

DERBYSHIRE COUNTY COUNCIL

CABINET

10 February 2022

Report of the Managing Director

**Local Government Association (LGA) Corporate Peer Challenge Follow Up
Visit – Corporate Health Check Feedback Report**

Strategic Leadership, Culture, Tourism and Climate Change

1. Divisions Affected

1.1 County wide

2. Key Decision

2.1 This is not a Key Decision

3. Purpose

3.1 To consider and approve the Local Government Association's (LGA) Corporate Peer Challenge Follow Up Visit/Corporate Health Check Feedback Report for publication and to outline next steps in taking forward the recommendations.

4. Information and Analysis

4.1 Background

The Council's original Corporate Peer Challenge, facilitated by the LGA, took place in October 2018. On 31 January 2019, Cabinet considered and approved the Corporate Peer Challenge report for publication and approved plans to develop a clear action plan to address the recommendations set out in the report alongside priority actions identified in the Enterprising Council Strategy.

The original feedback report highlighted seven key recommendations to help the Council further improve services as follows:

1. Undertake more work on the Enterprising Council concept.
2. Develop a clear operating model to reflect the development of the Enterprising Council.
3. Take active and deliberate steps to move towards a One Council approach and strengthen corporate capacity.
4. Clarify the intentions within the Council Plan (the Corporate Plan) by refining priorities and underpinning these with more visible targets and identifiable resources.
5. Develop a more consistent and strategic approach to the council's budget and financial systems, aligned to corporate priorities.
6. Ensure members receive transparent and timely reports on the council's performance.
7. Partnership working is mixed and needs further investment.

Since the original visit took place in October 2018, the Council has focussed on addressing the areas for improvement and recommendations outlined in the report. A summary of the activity and progress made can be found in the Council's Position Statement, details of which are set out below. It is important to note the significant challenges in respect of the COVID-19 pandemic, facing the Council and other public sector partners during this time.

The Corporate Peer Challenge process includes a follow up visit to Councils within a two to three period after the original visit took place. However, as a result of the COVID-19 pandemic, the LGA suspended the physical delivery of all peer challenge work. To continue to support councils during this period, the LGA refocused their support and adopted a new remote approach.

4.2 Corporate Peer Challenge Follow Up Visit

The Council's Corporate Peer Challenge Follow Up Visit/Remote Health Check took place on 18 and 19 October 2021. The Peer Team were asked to review and report on the progress the Council had made against the recommendations identified by the original Corporate Peer Challenge report.

As part of the Follow Up Visit, the LGA Peer Team reviewed a range of information including the Council's Position Statement, which was submitted to the LGA ahead of the visit. The Peer Team spent two days doing remote field work at the Council during which it:

- Spoke to more than 40 people including a range of council employees together with Elected Members and external stakeholders

- Gathered information and views from more than 16 meetings and additional research and reading
- Collectively spent more than 120 hours to determine their findings

At the end of their review, the Team presented initial feedback to Cabinet and CMT on 22 October 2021. The Council has subsequently received a short Feedback Report from the LGA which is attached at Appendix 2 to this report for consideration. The final Feedback Report provides more commentary and feedback along with recommendations the Council should consider to build upon the work undertaken to date.

4.3 Key Findings

The Feedback Report provides reflections and comments on progress against the original Corporate Peer Challenge recommendations. There are a range of areas where feedback on the Council's approach is positive and should be celebrated. These include:

- The progress the Council has made during challenging times
- The Council being recognised by all as a Council that excels in emergency situations
- Visible and active political leadership
- The positive culture of partnership working and the pride and commitment people have in working for the Council
- The growing articulation and understanding of the Enterprising Council concept at senior leadership levels
- The centralisation of key functions such as HR and Procurement which has strengthened corporate capacity, and the proposal for a central Programme Management Office are further positive steps.
- Key activity underway to build the 'One Council' approach – for example, corporate initiatives such as climate change being championed by a strategic director outside of their traditional service areas.
- The Council celebrating success through awards and embracing external challenge
- A sharper vision and tighter priorities as set out in the Council Plan, which is now in a much better position and is owned and driven by Cabinet
- A clear delivery plan which underpins the Council Plan and which Cabinet can use to track progress.
- The development of the performance management framework and the quality of information presented to Cabinet Members which is now leading to better and quicker decision-making
- The appointment of a permanent Managing Director which is universally welcomed as an evolution to build on the previous collaborative management model

- Partnership working, agility in decision-making, more flexible ways of working, better use of modern technologies, enhanced communication, community resilience, volunteering, environment which are being taken forward and built upon
- Financial responsibility and decision making which has been improved through greater delegation thereby facilitating more agile decision-making
- The strength of the senior management and Cabinet Member training that has taken place to build a single team
- The investment in partnership working which is very visible and there are good relationships with key strategic partners.
- There are clearly good aspirations for the County, and these are being articulated through 'Vision Derbyshire' and the 'County Deal'.

