

Sue McGonigal
Chief Executive
Thanet District Council
Cecil Street
Margate
Kent, CT9 1XZ

28th April 2014

Dear Sue

Thanet District Council – Corporate Peer Challenge

On behalf of the peer team, I would like to say what a pleasure and privilege it was to be invited into Thanet District Council to deliver the recent corporate peer challenge as part of the LGA offer to support sector led improvement. We commend the council for its willingness to invite an external team to provide feedback.

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 Thanet were:

- Andrew Muter – Chief Executive, Newark & Sherwood District Council
- Cllr Helen Holland (Labour) – Leader of Labour Group, Bristol City Council
- Cllr Terry Hone (Conservative) – Deputy Leader and Finance Portfolio Holder, North Hertfordshire District Council/Deputy Executive Member for Resources & Transformation, Hertfordshire County Council
- Graham Cook – Deputy Chief Executive, Reigate & Banstead Borough Council
- Matt Nicholls – LGA Head of News and Internal Communications
- Peter Rentell – Programme Manager, LGA (peer challenge manager)
- Thomas Coales – LGA Public Affairs Manager (Shadow role)

Scope and focus of the peer challenge

You asked the peer team to consider:

- External consideration to your Economic Development strategy to test if aspirations for the area are realistic, deliverable and partners are committed to working with TDC;
- Views on your proposed Customer Service strategy;
- Challenge around Communications and Reputation

In addition the peer team considered the ability and capacity of the council to deliver its future ambitions by briefly looking at:

- Understanding of the local context and priority setting
- Financial planning and viability
- Political and managerial leadership, governance and decision-making
- Organisational capacity to deliver your priorities

The peer challenge process

It is important to stress that this was not an inspection. Peer challenges are improvement-focussed and tailored to meet individual council's 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 and views shared by the people they met, the things they saw and the 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.

This letter 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 (11th to 13th March 2014). In presenting feedback to you, 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 you are already addressing and progressing. LGA would be pleased to be involved with any further support to facilitate this issue.

We also hope the feedback provided will help stimulate further debate and thinking about the transformational change programme for Thanet and how it might develop and evolve.

Summary of feedback: overall observations and messages

The key messages from the peer team were:

- The council's reputation is of critical importance
- Clarify what you want to achieve and how you are going to do it and then put the appropriate resources in place – a rationalised set of priorities will drive the MTFP
- Work to improve trust, respect and visibility
- Develop and then implement your understanding of appropriate member and officer roles in a strong organisation
- Clear messages – well communicated
- Use LGA support as appropriate

You openly shared with us your recognition that Thanet District Council has suffered in terms of its reputation, largely as a consequence of the behaviour of some past and present politicians. The review team carefully considered the leadership, governance and reputational issues which you need to address. Rebuilding your reputation is the most important challenge you face.

We began by looking at your corporate priorities which are set out in your corporate plan. We welcome the clarity which this and other plans display. You have followed through strongly on some priorities such as the development of your Destination Management Plan and the development of the Margate Task Force.

However, you run the risk that your strategic plan is “all things to all people” and more work is required to prioritise within your plans and be clear about the few top priorities which need to be achieved. We heard a number of top priorities being described in our conversations with different people. Without a clearer focus, you will leave some things to chance and will not galvanise the efforts of your staff and your partners. Once you have clarified your top priorities, you need to think about how the organisation will need to change in the future in order to deliver them. We emphasised the need to communicate your top priorities clearly, consistently and repeatedly.

With regard to your financial position we found that you have a robust medium term strategy and that you can have confidence in the way your finances are managed. You are aware of and are dealing appropriately with some significant financial risks, notwithstanding some public perceptions which view those risks in the context of the wider reputation of the council. We think there is some further work you could do to rationalise your asset base to generate capital receipts and additional revenue. We think you could also review fees and charges to help with future budget challenges.

We looked at the capacity and resources you have in the council and were impressed by the frontline staff and middle managers we met. We think you have something very special in your committed workforce. They share your passion for Thanet and its natural and heritage assets. However, you have some challenges. You have rightly separated

the S151 role from the Head of Paid Service role and you plan to appoint another director. Your ambitious agenda will be supported by strengthening the top team in this way. You have other critical vacancies to fill and a restructure to complete and this work needs to move on with pace. Beyond these measures, we recommend that you consider ways in which you might be able to empower and delegate more decisions to staff and whether you need to add to your workforce development strategy. Above all, take time to communicate and celebrate the council's achievements, this is important to the staff who make things happen.

