

Peer Review Action Plan

No.	Recommendation	Lead Officer	Latest position
1	<p>Having agreed their Vision in November 2022, the new political leadership should now consider what are the top three priorities so that there is a clear and shared understanding of the focus for delivery and using the new corporate plan, outcomes, and data, to inform a unified and cohesive transformation programme, focus on using change to deliver key outcomes and financial sustainability. Strengthen ownership, roles, and accountability, and consolidate resources.</p>	<p>Leader of the Council, Chief Executive, AD innovation, AD Insight, Policy & Strategy</p>	<p>The Cabinet has agreed their top three priorities; improving customer service, improving customer engagement; and improving IT and Digital services. This, together with the Vision and the corporate plan, has focussed the organisation on delivering its outcomes. A refreshed Digital strategy has also been drafted.</p> <p>The balanced scorecard approach to service planning and demonstrating the golden thread flowing through the organisation from the Vision through the corporate plan into individual performance development reviews ensures the key outcomes are delivered and these are monitored through the performance management framework.</p> <p>The Council fully recognises the need for financial sustainability. Any significant project undertaken by the Council will have a financial appraisal to ensure that the objectives are delivered in an affordable and cost effective way.</p> <p>The assumptions in the Councils regeneration and housing schemes are regularly updated and full financial business cases are reported to cabinet. The business cases test the financial viability of these schemes and the Council will only commit money when that financial viability is confirmed</p> <p>The Council sets a robust budget each year which takes account of all known pressures and demographic increases in demand. Any savings proposals within the budget will have been fully appraised to ensure they are deliverable. The Council undertakes monthly budget monitoring of the revenue budget and action plans are developed to mitigate any overspends. The Capital programme is reported on a quarterly basis.</p> <p>The Council did overspend in 2022/23 due to the exceptionally high cost of living across the year but accurate monitoring allowed action plans to be developed which reduced the overspend considerably by year end.</p>

			<p>The Council is also fully committed to ensuring that it has adequate reserves and balances moving forward and has included planned contributions to reserves in both the current budget and MTFS moving forward.</p> <p>The budget and medium term financial process each year is robust to ensure financial sustainability. This process starts early in the year identifying all the potential pressures for the following year in order that the financial gap can be defined and savings developed to close that gap. This will include assumptions on underlying pressures from the current year, assumptions on future government funding, assumptions on corporate pressures such as levies and assumptions on demographic and inflationary pressures.</p> <p>The S151 officer regularly reviews the levels of reserves and balances and when the budget is set each year tests the all the assumptions in the budget when making a statement on the robustness of that budget.</p>
2	<p>Develop clear milestones, processes, and timescales for delivery of the Target Operating Model, ensuring staff and Members are engaged in the process. Using the workforce strategy as an opportunity to act on feedback from staff (Recruitment, Retention and Organisational Development work) and that capacity is aligned with key delivery areas and corporate priorities.</p>	<p>Chief Executive, Director HR & OD, TOM Workstream Leads, TOM Programme Manager</p>	<p>A clear programme plan is in place for delivery of the TOM, with robust governance and oversight by the Chief Executive.</p> <p>Since the approval of the workforce strategy we have progressed the priority activities that deliver a strong response to our engagement survey responses. These activities enable our corporate priorities and Vision so much so that our Cabinet has directed particular attention to skills development in data and digital competency and to recognising the importance of customer service in our cultural action plan. Key generic performance objectives that support the design principles and the corporate plan outcomes are progressing, aligned with balanced scorecard work, to create the golden thread. There will be a Pulse survey in July 2023. Another good example of this work is the first tranche of quarterly workforce planning activities which is being undertaken in June 2023.</p> <p>Engagement with all employees has shown a clear focus as we develop and deliver our strategy with bi-monthly Let's Talk sessions where progress is shared and questions are answered, co-creation of the cultural action plan with our cross-Council change champions and a</p>

