

Local Government Improvement Programme

Follow-Up Visit to Isle of Wight Council

15 September 2004

Introduction

1. This follow-up visit to Isle of Wight (IWC) was part of the process to assess the extent to which the council is addressing the issues resulting from the peer review visit that took place between 8 and 12 September 2003. More specifically, the purpose of the follow-up visit was to address the following issues:
 - Review progress against the recommendations of the original peer review report
 - Assess current performance against the benchmark of the 'ideal' local authority
 - Raise issues for consideration to assist the local authority to prepare for its next Comprehensive Performance Assessment

2. The follow-up visit was undertaken by:
 - John Best, Chief Executive, Milton Keynes Council
 - Councillor Mike Appleyard and Chairman, Health Select Committee, Conservative, Buckinghamshire County Council
 - Andrew Whetnall, recently, Director of Performance and Improvement, Birmingham City Council
 - Richard Masters, Principal Consultant, Improvement and Development Agency

3. The visit took place over one day and consisted of:
 - A series of meetings with the leader, deputy leader, representative from the Labour Group and the Chief Executive Officer
 - A large half-day workshop for, and syndicate discussions with, six stakeholder groups formed an integral part of the follow-up day, with approximately fifty representatives drawn from:
 - The public and local residents, via the Island Panel, including town and parish councils
 - Partners via the Local Strategic Partnership Executive
 - Frontline staff, including some of those who participated in the original peer review
 - Middle managers, including some of those who participated in the original review
 - Senior staff, including directors and some heads of service
 - Elected members of IWC from the executive, select committees, Island First and Opposition

- Consideration of a range of materials setting out progress since the original peer review and reporting on current priority issues

The Island's MP was invited to contribute to the follow-up, but the timescale did not enable this to take place.

Overall conclusions from the visit

4. The main conclusions of the review team, arising from the follow-up visit are listed under the main headings of the IDeA benchmark of the 'ideal' local authority at 5 – 12 below for consideration by IWC:

Leadership

5. There is clear evidence of momentum for change within the local authority, with the culture of the council changing since the peer review. The review team was however concerned that the pace of change might not be fast enough for the council to secure its ambition of becoming, first a 'good' and then an 'excellent' council within its own timescale.
6. There is a need to be much more explicit about the key ambitions of the council, especially in the medium-term. This will also require decisions on what are lower priorities and the careful communication of such messages. Additional clarity will enable judgements to be made as whether milestones and targets will, or will not be met.
7. There is evidence that over the past year, progress has been made with regard to blue-sky thinking and the cultural change which has been achieved to allow this to happen. However, there is a need to consider beyond the current 2020 horizon and prepare a longer-term vision for the island.
8. While there is clear evidence of success of achievement, there is a need to ensure that the agenda of success and momentum, together with accompanying council priorities, should be generally much more prominent in the minds of everyone.

Democratic and Community Engagement

9. There is a clear need to be more effective in shaping, setting and driving the media agenda, as was highlighted during the original peer review. Generally, the review team wondered whether the local authority had the commitment to address this issue and whether it was open enough with regard to its communications.

Performance Management

10. While the performance management system is sound, there is a need to be much more explicit in the management and monitoring of performance, clearly

highlighting where performance is, or is not on target. For example, a more open approach to the achievement of performance targets may be a necessary approach to help to crank up performance.

11. In particular, the review team wondered who sees the quarterly performance reports, and how access to them is encouraged. Consideration should be given to using additional mechanisms to open up and be more explicit about those areas where performance needs to improve.

