

Corporate Peer Challenge **Wychavon District Council**

5-8 March 2018

Feedback Report

1. Executive Summary

Wychavon District Council (WDC) has a strong grasp in understanding its area and needs. This is informed by the gathering and analysis of data from a range of sources. From this the council has set out a clear and accessible four year strategy 2016-2020, which has incorporated the views of residents and partners as well as political priorities. The council's corporate priorities are set out as 'people, place and prosperity' underpinned by seven goals and the strategy is refreshed annually.

Wychavon is a good place to live and work and this is an important feature to deliver on the priority of economic growth. The area was 2nd most desirable rural place to live in the Halifax Quality of Life survey (2017). It also enjoys 86 per cent high satisfaction rating from residents as a place to live (source: the annual county-wide Worcestershire Viewpoint survey). Alongside this there is comparatively low deprivation with a ranking of 191 out of 324 local authorities in England. This, along with its central geographical location and excellent transport links, make Wychavon an attractive proposition for potential inward investment.

Despite this there are issues that the council is keenly aware of and is seeking to mitigate. There is an ageing population above that of the England average. In WDC the proportion of people aged over 65 years is 24.4 per cent whereas the England average is 18 per cent. This has implications for future housing and health needs.

In addition the ratio of house prices to salaries is high at 11 times the average salary; reported as the highest ratio in the Midlands. This is not only a barrier to the local population but could also be an inhibiting factor for future economic growth where inward migrating workers may be unable to afford housing. Finally, although deprivation is relatively low, the district ranks very poorly in the Social Mobility Index, which measures outcomes for children and young people from poorer backgrounds. The council recognises that improving social mobility is an important issue and has invested in a three year pilot project in its most deprived ward, Droitwich West, to work with partners in raising aspirations and improving outcomes.

The council's finances are strong. This means that the financial pressures in future years appear very manageable and this provides a firm platform for the council to plan ahead. Reserves have been built up over a number of years and capital borrowing is not required as internal funding is used to fund large projects.

Closer working with Malvern Hills District Council (MHDC) has helped to provide savings for the two councils and is encouraging transferable learning to gain efficiencies. Since 2014 WDC has shared its Managing Director with MHDC – in the role of chief executive - and the relationship between the two councils has developed incrementally while retaining separate identities and sovereignty.

There is now a joint Senior Management Team (SMT) and a number of shared services. Despite this there are significant opportunities for working more closely together. For example, delivery of the shared corporate priority of economic growth could be improved by more joint working on economic development and tourism that would improve resilience

and increase sharing of expertise on specialist matters, for example on development viability, marketing and promotion.

Similarly the two councils have comprehensive performance management arrangements and, while these provide a lot of information and metrics, they are over detailed and would be greatly simplified by moving to a single system. This could also be streamlined by adopting the same style for service plans and, in due course, moving to a single corporate plan that sets out shared priorities and those that are specific to each council.

The council has strong partnership working arrangements across the county and is to be commended for being an active and responsive partner. An important outcome was the work with Worcester City Council and Malvern Hills District Council to produce the South Worcestershire Development Plan. This provides a firm basis for the three councils to work together across a functioning economic and housing area to deliver shared economic growth and housing priorities.

There is within the council an established record of innovation and investing in its community. Along with MHDC it is at an important point in its shared services work. There is an opportunity for more integrated working arrangements which would assist in delivering shared priorities on economic growth and housing, through the pooling of resources and expertise and building additional service resilience. This could be achieved without compromising each council's identity or sovereignty.

The maturity of the council's political and managerial leadership and member/officer relationships, along with the commitment to improvement and aspirations for the future, places it in a strong position to plan for the future.

