

Corporate Peer Challenge

Torridge District Council

20th to 23rd May 2013

Report

1. Background and scope of the peer challenge

On behalf of the team, I would just like to say what a pleasure and privilege it was to be invited in to Torrington District Council to deliver the recent corporate peer challenge. The team very much appreciated the efforts that went into preparing for the visit and looking after us whilst we were on site and the participation of elected members, staff and partners in the process.

This was one of the early tranche of corporate peer challenges delivered by the Local Government Association as part of the new approach to sector led improvement. Peer challenges are managed and delivered by experienced elected member and officer peers. The peers who delivered the peer challenge were:

Sheila Oxtoby, Chief Executive, North Norfolk District Council
Councillor Neil Clarke, Leader, Rushcliffe Borough Council (Conservative)
Councillor Shirley Flint, North Kesteven District Council (Independent)
Vic Allison, Deputy Managing Director, Wychavon District Council
Jacob Lant, Senior Media Manager, Local Government Association
Chris Bowron, Peer Challenge Manager, Local Government Association

It is important to stress that this was not an inspection. Peer challenges are improvement-orientated and tailored to meet individual councils' needs. Indeed they are designed to complement and add value to a council's own performance and improvement focus. The peers used their experience and knowledge to reflect on the evidence presented to them by people they met, things they saw and material that they read.

The guiding questions for all corporate peer challenges are:

- Does the council understand its local context and has it established a clear set of priorities?
- Does the council have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully?
- Does the council have effective political and managerial leadership and is it a constructive partnership?
- Are effective governance and decision-making arrangements in place to respond to key challenges and manage change, transformation and disinvestment?
- Are organisational capacity and resources focused in the right areas in order to deliver the agreed priorities?

In order to tailor the challenge specifically to Torrington, the peer challenge team was asked to place a particular emphasis on the following:

- Provide a baseline of where the council is now and the progress it has been making
- Look at the scope for future improvement, including considering:
 - The potential merits of further extending collaborative working and shared services
 - Opportunities for income generation and to become more innovative and entrepreneurial
 - How to support appropriate inward investment

As you will recall, we undertook to write to you to confirm the team's findings, building on the feedback provided to you on the final day of the peer challenge and, in particular, expanding upon those areas that we highlighted as likely to benefit from some further attention. This report sets out those findings.

2. Executive summary

Torrige District Council has moved forward significantly in recent years and there is much for it to be proud of. It is now seen to be soundly managed, with appropriate arrangements in place in all of the areas that are integral to the effective administration of a local authority. There has been effective delivery in recent years against the financial challenges facing the council and this continues. Performance management and budget monitoring arrangements are impressive. There is strong staff commitment and loyalty to the organisation and people demonstrate a pride and passion about both the local area and working for the council. It is therefore now time for the council to leave the past behind and seize future opportunities.

Torrige as an area represents a wonderful natural environment but there are challenges that it faces. The council has a good understanding of these, although it is difficult to identify its key priorities as it faces up to addressing them. We see tremendously exciting opportunities in Torrige that need to be seized and driven forward – with the authority needing to demonstrate much greater ambition for the district. Strong leadership, both politically and managerially, is absolutely vital. The ambition and leadership need to be reflected in the establishing of clear priorities for delivery within the district and a clear direction for the council as an organisation.

Through our activities, we have come to the conclusion that the council's finances may not be the barrier to progress that is currently perceived. There appears to have been no profile given to the potential for the council to use its financial position, both in terms of capital and revenue resources, more proactively in an attempt, through investment, to lessen the year on year budget reductions being experienced and help to address the challenges in the district.

There is a widely shared view within and beyond the organisation that the council needs to do something differently in the future in order to remain viable. The understanding of virtually every single person we spoke to was that the financial position of the council was

such that some form of 'sharing' with another council or organisation was the only way it could continue to exist. This understanding was clearly based on assumption and/or speculation rather than reflecting firmly evidenced and established fact. There is an absence of a clear or shared understanding around the drivers and rationale for 'sharing' and what it is that the council is trying to achieve. No work has been undertaken to determine the business case for shared arrangements, including those with North Devon District Council. The lack of strategic planning and direction around this has created a state of 'paralysis' in the organisation.