The report also sets out a number of areas for the Council to consider over the coming period. These include:

- Embedding improvements made in the day to day operations of the Council
- Developing a stronger sense of strategic transformation through regular organisational conversations and communication to change the culture of the organisation so it can deliver its ambitions at pace.
- Making more use of analytics and data in decision-making processes.
- Reviewing the financial plan to recognise the new financial environment as the Council emerges from the pandemic
- Undertaking additional work to rigorously align the budget to corporate priorities to support the achievement of future savings to be made
- Ensuring internal capacity is appropriate recognising the Council's more outward looking and ambitious culture
- Making the most of opportunities for cross-party working through communication, officer support and training for all Members by building on the work of the Scrutiny Review and Member Development Group.
- Further strengthening co-design and co-production approaches with partners, utilising the key strengths of others to lead
- Bringing all key stakeholders on board with the aspirations for 'Vision Derbyshire' and the 'County Deal'.

4.4 Key Recommendations and Initial Actions

The Peer Team were impressed by the progress made since their last visit and recognised that Derbyshire is on a successful improvement journey which is now beginning to reap rewards and make a difference to local people. To maintain momentum, keep on track on the Council's journey of improvement and accelerate that journey further, the Peer Team have made the following three key recommendations:

1. Simplify and continue creatively communicating the Enterprising Council concept so that it can better engage middle management and frontline staff to ensure everyone understands it and is onboard with it.
2. Continue to improve and refine the Council's management processes and partnership working to ensure all available capacity is harnessed to deliver for Derbyshire residents.
3. Continue to communicate and sell the ambition of 'Vision Derbyshire' and the 'County Deal' to all stakeholders, by clearly outlining the benefits and added value for the County and its communities.

The Council had already identified, and is making progress, on a number of the areas highlighted in the report where it felt it could improve its approach, in advance of the Peer Review. This work, set out below, supports the delivery of a number of the identified recommendations:

Key recommendation	Actions
<p>Simplify and continue creatively communicating the Enterprising Council concept</p>	<p>The Council is currently taking forward Phase 2 of its Enterprising Council approach and reviewing the associated strategy. Phase 2 of the approach has identified a number of additional priorities in relation to the development of the Council's strategic transformation approach and the creation of a Programme Management Office which will be critical to drive forward progress.</p> <p>Communicating with employees and stakeholders will form part of Phase 2 developments as they emerge and become embedded across the Council.</p>
<p>Continue to improve and refine the Council's management processes and partnership working</p>	<p>The Council's new operating model and the appointment of the new Managing Director has been developed to ensure the Council has effective management processes in place to deal with the complex challenges facing the Council.</p> <p>The new model will continue to be developed and embedded across the organisation over the next six months.</p>

<p>Continue to communicate and sell the ambition of ‘Vision Derbyshire’ and the ‘County Deal’ to all stakeholders</p>	<p>The Council’s ambitions in respect of the Vision Derbyshire and becoming a County Deal pathfinder will be key priorities for the Council over the forthcoming period. The Council has recently approved proposals to take forward and develop Phase 4 of the Vision Derbyshire approach, a critical element of which will be the broader engagement and involvement of key stakeholder in the delivery of ambitions.</p> <p>Work on Vision Derbyshire will form the platform of work for the development of a County Deal and work is currently underway to develop programmes of work for this activity should the Council be chosen as a pathfinder area.</p>
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In addition the Council has already identified a number of areas where it wishes to focus its effort over the coming period. A number of these actions have been incorporated into the Council Plan refresh 2022-23, which will be the subject of a separate report to a future Cabinet meeting. It is proposed that the actions to address the final Peer Challenge report recommendations will form part of the Council Plan 2022-23 Delivery Plan which is currently in development. This will ensure that there is one clear action plan to take forward transformation activity, which will be important in ensuring the Council is clear about its priorities in this regard moving forward. It is recommended that progress on the delivery of the action plan be reported to Cabinet on a six-monthly basis.

5. Consultation

- 5.1 The LGA Peer Team met with a sample of key stakeholders to inform their conclusions, as set out in their feedback report

6. Alternative Options Considered

- 6.1 Option 1 – To challenge the LGA Remote Corporate Health Check Feedback Report and recommendations. This is not recommended as addressing the recommendations will enable the Council to continue to improve.