2. Key recommendations

There are a range of suggestions and observations within the main section of the report that will inform some 'quick wins' and practical actions, in addition to the conversations onsite, many of which provided ideas and examples of practice from other organisations. The following are the peer team's key recommendations to the council:

Both councils

- 1) Review the distribution of functions at SMT level to take account of existing and emerging strategic priorities, for example economic growth and housing. Such a review could also consider the council's capacity for strategic resilience and whether this too needs to be strengthened.
- 2) Consider moving to a shared corporate plan for both councils. This could set out common priorities, for example on economic growth and housing, and specify those that are uniquely different and could be achieved without diluting the distinctive identity of the two councils or compromising their sovereignty.
- 3) Consider streamlining performance management arrangements, including a review of key performance indicators, and combining these into a single model for WDC and MHDC.

- 4) Embed the prosperity and growth agenda priority across WDC and MHDC through further joint working on economic development and tourism. The benefits would include adding capacity and resilience and greater sharing of specialist skills.
- 5) Develop a South Worcestershire housing strategy, incorporating a clear identification of housing needs, with a programme for delivery. Working across the same area as the SWDP would enable the three authorities to work collectively on housing delivery in support of economic growth.
- 6) Discuss with WCC the opportunity to establish a 'Development Team' model for working together at an early stage on large-scale developments and infrastructure projects.
- 7) Take the opportunity to consider, with MHDC, joint future customer service arrangements and how these could be provided through strengthened digital platforms to offer improved customer access.
- 8) Establish meetings of portfolio holders across the two councils to encourage closer working and engage all members on the progress of the partnership and the direction that this could take in the future. This could be developed further through taking opportunities for wider member engagement across the two councils.
- 9) Consider adding capacity to the Rural Communities Programme by working more closely with WCC adults' services and voluntary sector groups.
- 10) Consider the training and support provision for the new cohort of members across both councils, following the elections in 2019, as a further means to encourage closer working arrangements across the two councils.

Wychavon specific

- 11) Use the forthcoming Strategic Market Housing Assessment to inform WDC's understanding of affordable housing need. From this develop an affordable housing strategy with: delivery targets; the forms and size of affordable housing; and the role of registered providers, the council and other partners to ensure delivery.
- 12) Rebalance the approach to using New Homes Bonus to ensure that this funding is used for key activities and legacy projects to obtain improved value for money from this sizeable investment.

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.

This peer challenge covered the two councils of Wychavon and Malvern Hills district councils, which have a shared Chief Executive/Managing Director with a number of shared services. Although the peer team worked across both councils it was agreed that each would receive a separate report.

Peers were selected on the basis of their relevant experience and expertise and agreed with you. The peers who delivered the peer challenge at Wychavon and Malvern Hills district councils were:

- David McIntosh - Chief Executive, Christchurch and East Dorset Councils
- Councillor Andrew Proctor - Leader, Broadland District Council
- Councillor Paul James - Leader, Gloucester City Council
- Paul Wilson - Corporate Director and Deputy Chief Executive, Derbyshire Dales District Council
- Jonathan Stephenson - Joint Strategic Director, Babergh and Mid Suffolk District Councils
- Gill Ackrill - Head of Strategic Asset Management, Lewisham Homes
- Karen Edwards - Corporate Director, Rushmoor Borough Council
- Richard Cooke and Andrew Winfield - Peer Challenge Managers, LGA.

Scope and focus

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

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

In addition to these questions, the councils also asked the peer team to consider/review/provide feedback on:

- a stock-take on progress since your last Corporate Peer Challenges

- an assessment of your more recent joint working arrangements, particularly the balance between sharing services, where it makes financial or practical sense, and retaining each council's identity and independence
- feedback on progress on your councils' priorities, plans and performance
- strategy and planning, developing our economy (for both councils)
- affordable and rural housing delivery and homelessness (Wychavon focus)
- and developing the tourism potential (Malvern Hills focus).

In addressing the above bullet points this report has specific sections on economic growth and housing. The remaining bullet points are picked up under the five principal corporate peer challenge themes.

The peer challenge process

It is important to stress that this was not an inspection. Peer challenges are improvement focused and tailored to meet individual councils' needs. They are designed to complement and add value to a council's own performance and improvement. The process is not designed to provide an in-depth or technical assessment of plans and proposals. The peer team used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material 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 4 days onsite at Wychavon and Malvern Hills district councils, during which they spoke to more than 150 people including a range of council staff together with councillors and external partners and stakeholders. In addition they gathered information and views from more than 50 meetings, visits to key sites in the area and additional research and reading.

