

The corporate governance framework appears to work well, there is mutual respect and understanding for roles and responsibilities, and we didn't hear of any adverse indicators relating to how the Council's decision making machinery works. Scrutiny is cross-party, seeks to add value and appears to be effectively holding the Executive to account. Developing scrutiny's role in commenting on emerging policy issues, as well as scrutinising decisions after the event, would lead to a more balanced position. Organisations such as the Centre for Public Scrutiny can provide developmental support in this regard.

You need to strengthen your current performance management framework and approach. The best performance management systems provide corporate 'grip', enabling the Council to appreciate its current position and take timely corrective action, and also provide data and information on which future plans can be laid. We found performance management to be fragmented and processes for corporate reporting on performance to be over reliant on a dedicated but small central team. The fragmentation of performance means corporate reporting is resource intensive and takes a great deal of time. Investment in the enablers for change, including

performance management information systems, should be regarded as a priority and data should be used to inform intelligent decision-making as well as tracking performance.

The Council has a developing organisational culture with staff at all levels starting to reflect new behaviours and values. However, the changing nature of local government and the increased focus on growth and commercialism will require different skills and competencies going forward so leadership development programmes and succession management will be a critical area of consideration as reflected in your workforce strategy. We suggest you push harder and faster on embedding values and behaviours. This will engage and empower staff and encourage creativity and innovation.

In parallel, you should continue to develop your apprenticeship programme and seek to use apprentices proactively to bring new ideas into the Council, plan for future leaders, address issues around difficult to fill posts and make the Council more representative of the communities it serves. You may wish to consider the LGA National Graduate Development Programme to build capacity and full details can be found at: https://www.local.gov.uk/national-graduate-development-programme.

4.4 Financial planning and viability

Over the last few years all local authorities have been subject to substantial reductions in government funding at a time when, for many, demands on services have been increasing not reducing. Walsall is no different in this respect. Despite this, through effective financial management and a willingness to make some difficult decisions, the Council remains in a relatively strong financial position, with adequate reserves held against its key financial risks and some capacity for investment in transformation and emerging priorities. While diligence will be required to maintain this position, it provides Walsall with a solid platform for the next phase in its development.

The authority has modelled its expenditure and income for the four year period ahead and the current four year gap is £65M from 2017/18 to 2020/21. The scale of this target is well understood by senior officers and members and can also be quoted by middle managers. This is a rolling target and it has been quoted to us that it always seems to be around £80M over four years. As part of its developing narrative, therefore, the Council should consider how it communicates progress against its savings targets so as to avoid a sense of running to stay still.

The Council has also recently developed this forecast into a four year financial plan and the team saw evidence that, subject to formal approval, it has £54M savings of the £65M target required and work is in hand to identify the final £11M by December 2017. This is a considerable strength that has allowed the organisation to focus beyond the current year and will enable the Council to think more clearly about the kind of authority it wants to be going forward. Knowing that it can balance its budget for the next two years gives the Council some breathing space as it develops and delivers its transformation.

The Council has a robust and thorough budget consultation process, as is evident from the information presented to the cabinet and full Council as it sets the budget each year. While staff and partners (and, one assumes, residents) may not always welcome the decisions the Council has taken, the consultation process is appreciated and stakeholders understand the pressures the Council faces.

While the four year financial plan is a major step forward, the Council also needs to do more to ensure that resources are allocated to the 'right' budgets and that spending is contributing to achievable and sustainable outcomes. This is directly related to the recommendations we are making about developing a vision for the future for both the Borough and the Council and a set of priorities that delivers the Council's desired outcomes for the place and its residents. This will also help the Council to break perceptions that budget decisions are made by directorates in isolation. The four year financial plan will need to develop so as to align with the Council's priorities and the Council should not be afraid to flex the four year plan as it moves through this transitionary phase.