Your economic development strategy is clear and coherent. Culture, arts, tourism and heritage is important to you and your economy and you have recognised and acted on this. You have effectively engaged with important sub-regional partnerships so you can influence future investment but some of your local partners would appreciate stronger engagement, better communication and greater clarity about major infrastructure projects, such as Manston airport and the proposed railway station. You need to ensure that your senior officer and political engagement across these local and sub-regional partnerships is strong and consistent. Most importantly, if economic development is a top priority for you, resources (both staffing and financial) will need to be re-aligned behind it.

You asked us to look at customer services and we agree that your recognition of the need to develop a customer service strategy is an important step forward. You are working with East Kent Services (EKS) who are led by an impressive top team. You need to drive this integrated approach to customer services forward with pace and develop the essential analysis of demand, channels and performance. This will help to address low levels of resident satisfaction with the council. Don't forget that some of your pro-active work on the ground, like the MTF Street Week, helps to improve customer service, sends out a very positive image of the Council, and helps to manage demand.

Some concern was expressed about whether councils can function effectively under 'No Overall Control' (a 'hung' council where no political party has overall control). They can and do in many parts of the country. You need to develop ways in which political leaders and political groups work together formally and informally. This does not imply that you will agree on everything but careful preparation, communication and consultation can often help to navigate through difficult decisions. Building trust and relationships is the key, and senior officers play a key role in this, supporting politicians so that their leadership and their administration can be effective. The LGA has just published a report on this which you may find helpful:

http://www.local.gov.uk/web/guest/publications/-/journal_content/56/10180/6045035/PUBLICATION

You need to develop your understanding about the way in which leading politicians and senior managers can work effectively together. We sensed some confusion about political roles and a lack of clarity about the boundaries between political and

managerial responsibilities. We endorse your commitment to undertake some development work on this.

Your decision to invite us to carry out a Corporate Peer Challenge was set in the context of the reputation of the council. Instances of corruption in the near and far past have shaped your reputation and the continuing behaviours of politicians have only reinforced the negative impressions which people have of the council. You feel, and we agree, that there has been *some* evidence of improvement in behaviours and relationships between politicians in recent months. Sustained and rapid improvement in this area is critically important. Every councillor we spoke to demonstrated that they care about the area. Although there are differences about how the area should develop in future, this is the proper stuff of political debate and decision-making.

However, you have not addressed some behaviours which we described as 'toxic'. We found examples of antagonism, hostility, homophobia and discourtesy in the way that some councillors behave. There is an unwillingness to respect the confidentiality of some aspects of council business which are appropriately confidential. Many unfounded allegations have been made against senior officers who, whilst being held to account, are also owed a duty of care by the council. This behaviour must be tackled if you are going to improve community confidence in the council. We recommend that the advice of the Local Government Association is sought, particularly in respect of the most extreme behaviours and we also recommend that there should be mandatory training for members on equalities.

We heard some views that implied that the Council's reputational difficulties were entirely the result of the behaviour of a small number of councillors. Whilst we agree that some of those behaviours are extremely corrosive, we witnessed the poor behaviours of many other councillors during our visit. Barracking, bullying and talking over others are behaviours which also damage the council's reputation. There are things that all councillors can and should do to set an example and improve the reputation of the council including listening respectfully to the contributions of others, avoiding the use of personal insults and involvement in councillor training and development. A change in behaviour will help to change your reputation.

An improved reputation built on new standards of behaviour is the most important challenge you face.

As a review team we recognise the enormous reputational challenges that Thanet faces. We saw that you have many strengths in the council in which you should take pride and which could take centre stage if your reputation improved. We hope that our recommendations will help you to make a positive and lasting change and rebuild the confidence of your residents in the Council.

The key elements the corporate peer challenge looked at were:

1. Leadership and Governance

The political and managerial leadership of Thanet District Council (TDC) has had a number of daunting challenges since the current administration took control in 2011, operating as a minority administration, against a backdrop of serious reputational issues, legacy of those issues and on-going inappropriate member behaviours and culture undermining their desire for progress. Despite this we found many officers and members who were fully committed to moving TDC forward with a shared aspiration to improve the area and positively engage with the community.

Some councillors recognise that recent improvements in political behaviours and relationships have been important for the council and need to be built upon. Whilst this can seem difficult in a no overall control (NOC) council there are many other similar authorities who have made significant steps to improve provided the political values behind decisions are clear. Councils should be politically led organisations and politics should help guide officers. In some cases, the absence of visible political difference can accentuate the role of local ward-based issues which promote a more parochial view. The council's political leadership needs to assert itself on the direction of the council to avert the default position becoming an exclusive focus on local wards. Understanding and managing the 'big picture' is an essential part of the council's political function.

