Corporate Peer Challenge
Pembrokeshire County Council

11th to 14th February 2020

Feedback Report

1.   Executive Summary

There is a very clear legacy from several years ago that still hangs over the council. This relates to both the style in which the organisation was managed and operated and the reputation that it developed. The authority has sought to move on from this but the issues are still writ large and are having a lasting impact.

The council can outline a high level understanding of the demographics and profile of Pembrokeshire but the ability at the corporate level to reflect a detailed understanding of place and, particularly, localities and communities is limited. What is being seen around health and social care integration, in relation to join-up on the ground and a place-based focus, offers an approach for the council to build upon in developing a greater understanding of, and emphasis upon, localities. Progress and delivery in relation to health and social care integration is seen by partners to be 'leading-edge' within Wales and offers real opportunities for the council to learn from generally.

The Administration is showing ambition and drive and the Cabinet's 'Programme for Administration' is providing people with what they described as a 'sense of purpose' and increased clarity around priorities. The Programme is about to be reviewed and we would encourage the council to use the opportunity this provides to drive a much greater focus upon 'outcomes'.

External partners reflected back to us their view of an improved set of relationships with the council. It is acknowledged, however, that these improvements have been from a very low base and that there is scope to enhance things much further. A key element of what partners that we met are seeking is for the council to demonstrate real leadership for Pembrokeshire. This entails facilitating, with them and with communities, the creation of a vision for the county; establishing a sense of place; and championing the cause of the county much more. In taking forward this opportunity and challenge, there is much for the council to capitalise upon, including a strong voluntary and community sector; the opportunities around economic growth and inward investment; the natural assets of the county and the tourism offer.

The potential of the council in relation to place-shaping can be seen with the investment made in school buildings; the work going on to enhance the digital infrastructure across the county; the building of council housing; and regeneration activity. The mandate for leadership of place by the council is there. The opportunity now needs to be seized and there is a crucial role here for the Leader.

The council has successfully addressed the budget gap to date, involving bold decisions by the current Administration. A commitment has been made to re-model the council's Medium Term Financial Plan (MTFP) through the first half of 2020. It is essential that this is delivered and that the MTFP then goes on to be reviewed on a regular planned basis.

The council's current work and planning is on track to enable it to set a balanced budget for 2020/21. However, the risks around the council's finances, including those in relation to social care, need to be very carefully managed if financial sustainability is not to become threatened.

The council's capital programme has become increasingly aligned with the Administration's ambitions. Such alignment needs now to be replicated in relation to the revenue budget and initial steps have been taken in this respect. These need to be built upon in order to enhance future viability through a clearer link between financial planning and strategic direction, in order to address the significant funding gap in future years.

Whilst the council is progressing and has delivered much that it can be proud of, a set of relationship issues are evident at the Cabinet and Corporate Management Team level that are impacting negatively. These need to be more openly articulated, mutually understood and positively responded to.

For the past 18 months, Cabinet and Corporate Management Team (CMT) have been creating the space and time to meet together and the same applies with CMT and Heads of Service. These are very positive steps but we would encourage a greater sense of joint ownership of agendas for meetings and ensuring sufficiently strategic issues are being considered.

Cabinet members are bringing a new set of perspectives to their roles and there is much benefit from this. There also needs to be care taken to ensure that, in their enthusiasm and desire to drive things forward at pace, they retain a focus on policy and strategic direction and are willing to be guided by the professional advice of officers.

The council is seen to lack adequate strategic capacity. For the council to achieve its change ambitions, there is requirement for an organisational development (OD) approach and the creation of the necessary related capacity. The same situation exists in relation to the opportunity to develop a strategic communications approach to support the delivery of the council's ambitions. The current situation in relation to both OD and strategic communications is leading to lost opportunity and generating frustration.

Whilst the council can point to having key corporate processes and systems in place, including performance reporting, project management and risk management, they are not seen to be impacting adequately. This raises key questions around how the organisation reassures itself and therefore where it can draw confidence from. Where there aren't clear answers to these questions there is ambiguity, resulting in the risk of differing expectations and misunderstanding; the questioning of people's motivations; and second-guessing – which can lead to a lack of trust and confidence and tension and difficulties in relationships.