The council needs to greatly enhance its strategic thinking and planning capacity. There appears to be very limited horizon scanning and forward thinking taking place in the council at both senior officer and elected member level. There needs to be much wider and better engagement by elected members on strategic issues. Decision-making arrangements involving elected members also need to be much clearer and there is a requirement for enhanced councillor capacity generally. There appears to be very little engagement in elected member development.

A number of key relationships and partnerships locally appear to be, at best, 'ticking along' or, at worst, fractious. The council appears poorly placed to manage its reputation. We also saw little engagement by the council at the county and sub-regional level, although it demonstrates an appreciation of the importance of engaging at the national level in order to secure maximum possible benefit for local communities.

The current senior management structure in the council represents a temporary set of arrangements in an uncertain situation generated by the 'sharing' agenda with North Devon District Council. There are 'cracks starting to appear' as a consequence of the shared management arrangements. There also appear to be significant inconsistencies in the 'spans of control' that individual Heads of Service have. The current organisational structure can only be sustained for a limited period of time so the council will need to determine the future structure soon – on a timescale which may well not fit with determining, in a sufficiently robust way, the future of the council's 'joining' or 'sharing' with North Devon District Council.

3. Detailed findings

3.1 Achievements and sources of pride

Torrige District Council has moved forward significantly in recent years and there is much for it to be proud of. It is now seen to be soundly managed, with appropriate arrangements in place in all of the areas that are integral to the effective administration of a local authority. The council has a good understanding of the challenges facing the local area and the nature of the demography both currently and projected for the future. It has a range of sources of information to provide this understanding, reflected in the comprehensive 'Torrige Profile' which is regularly updated. There has been effective delivery in recent years against the financial challenges facing the council and this continues. The financial gains that have been made through the letting of new contracts, such as those for leisure and dry recycling, and doing things differently, including the revision of refuse collection routes, have been integral in this.

Performance management and budget monitoring arrangements are impressive, in terms of the regular and comprehensive reporting to Corporate Management Team and elected members, and the council pays close attention to risk management. The programme of 'Lean' reviews being undertaken is seen to be having a positive impact in the way the council operates – including the delivery of some improvement in the Planning function, particularly in relation to the time taken to process planning applications.

There is strong staff commitment and loyalty to the organisation and people demonstrate a pride and passion about both the local area and working for the council. The authority has clearly experienced some difficult and challenging periods over recent years and we understand that staff morale dropped significantly during the period the council was sharing its chief executive with another authority. People indicated that morale has now been restored and it is testimony to those managing the organisation that this has been achieved at the same time as major staffing changes, involving a reduction in the number of full-time equivalent staff from 270 to 230, have been delivered. The fact that such a reduction in staffing numbers has been achieved with only one compulsory redundancy also reflects well on the management of the organisation.

Torrige as an area represents a wonderful natural environment and, as we saw during our time in the district, the council is obviously committed to looking after it. In seeking to progress the interests of the district and wider Northern Devon, the council has demonstrated a willingness to work collaboratively with others. A prime example is the establishment of North Devon+, an economic development delivery agency, with a primary focus on regeneration, business support and tourism. Another example is the work with Encompass South West to address issues of homelessness, boost social housing provision and respond to the impact of welfare reforms. The work currently underway with North Devon District Council to develop a Local Plan covering the two council areas represents a further example, along with the joint Community Safety Partnership for Torrige and North Devon. There was also the former joint working with Teignbridge District Council.

