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**PEER CHALLENGE 2013**

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**Responsible Cabinet Member - Councillor Bill Dixon, Leader**

**Responsible Director - Ada Burns, Chief Executive**

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**SUMMARY REPORT**

**Purpose of the Report**

1. To advise Cabinet of the outcome of the Corporate Peer Challenge, undertaken by the Local Government Association (LGA) from 4 to 7 June 2013.

**Summary**

2. Introduced in 2011, Corporate Peer Challenge is a core component of the Local Government Association's (LGA) 'Taking the Lead' Strategy. All Councils have the opportunity to take part, at no cost. The challenge process is less prescriptive than the former CPA/CAA inspections and teams have more freedom to explore and challenge Councils performance on specific areas of interest. In addition Council's volunteering for a Challenge can submit a specific focus that they wish to see addressed.
3. The Challenge Team was with the Council from 4 –7 June with the following team:
  - (a) Barbara Spicer - Chief Executive Salford City Council
  - (b) Cllr Sir Merrick Cockell - Leader Royal Borough of Kensington & Chelsea and Chair of the LGA
  - (c) Cllr Tudor Evans - Leader of Plymouth City Council
  - (d) Michael Laing - Director Community Based Services, Gateshead Council
  - (e) Lucy Robinson the Deputy Chief Executive at Suffolk County Council
  - (f) LGA Peer Challenge Manager - Marcus Coulson
4. The Peer Challenge has five standard components plus 3 additional areas that were requested by the Council:
  - (a) Core Components
  - (b) Understanding local context and priority setting
  - (c) Financial planning and viability
  - (d) Political and managerial leadership
  - (e) Governance and decision making

(f) Organisational Capacity

The additional components requested:

- (a) Look at the actions taken to deliver change and drive down costs
- (b) Test and constructively challenge current plans and proposals
- (c) Identify any other potential measures to manage down demand, reduce or deliver services in more cost-effective ways including through whatever delivery mechanism

*“We are keen that the Peer Challenge team examine what we have done, are doing, and could do, to address the financial challenge and enable us to serve Darlington well. We are particularly interested in your reflections on driving down costs, on scope to grow our tax base and economy, and on the relationships the Council needs to forge to build a medium-term strategy for the Council”.*

5. The Corporate Challenge Team concluded their visit on Friday 7 June, with a feedback presentation in the Council Chamber. A report has been received and is attached at **Appendix 1**.
6. There is much to be proud and pleased with in the conclusions the Team reached, after discussions involving over 130 people, from all sectors – Council, Business, Voluntary Sector, Community Groups, neighbouring Councils, and other public services. The first section of the report highlights the background context the team found:
  - (a) “Darlington’s reputation is as a good Council, well run
  - (b) Strong local identity, well expressed, well placed
  - (c) Success based on careful, thoughtful development
  - (d) Strong record of achievement since 1997
  - (e) Evidence of numerous successful activities
  - (f) You punch above your weight using a particular style
  - (g) Your approach has been successful being pragmatic seeking to exploit opportunities as they arise
  - (h) You see things through to a successful conclusion”
7. There are detailed a host of achievements and strengths, from the success in our shared services partnership with Stockton, to the achievements in raising attainment in schools, and delivering on ambitious regeneration projects and programmes.
8. Nevertheless, given the financial challenge that all of Local Government face that will almost certainly run through the remainder of this decade, we have a tough task ahead, and the team “recognise the level of financial difficulty that you have come through, and that having successfully managed the reduction in resources to date whilst maintaining relatively high levels of service delivery, the Council now faces a dilemma. You can no longer manage the projected future reductions in funding in the way you have in the past”.

9. The Report makes a series of recommendations for action that are summarised in the Main Report and detailed within **Appendix 2**.

### Recommendation

10. It is recommended that :

- (a) Receive the Peer Challenge report, and ensure that it is widely available;
- (b) Note and comment on the approach to following up on its recommendations

### Reasons

11. The recommendations are supported by the following reasons :

- (a) The Peer Challenge process has provided a valuable external review of the progress Darlington is and can make to serve the population of the borough.
- (b) There are valuable recommendations within the report that can support the Council's strategies and plans.

**Ada Burns**  
**Chief Executive**

### Background Papers

- (i) Sector-led Improvement in Local Government: LGA
- (ii) Darlington Peer Challenge 2013 Position Statement
- (iii) Darlington Peer Challenge report August 2013

Ada Burns : Extension 2010  
BAH

S17 Crime and Disorder	The Peer Challenge process is intended to support improvement in all aspects of Council business
Health and Well Being	The Peer Challenge process is intended to support improvement in all aspects of Council business
Carbon Impact	No direct implications
Diversity	The process considered how well the Council understands its population
Wards Affected	All
Groups Affected	All
Budget and Policy Framework	No direct implications
Key Decision	No
Urgent Decision	No
One Darlington: Perfectly Placed	The Peer Challenge process is intended to support improvement in all aspects of Council business
Efficiency	The report considers how the Council can address its financial challenges

## MAIN REPORT

### Information and Analysis

12. The Report highlights a breadth of achievement and strengths within the Council and its internal and external relationships that bode well for the challenges ahead. Some key conclusions are:

*“Darlington Borough Council has the reputation of being a good council which is well run. This was a consistent message we heard whilst we were on-site.*