The Council has set aside £3M to fund its transformation. It is recognised by officers that change on the scale likely to be required in an organisation of the size and complexity of Walsall Council is almost certain to cost substantially more than this. There is at present some suggestion that the Council might set up a revolving fund allowing later phases of transformation to be funded out of savings from the initial phases. In the peer team's view, and given the Council's relatively strong financial position, it would be better if the Council did work to identify the likely full cost of the transformation at an earlier stage and set aside appropriate funding. This would enable all savings from the transformation to go towards closing the financial gap and provide not only great certainty of funding for the programme but also a financial envelope within which it can be monitored. This does not mean that the budget cannot be changed later should the Council so choose and the cost of the transformation programme will need to be reviewed as business cases are developed.

In terms of allocating the transformation budget, there are two areas that the Council might consider. First of all, the enablers of change, which includes for example investment in basic IT capacity and the cultural change programme, need to be properly funded from the outset. Subject to this, individual projects within the programme need to be funded according to a robust business case for each project. The business cases should incorporate details of costs, timescales, outcomes and savings to be generated, including how success will be measured, and a payback period over which the cost of the project will be recovered from savings (benefits realisation).

In spite of the Council's best endeavours and its success in maintaining a robust financial position until now, demand led budgets in adults' social care and children's services have recently begun to overspend by a total £7m in 2016/17. This is common for local authorities at the moment and Walsall's position is not as serious as in some other authorities, but nevertheless it is financially unsustainable if demand led budgets overspend in an unplanned way each year. The Council would do well, therefore, to review its budgeting model for demand led services, to ensure

11

that it fully understands the factors that drive costs in these services, that it can predict as far as possible through modelling and data analytics changes in demand and, crucially, that it understands the way in the which the system that allocate services to those who need them tend to generate costs. This baselining and modelling work will in any case be required for the adults and children's services transformation programme.

'Commercialisation' has become a key theme across local government of late, but only a few relatively small local authorities are in a position to adopt a strategy that balances the books largely through commercial enterprise. It is a matter for each authority to consider how commercial it wants to be. Nevertheless, the peer team's impression is that this opportunity has been under explored in Walsall so far and it would be helpful to consider how it might generate additional sources of income through extending its commercial activities which may include for example selling services and products that it already provides more widely into the market, developing joint ventures with organisations, including other Councils, with similar goals and investing in local enterprises and assets.

You will need to consider whether any developed income generation strategy can be delivered with existing capacity and resources. Work will be required to articulate exactly what this means to staff and what is expected of them and whether new skills need to be developed or bought in. There is a growing body of practice and examples from across the public sector that can inform the debate, including a range of information and case studies on the LGA website at: http://www.local.gov.uk/commercialisation.

While the budget consultation process is robust and thorough, there were some staff and partners that perceived some Council decisions have had unforeseen knock-on effects on other parts of the organisation and on partners. In relation to the Council itself there is a risk of costs simply being shunted around the organisation or additional pressure being put on already overworked staff; in the case of partners there is a risk of damaging relationships with partners and creating sub-optimal outcome for Walsall and its residents. The Council needs to ensure that it thoroughly explores and understands the impact of its decisions and if possible takes steps to manage those impacts.

4.5 Capacity to deliver and resources

Staff clearly enjoy working for the Council and they feel that their contribution is highly valued. This is supported by a high level of staff retention. We met and heard of some real star performers who are highly regarded and respected in their roles. Staff are ready for change and hungry for the future challenge. Overall staff told us that there is a broad recognition that the role of the Council needs to change going forward and that the transformation programme will require significant investment. However, recognising the pace and enormity of planned changes we strongly recommend staff resilience is continuously monitored.

There are many good examples of the Council working effectively in partnership to deliver improved outcomes for residents, and working relationships with health and

police on partnership boards are good. These skills are transferable to other areas and more effective partnership working will serve to build capacity and target further efficiencies through co-creation.

There is clear leadership of change at the top layer of the Council, the Council plan sets out clear priorities and staff and partners are "up for" the challenge. However, ensuring change, appropriate behaviours and the vision for Walsall are consistently embedded at every level of the organisation will take significant additional effort.