7. Implications

- 7.1 Appendix 1 sets out the relevant implications considered in the preparation of the report.

8. Background Papers

- 8.1 None identified.

9. Appendices

- 9.1 Appendix 1- Implications
- 9.2 Appendix 2 – LGA Remote Corporate Health Check Feedback Report

10. Recommendations

That Cabinet:

- a) Consider and approve the Corporate Peer Challenge Follow Up Visit/ Corporate Health Check Feedback Report for publication.
- b) Note the areas of success articulated by the Peer Team and celebrate the progress and improvement journey made by the Council over the last three years.
- c) Note the areas for further consideration by the Council over the coming period and the recommendations made by the LGA Peer Team as set out in the report
- d) Agree the outlined next steps to address recommendations as set out in the report and proposed alignment with the development of the Council Plan refresh 2022-23
- e) Receive a further update on progress in due course.

11. Reasons for Recommendations

- 11.1 To make available the LGA's Remote Health Check Feedback Report.
- 11.2 To ensure there is a shared understanding of the progress made by the Council on its improvement journey over the last three years.
- 11.3 To ensure Cabinet is aware of the outlined areas for consideration and to make provision for these in the development of relevant plans and strategies over the coming period.
- 11.2 To ensure plans are in place to address the LGA's recommendations.

12. Is it necessary to waive the call in period?

12.1 No

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Implications

Financial

1.1 There are no financial implications.

Legal

2.1 None identified

Human Resources

3.1 There are no Human Resource implications associated with the report. Any Human Resource implications arising from planned actions to address key recommendations will be considered separately

Information Technology

4.1 None identified

Equalities Impact

5.1 The LGA Remote Corporate Health Check Feedback Report provides indirect benefits for all its residents through the improvements identified.

Corporate objectives and priorities for change

6.1 The LGA Feedback Report provides areas for further consideration for the Council in respect of the Council's three strategic pillars of Enterprising Council, Thriving Communities and Vision Derbyshire. The actions to address the final Peer Challenge report recommendations will form part of the Council Plan 2022-23 Delivery Plan which is currently in development. This will ensure that there is one clear action plan to take forward transformation activity, which will be important in ensuring the Council is clear about its priorities in this regard moving forward.

LGA Remote Corporate Health Check

Derbyshire County Council

Dates of Health Check: 18th & 19th October 2021

Feedback Report





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2. Executive Summary **Error! Bookmark not defined.**

3. Recommendations **Error! Bookmark not defined.**

4. Feedback on the core themes of the health check **Error! Bookmark not defined.**

5. Final thoughts and next steps 9

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Introduction

A Remote Corporate Health Check is a key part of the LGA's Sector Support Offer. It provides a council with peer led improvement support that is delivered remotely.

On 18th & 19th October 2021 Derbyshire County Council undertook an LGA Remote Corporate Health Check (RCHC). As part of this Remote Corporate Health Check, the Peer Team reviewed progress of the Council's improvement journey against the recommendations made in its full corporate peer challenge in October 2018.

The Peer Team for the Remote Corporate Health Check included the following participants:

- **Paul Masters** - Chief Executive, Council of the Isles of Scilly
- **Cllr Keith Glazier** - Leader, East Sussex County Council
- **Stephen Chandler** - Corporate Director, Adults and Housing Services, Oxfordshire County Council
- **Richard Puleston** - Director Policy Unit, Essex County Council
- **Selena Lansley** – Senior Adviser (Workforce & Negotiations), LGA
- **Satvinder Rana** – Programme Manager, LGA

The peer team reviewed a range of information to ensure it was familiar with the council's progress since the Corporate Peer Challenge of October 2018. The peer team spent 2 days doing remote field work at Derbyshire County Council during which it:

- Spoke to more than 40 people including a range of council staff together with councillors and external stakeholders
- Gathered information and views from more than 16 meetings and additional research and reading
- Collectively spent more than 120 hours to determine our findings – the equivalent of one person spending over 3 weeks in Derbyshire County Council

Feedback was provided at the end of the remote field work and that is now being followed up by this short report.

Background

Derbyshire County Council received an LGA Corporate Peer Challenge during 22nd – 25th October 2018. Feedback from the Corporate Peer Challenge concluded that:

‘There is a widespread willingness to improve on many levels and to move away from the traditional model of a county council which has had a focus on direct provision, and to improve the pace of change. The next steps should be to clarify and communicate the political vision; invest in corporate infrastructure and a more strategic way of working; and underpin delivery with a robust performance management framework which is regularly reported to members and made public’.