The council has secured external funding to support the local economy, including £3.4m of Leader 4 funding for rural communities and Fisheries Local Action Group (FLAG) monies. The council is also looking to tap in to the Coastal Communities Fund. There are a number of economic development initiatives and projects that have been delivered, are underway or are planned. The Jubilee Square development in Bideford is one of these, along with the very exciting proposals for Brunswick Wharf involving private sector funding and likely to act as a catalyst for further development in the immediate surrounding area. The Holsworthy agri-business centre, providing facilities for livestock, auctioneering and accommodation for agricultural business, along with a new supermarket and more than 90 new houses, represents a further, and major, initiative. The £6m development project will be the largest the council has overseen.

3.2 The challenges facing the district

As already touched upon, the council has a good understanding of the challenges facing the district. The economy is one of the key ones, with the district having the lowest average wage level nationally and an ambition on the part of the council to establish higher value jobs in order to address this and reduce the outward migration of young people. The recent loss of a major employer, Tyco Electronics, and the 250 jobs that it provided

represents a significant blow to the economy. Effort needs to be dedicated to retaining existing business and helping new businesses to emerge and grow within the area, which needs to be done jointly with North Devon+.

The demography of the district is projected to change dramatically over the next twenty years, with the population expected to grow by 35% by 2031. The average age of the population is 45 compared to a national average of 39. In all of the age categories above 50 years, the Torrridge population significantly exceeds the national average. The projected profile of the population shows an increase over the next twenty years of 38% amongst those aged 65 to 74, 82% in those aged 75 to 84 and 119% for those older than 85. The proportion of the population without any qualifications (25%) is higher than both the Devon (21%) and national (23%) averages. At Key Stage 2, in 2012, 88% of pupils in Torrridge achieved Level 4 or above in English and 86% did so in Mathematics – compared to national averages of 86% and 84% respectively. At GCSE level, 68.1% of pupils achieved 5 or more A* to C grades compared to a national average of 81.8%. The health of people in Torrridge is generally better than the England average and life expectancy for both men and women is higher. Mortality rates have fallen over the last ten years. Deprivation is lower than the national average, although around 1,800 children live in poverty. On the Index of Multiple Deprivation when last measured in 2010, Torrridge was the 101st most deprived local authority area out of 354 – the most deprived in Devon. Fuel poverty represents a particular issue within Torrridge.

There is clearly a desire to see improvements in the transport and communications infrastructure in Torrridge. The work that the council is doing with British Telecom to expedite the delivery of fibre broadband is a very positive development for both domestic and commercial users. Whilst the turning of the A361 into a dual carriageway is seen by many as integral to the economic development of the area, there needs to be a sense of realism around the likelihood of this happening given the current state of public sector finances. However, we understand there is merit in focussing on seeking to address specific pinch-points and secure improvements at key junctions along the A361 as an alternative. Irrespective of this though, it is important that efforts are put into as wide a range of economic development opportunities as possible.

There is seen to be a 'housing crisis' in Torrridge, centred on the affordability of housing in a low wage area, the compounding of this by high levels of second home ownership and a shortage of social rented housing. The council, and partners, are also very mindful of the need to try and manage the impact of welfare reforms and have undertaken modelling in an attempt to anticipate potential demand for support. A recent increase in the level of homelessness has certainly been seen.

The council has a set of strategic goals that are clearly outlined in its strategic plan:

- Develop a prosperous and sustainable economy
- Support stronger, safer, healthier communities
- Protect and enhance the quality environment
- An effective and customer focused council

Whilst we recognise these goals have been drawn up in order to try and provide a focus for the council's activities, the reality is that they are extremely broad and it is difficult to determine the key priorities of the authority within the challenges facing the district.

3.3 Council finances

Torrige District Council is facing a budget gap totalling around £1.6m over the three financial years commencing in April 2014/15. This needs to be found from within a net revenue budget of £7.8m and comprises what is anticipated to be £802,000 in 2014/15, £457,000 in 2015/2016 and £391,000 in 2016/17. The savings that the council has been required to deliver in recent years (more than £1m in 2011/12 and nearly £800,000 in 2012/13) have been achieved successfully and there are plans in place to save the £570,000 necessary in the current financial year. Areas from which savings have been derived include a significant reduction in the numbers of full-time equivalent staff, establishing joint or shared management arrangements with North Devon District Council and the letting of contracts (including jointly with other councils and organisations as with the grounds maintenance contract) at reduced cost. The authority's track record of achieving savings should provide the council with confidence as it faces up to the financial challenges of future years.

