Corporate Peer Challenge
Milton Keynes Council
1st to 4th October 2018
Feedback Report
1. Executive Summary

The Council has a clear sense of Milton Keynes (MK) as a distinctive place, with its particular characteristics, heritage and values. The Council has a long term vision for the city which is exceptional for its ambition, evident ability to think ahead and scale. It instigated an independent commission in 2015 to look at the future of MK and its importance in the development of the UK economy. The commission produced a vision for MK 2050 – ‘Making a great city greater’ and a strategy to realise this. This was unanimously supported by all councillors in 2016. The vision for a thriving, dynamic European destination city of 500,000 people by 2050 underpins the Council’s 2016-2020 plan. The administration sees the growth strategy as key to securing MKC’s financial position and in generating the additional resources necessary to update its ageing infrastructure and meeting new service challenges.

The Council Leader is recognised as a strong advocate and champion for Milton Keynes, within the Council and among partners. The leaders of the other main groups are also well regarded for their commitment to Milton Keynes and ability to work together across party lines in support of the wider interests of the city.

Strong political leadership has led to stability in a balanced council. There is a minority Labour administration, supported by a published agreement with the Liberal Democrats, given effect through the Council Plan 2016-2020 which was adopted by Full Council. There is good co-operation and positive working relationships between the leaders of all three political groups. In general, councillors have confidence in senior officers and staff across the Council. There are green shoots of an improving councillor-officer relationship and all three group leaders are committed to further improving these relationships.

The Council’s efforts have delivered a relatively secure financial position. This has enabled it to take a values-led approach to budgeting, through which it has sought to protect the most vulnerable members of the community and maintain preventative approaches. MKC has identified the need to make further savings equivalent to £33m in total over the period to 2022/23. It has identified £10 million of these savings, but this leaves a gap of £23 million. Senior leaders recognise that the future financial challenges will be more difficult than those experienced to date. A strategy is being developed to address this, but it needs clearer definition and to be underpinned by specific and quantified plans to deliver the required savings with both pace and rigour.

The Council benefits from having many committed and capable staff and councillors who take in real pride in Milton Keynes as a place. MKC has strengthened capacity in some key areas through the investment of time, energy and resources – such as in the Milton Keynes Development Partnership. It recognises the importance of partnerships and has established MK Together to provide a framework and support for its core people partnerships.

The Council is thus well placed to realise its ambitions. But to do so it needs to demonstrate stronger corporate grip to ensure the timely delivery of priorities and savings, and to avoid the opportunity costs of unnecessary delay. This grip needs to be realised through stronger and more robust performance and budget management,
underpinned by more consistent corporate approaches. This needs to be led by the Corporate Leadership Team (CLT), but councillors have a role to play in providing constructive challenge and accountability for delivery of the Council’s key priorities, through both Cabinet and Overview & Scrutiny.

The Council needs to strengthen its corporate capacity and provide more effective support for councillors. Additional corporate capacity is required to provide scope for greater work in depth on the future direction of the organisation, support a council-wide approach to performance management and organisational development, and provide leadership to share and reinforce the spread of innovation and good practice across the organisation. Councillors need more support in their roles as decision makers and scrutineers, and – in conjunction with customer services – in the more effective handling of casework on behalf of residents. Well engaged councillors and good governance are essential parts of an effective council. But this is not just about capacity. Effective political and managerial leadership will remain vital.

In summary, to deliver its priorities and meet future financial challenges, the Council needs to:

- Continue to manage a balanced council well
- Implement decisions and strategies with rigour and at pace, and focus on them through to completion
- Strengthen councillor support and key corporate enablers
- Foster and develop relationships with external bodies in securing its growth ambitions, to influence and lead as appropriate
- Develop methods to ensure it is evidence led, through effective business cases, rigorous performance management and maintain and develop its understanding of service users’ and residents’ needs and aspirations.

We provide some more detailed recommendations overleaf to assist the Council in addressing these challenges.

