

# Corporate Peer Challenge

## **Doncaster Metropolitan Borough Council**

16<sup>th</sup> – 20<sup>th</sup> June 2014

Report

## Background and scope of the peer challenge

On behalf of the team, it was a pleasure and privilege to be invited in to Doncaster Metropolitan Borough Council (DMBC) to deliver the recent corporate peer challenge. The team very much appreciated the efforts that went into preparing for the visit and looking after us whilst we were on site and the participation of elected members, staff and partners in the process.

This was one of the corporate peer challenges delivered by the Local Government Association as part of the approach to sector led improvement. Peer challenges are managed and delivered by experienced elected member and officer peers. The peers who delivered the peer challenge were:

Sir Derek Myers, former Chief Executive, RB Kensington and Chelsea, and LB Hammersmith and Fulham Councils
Mayor Sir Steve Bullock, LB of Lewisham (Labour)
Matthew Colledge, former Leader, Trafford Metropolitan Borough Council (Conservative)
John Harrison, Executive Director Resources, Peterborough City Council
David Jennings, Financial Services Manager, Redcar and Cleveland Borough Council
Julia Sweeney, Director of European Programmes and Local Growth Delivery, Department for Communities and Local Government
Judith Hurcombe, Programme Manager (North East, Yorkshire & the Humber and East Midlands), Local Government Association

It is important to stress that this was not an inspection. Peer challenges are improvement-orientated and tailored to meet individual councils' needs. Indeed they are designed to complement and add value to a council's own performance and improvement focus. The peers used their experience and knowledge to reflect on the evidence presented to them by people they met, things they saw and material that they read.

The guiding questions for all corporate peer challenges are:

- Does the council understand its local context and has it established a clear set of priorities?
- Does the council have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully?
- Does the council have effective political and managerial leadership and is it a constructive partnership?
- Are effective governance and decision-making arrangements in place to respond to key challenges and manage change, transformation and disinvestment?
- Are organisational capacity and resources focused in the right areas in order to deliver the agreed priorities?

In order to tailor the peer challenge to Doncaster, you also asked us to:

- Give feedback regarding Doncaster Council's strengths and the areas where improvements still need to be made.
- Provide challenge about the scope and deliverability of future plans.

At the feedback session we undertook to write to you to confirm the team's findings, building on the feedback provided to you on the final day of the peer challenge and, in particular, expanding upon those areas that we highlighted as likely to benefit from some further attention. This report sets out those findings.

## **Executive summary**

In April 2010, the Audit Commission's Corporate Governance Inspection (CGI) report stated Doncaster Council was "failing in its legal obligation to make arrangements to secure continuous improvement in the way in which it exercises its functions, having regard to a combination of economy, efficiency and effectiveness". It is clear from the peer challenge that the council has made progress since that judgement, with staff and partners noticing accelerated progress being made over the last 12 months. Governance and capacity have improved, the council is growing in confidence and is more outward facing, and observed and staff reported behaviours are very different from those observed during the CGI inspection. Based on their collective experience the peer challenge team agree that, with the exception of Children's Services, the council is no longer an outlier. The organisation is stable, both politically and managerially, enabling members and officers to focus their collective activities and look forward together to what the council can achieve for local people. Doncaster Council is now functioning well in a manner consistent with that to be expected in other local authorities.

A key factor in this new stability is the leadership of Mayor Ros Jones and her Cabinet, supported by the Chief Executive and her officers. Leadership at all levels from members and officers is visible across the organisation. Staff reported that whereas in the past, decision making was stifled by dysfunction and division, now it takes place following healthy debate, and by following due process. According to staff, there has been a "sea change" in the culture, enabling them to do their jobs better. Officers speak with high regard for the leadership that Cabinet portfolio holders bring to departments, and of senior members' willingness to lead difficult conversations both internally and externally. Partners welcome the greater outward focus of the council, both locally and within the city region, led by the Mayor and Chief Executive.

