


LGA Corporate Peer Challenge

Darlington Borough Council

20th – 23rd June 2022

Feedback report





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1. Executive summary

Darlington is a borough centred on what remains an attractive market town with a world-famous rail heritage. The changing economic landscape has left significant challenges of inequality and deprivation, but it has its eye firmly fixed on transforming itself into a dynamic and exciting place with a growing economy.

For the third smallest unitary council in the country, Darlington Borough Council is an ambitious organisation with a track record and reputation for the delivery of good quality services and exciting regeneration projects which are transforming the town centre. The passion for the local area among Members, staff and partners is strong and this drives the organisation's ambitions.

The Council has a clear and powerful vision focused on driving the economic growth of the Borough. This is passionately articulated by both the political leadership and senior management of the Council. This focus is a strong fit with the opportunities presented by the Government's Levelling Up agenda.

There is a resonance to this agenda and is widely supported by staff and partners the peer team met. People are proud, enthusiastic and committed to work as part of 'Team Darlington' to deliver for the Borough - *"This is a proud time to live and work in Darlington. What we have to look forward to is unbelievable"*. The improvement in the physical infrastructure is naturally raising aspiration because people can see new buildings and facilities in the Borough, and they are beginning to see the opportunities these improvements offer.

The Council is well led with a positive culture, where staff are keen to get on with things and make a difference to the Borough. Compared to local government as a whole, the organisation is financially secure and has the appropriate governance and risk management arrangements in place - though there are emerging financial risks on the horizon associated with increased demand for social care services, inflation and the cost-of-living crises.

Although there is strong high-level support for the focus on economic growth, there are opportunities to systematically link and amplify economic regeneration more closely to other social objectives of the Council such as deprivation and inequality.

Work needs to be done to ensure that staff at all levels, as well as partners and residents understand the vision and priorities as they apply to them. This means better defining the ambitions in terms of desired outcomes and underpinning these with a robust performance monitoring and reporting framework that is clearly understood by resident, partners and staff.

The peer team would recommend the Council to strengthen the relationship between ambition, strategy and benefits to local communities by promoting a consistent yet simplified message which clearly spells out what all this means for residents. The Council's proposed 'Levelling Up Darlington Plan' would seem the ideal mechanism for achieving this and the peer team would encourage the Council to progress this at speed.

Darlington is well attuned to the local community and its needs. Nevertheless, there are gaps in the engagement of some partners, and we suggest these are filled through the establishment of a refreshed strategic partnership for Darlington which can focus on engaging all partners in the delivery of the Levelling Up Darlington Plan, including the business community and the community & voluntary sector.

Further afield, relationships with the Tees Valley Combined Authority and proactive engagement with the Integrated Care System can and should be strengthened to increase opportunities for the Council to draw in further investments and capacity to the Borough and ensure Darlington's interests are best served.

2. Key recommendations

There are a number of observations and suggestions within the main section of the report. The following are the peer team's key recommendations to the Council:

2.1. Recommendation 1

Develop a strategic framework to ensure that economic growth is linked to tackling the challenges of inequality and deprivation in Darlington.

The proposed Levelling Up Darlington Plan seems to be an ideal mechanism for doing this, and it should be progressed as soon as possible. This will widen the strategic agenda and enable staff, partners and residents to visualise the future and

their place within it. It will also assist in influencing the alignment of external investment decisions to the full set of key priorities of the Council.

2.2. Recommendation 2

Undertake further work to ensure the whole of the organisation understands their role in Council priorities, including making the link between economic growth and improving opportunities for the most vulnerable in the Borough.

The Council can extend its induction process for new starters to help do this. This will enable the Council to use this engagement to drive wider transformation and organisational development activity in the Council. It will also assist in utilising capacity in a targeted and effective way.

2.3. Recommendation 3

Establish a refreshed strategic partnership for Darlington which can engage all partners in the delivery of the Levelling Up Darlington Plan, including the business community and the community & voluntary sector.

This will help to boost and utilise the resources and capacity of all stakeholders because they will all be working to the same or similar priorities and objectives.

2.4. Recommendation 4

Further lever the Council's strategic influence in the region.

This can be done by continuing to develop the existing strong link through the economic sub-region into the Tees Valley Combined Authority and taking greater advantage of the capacity available; and by continuing to play a strong leadership role in the development of the Integrated Care System across the Northeast to maximise the influence for Darlington.

2.5. Recommendation 5

Review the assumptions in the MTFP - particularly the reliance on reserves over the medium term - in the light of rising costs, increased demand for social care services and greater economic uncertainty.

