

IDeA Peer Challenge

Havant Borough Council

28-30 July 2003

Summary

1. Havant Borough Council (HBC) is in the midst of a period of great change. Following the appointment of its Managing Director in December 2002 it embarked upon an all-encompassing Change Development Programme (CDP), which includes the introduction of a Customer Service Centre (CSC), a management restructuring against a competency framework and improved communications and performance management. The objective of the change programme is to deliver improved customer focus and services.
2. The change programme is beginning to deliver results, if not yet significant service outcomes. The CSC is established and the services it covers have been streamlined through business process re-engineering, most directors and heads of service have now been confirmed in post following an assessment process, and a new corporate strategy and performance management framework are in place.
3. There is much still to do but the challenge team felt that the building blocks of progress were being delivered, and the capacity of the organisation increased. Staff and members are generally positive about the change programme and aware of what it is trying to achieve.
4. The managerial and political leadership of the authority is stronger than in the recent past with the recruitment of the managing director and the clear overall political control. Both are committed to the vision of a “*cleaner, safer, more prosperous Borough*”, which enjoys a good level of awareness amongst staff, members and partners.
5. The challenge team’s key message to the authority was as follows:

The Change Development Programme is well established within Havant Borough Council. It needs to be followed through into improvements recognised by the public

It encapsulates the need for the authority not only to see the CDP through to its conclusion but also to ensure that it delivers its external, customer focused objectives.

6. The need to focus more externally in the future follows through into the work that has to be done via the Local Strategic Partnership (LSP) to revise the community strategy, and also to improve, through better performance management, the quality of some services. Generally HBC enjoys high customer satisfaction levels but there are improvements that can be made particularly in relation to services deemed to be a priority.
7. The revision of the community strategy will afford an opportunity for the authority also to revisit its corporate strategy and priorities. At present the vision is clear and well known but its underpinning priorities are not. Once developed these need to be used to inform resource allocation more fully than at present.
8. Internally there are specific challenges around the delivery of the CDP such as the need to ensure that the training and development to underpin the new structures are in place both for officers and members. The performance management framework also needs to be embedded and use made of the information it provides in order to drive service improvement.
9. HBC's draft self-assessment, whilst generally sound could bear some re-examination and amendment and the body of this report does give some pointers as to where it needs to be adjusted. In particular where the authority is presenting a position of strength it needs to provide further evidence of outcomes that have been achieved and illustrative examples to bring the self-assessment more fully to life. If, in some areas, the council feels that it does not have the evidence to do that, then it might wish to reflect on the tone and balance of that section and the relevant score, bearing in mind the need for self-awareness as well as positivity.

Recommendations

10. The following key recommendations seek to build upon the council's existing strengths and to help HBC to continue to move forward:
 - refocus on the external community leadership role and support the LSP's work to revise the community strategy
 - sharpen the council's own priorities in the light of the community strategy and use them to determine resource allocation and service improvements
 - review systems and rationalise processes in order to ensure they are linked to improvements on the ground
 - clarify and develop Executive, Overview and Scrutiny and ward roles
 - review the value of current partnership working to ensure council pro-activity and flexibility
 - build ownership of change across all staff and address concerns regarding capacity and resources
 - develop amongst both members and officers an overall picture of the quality of services the council provides and use the performance management framework to drive service improvement
 - undertake a strategic risk assessment of the CDP
 - positively embrace the reality and opportunities of strategic projects that present transformational opportunities for improvements for the borough.
 - ensure that funding and resources are in place for training and development to underpin the new structure
 - put in place mechanisms for ensuring borough-wide structured learning

11. The main body of the report contains other recommendations that the authority may also find it helpful to consider.

Introduction

12. Havant in the process of preparing for its Comprehensive Performance Assessment (CPA) within the framework provided by the Audit Commission (AC) for use in District Councils. A key part of this framework is the council compiling a self-assessment that analyses its corporate effectiveness and corporate capacity to drive improvement. The AC requires a robust challenge of the self-assessment by an independent team.