The smooth flow of council business in any authority is dependent upon thoroughness of preparation and what has been agreed being adhered to. We heard a lot about reports being 'sprung upon' people; initiatives being developed in isolation from one another; things suddenly emerging 'from left field' that threw people off kilter; and people distancing themselves subsequently from things that they had been involved in agreeing. Improved forward planning of council business will aid the effectiveness of delivery.

The way in which social media is being used by a small number of elected members, involving personalised attacks targeting council officers, is entirely inappropriate. The peer team heard concerns from a range of people about the impact that this is having

upon staff morale, individuals' personal well-being and the reputation of the council. The council's Officer/Member Protocol is unambiguous on what is expected – everybody needs to be provided with absolute clarity around this and breaches need to be rigorously addressed, without delay.

A starting point in progressing some of the relationship issues that exist within the council has to be a crystal-clear shared understanding of respective roles and responsibilities and what represents appropriate behaviours and standards, with the necessary respect for this then being shown. Whenever behaviours and standards are demonstrated as being an issue, responsibility is incumbent upon the Chief Executive, Monitoring Officer, Leader of the Council and political group Leaders to take the necessary action and to support each other fully in doing so.

Whilst some of the council's Scrutiny Committees are seen to be effective and making a difference, others are seen not to be operating anywhere near adequately enough. The focus of Scrutiny in the council seems unclear and there is no effective corporate work programming arrangement in place to help to shape where the committees might usefully apply their effort and attention in order to aid the work of the council. The status quo around what should and can be a key governance function and valuable asset for the council is completely unsustainable.

The staff that we met from across the council, and at different levels within it, demonstrated real commitment and extensive goodwill in their attitude and approach to their work. There is huge pride amongst them in serving their communities. However, the impact of the relationship issues at the senior level within the council, and the way in which some people are going about things and behaving, is damaging further the way the council is seen and perceived both internally and externally and is also having a very negative impact on the organisation's capacity.

The council clearly has ambitions in relation to 'transformation' and has achieved some successes around it. The three strands within the transformation programme – technology, culture and relationships – are clear and feel appropriate but the technology element is seen to be where most progress has been made to date. To really drive change and transformation forward in the authority, there needs to be much greater clarity around what it is intended to deliver. Whilst the council has a Transformation Board in place, it doesn't yet feel as though the transformation ambitions are collectively owned or driven. People need to hear about and see a shared vision and sense of purpose, plus a modelling of the way, from the senior leadership if they are to buy-in to a change agenda.

We were impressed by the small number of 'frontline' councillors who took the opportunity to come and meet with us. Meeting them enabled us to see their commitment and enthusiasm for their roles and their communities. From our discussions, we identified elected member support and training as being a significant area for development going forward. This includes the potential introduction of a casework management system; further all-member briefings on key issues, including continued early sharing of the budget position and policy thinking; and training and development to ensure people are clear on their responsibilities as a councillor and are enabled to fulfil the different roles they hold.

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2.   Key recommendations

To support the council in its improvement journey, the peer team have identified a number of key recommendations – some of which you may already have in hand. We welcome your response to these recommendations through the development of an action plan. The recommendations are as follows:

- Develop a greater understanding of, and emphasis upon, localities and an outcomes-based focus to thinking and planning – building on what is being delivered in adult social care and health

- Seize the place leadership opportunity and mandate that partners are keen for the council to fulfil

- Fulfil the commitment to re-model the Medium Term Financial Plan through the first half of this year, aligning it with the Administration's priorities and ensuring clarity about future years' savings plans, and then go on to review it on a planned basis

- Establish the necessary rigour around key corporate processes and systems in order to ensure the organisation can better reassure itself and take greater confidence

- Enhance the mechanisms to enable much greater staff engagement from across the whole council

- Acknowledge the relationship issues that exist at the senior leadership level and use the outputs of our work as the basis for coming to mutually understand the causes and then positively respond to them

- Consider the importance of organisational development and strategic communications to achieving the council's ambitions and how to take this forward

- Recognise that the behaviour of some elected members is completely inappropriate and demonstrate at the senior leadership the necessary collective resolve to address the matter

