



Corporate Peer Challenge Torridge District Council

March 28 - 30 2017

Final Feedback Report

1. Executive Summary

Since our last corporate peer challenge in 2013 Torridge District Council (TDC) has made some real progress on improvement, most especially the implementation of its Transforming Torridge Programme. This has resulted in the rationalisation of offices, enhancement of back office functions and a stronger financial base. The Council profits from good financial management and is in a strong financial position and operating with a balanced budget. This provides confidence for future resource planning.

TDC has also shown stronger community leadership in significant developments such as Caddsdon industrial/commercial park and the Holsworthy Agri-Business regional hub. We see the potential for the Council to build on these economic successes. Opportunities at Appledore and Yelland docks plus waterfront locations such as Brunswick Wharf offer clear opportunities for jobs and mixed use development.

At a more localised level the Council has also shown good financial support to local community events and initiatives and works well with town and parish councils. This helps sustain and invigorate community life especially in the more rural and sparsely populated communities of the district.

Political leadership is more confident and secure. Collective leadership is encouraged through the Leader's inclusive style of working with other political Group Leaders. The peer team think that the leading Group needs to be bolder in its ambition for the area given the significant deprivation, housing and economic challenges facing the district. In overall terms, we consider that the Council would benefit from being more ambitious, less risk averse with a focus on achieving fewer, but more targeted, strategic priorities.

The new housing and economic and growth agenda set in the emerging joint Local Plan with North Devon Council provides an opportunity for the Council to set out a revitalised vision for Torridge. This will require strong community leadership to enable the high number of homes and jobs with the necessary infrastructure to be created. External and internal confidence in the very capable Planning Service needs to be restored to help deliver this.

TDC provides generally good services to its citizens and businesses. When measured through its 10:10 surveys citizens are generally satisfied with service delivery. It has good senior managers with a motivated workforce. TDC is showing early signs of a clearer focus on the need for income generation to offset the decline in Government grant and sound financial management has given the Council a good platform to accelerate improvement.

While TDC can help create the environment for growth it cannot do this alone. Increased investment from the private sector, Government and the LEP is necessary to create the step change necessary to enhance local skills, increase wages and deliver more affordable homes. The Council recognises the need for additional economic and infrastructure investment. While it can do more to improve the focus of its Economic Investment Strategy and Action Plans we suggest the need for a stronger external voice, working in partnership with surrounding authorities. The 2013 peer challenge noted the need for a stronger

outward looking Council and we would again call for better focus and capacity in this area. Part of this could include establishing a Growth Board with North Devon, Taunton Deane, West Somerset councils and Exmoor National Park Authority to develop sub regional growth priorities and growth bids. This would help to overcome the constraints of its peripheral location and economic geography.

We recommend that the Council reviews its staff capacity in order to ensure the successful delivery of new projects while maintaining essential services. Without prejudging the outcome, we feel that this may lead to the need for selective increases, especially in project management and entrepreneurial roles. It will also be important for the Senior Management Team (SMT) to review whether there is the right level of empowerment at Operational Manager level to deliver efficiently on agreed priorities.

To increase officer capacity and ensure relentless focus on implementation it will also be important for councillors to set the strategic direction and then have the confidence in their very able managers to manage. The 2013 peer team commented on the extent to which officers felt that councillors absorbed their time and the need for clearer decision making. Officers considered that this was still an area of concern and we recognised a blurring of councillor/officer roles and we would strongly recommend improvement in this area.

The peer team have confidence that, with good leadership, the Council can embrace a stronger entrepreneurial and more outward looking approach. It will be important for leading councillors and senior officers to push boundaries and inspire the rest of the organisation on this journey, building on the solid platform already created at Torrridge.

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 onsite, many of which provided ideas and examples of practice from other organisations. The following are the peer team's key recommendations to the Council:

Review the strategic goals and priorities for Torrridge in the light of the emerging joint Local Plan vision of growth. The Council needs to ensure that its corporate vision and priorities are bold enough to meet the area's economic, housing and infrastructure needs.

Assess the Council's appetite for risk. In particular, examining the extent to which the Council should use increase investment and capital funding on local projects to achieve stronger income streams and improved economic and housing outcomes.