In looking at the financial position of the council, we noted the significant budget underspends that occurred in 2011/12 (£928,000) and 2012/13 (£657,000). We recognise that a proportion of this results from the base budget, understandably, not having been revised to reflect the savings being gleaned from the temporary combined management arrangements with North Devon District Council. We understand that another contributory factor has been the levels of income generated by the council exceeding what was budgeted for. We also noted the council has maintained revenue reserves, comprising both General Fund and earmarked reserves, at a healthy level totalling £3.5m. Also, New Homes Bonus will deliver more than £1m revenue funding to the council in 2013/14, which is not reflected in the base budget – although this may well be a prudent financial management decision. In addition, but with a good sense of realism around what might be achieved, the council has established a project group to identify and explore further income generation opportunities, with £100,000 having been made available to pump-prime appropriate initiatives. On top of all of this, the council's capital programme has recently underspent significantly – with only £1m of the £5m programmed for last year having been utilised.

The situation that is outlined in the paragraph above suggests to us that the council's finances may not be the barrier that is currently perceived. Everybody we spoke to in the organisation emphasised the financial constraints they saw facing the council and what they were experiencing in terms of being told there is no scope available to the authority financially. The situation that exists reflects a prudent approach to the management of the council's finances. However, there appears to have been no profile given to the potential for the council to use its financial position, both in terms of capital and revenue resources, more proactively in an attempt, through investment, to lessen the year on year budget reductions being experienced and help to address the challenges in the district.

Identifying a true baseline budget year on year, which reflects anticipated savings from the likes of joint/shared management posts or the letting of contracts and revenue streams from the likes of New Homes Bonus, would provide a clearer picture for people to work

with. Provided that decisions on how to use the true baseline budget for a given year did not generate on-going liabilities, the base budget position would not be compromised and the council would be able to derive maximum benefit from the resources available to it. The process of developing a medium term financial strategy, which the council doesn't currently have, that was aligned with the council's corporate objectives would also deliver benefit in terms of identifying the choices and decisions available to the council around how to utilise the funding available to it to maximum effect.

3.4 Future direction

There is a widely shared view within and beyond the organisation that the council needs to do something differently in the future in order to remain viable. The understanding of virtually every single person we spoke to was that the financial position of the council was such that some form of 'sharing' with another council or organisation was the only way it could continue to exist. As a consequence of the 'inevitability' of this, a positive attitude to change seems to have established itself – with staff and elected members demonstrating they are very much up for a 'different direction'. What is less positive is the extent to which thinking and discussion within the council is dominated by 'shared services' and 'joining-up' – with this absorbing significant time, effort and energy.

We outlined earlier the track record of collaborative working that the council can demonstrate over recent years. The latest stage in the evolution of this has been the establishment of the joint and shared management arrangements with North Devon District Council. There are five posts of this nature, with one of them a joint appointment and three of the other four involving Torrridge officers extending their roles to include North Devon. These arrangements, and the officers fulfilling the roles, are seen to have been extremely effective and, in addition to the financial savings they are offering, are seen to be making a real impact in such areas as reducing sickness absence and delivering more robust performance management in North Devon. In addition, there has been the work to develop a single Local Plan for the Northern Devon area. It is important that Torrridge ensures it is securing equal benefit from the shared arrangements as North Devon.