It should be noted that at the time of the peer challenge the Council was in the process of recruiting a Chief Executive, with an acting Chief Executive in post. The appointment of a permanent Chief Executive is an important decision for any council. The permanent appointee will clearly have an impact on many of the aspects of the Council considered during the course of this peer challenge, such as organisational leadership and capacity and leadership of place through work with partners etc. We trust that the insights and recommendations offered by this peer challenge will be helpful to both the Council’s political and managerial leadership in taking the organisation forward and delivering its ambitions for Milton Keynes.
2. Key recommendations

a) Clearly communicate your priorities and how these underpin the long term vision for Milton Keynes, both internally and with partners

b) Ensure that there is sufficient corporate drive and direction to deliver the Council’s ambitions and priorities, and that the systems to underpin this (such as performance, financial and programme management) are rigorously and consistently applied

c) Continue to articulate the case for the growth agenda, to ensure that this is well understood across the full range of stakeholders, including residents, and engage with communities concerned with the impact this may have on the character of MK

d) Continue to shape and influence regional working, including consideration of the implications of the expected changes in the structures of some of the neighbouring local authorities

e) Review engagement and ways of working with the South Midlands LEP to ensure that this effectively supports delivery of the Council’s ambitions for Milton Keynes and its role in the region

f) Include consideration of the format and role of Cabinet meetings as part of the current constitutional review, to ensure that these enable the principal purpose of effective and transparent decision making

g) Provide additional support to Councillors in their strategy development, decision-making and scrutiny roles and as ward representatives

h) Develop specific and quantified plans to deliver savings to meet the budget gap and ensure that these are implemented with rigour and at pace

i) Strengthen internal communications and engagement, including taking more opportunities to celebrate success

j) Strengthen corporate capacity (including in respect of communications; financial and performance management; strategy development and OD)

k) Consider the most effective use of existing resources and the value of current activity as part of (i) and (j) above

l) Complete the review to define the Council’s expectations and service requirements from Local Government Shared Services (LGSS). Include in this consideration of opportunities to strengthen corporate capacity and ensure there are mitigating actions to address identified savings which may no longer be realised via LGSS.
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 your requirements and the focus of the peer challenge. Peers were selected on the basis of their relevant experience and expertise and agreed with you. The peers who delivered the peer challenge at Milton Keynes were:

- Ged Curran, Chief Executive - London Borough of Merton
- Cllr Tudor Evans, Leader – Plymouth City Council
- Cllr Jeff Reid, Chair – Communities & Place Overview & Scrutiny Committee, Northumberland County Council
- Cllr Robert Light, former Leader – Kirklees Council
- Candida Brudenell, Corporate Director of Strategy & Resources - Nottingham City Council
- David Armin - LGA peer challenge manager

**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 councillors, officers and constructive relationships and partnerships with external stakeholders?

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

4. **Financial planning and viability**: Does the council have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully?

5. **Capacity to deliver**: Is organisational capacity aligned with priorities and does the council influence, enable and leverage external capacity to focus on agreed outcomes?
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 focus. 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 onsite at Milton Keynes, during which they:

- Spoke to more than 60 people including a range of council staff together with some 20 councillors (from all three main political groups on the Council) and external partners and stakeholders.
- Gathered information and views from more than 25 meetings and additional research and reading.
- Collectively spent more than 250 hours to determine their findings – the equivalent of one person spending over six weeks in Milton Keynes.

This report provides a summary of the peer team’s findings. It builds on the feedback presentation provided by the peer team at the end of their on-site visit (1st to 4th October 2018). In presenting feedback to you, they have done so as fellow local government officers and councillors, not professional consultants or inspectors. By its nature, the peer challenge is a snapshot in time. We appreciate that some of the feedback may be about things you are already addressing and progressing.
4. Feedback

4.1 Understanding of the local place and priority setting

The Council has a clear sense of Milton Keynes (MK) as a distinctive place, with its particular characteristics, heritage and design values as one of the main new towns conceived in the 1960s. We found this sense of identity and values to be shared across the staff, councillors and external stakeholders we met during the peer challenge. MK celebrated its 50th anniversary in 2017, and used this to drive further community engagement through both events and social media. Milton Keynes now has the scale and ambition of a city.