Produce costed, resourced delivery plans for the Council's main project delivery areas. Ensure that adequate project manager capacity and appropriate IT, legal, and financial support is available for this, as well as the Council's on-going normal service delivery work of the Council.

Support councillors in reaffirming the primacy of their strategic community leadership roles and avoid involvement in management and operational detail. This

is to help councillors to be made more aware of the negative consequences to service delivery when councillor/officer roles are blurred. This also frees up managers and staff to focus relentlessly on delivery.

Create a more outward looking and confident Council and support the establishment of a Growth Board. The Council needs to work with other authorities and the business sector to create a stronger northern Devon voice to influence LEP priorities and investment decisions. Part of this could include establishing a Growth Board with North Devon, Taunton Deane, West Somerset councils and Exmoor National Park Authority to develop sub regional growth priorities and growth bids.

Enhance the full time expertise and capacity and improve the perception of the Planning Service. The Council needs to act quickly to tackle some of the negative internal and external perceptions of the Planning Service and champion it as a vital enabling service to drive appropriate housing and economic growth in Torrridge.

3. Summary of the Peer Challenge approach

The peer team

Peer challenges are delivered by experienced councillors 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 Torrridge District Council were:

- **Lead Peer:** Nigel Lynn – Chief Executive, Arun District Council
- **Officer Peer:** Jackie Smith – Corporate Director (Commercial), South Staffordshire District Council
- **Conservative Member Peer:** Chris Millar – Leader Daventry District Council
- **Independent Member Peer:** Shirley Panell – Member North Kesteven District Council
- **LGA Peer Challenge Manager:** Robert Hathaway – LGA Associate

Scope and focus

The peer team considered the following five questions which form the core components looked at by all Corporate Peer Challenges. These are the areas we believe are critical to councils' performance and improvement:

1. Understanding of the local place and priority setting: Does the council understand its local context and place and use that to inform a clear vision and set of priorities?

2. Leadership of Place: Does the council provide effective leadership of place through its elected members, officers and constructive relationships and partnerships with external stakeholders?
3. Organisational leadership and governance: Is there effective political and managerial leadership supported by good governance and decision-making arrangements that respond to key challenges and enable change and transformation to be implemented?
4. Financial planning and viability: Does the council have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully?
5. Capacity to deliver: Is organisational capacity aligned with priorities and does the council influence, enable and leverage external capacity to focus on agreed outcomes?

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

- attracting and retaining professional staff;
- developing an Economic Development Strategy for the area and Inward Investment;
- income Generation or spend to save ideas and making best use of our reserves;
- digital by default opportunities any best practice from others;
- learning points from major Waste & Recycling Service reviews; and
- areas for consideration on next stage of our Transforming Torridge Programme.

The peer challenge process

It is important to stress that this was not an inspection. Peer challenges are improvement focussed and tailored to meet individual councils' needs. They are designed to complement and add value to a council's own performance and improvement. The process is not designed to provide an in-depth or technical assessment of plans and proposals. The peer team used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read.

The current LGA sector-led improvement support offer includes an expectation that all councils will have a Corporate Peer Challenge every 4 to 5 years. In 2013 Torridge District Council had a Corporate Peer Challenge. Where relevant to do so, findings from that previous peer challenge have been referenced in this report.

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 three days onsite at Torridge, during which they:

- Spoke to more than 70 people including a range of council staff together with councillors and external partners and stakeholders.

- Gathered information and views from more than 23 meetings, visits to key sites in the area and additional research and reading.
- Collectively spent more than 150 hours to determine their findings – the equivalent of one person spending more than four weeks in Torridge.

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 (28 - 30 March 2017). We have included commentary on the additional areas you asked us to look at in the body of the feedback. 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

Torridge District Council (TDC) has a good understanding of the opportunities and challenges facing the area. It uses a wide range of data to ensure coverage of rural and sparsity issues as well as more urban and coastal issues. The Council produces and updates a comprehensive ‘Profile on the Torridge District’ as well as ward profiles. Economic data sets and indices of deprivation are also important in recognising the relatively weak economic base of the area. For example, productivity is low, with Torridge producing £29,470 of value added per employee in 2012, equivalent to just 77 per cent of the national average.