Whilst the financial position of the council was cited by most people that we met within the authority as the reason for some form of 'sharing' arrangement, this understanding was clearly based on assumption and/or speculation rather than reflecting firmly evidenced and established fact. Some people, particularly elected members, indicated the arrangements were not financially-motivated at all. Alternative views as to the reasons for the push on 'sharing' included the benefits that could be gleaned around increased staffing resilience and the greater influence and appeal, when it comes to economic development, of a combined 'Northern Devon' area. Thus we see an absence of a clear or shared understanding, based on fact, around the drivers and rationale for 'sharing' and what it is that the council is trying to achieve.

It was readily acknowledged by people within the council that no work has been undertaken to determine the business case for shared arrangements, including those with North Devon District Council. Despite this, and without any form of formal decision, the 'sharing' or 'joining' with North Devon has become firmly established as the default position in Torrridge. Managers in the organisation are frequently making a presumption in favour of a link with their neighbouring authority when considering resource, service provision and policy issues. At the same time, major strategic issues for the council, such

as the post of interim Head of Paid Service, the response to posts becoming vacant, IT development and the future of lease car arrangements, are either deliberately not being addressed or are being made difficult to work through because of a perceived need to keep options and avenues open whilst the North Devon situation becomes clearer. This situation was described as a state of ‘paralysis’ by a significant proportion of people that we met. The lack of strategic planning and direction around sharing arrangements is resulting in mixed messages from the council’s leadership, particularly elected members, and this in turn can be seen to be causing unnecessary uncertainty and instability for staff.

It is vital, in the very near future, for the council to establish the capacity necessary to help it consider its future direction and then drive things forward in a managed way. The work that needs to be undertaken involves identifying the drivers and rationale for change, such as determining whether there are financial imperatives that need a solution or major economic development benefits that can be derived. There is also a need to establish the key principles and objectives for the future organisation, such as a desire or willingness to become a commissioning organisation, the appetite for sacrificing the council’s sovereignty and political ‘red lines’ that the elected membership won’t allow to be compromised in any way. On the back of all of this, work needs to be undertaken to identify and evaluate all of the options available to the council around its future role and direction. This would serve to identify key considerations such as the scale of investment that would be required, financial benefits that would stand to be derived, the implications of the need for council tax equalisation under any merger with another council and the physical presence that the council and its officers and elected members would retain in the Torridge area. With the comprehensive information that would be made available through this work, the council would be able to determine the best option for the future – which would then need to be followed by aligning everything behind that option to turn it into a reality.

3.5 What is needed for the future

There are a number of areas that we feel the council will need to develop and strengthen as it seeks to move forward and these are outlined below.

3.5.1 Ambition and leadership

Whilst the council is now seen to be soundly managed and has a good grasp of the challenges facing Torridge, we see the need for the authority to demonstrate much greater ambition for the district. Strong leadership, both politically and managerially, is also absolutely vital. The ambition and leadership need to be reflected in the establishing of clear priorities for delivery within the district and a clear direction for the council as an organisation. We see tremendously exciting opportunities in Torridge that need to be seized and driven forward. One example is aspects of the natural environment which don’t appear, as yet at least, to be being used to maximum effect - such as the port in Bideford (although the move to commission a Port and Harbour Study is a very positive one) and the development and tourism opportunities afforded by the river. Indeed tourism generally was an area that we questioned in terms of how much it is being driven. Whilst North Devon+ are leading on the promotion of Torridge and the wider area as a tourist destination, there appeared to be a gap around who was developing the tourism ‘offer’.

As another example, the council is seeking to demonstrate to existing and potential partners and stakeholders that it is 'Open for Business' in terms of economic development. Central to this is the delivery of a Planning function that facilitates and enables constructive and positive development and fulfils an integral role balancing the protecting and enhancing of the quality environment with developing a prosperous and sustainable economy. Whilst some development is taking place in the district, there have also been a few high profile Planning issues and decisions that have sent a message to stakeholders that the district actually isn't yet 'Open for Business'. In order to overcome this, it is important that the council continues its work to ensure an appropriate focus and approach for the Planning function and improve communication with those directly involved in, or watching with interest, the progress and outcomes of Planning decisions.