Achieving change requires the Council to tell a compelling narrative of the need for things to be done differently; to be clear about governance with the right people (political and managerial) fully signed up and to ensure there is capacity to deliver through appropriate alignment of transformation resources, management accountability and staff engagement. It will require a wholesale re-assessment and re-alignment of current available resources to ensure you take staff with you on the journey. Staff resilience will be a key issue to carefully monitor as pace of change increases.

We could not see an overarching programme management approach, or a structure in place to take an overview of all corporate projects from project initiation, business case through to monitoring successful delivery. The Council will need to ensure that arrangements are put into place to enable the linkages, sequencing and inter-dependencies between the various projects and activity to be clear. Robust monitoring and accountability will need to be a key feature of the Council's programme governance to ensure its contribution to the budget strategy. Such an approach is necessary to consider the linkage of key work streams in any transformational change programme, such as asset rationalisation with agile working and channel shift; and should inform more effective cross-directorate working.

The Council needs to adopt a consistent approach to digital transformation. It would be beneficial to automate as many tasks as possible and the introduction of enhanced mobile technology for staff would increase efficiency and reduce the use of paper. There should be one IT system for all members of staff to access to enable an interface between all channels of communication and residents including, but not limited to housing, adult social care, children's social care, neighbourhoods and finance. This would help to provide good knowledge and infrastructure around the individual.

Use data to inform intelligent decision making as well as tracking performance as currently you appear to be data rich but could deploy a more intelligence-led approach. Given your majority annual spend on adults' and children's services we suggest a targeted approach to demand management across the organisation in conjunction with your early help offer in order to reduce demand at the front door for adults and children's services to keep them out of the care system. Similarly, explore opportunities for greater structural alignment with health to support joint commissioning, for example Data/IT/Risk Stratification.

Continue to ensure the workforce strategy is fit for purpose and addresses concerns regarding existing personnel policies. This strategy needs to be reflective of the direction of travel of the organisation and the ambitions of the staff and to remove some of the perceived bureaucracy. It needs to facilitate and support the objective of the future organisation and its workforce, nurturing internal talent through formalised succession planning and empowering staff to be creative and innovative.

There are opportunities to be explored for further co-located working based on the effective work currently in the Multi-agency Safeguarding Hub (MASH) along with further consideration of shared service arrangements across neighbouring local authorities where a business case stacks up (we are aware you have explored this in detail in previous years but the climate is different so consider a refresh). Joint and integrated commissioning also needs to be further enhanced. We saw many positive things happening within the Council and we would urge you to ensure you celebrate this success both internally and externally. This will impact positively on staff morale and ensure the buy-in to meet the future challenges.

4.6   Transformation Programme

Walsall has recognised the need to transform their operating model and have already commenced a transformation journey although it is very much in the preliminary stages. Currently the focus is on business transformation as opposed to corporate or whole system change which needs to be considered as a next step.

There is a recognition that corporate enablers need to be resourced and developed to support future transformation. In many cases, when considering first phase transformation, corporate enablers are either absent or a programme inhibitor, this isn't the case here. The employee engagement that took place to establish the programme has identified the need for investment in IT, culture change, asset management etc. which should provide a strong platform for deeper transformation at pace going forward.

We found a clear appetite for change across the whole system. This was a particularly strong finding in that in every case there was a clear appetite for change across all employee levels and a willingness to grasp the agenda to move forward.

The existing workforce capability has been recognised by the emerging Workforce Strategy. The junior and middle management tiers of the organisation ('the engine room') appears to be in good order with individuals and teams demonstrating good motivation and capability. The challenge is to release and direct this latent capacity to accelerate change.

The appointment of a new Chief Executive and Director for Children's Services combined with the opportunity to appoint a permanent new role of Executive Director for Resources and Transformation (refreshed portfolio of post previously known as Executive Director of Change and Governance) provides the opportunity to bring into the top team the leadership skills required for the next phase of improvement. It also

provides an ideal opportunity to change culture and realign the organisation to face future challenges.