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 the on-site visit on Thursday 8 March. In presenting feedback, they have done so as fellow local government officers and members, not professional consultants or inspectors. By its nature, the peer challenge is a snapshot in time. We appreciate that some of the feedback may be about things the council is already addressing and progressing.

3. Feedback

3.1 Understanding of the local place and priority setting

Wychavon District Council (WDC) has a clearly set out four year strategy 2016-2020, which contains 3 priorities (People, Place and Prosperity) and 7 goals. This is clear and accessible and reflects a strong understanding of Wychavon. These priorities and goals are underpinned by a strong evidence base using data from various sources. This is supplemented by consultation with residents, businesses and strategic partners. Four shared values between WDC and MHDC have been adopted that set out what the council expects from its staff and what residents, customers and businesses can expect from the council.

The council's approach to corporate planning is based on four elements, being: government expectations, local needs, residents' and partners' views and what councillors and managers want the council to do.

This strategy is refreshed each year in light of changing and emerging priorities and for 2017/18 contains 24 promises that are reviewed each year. An example of this was the response to the Government's Social Mobility Index that in 2016 ranked the district as the third worst for children's and young people's outcomes. The council's ward profile for Droitwich West is an excellent example of the use of data to begin to understand local issues and to inform appropriate forms of council and partner intervention. The council has invested £100,000 in a three year pilot project in the ward to work with partners in raising aspirations and improving outcomes.

The council enjoys high resident and business satisfaction level. The reasons for this include: high levels of satisfaction from service delivery; engagement on corporate planning- see above – and regular communications, including the council's annual report, residents' magazine and local meetings. Public satisfaction with how the council runs things is at a high level of 73 per cent and partners the peer team met were very positive on their engagement with the council.

There are currently two separate but similar corporate plans for WDC and MHDC. Aligning corporate and service plans across the two councils setting out common priorities, for example on economic growth and housing, and specifying those that are uniquely different, would not be too big a step to take. It would provide clarity for councils, residents and businesses and make corporate planning more efficient. This could be managed without diluting the distinctive identity of the two councils and without compromising sovereignty.

WDC has worked successfully with neighbouring councils to produce a strategic spatial local plan for the three authority areas. This will be important to facilitate economic growth and housing over this larger area. The South Worcestershire Development Plan (SWDP - for the period 2006-2030) was adopted in February 2016, involving WDC, Worcester City Council and Malvern Hills District Council. Getting to this point is no mean achievement and has been realised through successful strategic collaboration and now provides a five year housing land supply and a good platform for infrastructure planning. The SWDP is now being reviewed, for the next iteration, with this work supervised by a South Worcestershire Joint Advisory Panel.

Local communities are also strongly encouraged to be involved in planning for their areas. Complementing the strategic planning approach, outlined above, WDC encourages the development of Neighbourhood Plans, with 15 neighbourhood areas designated.

Understandably for an area regarded as a good place to live there are community concerns about volumes of growth without the infrastructure to support them. This point was picked up by the peer team from meeting with representatives of town and parish councils. The council is actively working to address this through town and parish councils' engagement. However, it may be worth considering engagement mechanisms for larger development proposals so that the community can be involved at an early pre-application stage on transport, public realm, infrastructure and design matters.

The peer team also picked up an interest in the further devolution of services to town and parish councils. This could be an area worth exploring to consider what extended service devolution could include and the business case for doing so.

The council is strongly community focused which chimes with its goal of 'supporting people most in need'. There is the Localism and Community Funding Advisory Panel that sponsors Partners Together events bringing together public, private and voluntary sector bodies once or twice a year to explore key issues, such as culture, skills, ageing, health, housing and tourism. Another example is a Rural Communities Programme that has been running for 3 years working with residents and parish/town councils to support vulnerable residents in rural areas. The council acknowledges that the current approach is very resource intensive and proposes to refocus this through closer work with parish/town councils and community groups. It may also be worth thinking whether Worcestershire County Council's (WCC) adults' services and voluntary sector groups would be able to assist in this work where there would be a cross-over of client groups and the shared issues of an ageing population and their future health and housing requirements.