IWC Improvement Action Planning

12. This follow-up visit again highlighted the council's commitment to sound governance and quality service provision to all of its residents. There is clear evidence that IWC has taken its improvement action planning seriously. For example, the Comprehensive Improvement Plan, 'Becoming an Excellent Council' produced in April 2003, clearly sets out the background to, the goal and detail of the improvement plan.
13. There is evidence that IWC has sought to address all of the recommendations raised by the review team. For example, the Annual Action Statement 2004-5 reflects the main outstanding issues from the 2002 Audit Commission Comprehensive Performance Assessment and the subsequent 2003 IDeA peer review, together with a description of the council's strategic aims and underpinning plans. Further, in preparation for this follow-up visit, IWC produced its own evidence-based, self-assessment on progress towards addressing the recommendations arising from the original review one year ago.
14. At the time of the peer review in September 2003, IWC was described as 'successfully driving through its substantial programme of change, improvement and modernisation'. It is clear that the direction of travel of the improvement journey is positive with a number of good examples where progress has and continues to be made.
15. However, as highlighted by the Audit Commission and acknowledged by the council, despite 'making good progress in establishing effective corporate governance and management arrangements', 'these improvements have not yet had an impact consistently across the council in terms of demonstrable improvements in services'. This was also the general perception of the review team which, as reported on earlier, wondered whether the pace of improvement is sufficient for the council to achieve its ambition to become a 'good' local authority in the forthcoming 2005 CPA re-assessment, and in due course achieve its aspiration as an 'excellent council'.
16. There is clear evidence that the leadership of IWC is committed to continuing the programme of change, improvement and modernisation to secure the council's ambition, under the leadership of Shirley Smart, Leader and Mike Fisher, Chief Executive Officer and through the hard and dedicated work of members, staff and partners.

Overview of Progress in Relation to the Recommendations

17. In order to develop a view on IWC's progress towards meeting the key recommendations arising from the original peer review, eight continuums were developed by IWC and the IDeA, and used as a basis for discussion, including at the half-day workshop for the invited stakeholder groups. A summary conclusion for each is set out for consideration by the leadership of IWC in order to be further addressed and, or challenged:

Continuum 1: The council makes space for 'blue sky thinking' and is working with its partners to develop a shared longer-term, more outward looking vision for the Island

18. There is evidence to demonstrate that 'blue sky' thinking has and is being encouraged, for example, as highlighted through the 2020 vision presentation, the work with the Island Futures Executive to develop this vision for the Island and the contribution to the development of this vision by the Island Investment Support Group. Notwithstanding the progress made, the review team raised the need to think beyond the current 2020 horizon, and the need to consult, prepare and widely communicate the longer-term vision of the island. In contributing to this thinking, it will be important for IWC to continue to promote an outward looking and inclusive approach.

Continuum 2: The council has a clear set of priorities, and non-priorities, which are communicated to staff, the community and its partners

19. Generally, through the discussions on the follow-up day, it emerged that there is a need for IWC to be much more explicit about its key ambitions, targets and milestones. The review team was made aware that while there is clear evidence of success of achievement over the past year, there is a need to ensure that the agenda of success and momentum, together with accompanying council priorities and actions, should be much more prominent in the minds of everyone. This might require for key messages to be repeated and restated. Attention should continue to be given to ensuring that all members, and all staff at all levels are briefed on and aware of the council's priorities and non-priorities.

Continuum 3: The culture of the council is changing so that it encourages change and improvement

20. There is clear evidence of momentum for change within the local authority, with the culture of the council changing since the peer review. The review team was however concerned that the pace of change was not fast enough. For example, there has been impressive progress in addressing the previously expressed need for more women into management and success in this area needs to be extended to middle managers as part of managing cultural change.
21. Notwithstanding the progress made over the past year, the review team questioned whether this was yet enough to secure the council's ambition of an improved Comprehensive Performance Assessment rating and highlighted the need to deepen and speed up the scope and pace of change.

Continuum 4: council decisions are made openly and can be challenged by all councillors with scrutiny starting to work well

22. The review team was made aware of the general perception that council decisions are made openly.
23. However, on the operation of scrutiny, views were more varied. These ranged from the need to consult the public more widely before making decisions; a perception that decisions 'are made behind closed doors'; the need to review the timing of scrutiny meetings so that more people can attend; exploring further the possibility of members from different parties to act as chairs of scrutiny committees; widening the membership of scrutiny committees to include, for example partners and town and parish councillors; and the need for scrutiny 'to have more teeth'.
24. The review team did note that IWC has taken a number of targeted actions over the past year as it has sought to improve the operation of scrutiny. These have included for example, the running of various select committee training programmes; the comprehensive revision of the constitution which includes executive member job profiles; the issuing of individual service plans to aid with the more robust scrutiny of services; the implementation of new call-in arrangements; and improved working between the executive and scrutiny committees. There was a general view from senior and middle managers that these actions had yielded positive outcomes and that the operation of scrutiny had improved.