13. The role of peer challenge needs to be stated in the context of the CPA framework. It is not an inspection and will not form an opinion as to whether the council has more strengths or weaknesses in any particular area. Neither will it seek to comment upon the appropriateness of the scores as stated within the council's self-assessment. Peer challenge offers a supportive approach, undertaken by "critical friends" with the clear intention of helping a council to identify its current strengths and recognise key areas that require development in order to drive future improvement.
14. The Havant peer challenge was undertaken over a three-day period. It was facilitated by the Improvement and Development Agency and the team comprised:
- Nadeem Aziz, Managing Director, Dover District Council
 - Cllr David Logan, Executive Member, Wealden District Council
 - Adrian Barker, Principal Consultant, IDeA
 - Jan Wickham, Assistant Director, IDeA (acting as Peer Challenge Manager)
15. The focus of this challenge was based on the nationally established Local Government Improvement Programme (LGIP) of peer reviews in local authorities. The LGIP approach has been adapted to reflect the four top-level questions and ten themes of the Audit Commission's corporate assessment methodology. It is structured as follows:

Q1	What is the council trying to achieve?	Ambition Priorities Focus	
Q2	How has the council set about delivering its Priorities ?	Capacity Performance Management	
Q3	What has the council achieved/not achieved to date?	Achievement in Quality of Service Achievement Improvement Investment	of
Q4	In the light of what the council has learnt to date, what does it plan to do next?	Learning Future Plans	

16. The programme for the peer challenge included the following activities:
- discussions with the political leadership and senior management of the council
 - workshops for frontline staff, heads of service and team managers
 - meetings with council members from all parties
 - workshop with external partners
 - a focus group with members of the public
 - a review of the documentation linked to the content of the self-assessment
 - meetings with other council officers to enhance the team's understanding of issues within the self-assessment
17. The team was very appreciative of the warm welcome and excellent hospitality provided by the council during their stay and would like to thank all involved for their valuable contributions throughout the process. The programme for the visit was well organised and co-ordinated and the team received good support and co-operation from everyone that they met.
18. The feedback given to the council on the last day of the visit reported on the key messages and this report gives a more detailed written account structured around the ten corporate assessment themes.

Council Context

19. HBC lies on the south coast of England within the county of Hampshire. It has a population of 116,800 who live a number of different centres such as Havant, Waterlooville, Emsworth and Hayling Island. The Borough is a mixture of the urban and the rural.
20. The borough is ranked 248th out of 354 authorities in the index of deprivation. However, it is 62nd out of 67 authorities in the South East and has four wards in the Leigh Park that are amongst the 35 most deprived wards in the South East. Just less than one per cent of the population is from black and ethnic minority communities.
21. Unemployment is lower than the national average at 2.2 per cent but full-time employment rates amongst men are low and the borough's qualifications profile is poor by national and regional standards.
22. Since May 2003 the political composition of the council has comprised 23 Conservatives, 8 Labour and 7 Liberal Democrats, giving a position of overall political control that had been lacking for some time. The seven-person Executive comprises all Conservative members.
23. The council employs 420 full-time equivalent staff. It transferred its housing stock some time ago and has a number of outsourced services such as revenues and benefits.
24. The council has just embarked upon a reorganisation as part of its larger CDP. Its management structure consists of the managing director and three strategic directors, supported by eight heads of service.

What is the Council trying to achieve?

Ambition

- **the overarching vision of a cleaner, safer and more prosperous borough is well understood**
 - **community strategy is now underpinned by a council corporate plan**
 - **recognition of stronger internal political and managerial leadership**

 - **significant work needs to be undertaken by the LSP to revise the vision and community strategy**
 - **partnerships and the council corporate strategy need to reflect the revised community strategy**
 - **need to refocus on external/community leadership**
25. The council has an overarching vision of a “*cleaner, safer, more prosperous borough*” which is well understood by its members, staff and partners. This provides a unifying direction for the authority.
26. HBC led the work to produce a community strategy at an early stage with the document being published in July 2001. This sets out eight principal aims and key actions to the year 2004. Until recently neither the council vision nor the community strategy was underpinned by an HBC corporate strategy, a fact that was highlighted by the peer review from neighbouring authorities that visited Havant in September 2002.
27. A corporate strategy has now been produced based on national and local priorities as expressed in the community strategy. This sets out what the council intends to do under each of that document’s principal aims. It has provided additional direction to staff in particular and was favourably commented upon in some of the workshops for more senior staff.
28. During the period October 2001 to December 2002 the authority operated without a chief executive and with no overall political control. The managerial position changed with the arrival of a new managing director in December 2002, and politically when the Conservatives gained overall control of the council in May 2003.
29. It is generally acknowledged that these two events have delivered improved internal managerial and political leadership. The managing director in particular was credited with establishing a firm direction through the CDP that was appreciated by many to whom the challenge team spoke.
30. The relatively early production of the community strategy meant that it preceded the establishment of a formal LSP. Whilst considerable consultation was undertaken both with partners and with members of the public and their input forms part of the strategy, it is recognised both within the authority and outside that the process was council-led.
31. Both the council and the LSP are aware of the need to revise the community strategy. In undertaking this work it will be essential for the council to ensure that it is playing a collaborative rather than a leading role. It will also need to encourage the LSP to

look afresh at its vision and priorities for the area, rather than automatically adopting much of the work that went before, so as to build ownership of the process and the resulting strategy.