- Address the fact that the status quo in relation to some of the council's Scrutiny Committees is completely unsustainable

- Clarify a Target Operating Model for the authority and use this to establish much greater clarity around what transformation is intended to deliver

- Ensure the transformation ambitions are collectively owned and driven at the senior leadership level

- Ensure that the findings and requirements of the 'Estyn' report are corporately owned and driven

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 the council's 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 in Pembrokeshire were:

- Philip Simpkins, Chief Executive, Bedford Borough Council

- Councillor Alan Seldon, Herefordshire Council

- Councillor Steve Morphew, Norfolk County Council

- Rachel North, Strategic Director of Communities and Place, Derby City Council

- Daniel Hurford, Head of Policy (Improvement and Governance), Welsh Local Government Association

- David Powell, former Strategic Director of Resources, Powys County Council

- Stephen Cooper, Senior Adviser, Workforce, Local Government Association

- Chris Bowron, Programme Manager, Local Government Association

Scope and focus

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

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

2. Leadership of place: Does the council provide effective leadership of place through its elected members, officers and constructive relationships and partnerships with external stakeholders?

3. Organisational leadership and governance: Is there effective political and managerial leadership supported by good governance and decision-making arrangements that respond to key challenges and enable change and transformation to be implemented?

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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?

We have looked at these themes under an 'umbrella' of 'what transformation means for the council's relationships with the citizen, partners and staff'.

The peer challenge process

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

The peer team prepared for the peer challenge by reviewing a range of documents and information in order to ensure they were familiar with the council and the challenges it is facing. The team then spent four days on-site in Pembrokeshire, during which they:

- Spoke to more than 150 people, including a range of council staff, elected members and external partners and stakeholders

- Gathered information and views from around 35 different interviews and focus groups plus additional research and reading that were all kindly arranged for us

- Collectively spent more than 450 hours to determine their findings – the equivalent of one person spending around thirteen working weeks in Pembrokeshire

This report provides a summary of the peer team's findings. It builds on the feedback presentation provided by the peer team on Friday 14th February upon the conclusion of our visit. In presenting feedback to the council, we have done so as fellow local government officers and elected members, not professional consultants or inspectors. By its nature, the peer challenge is a snapshot in time. We appreciate that some of the feedback may be about things the council is already addressing and progressing.

4. Feedback

4.1 Understanding of the local place and priority-setting

There is a very clear legacy from several years ago that still hangs over the council. This relates to both the style in which the organisation was managed and operated and the reputation that it developed. The authority has sought to move on from this but the issues are still writ large and are having a lasting impact.

The council can outline a high level understanding of the demographics and profile of Pembrokeshire, such as the ageing population; the birth rate being lower than the death rate; less than two per cent of the adult population being from a black and minority ethnic (BAME) background; the median gross weekly wage for full-time workers being (at £490.50) in the lowest five per cent across Great Britain; and 10,000 full-time equivalent (FTE) jobs sustained by the annual £585m tourism economy. Such data and information is outlined in the Well-Being Assessment, produced by the Pembrokeshire Public Service Board, and the council's Corporate Plan.

The ability at the corporate level to reflect a detailed understanding of place and, particularly, localities and communities is limited and the potential around the use of data and intelligence to inform priorities is yet to be capitalised upon. This might, for example, inform and entail the development of an increased number of Community Plans; the creation of ward profiles for elected members; and greater linkages across the council around service delivery in a place.

What is being seen around health and social care integration, in relation to join-up on the ground and a place-based focus, offers an approach for the council to build upon in developing a greater understanding of, and emphasis upon, localities. This has included the creation of six localities across the county, as Integrated Care Networks, involving the clustering of services around General Practitioner (GP) surgeries; the £12m Regional Pathfinder project around prevention and resilient communities; and the 'Community Connectors' project funded through the Integrated Care Fund and delivered through the voluntary and community sector to improve health and well-being in localities. Progress and delivery in relation to health and social care integration is seen by partners to be 'leading-edge' within Wales and offers real opportunities for the council to learn from generally.