The Council recognises that economic regeneration is key to moving the district out of a historically low wage economy in tourism, agriculture, fishing and more latterly social care. This is seen through the Council’s strategic goals, business objectives and service plans.

The peer team found that TDC has ensured consistency in its strategic goals. For the period 2016 - 2020 it re-adopted the same four strategic goals as had existed for 2012-2016. These focus on economy, community, environment and customer focus and reflect views of citizens. Quarterly business reports link strategic goals, service business plans and finance and provide a very robust set of performance data.

TDC is aware of strong imbalances in the housing market. The affordability gap is significant and it is increasingly difficult for local people to access market and social housing. Annual housing growth is going to have to nearly double to 400 to meet local need, including affordable housing. Given significant challenges in the housing market the peer team did not detect a strong emphasis on this theme during the peer challenge. This is picked up in different sections of our feedback.

While TDC recognises the importance of growth, the team’s overall impression is that the Council is in danger of trying to do too much with limited capacity and would benefit from a focus on fewer higher level strategic goals. This could involve a re-examination of priorities

and reviewing whether the capacity used to monitor, report and scrutinise the approximately 150 indicators could be used in other areas. For example reporting could perhaps be by exception and possibly realigned to fewer larger and bolder community outcomes such as strategic housing. Put simply, by collating and providing such a wide range of data, councillors are encouraged to delve into operational, rather than strategic mode.

4.2 Leadership of Place

Political and Managerial Leadership

The Council benefits from recent stable political leadership with the Leader and Deputy Leader's skills complementing each other well. The Leader displays a broad inclusive style and works hard to include other political and non –aligned Group Leaders in the governance of the Council's work. The work of the Council is supported by ten Lead Members from the majority of the political and non-aligned Groups. This help produces shared political ownership.

Given majority political control, it is important that this mandate is used to drive the political aspirations of the Council on behalf of the local community. While we recognise the importance of political balance and inclusivity, it is important that this does not result in hesitancy or any lack of boldness or decisiveness in taking action in order to provide good outcomes for the local community. This is particularly important in the area of growth, which we appreciate is a sensitive local issue for citizens and councillors. The emerging Joint Local Plan with North Devon Council (NDC) sets a new higher growth vision and strategy for the area and councillors (as local community leaders) need to rise to that challenge. This is important to create the homes, jobs and supporting infrastructure that the area needs.

The Head of Paid Service leads a cohesive SMT and has steered the Council into a healthy financial position with generally good service delivery. In order to provide adequate senior management support to accelerate improvement the peer team would encourage a review of the existing gap at Senior Manager (services) level. Given the challenges that the Council faces and its desire to be more entrepreneurial, it may want to look for relevant competencies and experience in this area for the role. The Council can, due to its careful budgeting, afford to inject some new roles (perhaps on a temporary basis) to speed up outcomes such as strategic goals, particularly on economic growth and project management.

Local Community Leadership

The Council has generally good relationships with town and parish councils. Three Area Advisory Groups bring groupings of parishes together with district councillors and officers on a quarterly basis. At the larger four town councils such as Northam, the stronger tax base has seen these councils take responsibility from the district council. This divests the Council of financial and managerial responsibility in areas such as cleaning, public open space and toilets. Management of important facilities by town councils is more likely to be successful given local ownership and pride, and the Council should seek to extend these partnerships.

Councillors are able to support small community projects such as local events and projects in their wards through the Councillor Community Grants Scheme. This allows councillors to allocate £2000 a year to support local community groups and become more involved in local projects. Further opportunities to support local issues are provided by the Town and Parish Fund that is funded mainly by Devon County Council with support from the Council. The Council's Community Grant Fund uses 25 per cent of its New Homes Bonus income to support Town and Parish Councils, community and voluntary groups to bid for local projects. All these grants aided local schemes empower communities and strengthen community resilience, especially in the large number of sparsely populated rural wards.

We liked the Council's 'Don't Walk By' policy designed to assist officers in better helping citizen queries and in reporting issues to the relevant public body where necessary. It also includes higher visibility of its staff through coordinated external clothing. This initiative has the potential to increase citizen confidence in locality working.