The Council has a long term vision for MK which is exceptional for its ambition, evident ability to think as far ahead as 2050 and scale. It instigated an independent commission in 2015 to look at the future of MK and its importance in the development of the UK economy. The commission produced a vision for MK 2050 – ‘Making a great city greater’ and a strategy to realise this, based on six ‘big projects’. The commission’s report was unanimously supported by all councillors in 2016. The work of the commission involved extensive consultation, capturing 24,000 responses over a four month period. The Council demonstrates its understanding of the opportunities presented by its location on the Oxford-Milton Keynes-Cambridge growth corridor, which is being promoted by central government and this is reflected in MK’s growth strategy.

The vision for a thriving, dynamic European destination city of 500,000 people by 2050 underpins the Council’s 2016-2020 plan. This was revised following the 2018 elections and reflects the agreement between the Labour administration and its Liberal Democrat partners. MK has a well developed Local Plan (Plan:MK) reflecting that vision for the period up to 2031. This is expected to be adopted soon following positive comments by the Planning Inspector.

This strong ambition creates multiple priorities. For example, 2016-2020 Plan includes 16 key priorities. To deliver these will require careful management and a process to determine what is to be delivered and when, as finite resources and capacity mean that not everything can be done at once. This process needs to be understood by staff and councillors, including those from the Labour administration and its Liberal Democrat partners.

The administration sees the growth strategy as key to securing the Council’s financial position and in generating additional resources. These will be necessary in repairing MK’s infrastructure (the great majority of which dates from its development in the 1960s) and meeting new service challenges, including those arising from a rapidly ageing population. Growth is seen as a source of both increased income and drawing in a new, younger population to the city. The Council needs to ensure it sustains sufficient attention on the maintenance of the current infrastructure, alongside planning and preparing for future growth, as the challenges of an ageing infrastructure are not unique to MK. Residents will expect
to see this being addressed to the best of the Council’s ability, within available resources.

The Council faces a communications challenge, given the complexity of expressing both its short to medium term priorities and the longer term ambition for the city, and the interrelationship between these. MKC needs to ensure that the majority of staff and partners understand its ambition and priorities and their purpose. We found that not everyone is clearly sighted on what the Council wants to achieve. Among the staff we spoke to, we found better (but not consistent) recognition of the ‘six big projects’ underpinning MK 2050 and the Council’s values than the priorities in the 2016-2020 Plan. More comprehensive understanding of MKC’s ambition and priorities would help people in exercising their discretion to deliver these most effectively.

4.2 Leadership of Place

The Council Leader is recognised as a strong advocate and champion for Milton Keynes, within the Council and among partners. The leaders of the other main groups are also well regarded for their commitment to Milton Keynes and ability to work together across party lines in support of the wider interests of the city. The cross-party support for the MK 2050 vision is noteworthy. It is evident that all councillors we met share that commitment to MK the place.

The Council is aware that MK and the wider South Midlands area has been earmarked by central government as key to achieving both economic growth and providing more housing. Rather than adopting a passive stance, it has seized the opportunity presented by the growth agenda (such as the growth corridor proposed by the National Infrastructure Commission) and is striving to shape and lead this in the interests of its residents, both at present and in the future. It is working effectively with central government to realise its ambitions for MK.

The Council understands that, alongside its economic offer, it also needs to develop a broader cultural identity for MK. In particular to offer a wider range of cultural and leisure activities for younger people.

To influence the growth agenda, the Council understands that it needs to have effective and extensive partnership arrangements. It is a member of the local economic partnership (SEMLEP) and has recently instigated the Fast Growing Cities network (with Cambridge, Oxford, Norwich and Swindon). It has played a key role in establishing the Central Area Growth Board, which brings together all 17 local authorities in the central part of the growth corridor. The Board is chaired by the Leader of MKC.