			working party group, regular weekly communication updates and engagement with our senior leadership through their regular meetings. There is a monthly performance focus for HR&OD at SLT. Our Union partners are included in our working group.
3	Resolve the OneSource question, considering the budget implications and capacity, particularly in specialist and technical areas and how it links to the TOM.	Chief Executive	The decision to return a number of services to each borough was approved at the OneSource Joint Committee on 28 April 2023 and detailed plans are in place to bring specific services back into Havering over the next 18 months. Legal & Governance and Transactional Services will remain as a shared service in OneSource and work is underway to determine the terms of engagement for these services in the future. An update is expected at the next Joint Committee meeting on 28 July 2023.
4	Empower staff and middle managers, freeing up Senior Management (SLT) time to focus on the key strategic challenges. Improve engagement and cross-organisation working to enable this.	Monitoring Officer, Director HR & OD, AD IT, Digital & Transformation	<p>The new Target Operating Model with its three themes of People, Place and Resources has introduced new Strategic Directors to focus on the key strategic issues within their area of expertise, but also facilitate collaboration across the organisation working with their peers to deal with the most difficult cross-cutting issues. Operational teams will be empowered to deliver on the strategic issues in the most effective way, with greater synergy of core functions being brought together to facilitate cross team working and maximise shared skills and knowledge sets.</p> <p>A review of governance is underway with the aim of ensuring decisions are made at the right level, approval processes are appropriate and more dynamic, and meetings and groups have real purpose which will free up managers to work on the key strategic and operational challenges whilst ensuring that staff feel empowered to make decisions within a clear framework. Cross-organisational working is encouraged and matrix management will be used where appropriate to embed this more formally.</p> <p>A Leadership Programme is being launched in June 2023 facilitated by an external company to bring the new Executive Management Team together under the new Target Operating Model and focus on the key strategic challenges.</p>

5	<p>Establish Member-led oversight mechanisms for strategic issues such as closing the budget gap and financial control, performance management, and corporate risks.</p>	<p>Deputy s151 Officer, Head of Finance</p>	<p>Theme Boards are in place and meet regularly to ensure Members have oversight of key issues including the finance monitor, reporting to Cabinet on a quarterly basis. The terms of reference are being reviewed to enable focus on strategic issues and the corporate forward plan is being refined to ensure Theme Board agendas are well planned, in advance, and more time afforded to performance management and corporate risks.</p> <p>The progress of all agreed savings proposals are tracked centrally and reported to Theme Board, and there are specific meetings planned for new savings proposals and their impact to be reviewed.</p> <p>Overview and Scrutiny boards and sub-committees are also being supported to enable them to increase their rigour in these areas.</p> <p>There is a robust mechanism for review of budget monitoring and ownership of solutions by SLT. The MTFs/Star Chamber process is built into the annual budget setting cycle and monthly Lead Member briefings will enable Cabinet Members and Directors to take forward the budget position and deal with any service pressures and challenges.</p> <p>The continuous revenue and capital monitoring and the review of budget pressures facilitates the ongoing plan to review budgets and understand the cost drivers, e.g. fees and charges review.</p> <p>Baselining the service budgets will allow each service management team, SLT and Cabinet to understand what each revenue and capital budget is delivering.</p>
6	<p>Savings needs to be a 'shared endeavour' with joint ownership across the directorates and portfolios. Strengthen financial reporting and ensure that the organisation and leadership is focussed on urgently gripping the delivery of savings to help balance the budget. This needs to be done at pace.</p>	<p>S151 Officer, AD Innovation</p>	<p>Savings proposals have been drawn together by service Directors and discussed and agreed by SLT. SLT and Cabinet have collaborated at a number of Strategy Days, where they come together in a workshop style to explore budget challenges and also discuss 'reserves' and look at risks identified in achieving in-year savings. There are monthly Lead Member briefings which ensure monitoring of savings delivery and scrutiny of delivery plans.</p>

			<p>Cabinet now receives the published financial position each quarter, to monitor the delivery of savings against individual business cases.</p> <p>Savings and cost reductions are the focus of a council-wide programme of regeneration to reduce spend on high-cost placements. The Supported Housing Working Group brings together subject matter experts from Regeneration, Housing, Adults and Children’s Social Care with a view to collaborating to create more supported housing placements by utilising opportunities available through regeneration and housing initiatives.</p> <p>The proposals are developed through the Star Chamber meetings and the monitoring and management of those savings are considered by SLT and are presented as part of the budget monitoring reports.</p> <p>There are a number of Star Chamber days planned in the summer to ensure savings are identified for future years. MTFs and Star Chamber processes are built into the annual budget setting cycle and considers the savings programme.</p>
7	<p>Review the scale of the capital programme in light of the changing economy and increased costs, considering affordability and the new Vision/priorities. Undertake an asset review.</p>	<p>S151 officer, Strategic Director Place, Director Property.</p>	<p>The new Vision for the Council includes commitments to regeneration, affordable housing, supported housing and place-making in general, and there is a new focus on increasing the number of high value jobs in the borough through inward investment.</p> <p>An asset review has been undertaken within the HRA and the investment required has been fed into the HRA Business Plan. The General Fund asset review has been completed, including a programme of disposals, the first phase of which was agreed at Cabinet in February 2023. Phase 2 of the disposal programme will be presented to Cabinet in August 2023. We have already completed a review of assets with a view to rationalising the office estate.</p> <p>One of the largest components of the capital programme is the Regeneration Programme. The Havering Waters JV business plan and Bridge Close business plan recently reported to Cabinet as part of the budget setting process, as did the HRA Business Plan. The business plans have been re-profiled to take into account the changing economy,</p>

increased costs and affordability. Due to the uncertainty in market conditions a review is planned for October 2023.