32. The revision of the community strategy and the consultation associated with it will be a significant task for the LSP and the council needs to ensure that it has the appropriate resources in place to support its role in this work.
33. Once the next community strategy has been produced there will be a need for the council to reflect on its corporate strategy, which sets out its role in delivering the community priorities. In so doing the opportunity could be taken to mirror the language of the community strategy more closely so as to establish the links between the two documents more clearly. The current corporate strategy refers, for example, to the council's lead role in "*Planning the Community's Land Use and Development*" which is not one of the community strategy principal aims, and amalgamates the aims around health and social well being.
34. The revision of the corporate strategy will also allow an opportunity for the council to be more precise about what it is doing under each of the principal aims to allow better linkages with service plans. The issue relating to targets is discussed under the section on Performance Management within this report.
35. The publication of a new community strategy will also be an appropriate time for the council to reflect on its partnership arrangements and whether they need to be refocused in any way in order to deliver any revised objectives.
36. The political and managerial leadership of the council are open in admitting that the focus in 2003 has principally been internal as the managing director, in particular, was keen to drive the CDP as a means of putting in place the building blocks of improvement. Now that the CDP is well underway and is beginning to deliver some of the anticipated results, it is recommended that the leadership begin to focus more closely on external matters such as the community leadership role and partnership working. This could raise the profile of the borough both locally and nationally.

37. The theme of ambition in the Audit Commission's CPA methodology includes reference to the work to "*build cohesive and sustainable communities*". HBC undertakes considerable work around engaging with young people, particularly those who might be considered to be socially excluded. It has also undertaken work around such sustainability issues as energy conservation and is about to create a specific Sustainability Officer post. It would be useful for the council's self-assessment to refer to its work in those areas.
38. It may also be helpful for the self-assessment to acknowledge the size of the task associated with the establishment of the relatively new LSP and its revision of the community strategy, and perhaps to expand upon what it sees its role in this process as being.

Priorities

- **some examples of the council using its priorities to allocate resources**
 - **priorities increasingly used to inform service plans and personal targets**
 - **used consultation to inform priorities**

 - **members will need to use the priorities to take hard decisions in the future**
 - **partners need to be made aware of the council's priorities**
 - **consultation used inconsistently and lacks feedback**
39. The council has made some use of its priorities as encapsulated in its "*cleaner, safer, more prosperous borough*" in order to ensure that funding is directed towards certain work areas and away from others. Examples of this approach are given in the self-assessment and include additional monies being allocated to community safety work and in the purchase of vehicles and plant to improve environmental services.
40. The community strategy priorities are used to inform HBC's service plans and cross-references are included. They are also beginning to be used in the establishment of personal targets and it is expected that this practice will increase when the new appraisal system is rolled out.
41. The authority used consultation to inform the community strategy priorities and 2,000 responses were received and analysed to form the basis of that document. It also recently consulted its citizens' panel, "*Community Pulse*", on priorities in relation to the last budget exercise and council tax setting.

42. The challenge team found some evidence that the authority had taken funding from areas that it considered not to be priorities in order to transfer them to higher priority services. Examples given to the team on site included tree cutting and reductions in the concessionary fare subsidies. However, the extent to which the *cleaner, safer, more prosperous*” vision or the community strategy priorities were used as a basis for these cuts is unclear. The sums involved were also relatively minor.
43. HBC has instead been able to invest funding in some of its priority areas in past years because of savings it has made through outsourcing services or through the disposal of its housing stock. The scope to continue to make savings in this way will inevitably become more limited as time goes on, and if therefore the council wants to continue to invest in its priorities, difficult decisions will need to be made around the funding of non-priorities. Members need to be aware of this and to have the confidence to use its framework of priorities in a confident way.
44. As stated earlier in this report, there was a good understanding amongst partners of the overall council vision. However, they were far less clear about the underpinning priorities set out in the community strategy and the council’s role in achieving these outlined in the corporate strategy. This issue should be able to be addressed in the work to revise these documents.
45. Whilst the council uses *Community Pulse* to seek the public’s views on a range of issues, the challenge team felt that consultation has in the past been inconsistent. Given that a consultation strategy has now been adopted and a consultation officer appointed, this issue should now have been addressed. The team also had concerns about the extent to which those who had been involved in consultation exercises were given information about how far their views would be taken into account, and were then given feedback on the results. There are also questions regarding the extent to which consultation has been targeted at hard to reach groups.
46. The self-assessment refers to the savings that have been made in lower priority services in order to reallocate funds to the council’s priorities. However, currently no examples are given. It is suggested that in order to add weight to this section that some instances of decisions being taken to divert money away from non-priorities are given.