Working with such a large number of partners is both an opportunity and a challenge. This will require the development of stronger relationships with many partners, so that MKC can lead or influence as appropriate without being seen to exercise undue control in the light of its relatively large population and resources. This number of partners may be reduced by the replacement of Northamptonshire County Council by two unitary councils (as the Government has clearly indicated
its intention to do). Moreover, the Secretary of State has now confirmed his support for a proposal to create a single unitary council in Buckinghamshire. This will inevitably produce some turbulence and change which MKC needs to be prepared for. However, this also presents the opportunity to reshape regional working and MKC can have a key role in how this develops.

Milton Keynes has been pragmatic in its approach to working with the LEP. With its strong offer as a location to business, legacy arrangements as a new town and role in the national growth agenda, it is less dependent on LEP funding than many other authorities. However, the Council should review its engagement and ways of working with the LEP to ensure that these remain effective and appropriate. Within MK, businesses report variable and inconsistent engagement with the Council. It is acknowledged that MKC values the contribution of business. But some reported that while the Council was attentive and responsive in advance of investment decisions, longer term engagement and support is somewhat patchy. Businesses are keen to work with the Council to shape the future of MK.

The growth agenda – and in particular what this means in terms of population and housing numbers – remains one of the key challenges for Milton Keynes. The population of MK is currently some 267,000. The Council’s ambition is to see this rise to 500,000 by 2050. This is significant growth, even amongst communities which have developed from next to nothing over the past 50 years. This population growth may not in practice be realised in full and will be driven in large part by people continuing to move into the area. The detail of this growth remains contested, both in terms of numbers and location, within communities and across the different parties on the Council. These differences will require careful management and leadership to retain support for the overall ambition.

Another challenging area will be estate regeneration. The Council’s approach is encapsulated in the RegenerationMK 2030 strategy. It recognises that the previous approach, which contracted out community engagement and regeneration, was not working well or helping MKC achieve its objectives. The Council has therefore brought this function back in-house. However, the need to secure and maintain residents support for regeneration plans through extensive engagement and consultation will require sustained effort to ensure success.

4.3 Organisational leadership and governance

Strong political leadership has led to stability in a balanced council (there are currently 23 Conservative, 21 Labour, 12 Liberal Democrat and 1 independent councillors). There is a minority Labour administration, supported by a published agreement with the Liberal Democrats, given effect through the Council Plan 2016-2020 which was adopted by Full Council. There is good co-operation and positive working relationships between the leaders of all three political groups, aided by regular meetings between them. The current Council Leader has been in office since 2014, making him the second longest serving Leader in the history of MKC. This stability has helped the Council to plan for the long term, along with managing day to day business. The Council also takes pride in having councillors who reflect the diversity of Milton Keynes in terms of age, gender and ethnicity.
In general, councillors have confidence in senior officers and staff across the Council. There are green shoots of an improving councillor-officer relationship. These are acknowledged as having been more difficult in the past, not helped by the position of no overall control and the changes in political leadership arising from this. The Council introduced a new protocol on councillor-officer relationships in 2015 and the leaders of all three groups are committed to further improving these relationships. However, we heard that there is still some inappropriate behaviour towards officers and what is perceived as a lack of understanding of the pressures and competing priorities that they experience. Conversely, a number of councillors remain frustrated at a lack of response from officers and limited support and information for case work. There is a growing recognition among senior officers and leading councillors of the need to strengthen aspects of corporate governance and support to councillors, including more effective systems to support case management. Officers need to be able to demonstrate greater confidence in the important strategic role councillors play for the Council. MKC is looking to learn from the experience of other authorities in these areas.