The financial position of the council, which we identified earlier as perhaps not being the barrier that it is perceived to be, is another area that we would urge the council to be more proactive on in order to maximise the benefit that can be realised from the opportunities that exist. Also, we would encourage the development of a willingness to take greater risks around some of the things the council does. Some people defined the council as traditionally being 'risk-averse' when it comes to progressing projects, including regeneration and economic development ones, and its approach to finances. However, there was also an acknowledgement that this may be starting to change, as reflected in the carefully managed risks that the council has taken in order to enable the Holsworthy agri-business centre development to happen.

3.5.2 Strategic capacity

The situation that has developed regarding the 'sharing' or 'joining' with another council or organisation reflects what we see as the need to greatly enhance the strategic thinking and planning capacity of the council. We also see this reflected in the very limited horizon scanning and forward thinking that appears to be taking place in the council at both senior officer and elected member level. As an example, a big play of the Localism Act is made in much of the council's key strategic documentation that we saw but this came across mostly as rhetoric rather than a clear identification and articulation of a strategic opportunity or challenge and how the council was responding.

Linked to this issue is the need for the council to ensure its essential strategies are in place, sound and support what the council wants to achieve. As an example, the current absence of a Core Strategy generates the risk of Planning development becoming subject to the whim of 'Planning by appeal' – although we recognise the amount of work currently going in to the development of the Local Plan as a precursor to the Core Strategy. There should perhaps also be a growth strategy to complement the Core Strategy and we were unable to identify the existence of a skills strategy for Torrington. There is also a major gap with the absence of a medium term financial strategy for the council. The development of an IT strategy is proving problematic because of the uncertainties around the arrangement with North Devon District Council.

3.5.3 Communications, relationships and influence

Another key theme for us is around communications, reputation management, relationships and influence. A number of key relationships and partnerships locally appear

to be, at best, 'ticking along' or, at worst, fractious. As examples, North Devon+ represents a significant investment of resources by the council in an organisation designed to deliver economic development vital to the future of people in Torridge. Whilst there is a funding agreement between the two organisations and a set of key performance indicators have been established, we were uncertain that the council was actively managing its arrangement with North Devon+ to ensure maximum benefit is being secured – in addition to which there are also clearly relationship difficulties founded upon personality. There would also appear to be tensions between the council and Tarka Housing, as the main provider of social housing within the district and to whom the authority's council housing stock was transferred a few years ago. Whilst the issue with these relationships is that maximum benefit might not be being derived, the relationships with Bideford Town Council and the local Chamber of Commerce appear to be altogether more strained and fractious. We didn't explore these relationships so we cannot comment on the reasons behind the situations that exist – but we are clear that it is in nobody's interests for things to remain as they are.

Within the council, there are inconsistencies in the effectiveness of internal communications and it is important, particularly at a time of significant uncertainty and potentially major changes, that these are addressed. We recognise the council is always looking for ways to improve its communications with staff. The council has a variety of community engagement mechanisms in place and keeps these under review. This wasn't an aspect that we probed in any detail but it is important when it comes to enabling local ambitions to be fulfilled (for example the provision of more affordable housing) that the council can be confident it has effective arrangements in place to bring communities on board, including being able to position proposals within a context of the strategic challenges facing the district.

Users of council services appear to be generally fairly satisfied with the way things are delivered, as measured by the 10:10 surveys that the council undertakes. However, the overall reputation of the council, based on anecdotal evidence we gathered, appears to be less favourable. This is not to deny the very widespread acknowledgement that the council is much improved from where it was several years ago – rather it is a reflection of the negative headlines that the council has attracted in the media and the failure, as a result of its actions and poor communications, to convince stakeholders that Torridge is 'Open for Business'. Whilst the council continues to invest in communications, as seen with the delivery of the 'Torridge Connect' newsletter to each household twice yearly, it appears poorly placed to proactively manage its reputation. The post of Communications Manager has been vacant for a while and the council is currently considering the best way to utilise the funding dedicated to this role in order to secure maximum benefit from it. Whilst this might lead to a slightly different role being established, it will provide some capacity that is currently missing to assist with communications and reputation management.