Blurring of Councillor/Officer Roles

In perhaps the enthusiasm of local councillors to do the best for their communities, the peer team considered there is a tendency for councillors to become over involved in operational issues. This also spilled over into a desire to be overly concerned about management detail. This blurring of roles has the negative consequence of weakening officer focus on agreed priorities. It can also lead to a conflict of accountability and dent management efficiency and morale.

We think that the Leader and Deputy and other Group Leaders have a strong role to play in setting good examples in this area. Working with the Head of Paid Service and SMT we feel that, without making this an overly bureaucratic process, a new culture of councillor/officer access and joint working needs to be redefined. We recognise the challenge in this, but feel this is important in order to allow for the relentless implementation by officers on agreed strategic political priorities. If this balance can be re-established, we are confident the Council can produce better outcomes for the local community.

Housing

Torrige has high affordable housing needs, but delivery falls well below the required level. Annual need in the area stands at around 260 dwellings per year whereas only 40 affordable houses were delivered in Torrige last year. The reasons for low delivery are many and varied, but include low completed values, lack of large volume house building and an apparent lack of strong interest among Registered Providers of Social Housing in building in the area compared with south Devon.

In order to improve affordable housing delivery and to gear up for significantly higher housing delivery required by the emerging joint Local Plan, it is important that the Council ensures it has adequate partnerships, targets and capacity. For example, the Council needs to forge stronger relationships with Registered Providers and could examine using its own funds to help financially de-risk housing sites to increase their attractiveness.

In the light of high housing need, the Council would benefit from setting more challenging targets and in enhancing delivery. For example, the Council has not brought any vacant private dwellings into use since 2013/4 and reduced its annual targets from 10 to 4. It has the highest per centage of vacant houses in the south west. In 2016/7 the target for the

number of affordable homes at 64 is significantly below the Housing Needs Assessment for Torridge which suggests the need for 200. Delivery of affordable houses in recent years has consistently fallen below need as in many area areas of the country.

The Planning Service

The Council's Planning Service delivers good outcomes in terms of speed of delivery, adding value and outcomes, but suffers from a poor perception among some councillors, managers and planning agents. This is particularly the case with the Development Management Service where it appears, the perception has become the reality with negative connotations. A lack of confidence in the Service affects staff morale, consumes more management time and affects customer confidence.

The Service has many strengths including:

- approving 78 per cent of its 'major' and 'minor' planning applications and 86 per cent of its 'others' over a two year rolling average and therefore being well above the Government threshold;
- respected Plans Committee that has good practice characteristics such as good chairing, appropriate number of members (9) and benefits from early briefings from officers/developers that promote efficiency and post briefings with officers that promote learning; and
- well-resourced planning team (27) including specialist housing, conservation and landscape officers.

The Planning Service has made good progress in implementing recommendations provided through an external Planning Advisory Service (PAS) review. Despite this, at least some planning agents are still concerned and complain to councillors and the Planning Service about what they see as a lack of customer care. We did not have opportunity to meet planning agents, but did meet with business partners. While admittedly few in number, these were very positive towards the Council's Planning Service. Continuity of permanent Planning Service staff is also proving a challenge at Torridge. While the lack of planning officers is a national issue, the Council is seeking to deal with the recent loss of five permanent members of staff in a short space of time. It has acted quickly to plug the gap with agency staff, but recognises that in terms of finance, continuity and team dynamics it needs to act quickly to recruit new permanent staff.

We strongly recommend that the Council moves quickly to provide any additional capacity or expertise required in the team. TDC is currently using external support to review joint working and capacity in the Service and it needs to act swiftly and effectively on its findings. SMT and councillors then need to get behind the Planning Service and provide it with the support and confidence to provide a strong 'enabling' and 'place shaping' role.

In recognition of staff shortages in planning departments Government are allowing councils to increase planning fees by 20 per cent on condition all the additional fee money is used for planning purposes. The Council should seriously consider this option as an opportunity to help move the Planning Service forward.