This will enable the Council to fully understand and reflect the impact of variables and ensure a robust strategy going forward that is not overly reliant on reserves in the

medium term.

2.6. Recommendation 6

Develop, with partners and local people, a compelling narrative as to how economic growth brings benefits to residents and communities.

This appears to be a significant time for Darlington, and the Council has the opportunity to market and promote its unique characteristic to a global audience in respect of its programme to celebrate its rail heritage in 2025. It should start doing this now!

3. Summary of the peer challenge approach

3.1. The peer team

Peer challenges are delivered by experienced elected Member and officer peers. The make-up of the peer team reflected the focus of the peer challenge and peers were selected based on their relevant expertise. The peers were:

- **Mike Jackson** (Chief Executive - Bristol City Council)
- **Councillor Rob Waltham, MBE** (Leader of the Council - North Lincolnshire Council)
- **Rachel North** (Deputy Chief Executive (Communities and Place) - Derby City Council)
- **Adele Taylor** (Executive Director of Resources - Royal Borough of Windsor & Maidenhead)
- **Jacqui Gay** (Head of Communications - Kingston upon Hull City Council)
- **Satvinder Rana** (Programme Manager - LGA)

3.2. Scope and focus

The peer team considered the following five themes which form the core components of all Corporate Peer Challenges. These areas are critical to councils' performance and improvement.

1. **Local priorities and outcomes** - Are the Council's priorities clear and

informed by the local context? Is the Council delivering effectively on its priorities?

2. **Organisational and place leadership** - Does the Council provide effective local leadership? Are there good relationships with partner organisations and local communities?
3. **Governance and culture** - Are there clear and robust governance arrangements? Is there a culture of challenge and scrutiny?
4. **Financial planning and management** - Does the Council have a grip on its current financial position? Does the Council have a strategy and a plan to address its financial challenges?
5. **Capacity for improvement** - Is the organisation able to support delivery of local priorities? Does the Council have the capacity to improve?

In addition to these questions, the Council asked the peer team to provide feedback on *its customer/citizen engagement and how the Council interacts with them to see if there are improvements to be made within the context of resources available.*

3.3. The peer challenge process

Peer challenges are improvement focused; it is important to stress that this was not an inspection. The process is not designed to provide an in-depth or technical assessment of plans and proposals. The peer team used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read.

The peer team prepared by reviewing a range of documents and information to ensure they were familiar with the Council and the challenges it is facing. The team then spent three days *onsite* at Darlington Borough Council, during which they:

- Gathered information and views from around 38 meetings, in addition to further research and reading.
- Spoke to over 120 people including a range of council staff together with members and external stakeholders.

This report provides a summary of the peer team's findings. In presenting feedback, they have done so as fellow local government officers and Members.

4. Feedback

4.1. Local priorities and outcomes

Darlington Borough Council is an ambitious organisation with a clear and powerful focus on economic growth. The vision for the place and the priorities attached to that are outlined in the Council Plan for 2020-23 and they resonate well with senior staff and public sector partners. A new Local Plan was adopted earlier this year which gives a strategic direction for the development of the Borough and the Council has been successful in securing a number of funding interventions, including £23.3m from the Government's Towns Fund Programme.

The focus on economic growth has been successful in helping the Council to attract new investment, jobs and housing growth in the Borough. The Council has already delivered several high-profile 'hard' infrastructure projects such as the £1.78m bowling alley at the Dolphin Centre; the construction of Feethams House and Multi Story Car Park at a cost of £16m to provide Grade A office space; the DL1 leisure scheme that includes a cinema, hotel, restaurants and commercial premises; and £1.14m of improvements to the public realm around Darlington's Railway station. Furthermore, significant notable private sector investments have taken place including a new Amazon fulfilment centre.

Going forward, there continues to be a big and exciting regeneration programme in the pipeline with schemes such as the £1.96m Linear Park project as part of the Town Deal, the Treasury Campus to accommodate 1,500 civil service positions, private rented residential units and affordable homes scheme in the town centre, the £7.7m Northern Echo and Library investment to support education and adult skills as well as new office space, and other such investments into town centre refurbishments. There are also exciting plans to celebrate the 200-year anniversary of the Stockton and Darlington Railway in 2025 which will see the Darlington Railway Heritage Quarter developed into a new internationally significant major visitor attraction and museum.