The Administration is showing ambition and drive and the Cabinet's 'Programme for Administration' is providing people with what they described as a 'sense of purpose' and increased clarity around priorities. It is the first time, that people can recall, of the authority having such a document to guide and shape its work. The Programme is about to be reviewed and we would encourage the council to use the opportunity this presents to help generate a shift in the way the organisation thinks, plans and uses its resources. This would entail a much greater focus upon 'outcomes'. People talked about a very siloed organisation and a shift away from the Programme outlining the council's plans and ambitions on a Portfolio by Portfolio basis, to one that focuses on the outcomes that need to be achieved and which would help to drive cross-organisational working and join-up with

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partners. The challenges of climate change and improving educational outcomes for children, as examples, do not fit neatly into silos or Portfolios.

4.2   Leadership of Place

External partners reflected back to us their view of an improved set of relationships with the council, with them attributing much of this to the Chief Executive. Examples of where benefits from the efforts of elected members and officers can be seen to have been derived include the work undertaken with the Welsh Government to secure the removal of the tolls from the Cleddau Bridge and what has been delivered with the 'Swansea Bay City Deal'. It is acknowledged, however, that the improvements in relationships have been from a very low base and that there is scope to enhance things much further.

An aspect of this is partners being keen to see the council being able to move at pace more, with some frustration around bureaucracy slowing things down, for example in relation to recruitment to joint health and social care positions, or ensuring being 'fleet of foot' to respond to and capitalise upon inward investment opportunities. They also expressed a very strong desire, as did council staff, to seeing the outputs from our work, which could form part of the process of the authority building further engagement with them. It is very positive that people are taking such a strong interest in how the council is faring.

A key element of what partners that we met (from across the health, economy and voluntary and community sectors) are seeking is for the council to demonstrate real leadership for Pembrokeshire. This entails facilitating, with them and with communities, the creation of a vision for the county; establishing a sense of place; and championing the cause of the county much more. In taking forward this opportunity and challenge, there is much for the council to capitalise upon. This includes a strong voluntary and community sector with the desire and capacity to do more; the improved relationships that are in place with partners; the opportunities around economic growth, such as the potential of the port of Milford Haven, and inward investment; the natural assets of the county and the tourism offer.

The potential of the council in relation to place-shaping can be seen with the investment made in school buildings, aided by Welsh Government's '21st Century Schools' programme; the work going on to enhance the digital infrastructure and related Broadband connectivity across the county; the building of council housing; and the Masterplanning for Haverfordwest, including the delivery of the Glan-yr-Afon library and gallery and the further regeneration activity planned to come on stream.

The mandate for leadership of place by the council is there, both in terms of the unique position of it as the democratically elected body for the whole county and the way the authority is being encouraged to take things forward by partners. The opportunity now needs to be seized. There is a crucial role here for the Leader who, clearly being confident in the Portfolio Holders he has appointed to his Cabinet to take forward the council's business, has the opportunity and scope to drive the leadership of place. In order to rise to the leadership of place challenge the council needs to be clear about – and articulate to partners – how it sees its role in leading Pembrokeshire into the future.

4.3   Financial planning and viability

The council has successfully addressed the budget gap to date, equating to £90m in the period from 2014/15 to now. This has been founded upon bold decisions by the current Administration in relation to the level of Council Tax increases, which has seen increases of 12.5 per cent in 2018/19 and 9.92 per cent this year – representing the largest increases in Wales but still leaving Pembrokeshire's Band D level for the current year at £1,092 compared to a Welsh average of £1,294.

Whilst a Medium Term Financial Plan (MTFP) was agreed in March 2019, it is now labelled as 'defunct' by the council due to recent and on-going changes, especially the level of Council Tax increase in 2020/2021 being different to that outlined in the MTFP. A commitment has been made to re-model the MTFP through the first half of 2020. It is essential that this is delivered and that the MTFP then goes on to be reviewed on a regular planned basis. Essentially, revenue budget planning needs to be better aligned with strategic planning and a clearer approach to identifying and delivering savings over a longer-term financial horizon is required.

The council's current work and planning is on track to enable it to set a balanced budget for 2020/21. However, the risks around the council's finances, including those in relation to social care, need to be very carefully managed if financial sustainability is not to become threatened. The most significant demands and risks relate to children's out-of-county placements and what is seen as a fragile private sector market around adult domiciliary care.