The Peer Challenge Team made a series of recommendations to help the Council along its improvement journey as follows:

- 1) Undertake more work on the Enterprising Council concept.
- 2) Develop a clear operating model to reflect the development of the Enterprising Council.
- 3) Take active and deliberate steps to move towards a One Council approach and strengthen corporate capacity.
- 4) Clarify the intentions within the Council Plan (the Corporate Plan) by refining priorities and underpinning these with more visible targets and identifiable resources.
- 5) Develop a more consistent and strategic approach to the council’s budget and financial systems, aligned to corporate priorities.
- 6) Ensure members receive transparent and timely reports on the council’s performance.
- 7) Partnership working is mixed and needs further investment.

This report provides a written summary of the key observations made by the peer team during their follow up remote corporate health check at Derbyshire County Council. It addresses the key issues of the recommendations made in October 2018 and provides some key reflections on the Council’s onward improvement journey.

Feedback and Key Reflections

The Peer Team was very impressed with the progress the Council has made during some unprecedented and challenging times. The Council has come a long way on a journey and now need to embed the improvements made into the culture and day-to-

day operations of the organisation so that they are sustained going forward.

The Council has faced numerous challenges from COVID to multiple floods and is recognised by all as a Council that excelled in emergency situations. Everybody the Peer Team spoke to, internally and externally, were incredibly impressed by the way the Council stood up in times of crisis. People looked on the Council as a safe and trusted organisation that took the leadership role and acted at speed.

The Peer Team was particularly heartened to see the positive way in which the Council addressed the recommendations of the Corporate Peer Challenge of 2018 and the evidence provided to show the progress made, especially during such challenging times.

There is visible and active political leadership provided by the Leader and Cabinet. The Leader is making his presence felt in national, regional, and sub-regional forums; and through the support of a committed and effective senior management team the Council is beginning to take a much more outward looking leadership role.

The Peer Team was impressed to hear from both partners and council staff the positive culture of partnership working, and the pride and commitment people have in working for the Council. These are huge assets for the Council that will help in delivering its ambitions for Derbyshire residents.

Enterprising Council

There is growing articulation and understanding of the Enterprising Council concept at the senior leadership levels. The concept has now been firmed up with a strategy and action plan and these are owned by the Cabinet and senior managers. Nevertheless, there is still a lack of clarity and understanding of the corporate intent and ambition among partners and staff. There is therefore some further work to be done to clarify what the Council is trying to achieve and what it will prioritise. This may mean communicating in very simple ways 'what' the message looks like in practice and 'how' people can embed it in their work and through their behaviours and actions. It calls for a concerted communication and engagement exercise to put the message out in a clear and simple way.

The Council has made good progress in strengthening its corporate capacity. The positive move to the centralisation of corporate services such as Human Resources and Procurement functions; and the proposal for a central Programme Management Office are positive steps in giving a strategic context to the Council. These changes have not only delivered efficiencies and led to better services but have also been well received by staff.

To build a 'One Council' approach the Peer Team was pleased to see that corporate initiatives, such as climate change for example, are being championed by strategic

directors outside of their traditional service areas. This will help to break down silos and drive home the message of the 'One Council' approach. It should also lead to more cross-service collaborations and shared learning.

It was good to see the Council celebrating success through awards and embracing external challenge. Staff were particularly proud of the achievements made and there feels to be a greater acceptance of positively opening the organisation to constructive challenge. Going forward, the Council should now develop a stronger sense of strategic transformation through regular organisational conversations and communication to further engage the whole workforce and key partners so it can deliver its ambitions at pace. This could involve putting in place 'all staff days' and periodic partnership planning workshops/conferences, etc.

The Council has high ambitions articulated in its Enterprising Council strategy and the Council Plan through 'Vision Derbyshire', 'Thriving Communities' and the 'County Deal'. The Council will need to ensure that it has the right capacity in the right places to deliver against these ambitions. For example, is the capacity to generate economic growth and fuel post pandemic recovery in place across the County? Ensuring this capacity is in place will reap huge rewards for the Council.

Council Plan and Performance

A sharper vision and tighter priorities are provided by the Council Plan, which is now in a much better position and is owned and driven by the Cabinet. The Council Plan is also underpinned by a clear delivery plan which Cabinet can use to track progress.

The efforts put into developing the performance management framework and the quality of information presented to Cabinet Members is commendable and this is now leading to better and quicker decision-making. The Peer Team heard how useful Cabinet Members find this information and are now in a much better position to communicate and promote the Council's achievements to the public.

Going forward, the peer Team heard about plans to make further improvements to sharpen up and better align service plans, corporate risk, major projects with the budget. This would be the logical next step to enable the Council to have a completely integrated corporate and service planning process aligned with financial planning; and with performance data, risk management, and progress against strategic programmes being reported through the Programme Management Office.