<u>Suggestions for Improvement:</u>

1.Transformation is a means of achieving the 'future Council':

Currently the transformation programme has a narrow focus in terms of putting in place corporate enablers, attempting to leverage the asset base and dealing with growing demand in adults and children's services. It is not broadly perceived as the mechanism that will achieve the whole organisation change required to take the organisation forward. In contrast, CMT do describe the programme as 'the only show in town' in terms of change management. The likelihood is this misalignment is due to the 4 year plan and the transformation programme being developed separately and this needs to be addressed.

2. The Transformation programme has to be set within the context of the vision for the Council and strategic priorities:

Given the challenging financial environment, the necessary shrinkage of available resources and the appetite to take the organisation forward it is clear that the organisation needs to undertake a visioning exercise to establish its strategic direction and key priorities for the medium to longer term. Resource alignment should follow facilitated by the transformation programme that should be the vehicle used to transition the organisation from its current to future state, as opposed to being an 'add on' as it is currently.

3. Confirm the broad service transformation intentions, share, engage and consult:

Although some areas of the organisation had relatively high visibility of the programme, broad understanding was patchy at best. The content and intentions of the programme need to be communicated well to provide clarity regarding the desired outcomes and to smooth any unintended consequences of potentially competing priorities.

4. Address the significant culture change that will be required at all levels:

The hard system approach to transformation has limited effectiveness without properly addressing the softer cultural change requirements. The development of an HR strategy is a positive step in this regard but needs to be further developed, in tandem with the future vision, needed to embed the right cultural attributes to fit and realise the future organisation.

5. Commence development of strategic transformation intentions for next phase:

The next phase of transformation will have a deeper and broader reach than currently and the appetite is for this phase to occur at an accelerated rate. To achieve this, planning for the next phase needs to commence before the turn of the year which is

timely given the introduction of the new Chief Executive and DCS. Initial soundings suggest that this is already a key deliverable.

6. Establish clear accountability for the programme at a senior level:

Given the transitional arrangements in place for the leadership team it is understandable that when the peer challenge was undertaken the lines of accountability were not clear. There were some assurances provided that the programme will be located under the remit of the new Executive Director for Resources and Transformation; this would seem a sensible fit going forward.

7. Accelerate appointment of permanent transformation resources:

There was also broad agreement that the programme needs to be adequately resourced and although this may already be underway some acceleration would be appropriate to drive momentum.

8. Embed appropriate levels of programme and project management and performance management:

Although there were some initial examples of a programme and project management approach there did not appear to be consistency across each of the programme elements. There was also a marked absence of any consolidated approach to performance management. This is a key weakness in the current delivery system which needs to be addressed as a priority.

9. Consolidate plans:

The 4 year plan, although a significant step in the right direction, was developed after the transformation programme and doesn't appear to be properly aligned. There were clearly discrepancies between the efficiencies assigned to the programme and those included in the plan. To properly consider the changes across the system and enable performance management these plans should be consolidated.

10. Allocate funding to projects on the basis of well-developed and intelligence based business cases

Without a business case the deliverables, resources and planning are absent.

4.7 Communications

It was not clear from discussions what the Council's vision is and what kind of Council it wants to become going forward. As has been mentioned previously, the Council is not clear about what it wants for the place and the people of Walsall and it is unclear about what kind of Council it wants to be in order to deliver that vision for the Borough.

There is in place a small communications team which defends rather than promotes the Council. The team is 3.6 FTE which for a Borough of its size is small and is never going to deliver the Council's ambitions. Feedback from the team was that 80% of their

time is spent doing reactive communications while only 20% is spent on proactive work. This 80% is split between responding to media enquiries and resident noise on social media. At first viewing it appears they are providing a good service on both, perhaps even going above and beyond without really knowing if what they are doing is the right thing.