Finally in relation to this theme, we saw little engagement by the council, either by elected members or senior officers, at the county or sub-regional level, although we do recognise the joint work undertaken with Devon County Council to secure European funding for the area. We appreciate the difficulties that can arise in two tier local government between district and county councils and hope that the appointment of one of Torridge District Council's elected members to Devon County Council's Cabinet can help to ease things. The council has, however, made big strides recently in terms of its engagement at a

national level, demonstrating an appreciation of the importance of lobbying and influencing at this level in order to secure maximum possible benefit for local communities. The political and funding decisions with the biggest impact on Torridge won't be taken within the district so it is important that the council has sought to try and influence decision-makers nationally. In recent months the former Leader of the council met with the Prime Minister and the Secretary of State for Communities and Local Government to lobby for Torridge, whilst the Deputy Leader and Head of Finance met with Brandon Lewis, the Parliamentary Under Secretary of State at the Department for Communities and Local Government, to discuss funding. With a new Leader now in place in Torridge we hope that these positive initiatives will be built upon in order to try and progress the district's interests.

3.5.4 Organisational capacity

Reference was made several times during the peer challenge to the council being one where consensus and the 'inclusivity' of councillors are important principles that underpin the decision-making process. We can appreciate the importance of widespread involvement in a situation of no overall control politically within a fourth option council. However, we developed a picture of the reality being different to what was aspired to.

There needs to be much wider and better engagement by elected members on strategic issues. Whilst we can appreciate that a corporate peer challenge won't be of major significance to some, the general attitude of elected members towards it, with the exception of a very small number of individuals, appeared to be one of a distinct lack of interest based on very limited awareness and knowledge. Given the importance to the council of an objective external challenge at a key point in the authority's journey, we found this somewhat surprising. However, there was also very limited understanding, or even interest, on the part of many councillors regarding significantly more important things, including the strategic finances of the council and the move towards 'sharing' or 'joining' with another council or organisation. As another example, we learnt from officers of instances of some elected members, when meeting the public, referring to the draft Local Plan (as the most important strategic document for the district) as "the officers' plan" – amply demonstrating a lack of ownership by councillors, a lack of willingness by them to act as the interface between the council and local communities and an inability or reluctance to play a strategic role.

Decision-making arrangements involving elected members need to be much clearer. Officers spoke of the extent to which elected members absorb their time, provide them with conflicting and contradictory direction and sometimes de-rail decisions late in the day even when they have had the opportunity to be involved earlier in the process. We found it difficult to understand the council's decision-making arrangements and wondered to what extent the arrangements that are in place reflect what is outlined in the Constitution. We were struck by the range of different roles, forums and committees that exist within the council that play some role in the decision-making process, either formally or informally, and had difficulty in comprehending how they relate to one another.

As examples, the role of 'Lead Member' has been established, and of which there are seven, covering such areas as the economy, communities and internal resources. We understand they do not have decision-making powers delegated to them but that they do, as the title suggests, provide steers to officers on key issues within their 'portfolios' –

although other elected members seemingly do exactly the same thing. People spoke of scrutiny representing the most important forum in the budget-setting process, even though Community and Resources Committee might logically be expected to play a key role along with Full Council. There is then also 'Leadership Team', comprising councillors and members of the Corporate Management Team, which seeks to consider issues on the horizon for the council but seems to lack clarity in terms of what comes on to the agenda and how things are progressed. It was also difficult for us to see how the political groups operated in terms of considering issues, determining and agreeing the line or approach they wanted to take and then taking this into forums such as Leadership Team and Full Council.

These are simply examples and in outlining them we do not claim to understand them in detail. However, overall, we felt the decision-making arrangements involving elected members need greater clarity and, as part of this, that there is a requirement for the policy formulation arrangements involving councillors to be improved.