Continuum 5: Members provide the necessary space for senior officers to manage the organisation and deliver the council's corporate priorities

25. There is evidence that IWC has taken a number of steps to help clarify roles and responsibilities, for example the holding of joint executive and directors away-days, member training, abolition of the vacancy panel, the establishment of 'job profiles' for portfolio holders as part of the review of the constitution, regular meetings with the 'informal executive' to enable a valuable opportunity for discussion on strategic issues facing the council.
26. However, during the half-day workshop, the responses to this continuum were not so clear-cut, thus indicating the need for ongoing attention to ensure that members provide the necessary space for senior officers to manage the organisation and deliver the council's corporate priorities.

Continuum 6: The council sets the local media agenda and communicates its vision and ambition for the Island

27. Of all of the recommendations from the original peer review, this was the one area where it is hard to measure progress.

28. It is a clear priority, that IWC must become more skilled and effective in shaping, setting and driving the media agenda on its own, and in conjunction with the media. This was highlighted during the original peer review, which at that time was a long-standing issue of concern. This led the review team to wonder whether the local authority had the necessary commitment to address this issue and whether it was open enough with regard to its communications.

Continuum 7: The council's performance management system is widely used to maintain and improve the quality of our services

29. There is evidence that IWC has a robust performance management system. This includes for example, the production of the quarterly performance management reports, which are reported to the executive, management team and scrutiny; the use of personal development plans for members and staff and accompanying provision of training and development.
30. However, while the performance management system is sound, there is a need to be much more explicit in the management and monitoring of performance, explicitly highlighting where performance is, or is not on target. For example, a more open approach to the achievement of performance targets may be a necessary approach to help to crank up performance.
31. In particular, the review team wondered who sees the quarterly performance reports, and how access to them is encouraged, for example by middle managers and the key messages to front line staff. Likewise, it might be worth ensuring that all staff, including front line staff feel a part of developing the annual service plans, and understanding the priorities of the service plans.
32. Consideration should be given to encouraging openness and being more explicit about those areas where the performance of IWC needs to improve.

Continuum 8: Staff feel valued, developed and supported by their managers and know how their work helps deliver objectives and targets

33. The review team noted a generally positive feeling by staff at all levels, especially at senior management level, followed by front line staff, indicating that a bit more emphasis on working with middle managers might be required.

Brief Summary Assessment of Current Performance against the IDeA Benchmark

34. This section provides a brief summary assessment of the main issues reported to the review team during the course of the follow-up day. The detail of the key messages and conclusions arising from the follow-up visit are set out at paragraphs 5 – 12 above, with further rationale set out at 19 – 34 above.

Leadership

Vision for the Community and Strategy

- **working to develop the longer-term vision**
 - **examples of shorter-term vision**
 - **seeking out marginal voices**
 - **longer-term visioning**
35. There is evidence that IWC has been working to develop its vision and strategy for the community, including through its 2020 visioning which it is developing with its partners.
36. The production of the CPA improvement plan, annual action statement 2004-5 and 'Improving Island Life' council performance are all examples of the council setting out its short to medium-term vision.
37. The review team noted that while IWC is considering issues of diversity, it wondered whether it can do more to seek out marginal voices in order to be clearer about their needs and seek to address them.
38. While the 2020 visioning activity is 'work in progress', the review team was of the view that a longer-term horizon of for example, 30 to 50 years would be advantageous to progress, as was highlighted during the original peer review.