An options paper for the Beam Park JV with Notting Hill Genesis is being reported to Cabinet in July.

A review of the Mercury Land Holdings (MLH) business plan will be presented to Cabinet in July outlining the dependencies on the asset disposal programme.

The regeneration programme is a key contributor to mitigating increases in homelessness demand in the borough.

The inclusion of a capital Star Chamber process allows the consideration of the capital programme and the deliverability, as well as considering the investment against corporate priorities. The capital requirement is costed and the revenue impacts of the capital financing is considered as part of the MTFS.

Robust quarterly reviews of the capital programme examine any slippage in delivery and are published at the Regeneration Board as part of the monitoring processes. Slippage in the schemes is considered alongside programme planning and monthly re-profiled schedules are presented.

The housing capital programme and planned spend on the maintenance programme are monitored as part of the HRA business planning.

A review of affordability of the capital programme is undertaken corporately as part of the development of the MTFS/capital financing requirement and the Treasury management strategy. Sensitivity analysis is undertaken, and prudential indicators give a framework to manage this.

Significant capital programmes have to demonstrate viability as part of the business case approval process, and the ongoing management of phases of the schemes allow consideration of viability at key gateway stages, e.g. Wates 12 Estates Joint Venture business case is established in phases, allowing consideration of affordability and viability before each

			<p>phase is progressed. There will be also be a regular review undertaken of prudential indicators.</p>
8	<p>Improve ICT and the CRM, and review legacy software. Give staff the tools and training to get the job done, boosting capacity, and embed a customer service culture that delivers for residents. Improve engagement and feedback internally with staff and backbench (non-executive) councillors, and externally with residents and partners.</p>	<p>AD IT, Digital & Transformation, Director Customer Services, AD Customer Services</p>	<p>A new Customer Experience Strategy is being developed alongside a refreshed Digital Strategy. This will help deliver on the objectives of the new Havering Vision embedding a customer service culture, setting out for example what residents and stakeholders should expect when interacting with us be it online, by telephone or face to face, ensuring a good and consistent service to all its residents.</p> <p>Over the last few months, large elements of the old legacy CRM solution have been replaced, improving the online customer experience with improved maps for reporting service issues, meaningful status updates and closure reasons on completion of works. Phase one of the replacement of existing CRM processes, and the associated benefits to residents being immediately realised will be completed by end of this October.</p> <p>As part of improving the whole end to end repairs experience for customers, the Contractor is now responsible for taking and recording repairs from tenants, enabling the tenant to discuss matters with the Contractor directly, leading to an improved diagnosis of the problem and a quicker response to the works being completed.</p> <p>The council's administration have designated resident engagement as one of their key priorities this year. As a result there has been increased engagement around key issues such as the budget consultation, which had the largest response rate for many years with over 3,000 responses. However, it is clear more work needed to take place around embedding engagement further and as a result, a review is taking place as part of the Target Operating Model on the current engagement function. This is looking at capacity in the council and will include a strategy setting out how Havering will use engagement and participation more strategically to inform policy and ensure there is a full feedback loop to residents. It will also look at how we make full use of available tools and techniques. Soft testing has already began using Nextdoor as an engagement tool with residents.</p>

9	<p>Review how contracts are aligned with the Target Operating Model and ensure procurement and commissioning align with the Council priorities and key outcomes. Strengthen contract performance and increase Member oversight, with an updated and improved contract register.</p>	AD Innovation	<p>Bringing procurement and commissioning together as part of the TOM will strengthen the corporate approach, with the importance of delivering value for money from services that deliver corporate outcomes and objectives being enshrined in the methodologies.</p> <p>The Council is currently reviewing the best tool to store contract information to have a single, easily accessible, contract register. This will enable the development of a clear forward-looking procurement plan. This is discussed at Gateway Review Group (GRG), the procurement governance body that oversees procurement.</p> <p>A monitor to that board is being compiled that will compare the procurement forward plan to the procurement initiation reports going to GRG, and to focus resources as required.</p>
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