A recent management restructure has separated the responsibility for the council's financial affairs from those of the chief executive. This role will come under a new director of corporate resources, who will also oversee legal services and the post of monitoring officer. The previous decision to combine the S151 role and Head of Paid Service wasn't working and the peer team fully endorse the approach you have taken to separate these roles. Your statutory officers at the top of the organisation play an important role and their ability to provide strong advice and challenge where a political course of action might be unlawful or fiscally reckless is an important assurance for the public and for the council itself. Your senior team need to be free to "speak truth unto power".

TDC have a track record of shared service delivery across East Kent through a shared service arrangement East Kent Services (EKS) comprising collaboration with two other councils. This has delivered significant savings to date and is an impressive arrangement with further opportunities for future savings through potential packaging of other services. The key issue is the current appetite for further shared service work across organisations and this will need strong political and managerial leadership to influence future opportunities to share services as one of the three partners. There are also opportunities to pursue shared service arrangements with other local authorities building on the experience and knowledge within TDC. Despite the significant staff reductions at Kent County Council they still see TDC as their key priority from an

economic development perspective and have a strong desire, supported by their Leader, to invest in regeneration of the District.

We heard some very positive feedback about the use of Cabinet Advisory Groups (CAGs) and would encourage their further development as a good tool for encouraging cross-party working and developing consensus around some policy areas. There appears good scope for using CAGs as a way of developing scrutiny, steering more towards policy development and allowing members to own political input, and moving away from post-decision scrutiny which often seems designed to foster and exacerbate differences. The current model provides a platform and ammunition to negative voices both inside and outside the council and on blog-sites.

Regarding the Overview and Scrutiny (O&S) meeting the team observed a detailed presentation by the Chief Executive of East Kent Hospitals was followed by some antagonistic questioning, assertions by some members that the presentation had deliberately withheld some information and by another threatening FOI. We were unclear about the value that TDC and members got from this agenda item. Other agenda items included further reports on some high profile contentious issues which, when debated, gave further opportunities for grandstanding and aggressive challenging of officers.

The Overview and Scrutiny committee find it impossible to use O&S to help to move things forward whilst some members see those meetings as a political platform to exemplify “us and them” attitude, - Thanet against the rest of Kent, political opponents against each other and members against officers. Although CAGs may assist as described above, it is difficult for members and officers to see a way forward until the work on new standards of behaviour is embedded, in conjunction with a collective agreement of values and behaviours across all political parties, to put the future of Thanet at the heart of political decision-making.

In view of the reputational legacy there is a need to create consistent positive perceptions of the work of the council and its partners and to celebrate success. There are a number of good examples of successful outcomes which do not appear to have been celebrated e.g. excellent feedback on the work on promoting the District for film locations.

Improved clarity about priorities, roles and responsibilities for officers and members can build trust with other agencies leading to improved outcomes, better governance, increased visibility resulting in greater understanding and respect. This should create a virtuous circle that will show residents, local media, business and other stakeholders that they can have confidence in the council and the administration.

We saw signs to demonstrate that clear leadership can happen in Thanet as a NOC council, however, Senior Management Team (SMT) and cabinet need to develop a stronger collaborative approach with clearly defined roles in leading both the organisation and the place. We observed a lack of collective responsibility across political groups and group cohesion is essential in working together, despite political

colour, for the benefit of the council, the community and the place. Early group participation in the decision making process appeared to be inconsistent across the different political parties and is vitally important to your future success. Regular well attended political party group meetings should be the opportunity for development of party policies and priorities.

We recognise that there remains distrust between officers and some members. This is damaging to both staff and the organisation. In our view your staff should not have to work in the environment some current member behaviour is putting them in. These issues are having a serious destabilising effect of the working of the council.

Members need to be realistic in their demands and SMT firm in delivering messages about what they can and cannot do. There is an urgent need to develop an understanding between members and officers in order to define mutual expectations and stick rigidly to them. Each side needs to understand and acknowledge what they expect from one another including defining what constitutes acceptable and unacceptable behaviour. There needs to be clear boundaries to avoid lines between officers and members becoming blurred, so that members focus on policy issues and avoid getting drawn into detail with officers, which in turn will allow officers to be more agile and empowered. Agree what is important, and officers will be able to support the leadership of the council in delivering their priorities and at the same time this will give officers the courage to sometimes say 'no', otherwise current practices will continue to drain capacity from the organisation. Regardless of how divergent their views may be the leaders of the various political groups must sit down together with statutory officers to talk openly about the issues that matter most to them and the council and build professional and constructive working relationships going forward for the benefit of the council, partners and residents. This will help the council move away from the "dysfunctional" description given to it in the media.