The council's capital programme has become increasingly aligned with the Administration's ambitions, as seen for example with the investment in schools and the building of council housing. Such alignment needs now to be replicated in relation to the revenue budget. Initial and encouraging steps have been taken in this respect. This has involved the council having shifted, in its planning for 2020/21, away from an equitable percentage reduction across all services to one of a 'flat-line' position being assumed across the board with Portfolio Holders and senior officers then being able to make their case for increased resources in line with pressures and priorities.

These initial steps need to be built upon in order to enhance future viability through a clearer link between financial planning and strategic direction, in order to address the significant funding gap in future years. Within this, there is scope to determine, albeit probably not explicitly, what is a lesser priority for the authority and where future service levels could be adjusted in order to address the funding gap.

The council's reserves have been stable over a number of years and to date have not been used to support the revenue budget. There are, however, contingency budgets in place, such as the 'Programme for Administration Contingency', to enable the council to cope with unexpected pressures or difficulty in delivering planned savings. On top of this, the council, along with others in Wales, has often experienced Welsh Government allocating additional monies to it towards the end of a financial year or has balanced out overspends through underspends in other areas. Thus the council has always achieved a balanced budget but there have also regularly been fluctuations that it would be ideal to seek to

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reduce in the future through the work planned to align financial planning and strategic direction more.

There needs to be clarity about future years' savings plans as part of the MTFP refresh, in order to ensure the use of reserves does not come to be needed to close a funding gap. Undelivered savings may affect reserve levels, with the current proportion of planned savings being achieved – standing at 83 per cent – needing to increase in order to aid and sustain financial viability.

The council has developed an asset management approach, a core aspect of which has been designed as a 'community delivery model' enabling the voluntary and community sector to have assets devolved to them. The implementation of this model is proving more challenging than was anticipated, not aided by the fact that there is some anxiety on the part of communities about perceived risks around picking up responsibility for things that the council is seen as no longer being able to afford or maintain. For things to work, the council and the approach to asset management need to link more effectively with the aspirations of communities. The authority is having more success with freeing up council office accommodation through its transformation work and releasing it, although some of this is also taking longer to bring about than had been hoped for.

A prudent approach is being taken in relation to limiting – to £14m per annum – the revenue implications of the council's capital borrowing. The authority is currently well within the limit it has set for itself, with borrowing costs of around £11m. Whatever the council can achieve through its approach to releasing capital assets has the potential both to support the capital investment ambitions of the council and reduce revenue expenditure.

4.4 Organisational leadership and governance

The Chief Executive is seen to care deeply for people within the organisation and this is valued and appreciated. He takes the time to talk to people, listen to their issues and to try to resolve them. The other side of the coin here is that he is seen also to take everything on his own shoulders and to become caught up in the detailed workings of the authority. His caring approach needs to be balanced going forward with consideration of the strategic issues facing the authority.

The Leader is seen by elected members across the political spectrum to listen and to be open. He has appointed and chairs a 'cross-party' Cabinet which also includes Unaffiliated councillors. The Leader demonstrates clear confidence in his Cabinet and is comfortable in sharing leadership with colleagues.

Based on the different workshops that we undertook, staff across the whole range of services and geography are keen to have the opportunity to be more engaged by the organisation. They wish to actively contribute to the formulation and shaping of ideas and initiatives and, based on the enthusiasm and insights they brought to the workshops, there is much there for the council to tap into. It is important that the council seeks to extend engagement further in order to tackle what is perceived to be the existence of a 'County Hall bubble', with staff based there only representing 10 per cent of the council's total workforce.

Whilst the council is progressing and has delivered much that it can be proud of, a set of relationship issues are evident at the Cabinet and Corporate Management Team level that are impacting negatively and the causes of which we believe relate directly to many of the matters we are highlighting within this report. Tensions between political and professional leaders are common across all organisations from time-to-time and are inevitable given the challenges and pressures faced by public services in the current environment. Such tensions, however, need to be addressed and managed in order to move organisations forward towards shared objectives and the delivery of the best possible outcomes for the public.