The Peer Team would also suggest that the Council should consider making more use of analytics and quality data in its decision-making processes. The value of data and evidence driven decision-making has been demonstrated during the pandemic and this should be an area to develop going forward.

Finance and Capacity

The move to appointing a permanent Managing Director is universally welcomed as an evolution to build on the previous collaborative management model. This should help to strengthen managerial leadership and provide a clear strategic focus in the Council.

The Peer Team was pleased to note that some of the positive impacts of the pandemic on its partnership working, agility in decision-making, more flexible ways of working, better use of modern technologies, enhanced communication, community resilience, volunteering, environment etc are being taken forward and built upon by the Council. All these positives should help the Council accelerate improvements as it moves into the post-pandemic 'new normal'. It will be important to ensure the organisational culture continues to shift in a positive direction to build for the future and that people continue feeling connected to the organisation.

Financial responsibility and decision making has been improved through greater delegation thereby facilitating more agile decision-making. However, there is still work to be done to rigorously align the budget to corporate priorities to support the achievement of future savings to be made. Furthermore, as the Council emerges from the pandemic it is important to review the financial plan to recognise the new financial environment, e.g. care markets, inflation, and other known risks; and drive forward any consequences. It will therefore be even more important to ensure that the Medium-Term-Financial-Plan (MTFP) is wrapped around the Council's strategic plans. This will enable Members and officers to have a clear line of view of how the delivery of the Council's priorities and operational plans will be financed, where the pressure points are likely to be and how savings are to be delivered.

In terms of the internal capacity of the Council it will be important to ensure that this is appropriate and in line with the Council's more outward looking and ambitious culture. Cabinet Members should be clear that the right organisational resources are in the right places to drive forward their ambitions, and that this is developed to take on emerging challenges.

In terms of political capacity, it is recommended that the Council should review the opportunities for cross-party working through communication, the right officer support and training for all Members - building on the work of the scrutiny review and the Member Development Group. The Peer Team recognises the strength of the senior management and Cabinet Member training to build a single team, as well as the leadership development courses that have taken place and would encourage all this to be continued and built upon.

Partnership Working

There are clearly good aspirations in place for the County, and these are being articulated through 'Vision Derbyshire' and the 'County Deal'. The challenge now is to bring all key stakeholders on board with the aspirations and ensure they are

shared by all key stakeholders.

The Peer Team was pleased to note the very visible investment in partnership working and the good relationships the Council has with key strategic partners. This was also acknowledged and appreciated by the Council's partners. They have been incredibly impressed with the extra mile that the Council is currently going, especially by the political leadership going out and visiting all the partners to make the case for the 'County Deal' and 'Vision Derbyshire'.

This work should continue and be expanded to ensure all key partners e.g. parish councils, colleges, universities, and the business sector are not only involved but that their capacity is captured to deliver, for example, 'Vision Derbyshire' and 'Thriving Communities' objectives. This may mean further strengthening co-design and co-production approaches with partners and utilising the key strengths of others to lead would be worthwhile where appropriate.

By building on the good work undertaken to align the Council behind some strong values and behaviours, tightening up its strategic functions, clearly articulating the Council's plans for the future, continue investing in partnership working, and wrapping the MTFP around corporate ambitions and priorities, the Council is in a strong position to deliver impressive results for the people of Derbyshire.

Recommendations

The Peer Team was impressed by the progress made against the original recommendations of The Corporate Peer Challenge of 2018. Derbyshire is on a successful improvement journey and it is now beginning to reap rewards. To keep this journey on track and accelerate it further the Peer Team would make the following recommendations to build upon the excellent work to date:

- 1) Simplify and continue creatively communicating the Enterprising Council concept so that it can better engage middle management and frontline staff to ensure everyone understands it and is onboard with it.
- 2) Continue to improve and refine the Council's management processes and partnership working to ensure all available capacity is harnessed to deliver for Derbyshire residents.
- 3) Continue to communicate and sell the ambition of 'Vision Derbyshire' and the 'County Deal' to all stakeholders, by clearly outlining the benefits and added value for the County.



Next steps

The LGA would like to thank Derbyshire County Council for undertaking an LGA Remote Corporate Health Check.

We appreciate that 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.

Under the umbrella of LGA sector-led improvement, there is an on-going offer of support to councils. The LGA is well placed to provide additional support, advice, and guidance on a number of the areas identified for development and improvement and we would be happy to discuss this. Mark Edgell (Principal Adviser) is the main point of contact between the authority and the Local Government Association (LGA). His e-mail address is mark.edgell@local.gov.uk Tel: 07747 636 910

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