Focus

- **CDP is bringing focus to the internal working of the council**
 - **good awareness of, and strong commitment to, the programme amongst members and officers**
 - **strong financial and capital management**

 - **need to ensure that systems and processes deliver improvements on the ground**
 - **ensure that all front line staff feel part of a corporate whole**
 - **clarify focus of O & S Boards and Working Parties**
47. The authority structured its CDP around the recommendations of its peer review report and launched it in January 2003. The focus of the programme is the achievement of better customer services through better management of people and resources.
48. It comprises 14 projects that are driven by cross-council project teams and has involved 65 volunteers. Whilst much of the work continues, there are clear achievements that can be pointed to. Some such as the CSC should directly deliver improved customer services, others such as the production of the medium-term financial strategy and the implementation of a revised management structure should contribute to the achievement of this aim.
49. It was clear to the challenge team that the majority of staff and members are not only aware of the CDP but are also committed to its aims. Whilst there is some small-scale disillusionment with the idea of change, generally speaking people appreciate the focus that the programme is bringing to the workings of the council.
50. HBC is an authority that has limited assets and as such it practices strong financial management both in relation to revenue and capital. Its external auditors on a number of occasions have commended this fact.
51. The council is using a number of systems and processes to underpin its CDP. Examples of these are business process re-engineering which has been associated with the establishment of the CSC, and PRINCE2 project management techniques to assist with implementing the programme as a whole. These are helpful processes that are likely to contribute to improvements on the ground through streamlined service provision and by ensuring projects are delivered on budget and on time.

52. The team found some evidence that in the past the authority has been hindered by too much emphasis on process, perhaps as a control mechanism to provide additional safeguards during a period without clear leadership. Now that, that leadership exists it is crucial that the opportunity is taken through the business re-engineering exercise to cull any unnecessary and bureaucratic processes to encourage a more proactive and flexible culture based upon empowerment and trust. This would reinforce the messages within the CDP around managerial competence.
53. Whilst some frontline staff identify closely with the CDP and its objectives, there is a sense in which others feel divorced from the council as a corporate body and are choosing to focus instead on their own service and their role in delivering it. If the council wants to create a cohesive organisation with a clear and consistent direction it needs to continue to take steps to ensure that frontline staff are kept informed of the CDP and are given the opportunity to be involved in it as much as possible.
54. There are indications that Overview and Scrutiny members have been involved in some interesting and productive work that has resulted in changes on the ground. Examples of positive activity include the work around amending the council's policy on concessionary fares and on the decriminalisation of parking. However, in order to undertake this work the Overview and Scrutiny Boards have set up separate working parties which involve both executive and non-executive members.
55. It may be that there are sound reasons for using task and finish working parties to deliver certain projects but the challenge team recommends that the council reflects on why it has chosen to operate in this way so the roles of respective bodies are clear. It also needs to look at the rationale behind any non-project focused working parties to satisfy itself that they fit with the new style of political management arrangements.

56. The challenge team felt that on some major issues, the approach of the council is unclear. Tourism is a prime example where the council is not explicit about whether it wants to encourage greater numbers of visitors or not, and if so what sort of tourism it is seeking to attract. If the council's approach on issues such as these were clearer then it would bring greater focus to its overall work.
57. Whilst there are references throughout the self-assessment to the CDP, there is only a brief mention of it under the focus section. Given that the programme's aim is to improve customer services, it might be helpful to include some discussion of the CDP at this point in the document.

How has the council set about delivering its priorities?

Capacity

- **good member/officer relationships**
 - **CDP is adding officer capacity**
 - **member Issues Group is looking at member capacity**
 - **work on a People Strategy is being progressed**
 - **some joint operational service provision**

 - **clarify and develop Executive, Overview and Scrutiny and ward roles**
 - **begin to shift the focus to external matters**
 - **review value of current partnership working to ensure council pro-activity and flexibility**
 - **build ownership of change across all staff**
58. Member/officer relationships within Havant are constructive and the increasingly joint sense of direction is adding to the capacity of the authority.
59. Whilst the CDP is only part-way through its implementation, some elements such as the restructuring with its emphasis on managerial competencies are beginning to add capacity. Whilst the work to improve member capacity is at an earlier stage a member Issues Group is beginning to look at issues such as training and development and members learning from good practice elsewhere.
60. HBC has recognised that it needs a People Strategy to ensure that its human resources policies and practices support the achievement of its corporate strategy over the next 5 years. A workshop attended by the EMT and two member representatives has just been held which has established the main strands of the strategy and a first draft is due to be produced in September. Issues to be addressed include recruitment and retention, which should result in increased capacity within the organisation.