The council has recognised that senior management capacity has been stretched for some time with a chief executive and two executive directors taking on a number of roles which they have struggled to manage. The current restructure will alleviate some of these pressures and this should be done in an expeditious manner. These changes should enable SMT to improve their visibility in leading the organisation across staff and externally with partners

Partners told us of persistent non-response of officers and both staff and partners described insufficient visibility of the chief executive and leader and would welcome more transparency and clarity around priorities. This was, however, described to us in a positive manner i.e. how could they help to spread the burden and get involved at the inception of projects and key decisions.

2. Priority Setting

You have a Corporate Plan in place with agreed priorities for 2012-16. You have followed through strongly on some key priorities such as the development of your

Destination Management Plan and the development of the Margate Task Force and your investment needs are recognised and prioritised by Kent County Council.

The council has prioritised the physical regeneration of the historic built environment with heritage initiative schemes operating in Cliftonville, Margate Old Town and Ramsgate seafront. These have shown considerable success in bringing empty properties back into use across the district. To meet current and future housing challenges the council has adopted a new allocations policy to prioritise people with a local connection and a selective licensing scheme has been introduced to regulate the private sector in Cliftonville. This ensures residents have access to good quality and well managed accommodation, complementing the work of the Margate Task Force.

Development of the Local Plan is currently on track with stage two consultation on preferred options, including identifying sites where development should go, expected soon. A final draft is anticipated late 2014 with adoption in 2015. Support from the Planning Advisory Service at LGA has supported this process and is helping the council to get through the future challenges.

Neither officers nor members were able to articulate a shared set of priorities. At present there appear to be too many priorities and these need to be revisited and refined with a focus on a smaller number of key priorities. The council needs to be as strong about deciding what the non-priorities are as it is about setting priorities. As an example, if Economic Growth and Regeneration is your key priority then clearly articulate that and resource it.

Prioritisation is as much about taking the gold plating off services as it is about stopping services, or it can be about introducing /increasing charges for non-core services, or delivering services via community resources. If non-priority or lower priority areas cannot be identified, everything ends up as equally important and therefore nothing is protected or promoted. This underpins an earlier observation about where the politics are in terms of driving council priorities in a NOC authority.

In order to deliver agreed priorities you need to harness the energy and resource offered by local partners and stakeholders in order to deliver more than TDC alone can achieve. Good examples of how this has already been achieved are with the Margate Task Force and your Destination Management Plan. In addition, capitalise on the enthusiasm and goodwill of your staff, recognising their role in delivering key priorities.

Once you have reviewed and refined your priorities you need to plan for what type of council you need to be in the medium term (3-5 years). In conjunction with the development of a future operating model the council will need to be assured it has the right skills to undertake and deliver this. Commissioning skills might be needed to spread best practice across other areas of the organisation. When the future operating model for the council is agreed there will need to be a 'skill gap' analysis undertaken to identify relevant gaps which will almost certainly be in areas such as contract management, demand forecasting and general commercial acumen. You will need to determine whether you have internal talent to fulfil these roles or whether recruitment is

required. All of this can only be achieved by more effective communication (internal and external).

3. Financial Planning and Viability

The Medium Term Financial Plan (MTFP) is robust and the council has achieved a clean bill of health with its accounts with an unqualified opinion from its external auditors. There is less dependency on reserves in setting the revenue budget and there is a tried and tested Treasury Management Strategy. Planned efficiency savings have been delivered to date and these achievements have been made despite falling grant support from central government over the period. This is all underpinned by a sound approach to risk management.

The issues around the Transeuropa debt have been very important for the council with the need to fund the sum of £3.3m to cover the bad debt. This was covered from reserves whilst still ensuring sufficient reserves remain to meet on-going needs and plans. The key impact is the on-going loss of revenue from not having a ferry operator. While the council hopes to attract a new operator, budget plans have had to reflect growth of £850k per annum to offset the loss of business.

There are also significant opportunities with the large asset base. It was clear that there needs to be some rationalisation of the capital programme or significant asset sales/borrowing to fund future capital projects. We acknowledge your current approach to a single lead on all asset issues (land and property) to generate further savings and the potential identification of surplus assets to generate capital receipts and community ownership. However, this will involve making tough and courageous political decisions going forward.