These schemes are all very positive and will transform the local economy and

Darlington as a place. However, whilst the Council has its Council Plan where progress is reported every 6 months to Cabinet, what is not clearly coming out at present is an understanding of how all the projects fit into the bigger plans for Darlington and what outcomes they will bring to the area and its residents. There is, therefore, great scope to link this success in regenerating the place to the wider social and environmental objectives of the Council such as tackling the challenges of deprivation, health inequality and climate change.

Sharpening the focus around 'soft' infrastructure and by making a stronger connection between 'place' and 'people' the Council can create greater social value and demonstrate the tangible impact it is making on improving the quality of life and positively impacting on reducing health inequalities of local people. For example, investments in skills development, employment support, local and sustainable procurement, focused planning policies, etc should complement the investment and opportunities being created through new buildings and office spaces. Enabling local people to connect into those opportunities through clear pathways to new skills, jobs and business opportunities will ensure local jobs and business opportunities are more likely to be better accessible to local people. These are all key determinants of health that will improve over time the inequalities that currently exist.

There are some excellent examples of projects on the ground (for example, Northgate initiative, The Bread-and-Butter Thing, Healthy Town Initiative, an impressive events programme to increase town centre footfall, etc) which make the connection between strategy and delivery and between 'place' and 'people', but this needs to be done through a strategic framework to ensure that the whole Council and its partners are making these connections on a systematic basis. Furthermore, the learning from these successful initiatives need to be embedded in revised council policies and the Levelling Up Darlington Plan.

The relationships between vision, strategy and benefits to local communities could be further strengthened by developing a 'Darlington Story' as part of the Levelling Up Darlington Plan to help local communities better understand what it is that the Council and its partners are trying to achieve and how the investments will translate into local areas and into the lives of local communities. This story should then be communicated through simple messaging so that people can understand what their responsibilities to the Borough are and how they fit into its future.

This may require strengthening outcome targets and performance measures against ambitions to demonstrate how the vision, priorities and projects are delivering real outcomes for local communities. The Council currently has a comprehensive performance monitoring system in place with twice yearly reporting and scrutiny, but information is contained in large complex documents. Consideration should be given to how headline performance data on key performance measures and the delivery of Council priorities are presented in easy to digest format (such as a traffic light system that the Council has used previously) which Members, partners and residents can readily access, understand and easily see the difference the Council is making.

4.2. Organisational and place leadership

Darlington Borough Council is well led both politically and managerially. The relatively new Administration and senior executive team have gelled well and led the organisation through testing times whilst delivering good quality services during the pandemic.

Together, the Cabinet and senior executive team provide a powerful and clear focus on economic growth. It is using this to develop a wider place shaping agenda to help deliver the Levelling Up Darlington Plan. Developing a strong narrative about the future of Darlington and communicating this through clear and consistent messaging, engagement and communication with residents, businesses, and strategic partners will help to consolidate the Council's place leadership role and secure sustained buy-in to its ambitions and priorities. This means promoting, sharing and agreeing with key stakeholders how the Borough is being developed, the kind of economy the Borough wants to foster, and the outcomes people can expect to see in the short, medium, and long terms.

On the regional and sub-regional level, there are opportunities for the Council to maximise influence for Darlington by playing a fuller role through, for example, the development of the Integrated Care system across the North East and acting as a conduit between North Yorkshire and Durham and the Tees Valley. There is also an opportunity for the council to leverage resources and capacity from the Tees Valley Combined Authority by strengthening its role and engagement and working more closely to align its ambitions with those of the region. This kind of alignment can help to both influence investment decisions and position the Borough to benefit from them.

The Council has already delivered an impressive regeneration programme in the Borough and has very good relationships with its public sector partners through the Public Sector Executive Group, but its ambitions for sustainable economic growth going forward will require a much deeper relationship with some of the other key local strategic partners and the local community. This includes broadening and strengthening the Council's strategic partnership working to include the business community, as well as the community and voluntary sector so that the capacity of all partners is being harnessed in delivering the ambitions for Darlington.

There is real appetite among the local business, community and voluntary sectors to work with the Council to co-produce solutions to local challenges, including engaging with local communities. This opportunity should be grasped.

Overall, the Council delivers good standard of core services and is performing at or above average in many areas in comparison to other unitary councils. The latest OFSTED inspection into Children's Services determined that *"young people are benefiting from long-standing, trusting relationships with workers who are emotionally invested in them. Workers provide agile and tailored support which is adapted to care leavers' individual circumstances. This relational approach is underpinned by very strong corporate parenting support, influence and investment. A comprehensive local offer, combined with a plethora of creative and generous opportunities from the wider council and its partners, is contributing to positive outcomes for care leavers"*.