61. The organisation is already using innovative approaches to securing Environmental Health Officers by recruiting local young people jointly with other authorities to give them the opportunity to work with a number of councils. In planning HBC is using short course training to meet skills gaps in otherwise suitable candidates.
62. The council has added to its capacity by opting for some joint service provision with neighbouring authorities in relation to payroll and audit functions.
63. The challenge team felt that there is scope to improve the working of the new political management arrangements within HBC. Indeed the council has come to a similar conclusion through its Member Issues Group which has looked at the roles of portfolio holders and will be considering that of Overview and Scrutiny. The development of the ward councillor role is also to be looked at as part of this work and this should ensure that it too is seen as an intrinsic part of the updated arrangements.
64. This report has referred to the fact that the focus of the political and managerial leadership has tended in the recent past to be internal in order to put in place what it considers to be the building blocks of improvement. This needs to change particularly in the light of the work that needs to be done within the remit of the LSP.
65. The challenge team identified that there is considerable scope to improve the way in which the council relates to some of its individual partners. There is a perception that the council is not as proactive and as flexible in its dealings with others as it could be. This is an important point for the council to address given the increasing importance of partnerships in adding to the capacity of local authorities.
66. Whilst there is general support for the change programme at all levels of the organisation, the point has been made earlier about the need to ensure that frontline staff in particular can identify with its aims and objectives.
67. The self-assessment in the area of capacity could be strengthened with reference to the proposed work of the Member Issues Group. Conversely it is felt that the document presents too advanced a picture in relation to the new appraisal system given that the challenge team found that many staff were as yet unaware of its existence.

Performance Management

- **framework has been put in place and is continuing to be developed**
- **some operational risk management**
- **robust financial management**

- **develop an overall picture of the quality of services Havant provides**
- **clarify the roles and responsibilities for performance management in relation to:**
 - **officers**
 - **the Executive**
 - **Overview and Scrutiny**
- **inconsistent use of appraisals to date**
- **no culture of setting local standards and targets**
- **strategic risk assessment needed of the CDP**

68. HBC has put in place a performance management framework with the community strategy now underpinned by a corporate strategy and service plans. This provides a good basis for the future although it will need to be further developed, particularly in the light of the introduction of the new appraisal system, which should provide a link to personal targets. The council has recognised this and has a recent action plan to close some of the existing gaps.
69. There was evidence that the council considers risk in relation to individual projects as a report was submitted to the EMT, which included a discussion on the risks associated with at least some of the CDP projects.
70. The fact that the council has robust financial management will stand it in good stead in ensuring that it maximises the use of its resources.
71. Whilst there are quarterly performance reports which are made available to the Management Team, the Executive and Overview and Scrutiny Boards, few if any people could give the challenge team a clear picture of which services were improving, and which were declining and in need of attention. Where suggestions were offered of high quality services, they were often not borne out by the results of Best Value reviews or by performance indicators.
72. Given that the authority's CDP is aimed at improving customer focus and services it is essential that the Management Team and the Executive have a clear picture of service performance to enable steps to be taken to address deficiencies particularly in the light of the council's priorities. Overview and Scrutiny also need to play a part in monitoring service improvement plans. It is suggested therefore that work be undertaken to establish the relative roles and responsibilities of these respective bodies in relation to performance management.
73. It will also be important to detail the role of managers in the performance arena but this can be dealt with through the management competency framework that has been developed.

74. The challenge team is aware that HBC is in the process of introducing a new appraisal system entitled the Performance and Development Review scheme and that the intention is to roll this out in the period to October 2003. This initiative is to be welcomed as it was clear from staff workshops that many people, particularly those working in frontline services had had little in the way of appraisal discussions with their managers in the recent past. Whilst part of the hiatus is explained by the plans to revise the system, there have clearly been inconsistencies in the application of the old scheme also. It will be essential therefore to have robust monitoring systems in place when the new scheme is introduced.
75. It will also be important given the volume of change that is taking place that appraisees have the opportunity through appraisals to discuss their training and development needs as well as job and performance related issues.
76. HBC does not have a tradition of developing local performance indicators and service standards to supplement any national data although it has this year begun to do so. Indeed frontline staff were largely unaware of any targets in relation to responsiveness and quality of service governing the work that they do. Given that the aim of the CDP is to improve customer focus, the work to develop indicators and standards, particularly in relation to the council's priority services should be undertaken at an early stage. This would provide also an opportunity for frontline staff to become more involved in an initiative that relates directly to the implementation of the change programme.
77. The CDP as a whole is complex and there are elements within it that can be viewed as bold. The restructuring with its move to generic heads of service and directors selected for their management skills rather than professional backgrounds is particularly innovative. In view of the magnitude of the programme and the inclusion of elements that are previously untried in HBC it is suggested that there should be an overall risk assessment undertaken of the CDP and contingency plans put in place as necessary.
78. The section on performance management in the self-assessment is relatively brief but does acknowledge some of the work that needs to be done around, for example, the development of local indicators and standards. If the statements around the role of the Management Team and Overview and Scrutiny Boards in the management of performance are to be retained then the inclusion of specific examples of action taken as a result of the consideration of performance reports would add useful evidence.