The council celebrates and recognises community input. For example, it is making creative use of New Homes Bonus (NHB) for the benefit of communities with £1.4m allocated to more than 200 different projects to date. However, for the future the peer team believe that WDC is correct to seek to rebalance its approach to NHB to ensure that this funding is used for key activities and legacy projects to obtain improved value for money from this investment.

The peer team met a number of voluntary group representatives who described how they had received grant funding, which had often led to leveraging additional funding from other bodies. In addition they told the peer team how they had been supported by the council's community services team with advice and sign-posting to other organisations. Such an example was the Festival of Words that is held each year in Evesham and is an important attraction for residents and visitors. The peer team felt that this programme of community support was invaluable to sustain voluntary activity while also providing benefits for residents, visitors and tourism. It also provides a pivotal role for town and parish councils in receiving and determining grant applications; demonstrating community leadership at parish level.

3.2 Leadership of Place

Throughout the time onsite it was clear that the council benefits from strong leadership provided by the Managing Director and the joint SMT. This was reinforced consistently by discussions the team had with councillors, staff and external partners.

This has been an important feature for WDC in effective strategic planning. The recent move to joint working arrangements with MHDC has led to developing shared procurement opportunities, for example the recent evaluation, purchase and implementation of a new planning system and, separately, market testing waste collection and street cleaning services.

There are good partnership working arrangements operating county-wide. Leaders meet at the Worcestershire Leaders' Board, with this also involving the Police and

Crime Commissioner, the Worcestershire Local Enterprise Partnership (WLEP), and health commissioners and providers. Alongside this is the Partnership Executive Group (PEG) which includes public sector representatives at chief executive level, including the Department of Work and Pensions. These forums will have an important role to address common issues, including: health and housing needs for an ageing population; troubled families and services to children; and developing the skills needed for the future economy.

Partners speak highly of WDC – “they do what they say they will do”. This is promoted through both strong political and Managing Director engagement with county-wide partners, for example the PEG, the WLEP, Leaders’ Board, and WCC etc.

There is also an open and mature relationship with WCC. The importance of this relationship is highlighted by the South Worcester urban extension of 2,500 homes and 14 hectares of employment land. Rather than delay highway works until receipt of s.106 monies from the developer WCC invested in these works so as not to delay development. WCC will recover these costs at a later stage. Another example is the Worcester Six business park, a 72 hectare site set immediately to the east of the M5 motorway at junction 6, which involved a significant investment from WCC, along with WDC investment of £500k, to deliver.

There is an opportunity for WDC – possibly along with Worcester City Council and Malvern Hills District Council as SWDP partners - to further strengthen partnership working with WCC to support economic growth and housing delivery ambition. For example, the peer team were told that, in principle, WCC would be prepared to consider further highways involvement in pre-application discussions of complex major schemes. This would be a clear advantage so that highways issues could be dealt with at the outset rather than much later once problems start to arise. This approach amounts to establishing a ‘development team’ model of working that brings together all key professional and partner inputs to consider proposed large scale developments.

The relationship with town and parish councils is very active. There are 66 parish and town councils who receive a Parish Matters newsletter twice a year. The council has allocated £3.5m from NHB for investment in local communities where new development has taken place. This funding is channelled through the town and parish councils and is promoting their community leadership role.

The council has an opportunity to consider future customer access arrangements. WDC monitors customer access to the council through its performance management arrangements. This shows a trend of customers generally moving away from face to face engagement, at the council’s 3 contact centres, and increased usage of internet-based transactions. MHDC has given notice of its intention to leave the customer services contract provided by Civica. WDC and MHDC are in a position to consider future customer service arrangements and how they may be able to work more closely on this to achieve future provision, possibly through further expanding digital platforms to offer improved customer access.