*The Council has successfully built upon a very strong community identity and local allegiances to ensure that Darlington maintains its sense of distinctiveness and pride, expressed through its vision and strategy. You are, as you say, well placed.*

*Staff at the Council are positive about their roles, hard-working and deliver good services. This was evident from consideration of the successes of the authority over the recent past and talking to a wide variety of people. This is a very obvious strength and they should be commended for this as the organisation has gone and will continue to go through significant change.*

*The Peer Challenge Team found that there is a very high degree of trust in relationships with partners. There are positive relationships with local and national businesses, the voluntary and community sector and with statutory partners such as Police, Fire and Rescue and Health and a desire to work more closely with the Council. This bodes well for any further direction that the Council wishes to set for the town and those who live and work there.*

*Darlington Borough Council has a history and a reputation for sound financial management. This is evidenced through the recent savings of £19m in a comparatively small budget, completed to time and plan. The Council has, by choice, been a low cost and low tax authority delivering good services to residents”.*

13. Alongside the welcome acknowledgement of the Council’s strengths are some equally welcome recommendations that address both the core components and the additional focus the Team were asked to consider. The Appendix details all of these but the primary elements are as follows.

### Ambition

14. The Team commented on the risks associated with our efforts to raise public and partner awareness of the scale of the financial challenge and likely implications for the pattern of services. Whilst acknowledging the need to face up to the impacts of reducing resources, the report says that the Council needs “again to tell an optimistic and positive story about the future of Darlington to your community, stakeholders and staff”.

15. This is a dilemma that many Councils are facing; the need to raise awareness of the likely impacts of spending reductions and to engage people in debate on the choices that have to be made, balanced with the need to convey the undaunted ambition of the Council for the borough, and determination to find solutions that will continue to serve the people of Darlington well.
16. The Council, since the visit, has had the opportunity to publicise a number of significant developments supportive to the Darlington economy, including the announcements in relation to Central Park, and the town centre.

### **Planning into the medium to long term – A Vision for Public Services**

17. The Council operates on a rolling four year Medium Term Financial Plan and in that context has been working on its strategies until 2016/17, during which period a further £15m needs to be saved. The Team recommended that the Council start working on the period that takes us through the remainder of the decade, in the expectation that there will continue to be severe constraints on resources for public services, and continued increases in demand.
18. The Council has big ambitions for Darlington, as illustrated over the last year alone by work across a range of fronts to determine outcomes and commissioning priorities for services. These have included:
  - (a) A vision for the Town Centre, and Town Centre Fringe
  - (b) Economic strategy (co-produced with the business community)
  - (c) Commissioning narrative for Children's and Adult Services
  - (d) Health and Wellbeing Delivery Plan
  - (e) With Tees Valley, a Successful City Deal bid
19. The Team recommended that the Council, with its public sector partners, initiate work to develop a strategy that ensures these ambitions can still be realised, in the context of limited resources. Their suggestion is that it is in the scope for combined planning, commissioning and potentially delivery of public services across all public services that some of the most significant opportunities rest.

“We believe you have the ability to take hold of and shape the public service reform agenda. In particular you need, with partners, to take a radical look at how services will be provided and by whom. This should drive you to look to work with all the public sector organisations that operate in the footprint of Darlington, delivering to the same communities. Bring others together, create a vision that they can buy into and then collectively work together to achieve”.

20. There is already work underway with the Clinical Commissioning Group to identify and deliver a programme of joint improvement and transformation across health and social care, as our most significant area of spend. Work on a successor collaborative to the highly successful Dementia Collaborative is underway, focusing on Long Term Conditions. However it is recognised that the Council and its public sector partners would benefit from the development of a joint vision for public services by 2020 that would shape and inform specific service improvement initiatives.

## **Delivery and Pace**

21. The Team identified many examples of innovative and ambitious approaches that have both saved money and improved outcomes for the population. They also noted that good work had been undertaken to develop potential delivery models for social care with Hartlepool and Redcar and Cleveland Borough Councils. They acknowledged the capacity and the will within the voluntary and community sectors to be a part of the solution.
22. They recommended that the Council work to increase pace of delivery, and determine more swiftly which opportunities offer the best prospects and ensure that these are progressed to implementation.

## **Capacity**

23. The Team commented on the positive political relationships, on the pride and ambition of Members and on the commitment and calibre of Officers. In that respect their view is that the Council has “most of the capability and capacity” it needs to drive and deliver the changes.
24. They recommended, however, that Members and Officers ensure they can make time to reflect on future challenges, and also that the Council consider whether it has “enough senior management capacity to deliver on new approaches”.

## **Next Steps**

25. The Council has already begun to reflect on the learning from the report and process and following the public Money Talks events is developing its approach to the challenges ahead. This will be the subject of a further report in the Autumn.
26. The report has already been placed on the Council’s Internet site and has been distributed to all those who contributed or were interviewed, including the Council’s workforce.

## **Conclusions**

27. This exercise has had huge value for the Council. Preparation for the visit enabled us to stock-take what we have achieved and where our strengths and weaknesses lie. The visit and subsequent feedback offered affirmation of the progress being made, as well as constructive challenge on where we need to improve.
28. The most valuable comment that can be made of any inspection or improvement regime is where the recipients can recognise what is being said, and endorse the advice and recommendations being made. This process has offered a sound reflection of the Council and a platform for continued good work.