What has the council achieved/not achieved to date?

Achievement in Quality of Service

- **customer satisfaction levels with the council and with individual services are relatively high**
- **some member working parties in place to look at service improvements**
- **staff commitment to frontline services and customer focus**

- **focus service improvement efforts on council priorities**
- **performance information and comparative data not being systematically used to drive up performance**

79. HBC has relatively high customer satisfaction levels with its performance overall and with that of its services although some of the data set out in the self-assessment relates to Best Value performance indicators and dates from 2000/01.
80. The council has recently formed working parties to consider improvements in services such as street cleansing, recycling and the provision of markets. These involve the executive portfolio holders, the chair of the appropriate Overview and Scrutiny Board and other members. Whilst this report has suggested elsewhere that HBC needs to be clear about the role of these bodies in relation to the Overview and Scrutiny Boards, it is none the less positive that there is a focus on the quality of some key services.
81. The discussions, which took place with frontline staff, revealed that not all people undertaking such work identify with the overall CDP or with the council as a corporate whole. However, what was equally apparent was that frontline staff are highly committed to customer service and to delivering their individual services well. This is an asset that the council can build upon as it strives to achieve better customer focus.
82. The council is looking closely at the improvement of individual services through the formation of working parties, and has linked this to a degree to its priorities. It was, however, unclear the extent to which performance data had played a part in arriving at the services to be concentrated upon. It is suggested that in the future HBC should determine which services fall within their stated priority banner of *cleaner, safer and more prosperous*, and then use available data to decide which of these services is most in need of rapid improvement and therefore the attention of a working party.

83. The type of information, which the council is recommended to look at as part of this process includes performance statistics, customer satisfaction levels, findings from Best Value (BV) reviews and complaint levels. Currently there is no real sense that such data is being brought together to analyse performance in a structured way and to drive up levels of service. This will be an important area of development for the future in relation to performance management.
84. There are a number of improvements that the challenge team feel could be made to the self-assessment under the improvement in quality of services heading. The customer satisfaction data is from 2000/01 as it relates to the BV performance indicator information that is produced three-yearly. It would bear updating via any local surveys that the council has undertaken.
85. Performance in relation to the speed of processing homelessness decisions is highlighted unnecessarily and in a somewhat defensive way. The crime statistics to support the use of CCTV could be improved as they point to the low incidence of burglary which is not an offence generally deterred by CCTV and the high incidence of vehicle related crime which should be improved by the installation of cameras. Finally the section on BV under quality assurance needs to be strengthened in relation to action being taken to address the judgements of limited or uncertain prospects of improvement. Whilst corporate improvements are clearly important, the challenge team considers that where focused Best Value service improvement plans and robust monitoring arrangements are in place, these should be highlighted in the document.

Achievement of Improvement

- **evidence of commitment to, and improvement in, community safety**
 - **proactive and integrated approach to youth issues**
 - **some improvements in services resulting from investment in vehicles and plant**
 - **customer Service Centre established**
 - **public appreciation of efforts to improve community safety**
 - **recognise the reality and opportunities of transformational improvements**
 - **maximise the opportunities presented by the efforts of partners**
 - **staff concerns about capacity and resource**
86. It was evident to the challenge team from the full range of its discussions with internal and external parties that the council has a strong commitment to community safety. It could also point to specific improvements that had flowed from its work in this area such as the reduction in crime linked to the States Lodge Estate community development project. Discussions that the team had with members of the public revealed their awareness and appreciation of the council's community safety work. The presence of CCTV cameras in particular had led to a reduction in their fear of crime.