Whilst the MTFP looks relatively sound at present, there will be huge pressures on local government finances through austerity measures, an ageing population and demands from Thanet residents for help in difficult circumstances. This will necessitate the council developing strategies for options for further efficiency savings in future which could be around income generation/asset rationalisation/agile working. EKS is a cost effective shared service arrangement with opportunities for further savings subject to influencing other collaborating councils. We think you could also review fees and charges to help with future budget challenges, backed up by market evidence where available. Whatever new priorities you decide upon you need to ensure you have identified funding to deliver them.

Finally, it will be important to resolve at pace all outstanding financial risks and legal challenges in connection with projects such as the Pleasurama development and the live animals export issue.

4. Capacity and Resources

Despite the significant challenges and changes in the council over the past few years the resilience, commitment and loyalty of council staff we met was amazing. Staff at

both the frontline, and middle managers, appear to be realistic, honest and have a 'can do' attitude. Staff offered a number of creative solutions to us in discussion that the council would do well to harness through a formal mechanism. We evidenced considerable talent across the organisation.

A significant asset is the community and 'The Place' which has rich diversity and aligned to this is the land and assets (many heritage buildings) which can both assist in informing the Growth agenda and contribute to the transformation agenda e.g. develop a more cohesive approach in the operation of the council's assets. Both members and officers alike expressed a universal passion for the Place.

There is a strong tradition of partnership working in Thanet. Examples include funding from the Environment Agency to build Margate flood defences and working in partnership with the Dreamland trust to redevelop the former Dreamland site as a heritage theme park. The Margate Task Force (MTF) is a multi-agency co-located team with a shared budget to set up to transform and regenerate two deprived wards with well documented complex social problems, and the team has reduced crime and significantly improved joint 'street level' engagement, generating improved and more responsive service delivery in line with the needs of the local community. MTF is an exemplar scheme and can be rolled out across a wider area with transferable skills and outcomes that could be utilised on other projects.

There are many other good examples of effective partnering such as EKS shared service arrangement, Operation Cleansweep and Turner Contemporary which has exceeded expectations in terms of attendance figures and has had a knock on effect to local small to medium sized enterprises in catering and retail. All of these successes should be celebrated by the council and partners and with the local and national media to demonstrate the good things about Thanet DC and generate more 'good news' stories.

The new restructure needs to be driven through at a greater pace in order to build capacity and provide more effective, visible leadership across the council and strategic partners. Current vacancies need to be filled with the right calibre of staff, particularly critically important roles such as Head of Economic Development to support the Growth agenda and build closer links with Kent CC. Like many other smaller authorities there is often difficulty in attracting the right calibre of staff as you are within commuting distance to London which can result in candidates being attracted by higher remuneration with a London Allowance. The council needs to consider alternative and more innovative methods to attract and retain staff and should play heavily on the Place i.e. a lovely place to live with all the natural built environment and heritage. The peer team acknowledge the exercise undertaken by the council in recent years to market test remuneration packages and would recommend continuous monitoring of this data, particularly with a forthcoming recruitment drive, to ensure you employ the right people.

We noted limited strategic capacity across the organisation coupled with limited project and programme management capacity and these will need to be addressed. There was some concern expressed by staff and partners around recruitment and retention,

succession planning, personal development, recognition and communication. A workforce development strategy must be driven from SMT with directors ensuring there is a strong culture of workforce planning and development with agreed values and behaviours. We suggest you need an updated workforce development strategy to support a top down culture which provides greater consistency and in turn will help to strengthen future organisational resilience.

The governance and project management of any future transformation programme will need to be clear and robust. The council will need to ensure the arrangements are put into place to enable the linkages, sequencing and inter-dependencies between the various projects and activity to be clear. Robust monitoring and accountability will need to be a key feature of your programme governance to ensure the contribution to the budget strategy. As an example, such an approach will be required for the linkage of asset rationalisation, agile working, digital inclusion and customer access. This must be underpinned by a robust corporate IT and telecommunications function, we heard from many staff that there were deficiencies in the systems and technology and we would recommend a high level review is undertaken to ensure it is fit for purpose in order to deliver future requirements.

Some staff commented on the low level of delegation and empowerment, citing decisions getting 'stuck at the top' of the organisation for considerable periods of time and contributing to delays. We were unable to spend time finding out about the extent to which some of these perceptions were accurate. So we strongly recommend SMT review this issue to see if this is the case and take necessary corrective action to ensure decisions are made at the right level in the council based on risk and complexity. This would also serve to obtain greater buy-in from staff if they feel more empowered and are seen to be contributing through their own personal objectives to the agreed corporate priorities.