3.3 Organisational leadership and governance

There is clear and firm executive leadership which is highly regarded and widely recognised internally and externally. This is complemented by strong and inclusive managerial leadership provided through the Managing Director, supported by approachable senior managers. At the same time there is a track record of clear political leadership being shown by elected members.

There is a cohesive and motivated Executive Board of portfolio holders. The governance structure is effective and inclusive with good scrutiny arrangements. The Overview and Scrutiny Committee produces an annual report and recent reviews have looked at planning enforcement, which influenced policy, and the future provision of public space CCTV monitoring. This activity is complemented by 3 advisory panels (Localism and Community Funding, Rural Communities and Economy, and Town Regeneration and Economy) that report to the Executive.

Communications with members is a key feature at the council with this including the fortnightly 'Jack's Round-up' and local member briefings on specific issues. Opposition groups reported a good working relationship with senior officers with the group being briefed a week before every Executive meeting and before the budget. In the future this will be strengthened further with the plans to introduce a group leaders meeting. In addition working arrangements are characterised by good working relationships between officers and Executive Board members.

The relationship between WDC and MHDC is strengthening and the two Leaders have a good relationship. This bodes well for future working.

The peer team felt that there would be value in arranging frequent portfolio holder meetings and member development across the two councils. This would mirror the Service Managers' meetings which have worked particularly well to enhance closer officer working. In addition to the Joint Working Advisory Board (JWAB) this could be a vehicle to engage all members to progress the partnership between the two councils and the direction that this could take in the future.

Similarly there is an opportunity with the elections in 2019 to consider the training and support provision for the new cohort of members across both councils as a further means to encourage closer working arrangements across the two councils.

Staff are motivated and engaged at all levels. Internal communications are very effective and two way, with this appreciated by the workforce. There is a fortnightly staff bulletin, team meetings, staff briefings led by the Managing Director, a quarterly staff magazine - ASPIRE - and staff appraisals. The council has held Investors in People (IiP) gold standard since 2010 which signifies its intention to value the staff resource. WDC and MHDC have adopted a shared set of values, including: 'great customer service'; 'openness and accountability'; 'innovation and improvement'; and 'fairness and respect', with these being embedded in the culture of the organisation; guiding planning and performance.

There is a comprehensive approach to performance management and monitoring. However, these arrangements are over-engineered. The council's 'signals of success'

performance report to Overview and Scrutiny for June 2017 totalled 35 pages and it was not clear that the information being provided matched the audience's requirements. The time lapse between the end of each quarter and the reports being considered by the Overview and Scrutiny Committee is considerable and can be as long as three months. The process for reporting the previous quarter's performance is much quicker at MHDC. A more effective use of resources would be to move to a single performance management system that could be used by WDC and MHDC, along with consideration of the requirements of different audiences using performance data. This would be an opportunity to harmonise arrangements across the two councils that would provide clarity without compromising sovereignty.

3.4 Financial planning and viability

WDC is in a very strong financial position and its Grow, Save and Charge Business Plan has generated savings of £5m+ since its introduction in 2013. Moving to a joint SMT is estimated to have saved each council an annual cost of £235k. The council has healthy general balances of £8m and a strong level of earmarked reserves of £34m that underpins its investment strategy.

The council has purposefully pursued a 'mixed economy' of service provision which has enabled the council to reduce and control revenue costs. The range of this 'mixed economy' includes: shared services, contracted out services, other joint working arrangements as well as direct council provision. This has been important not only to achieve savings but also to ensure service resilience, but without compromising service quality.

Significant savings have already been achieved and more will be needed in the future to manage revenue pressures, in particular a financial gap of circa £700k by 2022. Notable savings to date include income from green waste (£850k pa) and a new waste contract (£500k pa) both of which will make important revenue contributions. Civica is working well with both councils' revenues and benefits services to achieve significant savings/efficiencies of £200k per partner pa.

The council is making innovative investment use of its NHB of around £4m pa. The council has imaginatively produced a New Homes Bonus protocol 2014-16 which explains how the NHB system works and how the council has used this to support community projects. The council is currently in the process of adapting these arrangements to support community projects so as to fund fewer but more strategic legacy projects.