87. HBC also demonstrated a proactive approach to youth issues. It has established a Youth Council, focuses many recreational activities on young people and works well in partnership with the voluntary sector in delivering these and other community development projects.
88. In 2002/03 the council committed significant funds to the replacement of vehicles and plant for environmental services such as refuse collection, grass cutting and street cleansing. This is in line with its commitment to a *cleaner Borough* and has resulted in tangible improvements in performance levels.
89. HBC as part of its CDP is in the process of establishing a CSC to deal with the majority of its first stage customer queries. This should result in customers being dealt with in a speedier and more consistent way. Before services are taken into the Service Centre they are subjected to scrutiny using a business process re-engineering approach so that they are transferred in as streamlined a fashion as possible.
90. The challenge team felt that there was scope for HBC to grasp some of the more major opportunities to transform the borough more firmly than it currently does. An example of where the council could be more positive and proactive is in its response to the planned increase of homes in the Waterlooville area. This falls under a neighbouring authority but could have benefits for Havant in relation, for example, to retail development. Similarly the continued regeneration of Leigh Park, the area of greatest deprivation in the borough, could transform the profile of the borough as a whole, as could a greater focus on tourism.
91. The team does not underestimate the challenges and political implications associated with some of these opportunities. However, it was felt that the debate surrounding them needs to happen even if it is decided in the long run not to pursue them.
92. In a similar vein, a theme emerged from the discussion that the challenge team had with a diverse range of partners of HBC of often failing to capitalise on the efforts of partners. There were a number of examples given where partners are bringing large numbers of the public, and therefore business, into the area, and the council is either unwilling to facilitate their efforts or to be associated with them even where they are offering financial support to the initiative. Similarly the community and voluntary sector are often major service providers but HBC has not discussed with them any possible synergies in their efforts. These points should be picked up as the leadership of the council turns its attentions more to external rather than internal matters.
93. As has been mentioned before, the CDP is viewed positively by most of the staff to whom the challenge team spoke. However, there were also concerns expressed about the capacity and resources available to enable the council to use its new structure to deliver the improved customer focus it is seeking. HBC needs to be mindful of this view and to seek not only to reassure staff, but also to put in place underpinning training and development to support them. This is discussed in greater depth in the next section of the report.
94. The self-assessment on achievement of improvement opens with a discussion of improving and non-improving key performance indicators. It states that twelve have improved but fourteen have not but does not then go on to advise what the council is

doing in respect of the latter. It would be helpful if the document could highlight any service improvement work or performance monitoring that is taking place in respect of the currently non-improving indicators.

95. On the more positive side there are some good examples of improvements being achieved such as those, which have flowed from the increased investment in environmental services vehicles and plant. Wherever possible in the self-assessment the council needs to provide specific evidence of improvements that have been achieved on the ground, not just in this section but also throughout.

Investment

- **good track record of securing external funding**
 - **investment in CDP should continue to deliver extra capacity**
 - **CSC and Customer Relationship Management (CRM) should lead to improvements in priority areas**

 - **need to have an exit strategy where funding is being discontinued**
 - **need to ensure funding and resources for training and development in place to underpin new structure**
 - **lack of evidence of Best Value driving improvement**
96. HBC has been successful in attracting external funding having secured SRB monies in each of the available rounds, and significant Home Office grants to provide its extensive network of CCTV cameras.
97. It is investing time and money in its CDP, which includes customer care improvements, e-government initiatives and enhanced communications. This is beginning to deliver extra capacity through an increased emphasis, for example, on management competence but as changes, and the restructuring progress, it is considered that it will provide more.
98. The CSC and the CRM software that underpins it are major investments for the council. The aim is that 80 per cent of customer requests will be able to be dealt with by the centre's staff, which will free up more specialist officers to concentrate on technical issues. It will also mean that customers should experience a seamless service whereby one person can deal with a number of their queries.
99. The council is investing in a major new depot facility on which work has just started. This should ensure that staff have the most modern environment from which to operate, and will also result in increased capital from the sale of the land where it is currently based.

100. Given that the council has received significant external monies it is particularly important that it has in place exit for continuity strategies when funding is discontinued. The council is aware of this and is working hard to ensure that consideration is given to this matter in good time of grant expiry dates.
101. The council has developed a core skills framework, which has been used to appoint to the senior posts within the organisation. It is proposed in due course that this will be used as part of the new appraisal process to assess individuals' performance and identify their training and development needs.
102. The challenge team considers that it is essential that training and development underpin the core skills framework and that this is available at the earliest opportunity. Reference is made in the self-assessment to the design of a Management Development Programme and this will be particularly important in the light of the need to support the generic management model.
103. Whilst HBC has a good track record of committing expenditure to training and development, and thought is clearly being given to supporting all other levels of staff, the team was concerned that no specific financial provision seems to have been made available for this purpose, or any detailed thought given as to how it might be delivered. One cost-effective option is of course to deliver much of the training and development in-house but if this is to be pursued the time, which would need to be invested, has to be identified and the relevant people resources made available.
104. This is a major piece of work underpinning not only the restructuring but also other aspects of the CDP, and the challenge team was surprised that it was not identified as a major plank of the People Strategy. It is recommended that it be picked up as part of this piece of work.
105. The council has had a number of BV reviews that have resulted in judgements of limited or uncertain prospects for improvement. There is little evidence in the past that reviews have been used as a focus for driving up performance. Whilst in the current year the CDP has this stated purpose, it will be important when major cross-cutting reviews resume next year, for the council to use the results to deliver service improvements.
106. The self-assessment in the area of investment is currently light. Whilst it cross-refers to that part of the document that deals in detail with the CDP (which incidentally is section 3.1 rather than 2.1) it is considered that it would be beneficial to draw out key investment aspects of the programme and highlight them here.