5. Economic Development Strategy

Your economic development strategy is clear and coherent and you have recognised the importance of culture, arts, tourism and heritage to your economy and acted on this. We found that you have effectively engaged with important sub-regional partnerships so you can influence future investment although some of your local partners would appreciate stronger engagement and better communication. In particular, you have demonstrated a good partnership approach to effectively engage in the County and at LEP level with strong leadership by your chief executive.

Going forward you need to ensure that your senior officer and political engagement across these local and sub-regional partnerships is strong and consistent. Most importantly, if economic development is a top priority for you, resources (both staffing and financial) will need to be re-aligned behind it to achieve your ambitious plans.

Some stakeholders we spoke to feel that the council often appear to back away from supporting contentious issues e.g. Manston Airport, HS1 rail links and Thanet Parkway Station, so clear and direct leadership and decision-making around these projects is

essential. We also picked up from a number of people the issue of Margate versus Ramsgate which appears to be getting in the way of a clear strategic direction for the area. Conversely there was very positive feedback on the impact of Westwood Cross shopping centre which was drawing people in from across Kent.

Your senior political and managerial leaders play an important role in influencing investment in the economy. You can ensure, through your current restructure, the proper support so that there is greater visibility and availability of senior leaders to meet with partners. Many of your partners are willing supporters of your economic aims and have resources (people and finance) to help you achieve your objectives. You cannot do this all on your own and it will require a focus on improved communications and dialogue with key partners.

You need to implement your plans to re-align resources behind your Economic Development Strategy and ensure better connections with your Planning service to support your economic aims.

6. Customer Service Strategy

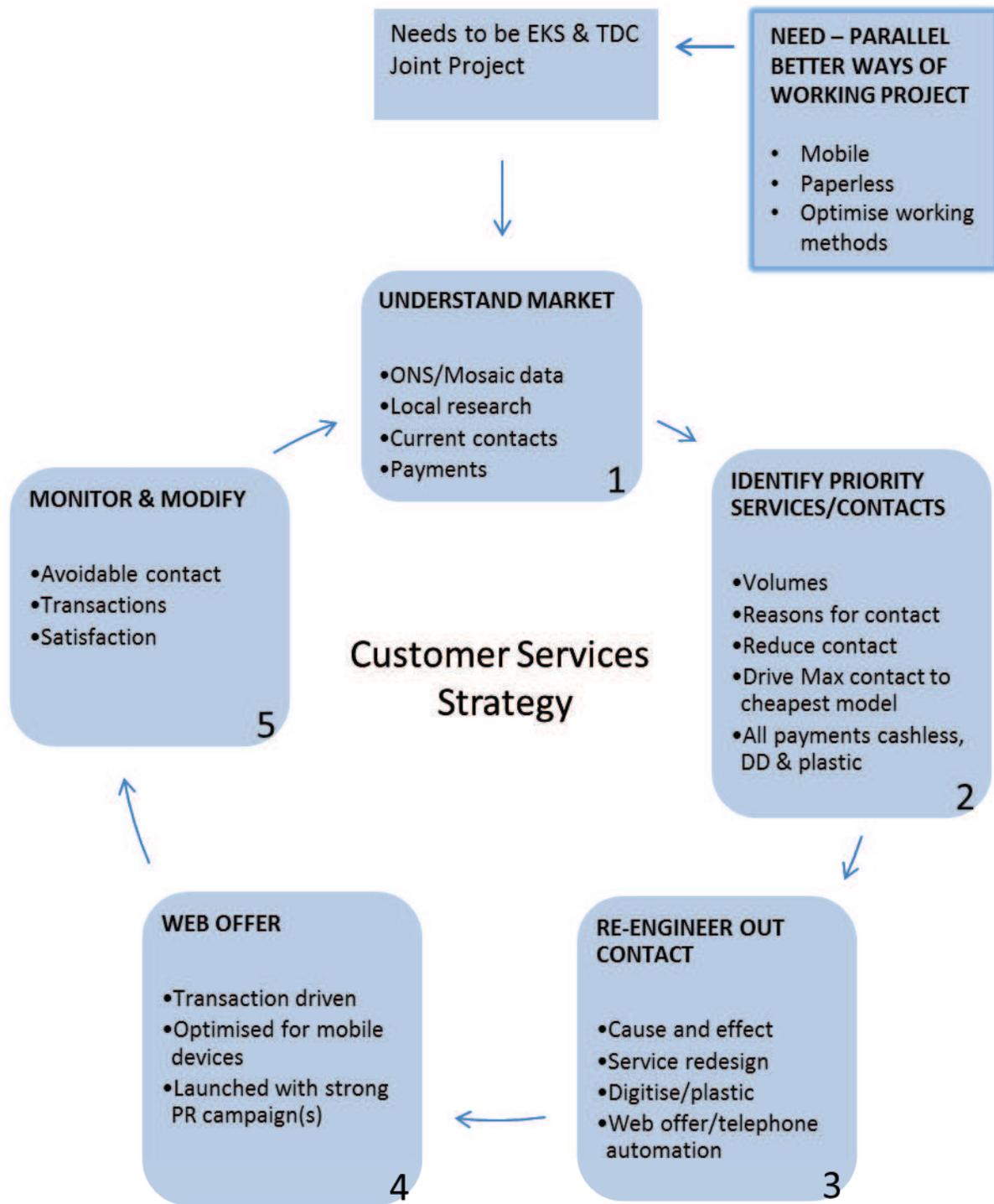
You asked us to look at customer services and we agree that your recognition of the need to develop a customer service strategy is an important step forward. You are working with East Kent Services (EKS) who are an impressive delivery partner. The development of a strong strategy offers the opportunity to both improve services and reduce costs.