The Council needs to demonstrate stronger corporate grip to ensure the timely delivery of priorities and savings, and to avoid the opportunity costs of unnecessary delay. This grip needs to be realised through stronger and more robust performance and budget management, underpinned by more consistent corporate approaches. This needs to be led by the Corporate Leadership Team (CLT), but councillors have a role to play in providing constructive challenge and accountability for delivery of the Council’s key priorities, through both Cabinet and Overview & Scrutiny.

The Council is now undertaking a constitutional review to refresh its decision-making and meeting arrangements. It should include the format and role of Cabinet meetings as part of this review. Clearly, the format of such meetings and the style / approach adopted is a matter of local choice, within the legal framework. Currently, MKC uses Cabinet meetings, in addition to decision making, as an opportunity for public engagement, to enable members of the public and councillors to ask questions and put their case. In the Cabinet meeting observed by members of the peer team, a considerable amount of time was given over to such engagement before consideration of reports for decision on matters of importance to the delivery of the Council’s strategy and priorities took place later in the evening. Moreover, the team understand that such public representations will be considered again at Full Council. MKC should reflect if this represents the best use of councillors and senior officers’ time; is conducive to good decision-making or indeed best meets public expectations for engagement and transparency.

The Council invited an LGA peer review of its overview and scrutiny (O&S) arrangements in October 2017, and is in the process of implementing an action plan in response. In the light of this, O&S was not an area of focus for this corporate peer challenge. However, it is apparent that MKC is implementing a number of actions in response to that earlier review with effect from the 2018/19 municipal year. There are some signs of an improvement in the support to scrutiny, such as the identification of a senior, service based officer to liaise with...
and champion the work of each scrutiny committee and better working arrangements between the Scrutiny Management Committee and service committees. However, capacity to support scrutiny remains constrained (in part due to the long-term sickness of the lead officer with overall responsibility for the function). MKC should continue to monitor the impact of its scrutiny action plan. This should include particular reference to the ability of scrutiny to add value around the development and delivery of key council priorities and strategies and to consider if the size, composition and chairing arrangements of the committees remains conducive to effective scrutiny and challenge to the executive.

The Council should consider its arrangements for sustaining and developing support for strong managerial leadership throughout MKC. This should include arrangements for developing middle managers, such as regular networking opportunities to share ideas and experiences and examples of service innovation. The Leader and Chief Executive should consider the benefits of bring all managers together to share the priorities of the Council with those tasked with delivering them on a regular basis, say at least once a year. Alongside this, a range of effective internal communications approaches should be developed to embed more corporate engagement, to improve understanding of corporate priorities and challenges. The Chief Executive’s weekly e-mail, Time to Talk, is well recognised but staff would welcome a wider range of communications channels. In particular, the Council should develop more structured and two-way communications channels to provide more robust quantitative and qualitative data. These should enable greater understanding of staff views and experiences to inform decision making. MKC should also do more to celebrate success (such as through the existing Gem Awards) to recognise the contribution of staff, provide further motivation and more opportunities to share learning and ideas.

4.4 Financial planning and viability

The Council benefits from a relatively secure financial position, aided by its inheritance of land and other assets from Milton Keynes’ creation as a new town and the strong local economy. For example, a recent review of the Milton Keynes Development Partnership (MKDP) will enable that organisation to make a significant contribution to the Council’s financial sustainability. MKC’s revenue budget for 2018/19 is £190 million. It has been able to produce balanced budgets through a combination of savings and use of reserves to meet overspends in demand-led services such as children’s and adult social care and homelessness. The Council reports that it has made savings equivalent to £144 million since 2011 in response to cuts in central government funding and rising demand, largely driven by a rapidly ageing population.

The Council’s strong financial position to date and level of reserves has enabled it to take a values-led approach to budgeting, through which it has sought to protect the most vulnerable members of the community and has given the space for some more innovative approaches. It has placed an emphasis on prevention and early intervention in children’s and adult social services which, for example, has helped to reduce the number of children in high cost placements and the number on child protection plans is lower than that expected in similar authorities. To date it has
been able to protect what it regards as key community based services such as libraries.