The authority at the senior leadership level feels on the cusp – it can either help to realise the council's and Pembrokeshire's potential or it can continue a downward spiral of negative behaviours and introspection and thus hold things back. There are always 'two sides to every story' and human nature dictates there will be different views and perspectives on things – the issue within the council at this level is that they are not sufficiently openly articulated, mutually understood and positively responded to. The council would benefit from everybody involved taking a step back and recognising that, with the authority 'being on the cusp' in the way that it is, there is a set of shared responsibilities around ensuring the organisation and Pembrokeshire flourish. Utilising some independent, external support to facilitate dialogue around this situation would be likely to derive significant benefits.

For the past 18 months Cabinet and Corporate Management Team (CMT) have been creating the space and time to meet together and the same applies with CMT and Heads of Service. These are very positive steps but some people questioned how effectively such time is used and how the issues under discussion come to be determined. We would encourage the joint identification of issues to be considered in order to develop a greater sense of joint ownership of agendas and shared endeavour and ensure sufficiently strategic issues are being considered.

Cabinet members are bringing a new set of perspectives to their roles and the council – with these being both external, as a benefit of being involved in wider local government, and professional, given their current or former careers. There is a 'double-edged' sword to the second aspect here, with a risk that Portfolio Holders, in their enthusiasm and desire to see things being driven forward at pace, come to lean too heavily on their own experience and knowledge and move into detail and managerial and operational aspects rather than retaining a focus on policy and strategic direction and being guided by the professional advice of officers.

The council is seen to lack adequate strategic capacity and key aspects of any effective council are not seen to be sufficiently well developed in Pembrokeshire. As well as key corporate processes and systems which we will outline later, this includes organisational development (OD) and strategic communications. Whilst the council has an established HR function, it is designed to focus on key aspects of people management such as HR policy, industrial relations and payroll. For the council to achieve its change ambitions, there is requirement for an OD approach and the creation of the necessary related capacity. The transformation programme is a case in point here. There were some OD aspects to the work of the programme, including the roll out of the new behavioural standards, however, it was not immediately apparent whether these were linked into an

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overarching workforce plan or OD strategy. Thus the transformation programme is seeking to deliver some of the OD-type work that is required but with this not being done in a sufficiently intensive or strategic way and leaving a situation in which some people are buying into transformation and others are, at best, more ambivalent.

The same situation exists in relation to the council's approach to communications. Currently, things in this sphere operate in a traditional manner and different aspects of communications rest in various parts of the organisation. There is the opportunity to develop a strategic communications approach to support the delivery of the council's ambitions but, again, this will require a re-thinking of the approach and the council's ambitions around communications and the creation of the necessary capacity to deliver them. The council has commissioned a communications peer challenge for April this year and this will help to explore the potential that a strategic approach can offer. The current situation in relation to both OD and strategic communications is leading to lost opportunity and generating frustration.

As we have highlighted, the 'Programme for Administration' is to be reviewed over the coming months and this needs to be done 'hand in glove' with the re-modelling of the MTFP, in order to aid the aligning of the council's resources with its priorities. One of the first steps in this process is an externally facilitated away day for Cabinet in the coming weeks, to which individual Portfolio Holders will be bringing an outline of their priorities for the years ahead. This identification of portfolio-based priorities has a useful role to play but, as we outlined earlier, taking the opportunity presented by the review process around the Programme to bring about a shift to a focus on outcomes would considerably aid the functioning of the authority and delivery for communities.

Whilst the council can point to having key corporate processes and systems in place, including performance reporting, project management and risk management, they are not seen to be impacting adequately. This raises key questions around how the organisation reassures itself and therefore where it can draw confidence from:

- What is the evidence base for doing something, or identifying what to stop doing, and how are different options determined and then decided between?
- Accountability – who is to deliver what and by when?
- How are people kept informed of progress, both in relation to performance and project delivery?
- How are essential 'checks and balances' differentiated from 'unnecessary bureaucracy'?

Where there aren't clear answers to these questions there is ambiguity, resulting in the risk of differing expectations and misunderstanding; the questioning of people's motivations; and second-guessing – which can lead to a lack of trust and confidence and tension and difficulties in relationships.