We found a number of examples of how the council is engaging with customers and the local community, such as MTF “Street Week” and your use of Twitter.

We had the opportunity to review the emerging draft customer service strategy developed by EKS. While the production of this strategy is a step forward we would want to see a combined TDC/EKS strategy which addresses the full range of customer facing services. We would recommend that such a strategy is developed in parallel with a second strategy which looks at how you can improve working methods. This would include digitising all relevant information (we noted a preponderance of paper files on site), a digital post-room and the redesign of working methods including workflow management. The digitisation of information will also support your customer strategy, allowing you to avoid some contacts by publishing all relevant information to the web.

You should optimise the web site for the performance of transactions (*report it, apply for it, pay for it etc.*), with strong encouragement to residents and customers to use the web (through both PCs and hand held devices) as the first point of contact. This should be supported by a review of your charging policies which should emphasise simple payment menus and channel payments to direct debit or credit/debit card.

The diagram over captures the key elements of this approach:



In developing your approach you need to work with EKS to analyse current customer data to identify both types of contacts and the channel currently used. This will provide a baseline for planning a shift to web based transactions supplemented by telephony (automated where possible). You will need to analyse the resources currently used to service this contact to identify opportunities for service improvement and cost savings.

You should supplement this local data by the use of analytical data such as MOSAIC to gain an understanding of your community's preferences when contacting the council. This will allow you to segment the community by both demographics and geography and allow you to target your access channels and any campaigns you launch.

Experience in other local authorities has shown that by "working with the grain" you can drive up the use of cost effective channels, while satisfying residents/customers because you are making it easy for them to use the channel they prefer.

The emphasis on digital channels should not ignore that part of your community which requires face to face support. You have a strong offering through the Gateway model and you should work with partners to ensure this is as effective as possible. Again experience elsewhere has shown that residents who have been seen as always requiring face to face support can be encouraged to use web services (particularly those based on touch screen technology) - if supported initially by skilled staff.

The work identified above will allow you to prepare a strategy which includes baseline data, targets for change and savings/investment levels. To deliver this will require a strong approach to programme and project management and support from both the political and managerial leadership to see through the changes.

7. Communications and Reputation

The council now has a PR and Publicity officer in post for the first time in three years and feedback from officers and members about this role were positive. The PR and Publicity manager now attends SMT and meets every Friday with the Leader and cabinet member. This is widely believed to have had a positive impact and started the process of adopting a more strategic approach.

The council has put measures in place to improve relationships with the media and has made efforts to build better links, though there is a view that the paper could give more credit for this improvement. Conversely, relations at officer and member levels with the local media have been poor due to negative reporting, believing it has a hostile agenda. Overall the council's PR operation is seen as being stronger after a long period of disruption caused by staff shortages. The cabinet has received media training and the PR and Publicity manager gives feedback following all interviews.

Staff have a real sense of pride in the area with around 90 percent living locally and the Tourism team have done a considerable amount of work to promote the area, in particular attracting visitors to Margate.

The local press believe that 70 percent of the council's PR output is good and the council and the Gazette are open to the idea of joint campaigns which promote the interests of Thanet. In addition, the council's use of Twitter is widely viewed as effective with two-way conversations taking place with residents, and the fact that you are asking residents what they think is positive.

There is a widespread belief within the council that its poor reputation is a direct result of a hostile local media, historical local attitudes, confrontational bloggers and the conduct of some members. Whilst these issues may contribute to reputational problems evidence nationally suggests the single largest contributor to people being unhappy with a council is their personal experience and negative media coverage can reinforce this opinion. Regardless the council must agree a solution to the impact of toxic member behaviour when it arises.