MKC has identified the need to make further savings equivalent to £33m in total over the period to 2022/23. It has built some demand-led increases into the base budget and identified £10 million of savings to be delivered. But this leaves a gap of £23 million in savings yet to be identified. Senior leaders recognise that the future financial challenges will be more difficult than those experienced to date. The Council should take advantage of its currently relatively healthy financial position to develop sustainable solutions to these budget challenges. MKC has no short-term plan to utilise reserves to help balance the budget, other than to fund ‘one-off’ budget pressures. A number of corporate measures have been proposed to help balance the 2019/20 budget, which will allow the Council to address its medium term challenges and a strategy is being developed to do so.

However, this strategy now needs clearer definition and to be underpinned by specific and quantified plans to deliver the required savings. Greater pace and rigour will be required to meet future challenges. Effective management and monitoring will be required to ensure that the savings are realised. Savings proposals need to be underpinned by sound business cases and good planning to give confidence that they will be delivered. The Council has acknowledged that this will require a clearer focus on priorities.

Having been able to make savings while largely protecting front-line services in previous rounds, future savings may need to be more hard edged – impacting more on residents’ experience of services. This will require leadership from councillors and senior officers. The Council faces a significant challenge around expectations management, both within MKC and the wider community. In the past it has been fortunate in being able to meet many of the requests for enhancement in services and facilities. This is no longer the case. A clearer sense of affordability and value for money needs to be developed. Managing day to day spend is just as important as future financial planning. A culture of living within your means will be helpful in ensuring that spend is contained within allocated budgets as far as possible.

The Council believes that its capital plans are affordable in the medium term. However, it anticipates that a new multi-modal transport analysis which is in development will highlight shortfalls in transport capacity and the growth plans set out in Plan:MK are likely to give rise to additional infrastructure requirements. These will lead to greater challenges for capital funding in future. In the light of this, the early work to improve the management of the capital programme in terms of programme management and governance needs to be sustained.

4.5 Capacity to deliver

The Council benefits from having many committed and capable staff and councillors who take a real pride in Milton Keynes as a place and what makes it distinctive, notwithstanding the frustrations they sometimes feel with the
organisation. This is a real asset and helpful in maintaining strong links to the wider community.

MKC has strengthened capacity in some key areas through the investment of time, energy and resources – such as in the MKDP to promote its growth objectives and help secure its financial position. The Council recognises the importance of partnerships more generally. It has established MK Together to provide a framework and support to its core people partnerships, such as the Health and Wellbeing Board and Safeguarding Board, intended to provide both simplicity and flexibility and improve effectiveness and value for money. The MK Together team is led by a Director who is joint funded by the Council and the MK Clinical Commissioning Group (CCG). More widely, the CCG welcomes the development of joint commissioning arrangements in children’s and adults’ services.

Homelessness and families in temporary accommodation are examples of issues where the Council has focused attention and is delivering results. MKC has a plan to tackle the numbers in temporary accommodation. These have reduced from a peak of 800 in June 2017 to 560 families in such accommodation in August 2018. The majority of these families have been housed in the local area. Street homelessness has increased and become a high profile issue in MK. The Council launched a Housing First programme to tackle this in July 2018 and reports that this is leading to some positive results.

There are a range of service level arrangements for managing performance across the organisation, which appear to provide the opportunity to review performance in depth within some service areas. However, the approach needs to be more consistent and rigorous and to be driven more clearly by senior management through the Corporate Leadership Team (CLT). Such rigour and greater pace will be required to ensure delivery of both the Council’s service ambitions and savings plans.

By commissioning this and several other peer reviews and challenges in different services - from the LGA and others - MKC has demonstrated its willingness to be open to challenge and learning from outside. But there can be some tension between this desire and the sense that MK is different. MK is indeed a distinctive place in many ways, but the challenges it faces are not unique and solutions may well be transferable and the Council should continue to be open to this.