The practice of transferring unallocated NHB to general balances has been the means by which the council has previously financed major projects and, through this, developed an income stream. With the recent changes to NHB - funding reduced and longer-term prospects looking increasingly uncertain – the council may need to plan for a future where this funding will no longer be available.

The council has a longstanding track record of sound investments to gain a revenue return. These include, for example, the relocation of the Evesham Fire Station to provide a site for a new Waitrose store. It is estimated that this will deliver a revenue return of £500k per year and therefore an overall rate of return of 5 per cent on the initial

£10m council investment. What is also particularly important is that investment decisions are made, so far as possible, which support corporate priorities; for example the alignment of the Waitrose investment decision with the council's priority of prosperity.

In the immediate future the council is proposing investment in a new Housing Company with, "the company's main objective ...the provision of new private rented units...to meet identified demand...and to deliver a financial return to the council." The council has also recently agreed the allocation of £3m of NHB into a Strategic Land Investment Fund, with this having the potential to support delivery of housing and commercial employment land, which is a priority to support the economy. These investments can be made by internal funding, without the need for borrowing. In terms of cash investments, £341k investment income has been built into the budget for 2018-19.

The above examples are a sample of a large number of council-led investments that have delivered on council priorities of regeneration, housing and leisure provision while at the same time providing a return on investment. The peer team regard this as notable practice.

There is an opportunity for both WDC and MHDC to work together on approaches to investment, linking the delivery of corporate priorities with developing an income stream. Whereas this approach is well developed at WDC, along with the skills for this, it is less so at MHDC.

Finally, WDC has a record of budget underspends in recent years; 18 per cent for 2016-17. If underspends were to be reduced then this could release resources for additional capacity. This could be in areas where additional expertise would support the council in achieving its strategic objectives and therefore add value and resilience to the current team. Examples could be around strategic investment, asset management, procurement etc.

3.5 Capacity to deliver and customer access

WDC has a longstanding record of using a mixed economy of service delivery models to achieve efficiencies, savings and service resilience. This is based on the council's view that, "we recognise that we don't have to do everything and, given our reduced capacity, we are more than happy to work with others..." This approach has gained the savings needed without detriment to services received by residents and businesses.

WDC has a record of innovation dating back to the mid-1990s. This is summed up in one of the council values "innovation and improvement – give it a go, be positive and listen to ideas." The council transferred its council housing stock and used the capital receipt to invest in important local projects, including: building a hospital at Pershore, the Waitrose store in Droitwich and a new Evesham leisure centre. The council encourages and is open to new ideas, from any source, and makes quick decisions on proposals and follows through with implementation. Business improvement is embedded as part of the day job at the council.

This appears to have been important in shaping the operational culture at WDC. The 2016 staff survey showed that 86 per cent of staff enjoyed their job, 88 per cent rate the

council as a good or excellent employer and 82 per cent are proud to work for the council. The council has arrangements to follow-up actions from the survey and from this the peer team could see that this was being acted on to gain further improvement, with this process being visible to staff. This positive environment was reflected back by staff to the peer team who described WDC as a “friendly place” with good work: life balance arrangements in place. Internal and external communications are very strong with the use of fortnightly staff bulletins, a Staff Sounding Board and a quarterly staff magazine, ASPIRE.

Service managers across the two councils are working closely together. WDC and MHDC Service Managers’ meet across the two councils every two months. The meeting is self-managing in the setting of its agenda and the meeting chair attends SMT to relay and feedback key messages. This is an important element in encouraging closer working, identifying issues that are then raised directly with SMT.