4.3. Governance and culture

Darlington is a well-run Council with all the necessary decision-making, governance and risk management arrangements in place. The Cabinet is providing political leadership and the Leader is supported by seven Cabinet Members with portfolios aligned to the priorities of the Council. The senior executive team provides strategic and managerial leadership with the Chief Executive supported by three Executive Directors leading a group of services. The senior executive team is supported by the Chief Officers' Board consisting of Assistant Directors with service level responsibilities.

The Council feels like a passionate and creative place with committed and dedicated staff at all levels who are proud of working for Darlington. The peer team found Darlington Borough Council to be a very open and honest organisation that listens

and acts upon feedback. The culture of the organisation is welcoming and engaging, and people are working together to get things done and deliver good quality services to their local communities. The energy, commitment and structured ways of working among Chief Officers' Board is very impressive. The peer team would encourage these structured ways of working to be replicated at the middle manager levels too.

Overall, there are good working relationships between Members and officers. Nevertheless, there is room to strengthen these by clarifying policy setting verses strategy/operational delivery expectations. Consideration could be given to a review on, for example:

- An agreed approach for receiving, fielding and responding to Member enquiries with response times
- Producing all Member briefings on key issues to encourage engagement
- Appropriate training and development for Members and officers in collaborative and joint working to support them working in their Wards.

Elected Members at Darlington Borough Council are committed, engaged, and embedded in their local communities. This Member capacity can be further utilised by providing more structured support to them in their roles and meeting their skills and development needs. They have the capacity to provide active community leadership and become forceful ambassadors for the area. Similarly, staff (64.5% of whom live in Darlington) can also be very good local ambassadors who can be used effectively to send positive messages out into local communities and start making that link between what is being delivered on regeneration and the opportunities this presents to local communities. This capacity can be further maximised.

Overview and scrutiny is provided through five Scrutiny Committees - mirroring Cabinet portfolios. There are structured work programmes for overview and scrutiny and the process is well supported by council officers. The overview and scrutiny structure in the Council provides a mechanism for enabling effective challenge; however, it is not clear how all Members can access it. Going forward, training on scrutiny and review should be refreshed to ensure more active engagement from a wider group of Members.

The Council has a corporate equality policy which sets out a vision and framework to

meet the public sector equality duty and has a dedicated equalities officer in post. Underpinning this is a group of advisors representing each service area to advise on equality impact assessments, highlighting emerging external and internal equality matters, and helping to identify solutions to problems.

A bespoke equality and diversity training programme for staff and Members is being delivered to help ensure equality and diversity is considered when developing strategies, policies and operational procedures. The Council should build on these foundations to ensure that all groups benefit from not just investments in services but also the economy and access to education, training and good quality jobs – including those within the Council. Furthermore, because of the relatively small number of people from black and minority ethnic backgrounds in the Borough (probably with weak community support structures) there is potential for these groups to experience higher levels of vulnerabilities. The peer team would ask the Council to be mindful of this and put in place efforts to proactively reach out to people from these groups. No one should be left behind.

4.4. Financial planning and management

The Council has robust financial planning and management, with all the associated risk management and safeguards, in place. It appears to have robust budget monitoring processes and generally manages spend within budget. Members receive regular and detailed reports on both the revenue budgets, the capital programme and progress on individual capital schemes.

There is an organisational risk register and a functioning Audit Committee in place which provides the necessary challenge and assurance. However, the Committee's status and profile should be raised to increase engagement in response to the recommendations in the Redmond Review.

Financially the Council seems reasonably secure and robust in relation to the local government sector as a whole. The Council currently has a healthy General Fund balance and has been increasing its General Fund earmarked reserves, to be utilised and be released over the life of the medium-term financial plan in the current council model to allow time for the positive financial impacts of the economic growth strategy to materialise.

Nevertheless, rapid inflation, increase in demand for social care services, greater economic uncertainty and the very recent intervention by Natural England on Nutrient Neutrality mean the Council, will need to review the assumptions of the Medium-Term Financial Plan to ensure that there is a sound understanding by all about the risks of whether the model materially changes and to understand the impact on the planned use of reserve.

This will require a greater emphasis on system-wide transformation working with partners based on priority outcomes, for example, supporting independent living for vulnerable adults to close any potential gaps. The positive experience of the implementation of Leeds' Family Valued approach across Children's Services and the lessons learned from this programme should be considered for application more broadly across the Council's services to help harness assets in communities and reduce demand more generally.

The Council has a successful shared services partnership with Stockton Borough Council through Xentrall to deliver key back office transactional services. There is potential to explore further commerciality and organisational efficiencies alongside traditional approaches to deliver effective and productive resource management to build up greater financial resilience.