Local Reputation

Many councillors and some staff felt that despite delivering generally good services, the Council suffered from a negative corporate image. We appreciate that widely held

perceptions and old labels can be difficult to shake off. We also recognise the influence that local newspapers can have if the majority of their news about the Council has a largely negative slant.

To counteract this, the Council may wish to consider focusing on better celebrating successes and promoting a more positive image of its work through for example restarting its own council newspaper. Other councils such as Arun and Daventry are producing local newspapers at quarterly intervals at costs ranging from between 14p – 24p a copy. These councils report that this medium has been important in projecting a more positive image of their councils, providing citizens and businesses with greater confidence as to what their local taxes are spent on. It will also be important for TDC to optimise opportunities arising from the use of its website and from use of social media to promote positive news stories.

4.3 Financial planning and viability

TDC profits from good financial management and is in a strong financial position and operating with a balanced budget. The Council's Medium Term Financial Plan (MTFP) projects a balanced budget until 2020 without the need to make cuts to existing service provision. This provides confidence for future resource planning.

It has successfully tackled its financial challenges to date and its balances have increased year on year through in year significant underspending. The Council has benefited from increases in housing numbers and the New Homes Bonus (NHB), receiving £1.75 M in 2017/18, which has considerably offset reductions in other government grants.

Savings targets have been delivered by the Council using a number of strategies. It has a track record of delivering its services within the allocated budget and a trend of underspending. Implementation of the Transforming Torridge Programme has led to annual savings of £700k. This has included the rationalising of offices, improvements at the Council's main HQ and improved back office data systems. However the Programme has not achieved all its financial goals at the planned rate with some slippage into future years, possibly through lack of staff capacity.

Benefitting from new housing growth, the Council has increased its ability to attract additional funding from NHB which has offset the reductions in other funding such as Revenue Support Grant. The Council needs to plan for beyond 2020 with the continuing challenges local authorities continue to face.

It has shown good short and longer term management in relation to its waste services. Its delivery of waste and recycling was in danger of being knocked off course when its recycling contractor at South Molton went into liquidation. But it acted very swiftly and pragmatically, ensuring that there was little effect on collection rates.

In relation to its longer term waste collection plans TDC has approved major service change. The current forecasts in the Council's financial strategy shows a balanced position going forward, although it needs to ensure that there are £0.650m savings from the review of waste services by 31 March 2019. This is a key project for the Council and involves prudential borrowing and the capital investment of £4M in a new waste depot.

The Council is already showing good risk management by preparing alternative solutions for waste collection and transfer. Officers have identified a new site for a new depot. This requires councillor approval, to purchase following which TDC will need to agree terms, planning consent, design and implementation. Given the importance of this project to the Council there is a clear need for strong project planning and clear and decisive decision making to achieve implementation by mid-2018. It will be important for the Council to ensure that, alongside technical expertise in the waste area itself, capacity in areas such as communication and education exists.

4.4 Organisational leadership and governance

Joint Working

The peer team found good relationships between councillors and staff with mutual respect and trust. Staff clearly enjoy working for TDC and the quote 'this is an amazing place to work' perhaps best sums up the general attitude we found. We were also struck by the peer support, one for another, and this was particularly noticeable among the Operational Management Team. New managers in that team had clearly integrated quickly and had brought new life, vitality and ideas to the Council from other councils and the private sector. This provides important expertise and experience to support the Council on the next step of its improvement journey.

New councillor induction and councillor engagement

New councillors told us that they had received very helpful induction training from officers and good support from other councillors. In 2015, the Council saw an intake of 15 new councillors following local elections. TDC reports that there is good attendance and engagement by councillors at the main Community and Resources Committee and Scrutiny and other meetings. Strong engagement supports good political representation and effective decision making.

The external and internal Scrutiny Committees of the Council benefit from the presence of outside members of the public. At the external Scrutiny meeting we attended, the Council usefully reviewed the value that its partners see in the scrutiny process. It has also recently challenged the lack of a tourism strategy for the area, the lack of which we also found surprising given the economic contribution this makes to the local area. The use of action and forward planning by both Scrutiny Committees was good, promoting accountability and efficiency.