A workforce strategy is being developed to cover both councils. The peer team believe that this would benefit from being more aligned to future skills requirements. The recent paper on the ‘21st century public servant’ picks up on some of these <https://www.local.gov.uk/our-support/workforce-and-hr-support/workforce-podcasts/21st-century-public-servant>

There are recruitment and retention difficulties, for example in planning, ICT and building control. Within the staff structure there are a number of unfilled posts. If these were to be reviewed then it is possible that resources could be released to direct to capacity pressures elsewhere. Although it is recognised that some of these unfilled posts are due to recruitment difficulties a review could highlight some that are due to other reasons. This could include detail on: how long each post has been vacant; what are the reasons for not filling this and then leading to ask if the post is needed and whether the resources could be used in other areas. Longer-term capacity could be addressed by extending shared services with MHDC and/or shared post arrangements with MHDC (possibly also with Worcester City Council).

The peer team also felt that now would be an opportune moment to review the distribution of functions at SMT level, particularly with the current vacant post in the structure. This consideration could take account of existing and emerging strategic priorities, for example on economic growth and housing, and whether that strategic capacity is currently available. Such a review could also consider the council’s capacity for strategic resilience and whether this too needs to be strengthened.

3.6 Economic development

Economic growth is a key priority and WDC is delivering on this with partners stating that the council was ‘open for business’. WDC is felt to be ambitious, dynamic and successful in its approach to inward investment and business growth, with this confirmed to the peer team from the full range of stakeholder views. Despite this business representatives the peer team met were keen to drive solutions for business at a “business pace” and to ensure business growth is fully integrated with housing growth.

The council demonstrates a willingness to invest organisational resources to unlock economic solutions, for example the Blake Avenue regeneration scheme at Droitwich

Spa, the Evesham leisure centre extension, the hospital at Pershore and the £500k investment in the Worcester 6 Business Park (a strategically important 72 hectare site set immediately to the east of the M5 motorway at junction 6).

The council provides a full range of support to businesses (grants, advice and support around the planning process) that, in the view of business leaders, is making a positive impact on the local economy.

There is an opportunity to embed further the prosperity and growth agenda priority across the two councils. Extending joint working on economic development and tourism would provide the benefits of adding capacity and resilience and greater sharing of specialist skills. Joint working arrangement could even be extended to include Worcester City Council – if the partners were minded to do this – and would provide an alignment of resources to deliver the SWDP. The benefit of such an arrangement would be to add capacity and resilience but could also be used to incorporate specialist skills that may not be readily available, for example on viability, asset management, housing enabling etc.

The SWDP is an important achievement for the 3 councils and will be key to addressing future economic growth and housing aspirations. Working across the three councils on the delivery of shared aspirations is another option for the future.

Small businesses are the backbone of the local economy with 90 per cent comprising 10 or less people. This will also form the future economy and for this reason it will be important to engage with small businesses to understand their needs and offer support for growth. There is a need for employment land for new and growing businesses and this is a priority. The council may wish to consider more joint ventures along the lines of the Worcester 6 Business Park, described above, to bring forward at pace further employment land. WCC would be a strong partner to work with on this due to the scale of investment that may be required.

3.7 Housing

Clear housing targets are set within a policy framework and are largely being met. The affordable housing targets are ambitious with a clear emphasis on the delivery of affordable rented homes as part of s.106 agreements. Registered providers (RPs) in particular indicated that WDC's persistence with a target of up to 40 per cent affordable, with 80:20 split between rented and intermediate homes, has assisted them to deliver a higher level of affordable housing than elsewhere.

There is a fully integrated housing team, hosted by WDC, which provides a range of services and support and acts as one stop shop for people approaching WDC and MHDC. Services include housing advice, choice based lettings, support to the private sector and landlords, and homelessness prevention.

In particular the councils have been gearing up on homelessness prevention in preparation for the Homelessness Reduction Act 2017 to be implemented from April 2018. The councils are developing a triage service, with a housing options toolkit delivered through housing advisers, to identify and deal with households' specific needs.

WDC has taken the innovative step of market intervention to support the need for private rented sector (PRS) housing. WychMove is a social letting agency established by WDC – and about to be rolled out for MHDC - to improve access to PRS for which there is a growing need due to the high entry costs of home ownership. To date this has matched 128 households to landlords thereby reducing the number of households presenting as homeless.