In the light of what the Council has learned to date, what does it plan to do next?

Learning

- **engaged in peer review with neighbouring councils**
 - **results used to frame CDP**
 - **general recognition that CDP has been better handled and communicated than previous changes**

 - **support required to the new structure and in particular the new generic managers**
 - **limited evidence of structured council-wide opportunities for learning**
 - **need for a borough-wide approach to key decisions**
107. HBC engaged in a reciprocal peer review arrangement with Arun, Chichester and East Hampshire Councils in September 2002 in preparation for its forthcoming AC inspection. The authority was very keen to use the results of this process constructively and when the managing director came into post she directed that the CDP be built around the recommendations of that review.
108. The council has introduced management restructuring and change programmes in the past so inevitably some staff feel that the current CDP is another one in a series with further changes inevitable in the not-too-distant future. Notwithstanding some feelings of disillusionment in this vein, most staff acknowledged that the current change programme was being handled better than previous changes. In particular people were clear about what it is intended to deliver and had a degree of confidence in the direction of the authority.
109. The previous section of this report dealt with the need for training and development to underpin the restructuring. The challenge team felt that it would also be important to ensure that other support mechanisms are put in place to support the generic managers such as meeting opportunities for head of service and mentoring arrangements.
110. There is some evidence that the council learns from its experiences such as through reviewing the operation of services using business process engineering techniques, and through ad-hoc meetings of CDP project leaders, the challenge team was not convinced that council-wide learning is undertaken on a systematic basis. This was borne out by the council's approach to the use of Best Value reviews, which has been disappointing.
111. The CDP provides a range of opportunities for the council to learn across a broad number of topics such as project management, people issues, change management and systems and processes and it is urged to approach this task in a structured way.

112. There was evidence to suggest that the council, and in particular some elected members, have a tendency to act parochially when taking decisions. Whilst it is natural that members take account of the way in which possible decisions would impact on their wards, it is sometimes necessary to look at the big picture in order to create the greatest value for the Borough as a whole. Members are asked to bear this thought in mind, particularly when looking at opportunities that could result in transformational change.
113. This section of the self-assessment presents a reasonable picture of the learning activities that the council has engaged in. What could be enhanced, however, is the way in which this is done on a systematic basis. The challenge team highlighted this as a shortcoming for the council but if it does have examples of structured learning this would result in the self-assessment being strengthened.
114. It is also helpful to include clear illustrations of where learning has happened. The self-assessment does provide some of these but others could be included. For example, what does the council do differently now as a result of its staff surveys, and what has it learnt from the joint meetings with two neighbouring authorities?

Future Plans

- **medium-term financial strategy is in place**
 - **recognises the need to broaden the ownership of the community plan**

 - **considerable work needed to empower the LSP**
 - **develop closer strategic working with neighbouring authorities**
 - **rationalise strategies and ensure appropriate integration**
115. This report has mentioned previously that one of the deliverables of the CDP to date has been the medium-term financial strategy. Whilst this needs to continue to be developed to ensure greater tie-in with the council's stated priorities, it forms a good foundation for going forward.
116. The council is also aware of the need not just to revise the community strategy but also to build much broader ownership of it than has been the case to date.
117. In order to achieve this it will be necessary to empower the LSP. This will be a significant task as the partnership is at an early stage and currently continues to be council-led. However, there are signs that the sub-groups in particular are engaging with their agendas and that partners are taking these forward without being reliant on the council. This is assisted by the fact that HBC chairs only two of the seven groups.

118. HBC does have close links with some of its neighbouring district councils at an operational level and mention has been made, for example, of joint service provision. The challenge team felt, however, that there was scope to continue to develop links at a more strategic level and with other councils such as Portsmouth City Council and the County Council, in order to tackle some of the major deprivation and other issues.
119. The challenge team were aware that HBC has many strategies, perhaps more than is usual, and that some of them are not being used actively. These need to be reviewed, perhaps as part of the work to revise the corporate strategy in line with the emerging new community strategy, and integrated where possible.

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