Change Management

- **embracing the change management programme**
- **some services benefiting from change**
 - **refreshing GAGS**

39. Significantly, the ambitious change management programme has been embraced and this is continuing. Examples of these include, the discussion on the future options on health and social care, the discussion on the possibility of a public finance initiative in highways, and the decision to keep the Wight Leisure provision in-house.
40. There is evidence that some specific services have benefited from the programme of change and improvement, such as planning and benefits.
41. There would appear to be a need to ensure that the Greater Access to Great Services (GAGS) initiative is clarified in terms of its intended scope and impact, and is refreshed to ensure that it delivers its full potential and yields the originally intended results. This is seen by the review team to be a significant project, which has the potential to act as a model and catalyst for wider change across the council.

Motivation

- **IDeA follow-up day**
 - **engaging staff**
 - **informing key partners**
42. There are a number of good examples across IWC to demonstrate high levels of motivation, for example the way in which the IDeA follow-up day has been enthusiastically planned and delivered.
 43. There is evidence that staff engagement and particularly that of front line staff, relating to their understanding of their objectives as part of the personal development planning processes, has improved.
 44. There is a need however, to continue to ensure that all of IWC's key partners are clear about its ambition, priorities, strategic objectives and programmes.

Innovation and Creativity

- **leading to improvements**
 - **drawing on external learning**
45. There are various examples of innovation and creativity within the thinking and work of IWC, including for example, the delivery of the recent revised Isle of Wight festival and the options for the future of social and adult services.
 46. As part of the overall improvement programme of IWC, the review team suggests that consideration should be given to continuing with its programme of

learning from others, by external visits, through inviting in external challenge and drawing on the learning of others in order to support its pursuit for its own innovative and creative policy and practice.

Alliance Building

- **maturing local strategic partnership**
 - **improving the media relationship and setting the media agenda**
47. There are examples of successful alliance building, including evidence that the island-wide local strategic partnership is maturing with IWC playing its role in its development.
48. A key issue for concern during the follow-up visit was the need for IWC to provide evidence that it has given priority to improving its relationship with the media and seek out ways of setting, leading and driving the media agenda. This is increasingly important in view of the decline in overall public satisfaction ratings.

Future Plans

- **examples of future planning**
 - **demonstrating the impact of future plans**
49. There are examples to demonstrate that the local authority is working on its future plans and it is in the process of developing these further. These range from the strategic via the 2020 visioning, through to working groups on key issues, such as the impressive women into management initiative, and the joint working with partners, such as health.
50. However, there is a need to ensure that the future plans do deliver and that their impact is seen to be delivering. For example, there is a need to ensure that the investment in the corporate cultural improvements is felt in terms of service delivery as has been highlighted by the Audit Commission.

Democratic Accountability and Community Engagement

Constitutional Arrangements and Scrutiny

- **improvements in constitutional arrangements and scrutiny**
 - **involving backbenchers**
 - **resourcing of scrutiny**
51. There is considerable evidence that the local authority has invested in improving the operation of scrutiny, for example in training provision, amending the constitution, inviting in external speakers and drawing on new ideas and ensuring better officer briefing for minority groups.
52. Some concern was expressed to the review team about how to more effectively clarify to all members, especially backbenchers, about how they can be involved in the work of the council, its priorities and their contribution to decision making.
53. Despite the progress made to improve the working of scrutiny, there is a need to clarify whether, and if so, how, the resourcing of the scrutiny function needs to be improved so that the sometimes, demanding timescales put on officers to produce reports, can be better managed.

Ethics, Standards and Conduct

- **delivering effectively**
54. Based on the evidence to hand, there is a general perception that the new constitution is delivering and that this is working well in conjunction with the council's overall programme of change, improvement and modernisation.

Customer and Citizen Focus

- **front-end reception delivering**
 - **clarifying the roll-out of GAGS**
 - **addressing areas of patchy performance**
55. There is evidence that the front-end reception part of GAGS, with customers and citizens is working well, although there appeared to be the need to clarify the rollout of GAGS.

56. Those areas of patchy performance, as highlighted through the Best Value performance plan, should continue to be addressed with the specifics of the need to consider ways of speeding up the decision making process relating to benefits and planning, raised to the review team.