In this context, we are interested in how the council captures and shares learning and whether this is a positive or negative experience for people. Within this, we would ask the council to consider the question of what people experience as the consequences of things not being done or delivered as might have been expected.

The smooth flow of council business in any authority is dependent upon thoroughness of preparation and what has been agreed being adhered to. We heard a lot about reports being 'sprung upon' people – either for officers in core corporate functions to provide observations on them without due regard for the established timescales to allow for this or for Portfolio Holders to deliver them without sufficient joint scoping and preparation. People also reflected on initiatives being developed in isolation from one another, such as the scaling back of customer service centre capacity at the same time changes to waste collection services were being rolled out, and things suddenly emerging 'from left field' that threw people off kilter, such as the announcement of a £2m organisational re-structuring requirement. There were also instances highlighted of people distancing themselves subsequently from things that they had been involved in agreeing, with a clear example being the pressure some councillors exerted to try to secure exemptions to the 'full cost recovery' policy that had previously been agreed. Improved forward planning of council business will aid the effectiveness of delivery.

The way in which social media is being used by a small number of elected members, involving personalised attacks targeting council officers, is entirely inappropriate. The peer team heard concerns from a range of people about the impact that this is having upon staff morale, individuals' personal well-being and the reputation of the council. We would encourage the councillors involved to look to take forward, in a constructive manner that could lead to positive change, any legitimate grievances and concerns they feel they have. We would be happy to play a role in this should that be seen to offer benefit. It is important to note that the council's Officer/Member Protocol states:

- *"Employees can expect from elected members respect, dignity, courtesy and integrity, not to be subject to harassment/bullying or to be put under undue pressure"*

Everybody needs to be provided with absolute clarity around this and breaches need to be rigorously addressed, without delay.

A starting point in progressing some of the relationship issues that exist has to be a crystal-clear shared understanding of respective roles and responsibilities and what represents appropriate behaviours and standards, with the necessary respect for this then being shown. Whenever behaviours and standards are demonstrated as being an issue, responsibility is incumbent upon the Chief Executive, Monitoring Officer, Leader of the Council and political group Leaders to take the necessary action and to support each other fully in doing so.

Whilst some of the council's Scrutiny Committees are seen to be effective and making a difference, others are seen not to be operating anywhere near adequately enough. Concerns about the effectiveness of the Corporate Scrutiny Committee were highlighted in particular but it is not alone. We heard of one meeting not being quorate – in circumstances that couldn't be described as exceptional – and of Chairs having to go to the extreme of ringing up committee members to encourage them to attend. The focus of Scrutiny in the council seems unclear and there is no effective corporate work programming arrangement in place to help to shape where the committees might usefully apply their effort and attention in order to aid the work of the council in delivering for local people – both in holding the Cabinet to account and helping to shape

and inform policy development. The status quo around what should and can be a key governance function and valuable asset for the council is completely unsustainable.

4.5   Capacity to deliver

The staff that we met from across the council, and at different levels within it, demonstrated real commitment and extensive goodwill in their attitude and approach to their work. There is huge pride amongst them in serving their communities, with the added dimension of a very significant proportion of council staff living locally and therefore feeling very much part and parcel of the places and people they serve.

The impact of the relationship issues at the senior level within the council, and the way in which some people are going about things and behaving, is damaging further the way the council is seen and perceived by local people, partners and staff. Very real reputational damage is being done. There is also a very negative impact on the organisation's capacity occurring – which is ironic given people are highlighting to us that capacity is feeling stretched. All of the council's existing human resources – both officers and councillors – need to be being focused and used in the right way if the council's priorities and ambitions are to be delivered. Capacity is being lost as a consequence of what is happening – whether that is in the form of the negative energy and time being expended upon it or the talent within the organisation which is being wasted as people become disillusioned or marginalised. There are then also the fresh perspectives and abilities that aren't being attracted to the organisation in the first place, either as officers or election candidates, because of what is being seen publicly.