Economic Development

Both TDC and NDC share concerns over the impact of their economic development activities. The Council shares an economic strategy with NDC, which recognises that the two councils form a large part of the functioning economic area and need close working arrangements. It will be important for both councils and business partners to review whether the current Northern Devon Economic Strategy, developed in 2014, is upto date and provides sufficient focus. We felt confident that both Councils will address these issues.

This is all the more important given that the Council recognises that it has made poor progress with its partners on an Inward Investment/Investment in Growth strategy. It will also be important for the Council to do all that it can to help revitalise North Devon +ⁱ as the

primary focus for regeneration and business development in northern Devon. This is significant given the need for upskilling of the local community and the opportunities, while resources last, for use of EU funding for rural areas through the LEADER 5 grant programme. It will also be important for the Council to maximise joint working arrangements between its planning service, economic development and North Devon +.

But the Council can point to early successes in fostering economic growth in the district. It has led on some important developments including Caddsdon, a very successful commercial/industrial park and the multi million pound Holsworthy Agri - Business Centre regional hub. It has also invested heavily in the public realm at Westward Ho! to boost tourism and leisure. It is also using NHB monies and some reserves to develop capital projects on council owned land at Cleave Wood, further phases at Caddsdon and Holsworthy and Middle Docks Appledore Docks. It will also be important for the Council to work with partners to produce 'oven ready' schemes to take advantage of any underspend in LEP or other funding.

We spoke to a number of business leaders who felt that the Council could be more outward looking and proactive. A quote that summed this up was 'that the Council is good when I knock on its door but nobody knocks on my door'. Businesses felt that they would benefit from more opportunities to meet together. Given the relatively small number of larger or high worth companies in the area and the potential benefits of greater economic synergies, we recommend that the Council or North Devon + facilitates a business club. Such a club, with sufficient resource, would provide stronger opportunities to examine skills gaps, supply chains and lend weight to external lobbying on key infrastructure issues. Other opportunities are for strategic managers and the Leader and Deputy Leader to ensure there are strong appropriate relationships with leading companies in the area to ensure that the Council are aware of their skills, land and infrastructure needs.

Wider Regional Partnerships and Influence

Most surrounding authorities and agencies we spoke to felt that TDC was overly insular. As an example, one authority characterised the Council as the 'forgotten part of Devon'. The Council recognises it has a relatively weak voice on the Heart of the south west LEP. It considers that northern Devon has difficulty in getting its voice heard and its infrastructure and growth needs prioritised. The peer team felt that TDC could do more to fight the corner for the district and northern Devon. Government funding via the LEP is indeed competitive and the Council needs to work harder to get its voice heard for the local economic area. We strongly recommend TDC working with other councils and authorities through a Growth Board. This would allow for a stronger local area platform to develop potentially successful large scale funding bids.

Broadband speeds and access are generally poor, especially in rural areas and we felt that TDC and partners needed to do more to promote this. We recognise that improving broadband in the area is not the direct responsibility of the Council. But it is vital that it seeks to influence Devon County Council and the LEP to prioritise improving broadband coverage as part of its drive to increase entrepreneurial activity and job creation. The combination of good quality digital access in an area of high environmental quality offers better business prospects, especially for start-ups. This was a recognised need by the local businesses.

4.5 Capacity to deliver

While the Council has generally successfully managed the down turn in staff numbers, we consider that additional capacity is likely to be required in key areas to meet the Council's strategic goals. From our interviews we were given the clear impression that at least on some occasions that resources were tightly held by the corporate centre. For example managers expressed concern about capacity at project manager levels for new initiatives and areas such as strategic and affordable housing and legal capacity to support effective use of section 106 agreements in the planning process. We appreciate the strong fiscal management that has enabled the Council to have the resources it has, but recommend that it reviews its use of resources in priority areas. We also consider that the impact of SMT could be strengthened by a greater empowerment of its operational managers and a less risk adverse approach. Staff told us that this often led to frustration and delayed improvement or, at worst, to an inability to obtain approval to spend on staff, equipment or resources. A lack of strong alignment between financial plans, capacity and strategic goals weakens impact. Appropriate empowerment to the high quality operational managers will allow SMT to have more capacity to work strategically and collaboratively with external partners.