To enhance its capacity to deliver, the Council needs to strengthen its corporate capacity and provide more effective support for councillors. Additional corporate capacity is required to provide scope for greater work in depth on the future direction of the organisation, and provide further leadership to help share and reinforce the spread of innovation and good practice across the organisation. The peer team believe consideration should be given to the need for additional capacity in relation to strategic HR and organisational development; financial management; communications (both internal and external) and democratic services. The latter area can help support councillors in their roles as decision makes and scrutineers, and in conjunction with customer services in the more effective handling of casework on behalf of residents.
However, it can be difficult to make the case for more investment in corporate and councillor support in a time of austerity. In terms of support to councillors, this needs to be considered in the context of their role as the key decision makers in a local authority with a leading role in the growth of the region and an important contribution to the national economy. Account should be taken to the support offered to councillors in similar authorities elsewhere – to the Cabinet, Leader of the Opposition and the other main groups, given that MKC has a history of being in a position of no overall control and all groups should be in a position to contribute constructively to policy development. Some councils allocate such support in proportion to the number of seats held. Leaders should consider the strategic benefits to the Council in investing to support good political governance. A sensible starting point would be to consider how effectively resources are currently being used. For example, minutes of meetings are very detailed and a focus on decisions and action points only could release resource for other uses. Similarly, a review of the use of resources across services could identify capacity to be applied corporately, but the need for specialist skills / experience may limit this.

The Council needs to clarify its expectations and the role of Local Government Shared Services (LGSS) in providing a range of support services (including Finance & Audit; HR & Payroll, IT, Procurement and Revenues & Benefits). MKC joined LGSS as the third shareholding partner (along with Cambridgeshire and Northamptonshire CCs) in 2016. The Council is now reviewing its relationship with LGSS, not least given the uncertainty arising from the well published financial problems in Northamptonshire (LGSS is undertaking its own review of the implications of this). This may well lead to a return in-house of some strategic functions such as aspects of HR and finance, with the relevant resources coming back to the direct control of MKC. This may well help to strengthen elements of strategic capacity as referred to above. But if fewer services are provided by LGSS, then the assumptions made regarding savings to be made through LGSS may need to be revised and alternative sources of savings identified and realised. There is therefore a risk to some elements of current savings plans and a potential loss of resilience.

During the peer challenge a number of staff and councillors expressed significant frustrations arising from some ICT systems and implementation challenges. These were not just about the implementation of the new ERP (Enterprise Resource Planning) system through LGSS, but this was the example most frequently cited. MKC has recently completed the re-modelling of the Civic Centre, which has seen many of the Council’s staff being brought together into one place along with the introduction of more agile working arrangements. The benefits in terms of improved communication and better working across different teams and services were noted by staff, but they also shared some concerns. These included understanding of how the associated ‘hot desking’ arrangements are intended to work and the adequacy of the ICT and other equipment provided – or indeed not provided – to support home working. Inevitably, there will be teething problems around introducing a new way of working. But this is an area which will require continuing attention and communication by senior managers.
5. Next steps

Immediate next steps

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

As part of the peer challenge process, there is an offer of further activity to support this. The LGA is well placed to provide additional support, advice and guidance on a number of the areas for development and improvement and we would be happy to discuss this. Kate Herbert, Principal Adviser is the main contact between your authority and the Local Government Association (LGA). Her contact details are kate.herbert@local.gov.uk or tel. 07867 632404.

In the meantime, we are keen to continue the relationship we have formed with you and colleagues through the peer challenge. We will endeavour to provide additional information and signposting about the issues we have raised in this report to help inform your ongoing consideration.

Follow up visit

The LGA peer challenge process includes a follow up visit. The purpose of the visit is to help the Council assess the impact of the peer challenge and the progress it has made against the areas of improvement and development identified by the peer team. It is a lighter-touch version of the original visit and does not necessarily involve all members of the original peer team. The timing of the visit is determined by the Council. Our expectation is that it will occur within the next 12-24 months.