The council clearly has ambitions in relation to 'transformation' and has achieved some successes around it. The three strands within the transformation programme – technology, culture and relationships – are clear and feel appropriate but the technology element is seen to be where most progress has been made to date. This includes the much-enhanced ability for staff to work in more agile ways; changes to the working environment to aid agile working and the related rationalisation of council office accommodation; enhancements to the council's website and Intranet; and the introduction of a 'Chatbot' facility around customer services both to enhance responsiveness and accessibility and reduce demand for face to face contact.

To really drive change and transformation forward in the authority, there needs to be much greater clarity around what it is intended to deliver. The over-riding message we received from people we spoke to was that transformation was both born out of, and focused on delivering, the need for efficiency. It is clearly much wider than that, given the three strands of the programme, but people are finding it difficult to articulate this.

Establishing clarity around a Target Operating Model for the council would enable change activity and resource to be accurately focused on delivering the transformation being sought; engender greater pace in bringing change about; and provide people with a clear understanding of where the organisation is seeking to get to. The Target Operating Model would build upon what the council has outlined in its Corporate Plan as a vision of 'Working Together, Improving Lives' underpinned by a mission statement of:

- *Sense of Purpose – our purpose is to inspire and support individuals, communities and organisations to secure improvements in social, economic and environmental well-being*

- *Improvement – we will aim to transform the way in which the organisation works, innovating and seeking best practice to help us deliver in more effective and efficient ways. We will aim to continue to make prudent choices, by living within our means and avoiding unnecessary processes and waste.*

- *Working Together – we will work together to help provide joined-up support and services for Pembrokeshire people, visitors to the county, communities and organisations. We are committed to the continued development of effective partnerships with voluntary, private and public sector bodies within and out of the county.*

Whilst the council has a Transformation Board in place, and this includes much of the senior political and managerial leadership of the organisation, it doesn't yet feel as though the transformation ambitions are collectively owned or driven. People need to hear about and see a shared vision and sense of purpose, plus a modelling of the way, from the senior leadership if they are to buy-in to a change agenda. The power of what can be achieved through a joined-up approach to transformation can be seen with what has been achieved around health and social care integration – although this itself would benefit from being supplemented with greater corporate drive and ownership.

There seems to have been discussion within the council about a re-structuring, linked to the sudden emergence of a £2m savings requirement across the organisational structure having been identified. The council needs to determine whether this re-structuring is actually being sought and, if so, move it forward in a clearly planned way and link it closely with aiding the delivery of the council's priorities.

We would encourage the council to ensure that equality and diversity is made more central to its thinking and planning. We gleaned that there is limited undertaking of Equality Impact Assessments by the authority and some staff highlighted a sense of a 'macho culture' and some issues around gender attitude. Mindfulness is required around all such aspects of the way the council functions.

We were impressed by the small number of 'frontline' councillors who took the opportunity to come and meet with us. Meeting them enabled us to see their commitment and enthusiasm for their roles and their communities. From our discussions, we identified elected member support and training as being a significant area for development going forward. This includes:

- The potential introduction of a casework management system to aid the delivery of ward-based issues and responsiveness to councillors. Such a system would also supplement the council's ability to identify patterns and themes around issues of service provision or performance

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- Further all-member briefings on key issues, including early sharing of the budget position and policy thinking, which is crucial in a context of the political make-up of the council being so complex

- Training and development to ensure people are clear on their responsibilities as a councillor and are enabled to fulfil the different roles they hold

We are conscious that we arrived during a difficult week for the council given the 'Estyn' report into education, which identified Pembrokeshire as "causing significant concern" in relation to teaching standards and educational outcomes for children. The situation in relation to this reinforces, we believe, a number of the points we have highlighted during our feedback. Our hope is that the council, as well as driving forward a positive response to the findings in order to deliver improvement for children across the county, also positively draws learning from the experience, supplements this with what has emerged from the corporate peer challenge and positions itself to take both Pembrokeshire and the council forward.

5. Next steps

Immediate next steps

We appreciate the senior managerial and political leadership of the council 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 the council. 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. Gary Hughes (Principal Adviser) is the main point of contact between the authority and the Local Government Association (LGA). His e-mail address is gary.hughes@local.gov.uk

Follow-up visit

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

The LGA corporate peer challenge process includes a follow-up visit. The purpose of this 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 usually involves some, rather than 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.