4.5. Capacity for improvement

Darlington Borough Council is in a good place and is using its resources, assets and capacity well. The positivity and commitment of staff provides a strong platform for continued improvements, and the progress already made with limited resources is impressive. Nevertheless, there is a huge agenda to deliver and opportunities to grasp which will make demands on its resources and staff capacity. Both these need to be utilised in the most creative ways.

The infectious enthusiasm of staff could be further harnessed by focusing more on active engagement, particularly on the Council's plans for Levelling Up Darlington. Staff at all levels need to have a depth of understanding of what the Council is trying to achieve and how it will go about doing it. They need to be clear on what their responsibilities are and what role they can play within their service areas. They also need to be aware of the outcomes the Council is trying to achieve for the 'place' and 'people' so that they can use their creativity to help deliver these.

The peer team would therefore suggest that the Council maintain a comprehensive organisational development programme which should include paying more attention to internal staff communication, more cross-service and organisational working, elevating and sharing existing good practice, and developing creative solutions to support recruitment and retention. In addition, it should also explore scope for greater collaboration outside the organisation, for example, working with large employers around shared workforce planning.

With the move of some staff from central government departments to working in Darlington, there is an opportunity to build further on the already strong links between the Council and those departments to ensure a greater level of understanding of what local authorities are facing, especially with treasury colleagues. Being in such a unique position could pose both an opportunity and a threat to the Council and so consideration needs to be given to building strong engagement as early as possible to explore the mutual benefits of having all public sector strands together.

Furthermore, there could be some unique opportunities around staff recruitment and retention for both central and local government that could also improve mutual understanding and the peer team would encourage the Council to explore these.

Other specific focus areas

The Council recognises that it needs to broaden its conversation with residents to improve engagement and communication. It already has a good range of external communication channels, including the 'One Darlington' magazine which is valued by residents and partners, and the Council's presence on social media is improving. Nevertheless, more needs to be done to bring in a level of co-ordination and consistency to ensure that the right messages are reaching the right people at the right time in the most effective way.

At present there is a corporate communications and marketing team within the Council and an overarching 'marketing, communications & engagement strategy' has been drafted. In addition, there are several 'communication staff' dispersed throughout departments doing some impressive work in communicating and engaging with residents, staff and customers. However, not all of this is sighted, captured and promoted corporately nor is it clear how this work is co-ordinated and managed across departments.

Given Darlington's strategy of inclusive growth and the opportunities this now presents for the town and the Council, it can no longer take a piecemeal approach to communication and marketing as the successful outcomes of its economic growth agenda depends very much on how the Borough is presented to residents, partners, visitors and potential investors; and how effectively they can place themselves in the changes taking place and the opportunities the Borough is offering. Furthermore, the town will be competing for investment, visitors, and people to live there - and the Council will be competing for a skilled workforce – so the need to tell a compelling Darlington story becomes all the more important.

The emerging 'marketing, communication & engagement strategy' provides an opportunity to take a more coordinated and systematic approach to this area of work and the peer team would encourage completing this as a priority. It also provides an opportunity to:

- a) Review the communications and marketing resources across the Council to determine if they are being deployed in the most effective way to ensure co-ordination, consistency and corporate messaging.
- b) Boost internal Member and staff communication and engagement as part of the organisational development programme to ensure everyone understands their roles and responsibilities in delivering the vision and priorities of the Council.
- c) Develop a compelling narrative, with partners and local people, as to how economic growth brings benefits to residents and demonstrate how the Council is delivering on its vision for local people.
- d) Change external perceptions of Darlington as it has unique characteristics which place it apart from the rest of Tees Valley and the Council should consider how the Borough is marketed and promoted to a global audience, particularly to maximise the potential of the 200th anniversary of the Town's rail heritage in 2025.

5. Next steps

It is recognised that senior political and managerial leadership will want to consider, discuss and reflect on these findings.

Both the peer team and LGA are keen to build on the relationships formed through the peer challenge. The CPC process includes a six-month check-in meeting. This will be a short, facilitated session which creates space for the Council's senior leadership to update peers on its progress against the action plan and discuss next steps.

In the meantime, Mark Edgell, Principal Adviser for East Midlands, Yorkshire & Humber and North-East, is the main contact between Darlington Borough Council and the Local Government Association. Mark is available to discuss any further support the Council requires. His contact details are Email: mark.edgell@local.gov.uk
Tel: 07747 636 910.



Satvinder Rana

Programme Manager

(On behalf of the peer team)