In terms of TDC's request to the peer team concerning ideas on additional capacity we would point to examples including:

- appointing fixed term contracts in areas such as project management of its major projects;
- buying in short term capacity in areas of internal transformation where additional resource or expertise may be required, for example IT or the waste project communications;
- taking advantage of the new apprentice levy;
- recruiting permanent staff for the planning service examine the option of engaging recruitment agencies to head hunt and pay on a success basis only; and
- exploring use of 'golden handcuff' arrangements to encourage high quality contract/interim staff to complete specific projects and only on high quality outcomes receive a termination bonus.

TDC recognises that it has not made the progress it anticipated in driving forward alternative models of income generation. This is important as the Council has become relatively more exposed to reductions in grant funding in the recent years. This highlights the need for a robust income generation strategy to reduce reliance on Government grant funding.

We consider that the Council needs to be bolder in its approach to income generation. The Council recognises it needs to be more commercially astute to create new income streams and is at the early stages of developing an Income Generation Strategy. As part of this new approach it is looking at better using its land and buildings, becoming more commercial and using alternative delivery models to create longer term income streams. Presently the Council is examining income opportunities including Caddsdon Phase 3 industrial park, Holsworthy Livestock Market and development proposals for Cleave Wood. As part of an examination of options to increase income it needs to look at councils who

have been successful in this area. A local example is Mendip, while Aylesbury Vale and Sevenoaks are recognised as entrepreneurial districts and advice should be sought from these local authorities.

The peer team also sees an opportunity for the Council to more fully appreciate the links between the need for stronger income streams and the need to improve community outcomes. That is, using its money, land and buildings and capacity to drive improved community outcomes as well as making money. We were not convinced that all councillors and staff at TDC have yet made this important link, although appreciating that the new entrepreneurial approach is still developing.

Given the importance that TDC attaches to its Digital by Default strategy, it is important that it sets clear project milestones for the specification and procurement phase. We recognise that IT systems will always be improving, but it will be important for the Council to specify and then procure an appropriate system. It also needs to ensure the project has sufficient funds allocated in relation to big ticket items such as Application Process Interfaces which can be cost prohibitive. Also, it needs to ensure that the project is backed by sufficient internal and external expertise to deliver on time. For example, we suggest the Council reviews its IT capacity along with examining whether there is adequate resource allocated to web site design and updates, given the importance of the website as the main entry point.

Finally, in relation to digital access, it is important that councillors and officers are given the tools and skills in IT to work in an agile fashion and to lead by example. We recognise the challenge this creates, but councils such as North Kesteven have shown that by 'working with the willing' this can encourage a modernising democracy culture among councillors. If the Council, as a whole, were to embrace a digital approach more fully, it could provide a better digital service for its residents, and at a cheaper cost.

5. Next steps

Immediate next steps

We appreciate the senior managerial and political leadership will want to reflect on these findings and suggestions in order to determine how the organisation wishes to take things forward.

As part of the peer challenge process, there is an offer of further activity to support this. The LGA is well placed to provide additional support, advice and guidance on a number of the areas for development and improvement and we would be happy to discuss this. Andrew Bates, Principal Adviser is the main contact between your authority and the Local Government Association (LGA). His contact details are Andy.Bates@local.gov.uk and telephone number 07919562849.

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 good practice and further information and guidance about the issues we have raised in this report, to help inform ongoing consideration.

Follow up visit

The LGA Corporate Peer Challenge process includes a follow up visit. The purpose of the visit is to help the Council assess the impact of the peer challenge and demonstrate the progress it has made against the areas of improvement and development identified by the peer team. It is a lighter-touch version of the original visit and does not necessarily involve all members of the original peer team. The timing of the visit is determined by the Council. Our expectation is that it will occur within the next two years.

Next Corporate Peer Challenge

The current LGA sector-led improvement support offer includes an expectation that all councils will have a Corporate Peer Challenge or Finance Peer Review every 4 to 5 years. It is therefore anticipated that the Council will commission their next Peer Challenge before April 2022.

ⁱ North Devon + is North Devon+ is a “not for profit” company limited by guarantee. Its works closely with TDC and NDC and provides a primary focus for regeneration and business development across northern Devon and the wider area