We obtained positive feedback about the responsiveness of the media function. Feedback from four media outlets was positive although the Express and Star slightly less so. While the team is responsive it could think a bit more about the individual requirements of each one. For example, Free Radio wants spokespeople while the Advertiser wants good photos. They should have a conversation with each to gain a deeper understanding of what they want. All four need social media content particularly video for their own pages.

Communications is low down the organisation and, therefore, does not have a voice at the top table. In order for communications to have real impact in an organisation it needs a respected, professional voice at the top table to advise and horizon scan, helping to mitigate reputational risks and make the most of opportunities to promote the Borough. The importance of the role of the communications team should be widely understood and appreciated to enable more timely proactive activity to be planned and delivered. This will require a robust communication network with a two-way feedback loop to ensure all issues are known and appropriately addressed.

We found limited insight into what residents think of the Council. This lack of insight means that there is no way of knowing whether any of the communications activity is having an impact. It would also act as a guide to help focus resources on particular messages and campaigns. For example, a resident survey can highlight anything from a rise in community tension to concerns over bin collection or customer service and act as an early warning system. Also, it would be an opportunity for the Council to find out where their residents get their information from which would help the Council formulate a strategy for working with the local media.

There is a real appetite to celebrate the Council's success with residents and staff, this came up a number of times in staff focus groups. Staff want to shout about the good things they do to residents. They also want to celebrate their own successes within the Council and there was a general eagerness for better understanding of what departments do to be shared.

The Corporate consultation function is effective despite the level of resource. There appears to be a lot of really good practice particularly the launch of the consultation principles and a real mission to improve the quality of consultation across the Council. However, much of this work is undertaken by one officer and there is a risk if she were to move on.

We found a real appetite to further embrace digital channels but this requires more training and resource. The team has a strong presence on Facebook and Twitter but has only "dipped its toe" into creating social media content for these channels. There is

a real appetite amongst the team to do this but a concern about resource and time. There would also be a need for training.

<u>Suggestions for Improvement:</u>

1. *Articulate a clear vision for Walsall and the Council:*

   Do this in collaboration with residents and staff, make sure it passes the 'pub test' and feels right to residents. Then go out and communicate it.

2. *Tell the good stories and 'shout out' about them:*

   Put in place mechanisms to ensure that communications is at the heart of the organisation and knows what is coming up. Make sure it knows about potential risks or opportunities as early as possible so it can provide advice and prepare.

3. *Establish communications intentions and resource accordingly:*

   You need to determine what kind of communications team you want to have? For a fully integrated communications team you would need a media function, digital officer, internal communications officer and a marketing officer.

4. *Undertake a regular resident survey to understand what your residents think of you and where they get their information from:*

   This should take place at least once a year.

5. *Adopt a campaign-based approach which is researched and evaluated:*

   In terms of what to prioritise, once the vision has been articulated, the team should draw up a list of campaigns to deliver based on the administration's priorities, service area requirements and what the resident survey is telling you. I would suggest five to ten campaigns for a team of five including telling the story of how Walsall is being regenerated, explaining how the Council is getting people into work/skilling them up, recruitment of social workers, etc.

6. *Use insight from the staff survey to develop an internal communications strategy and deliver a staff communications plan:*

   Develop an internal communications strategy using customer insight from the staff survey and other relevant forums. In addition, develop a staff communications plan that is corporately owned.

7. *Work with public sector partners to deliver joint communication objectives:*

   Develop the existing partners' communications group to create a work programme of campaign activity for the next year.

5.   Next steps

Immediate next steps

We appreciate that the political and senior managerial 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. Helen Murray Principal Adviser is the main contact between your authority and the Local Government Association (LGA). Her contact details are: Email helen.murray@local.gov.uk Mobile No. 07884 312235

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.

Thank you to everyone involved for their participation and for engaging so constructively with the peer challenge. In particular, please pass on thanks from the peer team to Helen Dudson and her team for their help and sterling support prior to the peer challenge and during the on-site phase.

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.