WDC is a member of the Worcestershire Strategic Housing Partnership that promotes a collaborative approach to a range of housing issues across the county area. This partnership developed a Housing Partnership Plan in 2017 which is underpinned by a Memorandum of Understanding. However, this partnership plan is a high level strategic document and therefore lacks detail on delivery mechanisms, with this perhaps being due to only one of the councils in Worcestershire retaining their housing stock and the partnership focus being limited to strategic housing.

Developing the detail to enable delivery could be achieved by producing a South Worcestershire housing strategy. This should incorporate a clear identification of housing need – this does not currently exist in detail – which would assist in setting housing delivery priorities with a programme for delivery. Working across the same area as the SWDP would enable the three authorities, with partners, to work collectively on planning housing delivery in support of economic growth.

To support housing delivery WDC would benefit from establishing a housing lead to provide a strategic focus on investment and options appraisal. Housing is moving quickly up the Government agenda and is having a big push through Homes England. This is giving priority to areas with significant affordability issues, which Wychavon fulfils with its comparatively high housing costs, and provides an opportunity. Working with Homes England will be important for delivery and also to identify potential sites for housing.

The role of partners and RPs will be of great importance. RPs expressed an interest in establishing a local RP partnership group to work more closely with both district councils. RPs would welcome the chance to work with councils and businesses, as a strategic partner, to meet workforce and community housing needs. This could include: supported and extra care housing, housing for key workers, affordable housing delivery, land acquisition and joint delivery.

The need for affordable housing is heightened in Wychavon due to the comparatively high costs of market housing in relation to average salaries, a ratio of 11:1. WDC is intending to jointly commission a Strategic Housing Market Assessment (SHMA) with Malvern Hills and Worcester City Councils – the last one was conducted in 2012. This will assist the council to update its understanding of affordable housing need and the accommodation size required – likely to be mostly 1 and 2 bedroom as per the last SHMA. From this the council could develop an affordable housing strategy with: delivery targets; the forms and size of affordable housing; and the role of RPs, the council and other partners to ensure delivery.

The availability of a range of smaller and exception sites for affordable housing was raised by RPs. While WDC has been very successful in delivering affordable housing

through s.106 agreements, more could be achieved by more proactive identification and unlocking of smaller sites which could be delivered directly by the RPs, or in joint venture with the council. This would be supported through the development of the needs based local housing strategy. Similarly, the council's proposal to establish a housing company should be brought into the overall consideration of meeting housing need and how it might contribute towards this.

Finally, WCC should be a key partner to work with WDC and the South Worcestershire local authorities by linking the needs of health, education, children, and older people. Strategic planning for housing should involve a dialogue with WCC on meeting housing and related needs, in particular, on revenue funding for housing related support, such as supported housing and extra care costs. There will be significant cross-overs in client groups for both WCC and WDC that would make it beneficial to discuss the means of working more closely on these areas

4. Next steps

Immediate next steps

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

As part of the peer challenge process, there is an offer of further activity to support this. The LGA is well placed to provide additional support, advice and guidance on a number of the areas for development and improvement and we would be happy to discuss this. Helen Murray, Principal Adviser is the main contact between your authority and the Local Government Association (LGA). Her contact details are: email helen.murray@local.gov.uk and telephone 07884 312235.

In the meantime we are keen to continue the relationship we have formed with the council throughout the peer challenge. We will endeavour to provide signposting to examples of practice and further information and guidance about the issues we have raised in this report to help inform ongoing consideration.

Follow up visit

The LGA Corporate Peer Challenge process includes a follow up visit. The purpose of the visit is to help the council assess the impact of the peer challenge and demonstrate the progress it has made against the areas of improvement and development identified by the peer team. It is a lighter-touch version of the original visit and does not necessarily involve all members of the original peer team. The timing of the visit is determined by the council. Our expectation is that it will occur within the next 2 years.

Next Corporate Peer Challenge

The current LGA sector-led improvement support offer includes an expectation that all councils will have a Corporate Peer Challenge or Finance Peer Review every 4 to 5

years. It is therefore anticipated that the council will commission their next peer challenge before March 2023.