Members, on occasion, have gone straight to the media giving unhelpful comments which don't reflect the corporate position. Members and officers need to agree corporate messages in conjunction with the PR and Publicity team and stick to them in a unified manner. In addition, the behaviour of members at council meetings is seen as having an adverse impact on the council's reputation and the Gazette has on occasions not sent reporters to meetings as it results in members playing to the gallery and behaving in an unprofessional manner.

The council need to build improved working relationships at all levels with the media to avoid them setting the agenda and take a more proactive campaigning approach to good news stories, positioning itself as the champion of its residents' concerns. This will require the council to learn lessons from previous bad news stories, for example changes to waste and recycling collections where leaflets were distributed to residents with incorrect information, and some residents not having a bin collection for a month. This generated sustained negative coverage in the local media and through social media channels and a subsequent drop of 17 percent in resident satisfaction. This wasn't helped by the fact the council employed an external agency to manage the communications process with residents, which with hindsight was believed to be a mistake.

Street cleansing and waste and recycling services are the biggest priorities for your residents. Satisfaction with these services has fallen in the last year, dramatically so in the case of waste and recycling. As national evidence shows satisfaction with these services is a key driver of reputation, we recommend you initiate high visibility campaigns to demonstrate the council's commitment to keeping the streets clean to providing an excellent overall service.

In terms of current structure we note that the PR and Publicity team have been separated from the rest of the communications team and report directly to the chief executive. Whilst there is a rationale for this approach we think you should continue to review this to see if reporting lines can be further improved and LGA would be happy to provide support to this work. We note that a lot of the council's marketing functions e.g. tourism, are not part of the corporate communications function and so related work, such as driving inward investment, is being done in separate departments. Also, the Visit Thanet website has no clear council branding so it's unclear to visitors who is trying to attract them to the area.

We note that the chief executive and leader no longer have regular meetings with Thanet MPs, and these have in the past proved difficult due to the differing political perspectives. We believe the council should aim to restore dialogue and regular meetings with the two MPs, at a senior officer level as a minimum, if it is not possible to do this at the political level.

Some other suggestions are as follows:

- Review your social media activity and consider devolving some responsibility to different service areas;
- Refresh member media protocol enforced by the leader and cabinet member;
- Urgently put in place a proactive grid of positive stories which can be communicated through various channels (press release, web, social media);
- Work with LGA Communications team to examine specific issues with regional news media and improve working relationships;
- Introduce staff engagement/internal communications strategy with clear objectives measured in a new staff survey; also set a challenging target of improving resident satisfaction to provide some measurable direction to reputation related activity;
- Explore costs associated with direct communications to residents through the local newspaper delivered to every home in the district

Suggestions for consideration

Based on what we saw, heard and read we suggest you consider the following key actions. These are things we think will help you to deliver your future ambitions and plans:

- Continue to use LGA support around specific member/officer training to include mentoring, communications, reputation and equalities;
- Implement some 'quick wins' to maintain momentum from the challenge, for example staff engagement events involving the chief executive and the leader to listen to their views and share information;
- Develop constructive relationships between officers and members and SMT – Leaders of the organisation need to display respect for each other and demonstrate that values are being upheld throughout the organisation;
- Focused support for members – consider further tailored training and development programmes that result in a more effective ruling administration, committee chairs and opposition;
- Develop a shared narrative with agreed priorities, communicate it and deliver it

Next steps

You will undoubtedly wish to reflect on these findings and suggestions made with your senior managerial and political leadership before determining how the council wishes to take things forward. As part of the peer challenge process, there is an offer of continued

activity to support this which you can access through the LGA Principal Adviser, Heather Wills.

In the meantime we are keen to continue the relationship we have formed with you and colleagues through the peer challenge to date. Heather Wills, Principal Adviser (South East Region) is the main contact between your authority and the Local Government Association. Heather can be contacted via email at heather.wills@local.gov.uk or by Telephone (07770 701188) and can provide access to further support.

All connected with the peer challenge would like to wish you every success going forward. Many thanks to you and your colleagues for inviting the peer challenge and to everyone involved for their participation. In particular, please pass on our thanks to Sophie Chadwick and her team for their sterling support in organising the challenge and the onsite visit.

Yours sincerely

A handwritten signature in black ink, appearing to read 'P. Rentell', written in a cursive style.

Peter Rentell
Programme Manager, Local Government Support Team
Local Government Association

On behalf of the peer challenge team