In addition to, or perhaps as part of, developing much better and wider engagement of elected members in strategic issues, clearer decision-making and enhanced policy formulation, we see a requirement for enhanced councillor capacity generally. The council has an elected member development programme in place offering formal training activities around the likes of IT and chairing skills and has previously been awarded the Elected Member Development Charter. However, there is very limited take-up by councillors of what is available to them. There is also an issue in the fact that there is very little in the way of more informal development for councillors, such as briefings or information sessions on strategic issues facing the district or local government generally. The greatest issue, though, is the appetite, interest and commitment of some councillors to undertake development activities. This is particularly surprising given around half of the councillors were newly elected only two years ago.

The current senior management structure in the council represents a temporary set of arrangements in an uncertain situation generated by the 'sharing' agenda with North Devon District Council. The post of interim Head of Paid Service runs until the end of December this year but we are unclear how long the shared management posts with North Devon are contracted or anticipated to run for. There is also the situation with the joint Head of Planning post with North Devon and what the fall-back arrangement is with that position if the 'joining' or 'sharing' of the two councils is moved away from. In addition to these ambiguities, there appear to be significant inconsistencies in the 'spans of control' that individual Heads of Service have with, for example, the range and scale of the services covered by the Head of Environmental Health and Public Protection being significantly bigger than many others.

Some of the officers that we spoke to who are working in services covered by the shared management arrangements, indicated they were 'starting to see cracks appear' as a consequence of the workloads being undertaken by their Heads of Service, the responsibilities that they were having to delegate to others and the reduced amount of time they were available in Torridge.

It is therefore our view that the current organisational structure can only be sustained for a limited period of time. The council will need to determine the future structure, and particularly the position of the interim Head of Paid Service, in the near future – on a

timescale which may well not fit with determining, in a sufficiently robust way, the future of the council's 'joining' or 'sharing' with North Devon District Council.

In addition to the pressures that are appearing as a consequence of the shared management arrangements, people spoke of their anxieties about the level of 'resilience' within key services and positions – in other words the vulnerabilities and risks that are generated by having reduced numbers of staff with the requisite skills to fulfil specialist roles or positions. However, we understand the council is confident, because of the measures that it has put in place, that the reduction in full-time equivalent staff has been done in such a way as to carefully limit risks. It is important, though, that the council continues to carefully manage and monitor the situation.

Finally, the council may wish to take the opportunity in the near future to consider how customer services might look going forward – which would logically involve seeking the views of local residents on the appropriateness and effectiveness of current arrangements and potential alternatives. Clearly there may be a decision to maintain the status quo but, equally, there could be a view formed that having three separate public reception points in Bideford alone, each relating to different services, does not make things straightforward for customers nor represent value for money. In addition, whilst the council makes reference to 'channel shift' and 'demand management' as things it is seeking to progress, we did not see either concept actively being taken forward. Given the geography of the district and the related transport challenges, plus the opportunities that will emerge with the rolling-out of broadband, the council could look to put customer services on a different footing – potentially in quite radical ways.

Through the peer challenge process we have sought to highlight the many positive aspects of the council but we have also outlined some key challenges. It has been our aim to provide some detail on them through this report in order to help the council consider them and understand them. The council's senior managerial and political leadership will therefore undoubtedly want to reflect further on the findings before determining how they wish to take things forward.

Members of the team would be happy to contribute to any further improvement activity in the future and/or to return to the authority in due course to undertake a short progress review. Paul Clarke, as the Local Government Association's Senior Adviser for your region, will continue to act as the main contact between the council and the Local Government Association, particularly in relation to improvement. Hopefully this provides you with a convenient route of access to the organisation, its resources and packages of support going forward.

All of us connected with the peer challenge would like to wish the council and the district of Torrington every success in the future.

Yours sincerely

Chris Bowron
Programme Manager – Peer Support
Local Government Association