Communicating (with Customers and Citizens)

- **mobilising good will**
 - **managing the media agenda**
57. The review team was aware that many people and organisations, support and are eager to be energised in contributing to the success of the council. An approach to consider will be how best to continue to mobilise this good will.
58. In order to improve communication with customers and citizens, a key priority is to work to raise the council's relationship with the media and to drive the media agenda for the island, including placing good news stories in the local press. Some concern was raised that while having a communications policy which needs to be implemented, there is a perception that at times, the local authority 'prefers to issue press releases instead'.

Consultation and Participation

- **established consultative fora delivering**
 - **opportunity for more engagement with town and parish councils**
59. Both the island consultative forum and citizen's forums which have been established by IWC, provide a valuable basis to ascertain the perceptions and experiences of residents. These have led to the delivery of successful customer satisfaction surveys.
60. In discussions with representatives from town and parish councils, the review team was made aware that while they felt more supported by IWC over the past year, they would welcome even further engagement.

Managing Performance

Planning, Monitoring and Review

- **performance management system in place and delivering**
 - **exposing and tackling areas of need**
61. There is clear evidence that the framework and key components of the performance management system exists, is in place and is delivering.
62. However, in order to drive up performance, consideration should be given to being more explicit about where performance is not up the required or desired standards. These should be clearly identified, exposed and worked on with the review team suggesting that to secure improvement, some more exposure should be given to the areas in which the council knows it has problems.

People Management

- **successful women into management programme**
 - **new people management strategy**
 - **middle managers development**
63. The review team was impressed with the results of the women into management programme, and especially the facilitation of the small group working at the IDeA half-day follow-up workshop.
64. The new people management strategy indicates positive progress, together with evidence of moving resources in line with priorities, for example where two members of staff have been appointed to strengthen the council's capacity to deliver this new strategy.
65. Based on the discussions at the follow-up workshop, there is a need to consider ways of bringing on the middle managers, perhaps building on the achievements and learning arising from the women into management programme.

Project Management and Procurement

- **best value review of procurement completed**
- **embedding chosen project management methodology**

66. The Best Value review of procurement has been completed.
67. The review team noted that while IWC had selected the PRINCE 2 project methodology to underpin its ICT projects, its adoption across the local authority is necessary, especially in managing the council's larger projects.

Financial Management

- **development of medium-term financial plan**
 - **securing service improvement by moving resources in line with priorities**
 - **securing additional resources to help off-set island costs**
 - **clarifying on-island vs. off-island supply options**
68. The development of the medium-term financial plan since the peer review one year ago is welcomed.
 69. There is evidence that the council has secured service delivery improvement through moving resources into the previously under-performing area of benefits.
 70. There is evidence that the local authority has continued to be able to utilise opportunities to attract funding, by virtue of being an island and the rationale, that this incurs additional costs. The review team did however note that further thinking is required on the suitability of on-island vs. off-island supply options, for example in possible future arrangements for health and social care delivery.

Risk Management

- **risk management arrangements in place**
 - **political risk of not engaging the media**
71. It appeared to the review team that risk management arrangements are in place, with a good example of the transferability of existing learning on risk management to benefit the development of a public finance initiative for highways.
 72. However, while mainstream risk management arrangements are in place, the review team wondered at the political risk at not being able, or willing to, engage the media by being more open with communications. This is particularly important to progress, given the 94% readership of the local newspapers. IWC should also consider if its highest risks are adequately reflected in its regular performance monitoring reports.

Achievement of Improvement

- **some examples of evidence of improvement**
 - **requiring more evidence of corporate and service improvements**
 - **the pace of the improvement journey**
73. Since the peer review of 2003, there is evidence of achievement of improvement, for example the benefits which can be accrued from moving resources in line with priorities, and the introduction of quarterly monitoring of performance.
74. Perhaps, one of the most challenging areas for the council in terms of managing its ambitious change management programme, is the time lag between embarking on the programme and the ongoing need to be able to secure stronger evidence of corporate and service specific improvements. This is an area of which the council is aware. However, the review team wondered whether the current scope and pace of change is sufficient to enable IWC to meet its ambition of becoming, firstly a 'good', and then, and 'excellent' council within its own planned timeframe.

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