Governance has been overhauled over the last four years. As a result there is good co-operative working across the council's membership. Senior staff report decision making is quicker and more transparent. There are fewer call-ins and fewer complaints about the behaviour of elected members. Overview and Scrutiny is improving, is more closely aligned to strategic priorities and has clearer commitment from elected members.

The approach to member development and training has been revised and is more closely aligned to strategic priorities, and includes compulsory sessions relative to roles and responsibilities. Investment in managerial leadership development is paying off, through increased confidence from managers who have been through the Leadership Academy: it has widened their perspective on their own and others' potential, and allowed them to explore greater ambition for themselves, and for what is possible for Doncaster Council, including innovation in service delivery.

The council can rightly be proud of recent achievements including the move to the new purpose built Civic Office built on time and substantially under budget, the improvements to the road network around White Rose Way and the Finningley and Rossington Regeneration Route Scheme (FARRRS) corridor regeneration programme to support jobs and growth in both the logistics and aviation sectors. In addition these infrastructure projects will facilitate significant housing for Doncaster.

Now it is time to more clearly define the longer term vision for the council beyond 2017, and to detail how key strategic priorities such as regeneration and skills development will provide benefit for local people. The Mayor's headline budget is largely in place for the next 3 years, but more detail is needed to explore interrelationships and interdependencies, and in particular, what the council will look like up to and beyond 2017. Greater awareness and consistency of approach is also needed on value for money, and how and when it will be achieved.

The council's three year budget assumes that the council will do less and local communities will do more. The most recent census of population shows that Doncaster as a place is changing, showing population growth from increasingly diverse communities. If economic development and growth ambitions are realised, the demographics of Doncaster will change further, so the council needs to be prepared to explore what these changes may bring and how they will impact on local communities. For example, economic growth will bring new jobs, but will all of these jobs be taken by Doncaster residents? How well equipped will Doncaster's residents be to take advantage of new jobs? If new housing is built to accommodate people working in these new jobs, how will that impact on existing towns and villages? How will the council show leadership to all of its communities in the wake of such change, and in the context of significantly reduced budgets?

A great deal of effort and investment has gone into stabilising and normalising governance arrangements, improving working relationships and bringing about a positive culture. The ambition for Doncaster is matched by a growing self-awareness and acknowledgement that there are challenging times ahead if the council is to manage its efficiencies well and keep pace with other councils. Clarifying and articulating the council's vision for the borough and the organisation, backed by a detailed transformation programme and improved corporate capacity, including a longer term financial planning horizon, and paying ongoing attention to behaviours and governance, will help Doncaster to continue to improve.

## **Recommendations**

- Develop a long term vision for both the borough and the council
- Consider extending the overall horizon for budgeting to a longer time frame such as 5 years
- Develop thinking on value for money and how you know it will be achieved
- Revise those major plans and strategies whose current lifespan ends in 2014
- Develop a detailed transformation delivery plan to articulate when and how the major savings will be delivered, and so that progress can be made on time and be monitored

- Ensure adequate capacity at the corporate centre to ensure that change programmes are delivered on time and consistently across services
- Pay close attention to attitudes and behaviours and challenging anything inappropriate
- Continue to pay close attention to governance and be willing to change approaches and processes to ensure that current strengths are maintained and continue to be enhanced
- Make safe children's services a priority for the whole council
- Keep up to date with local research on how Doncaster is evolving, including opinion and perception surveys

## Context – borough and council

Doncaster is the largest of England's metropolitan boroughs with a geographical area of 550 square kilometres (220 square miles). It is one of four metropolitan councils within South Yorkshire and is part of the Sheffield City Region.

It has a resident population of 302,000 people, of whom around 30% are children and young people under the age of 24 years. The population is ageing and forecasts suggest that by 2021 there will be an additional 9,000 residents aged 65 years and over. The majority of the population (93%) is white British and the 2011 census of population showed an overall increase in the resident population, with growing numbers of people from Eastern Europe settling in the borough.

The local economy was historically based on coal mining, railways, engineering and manufacturing, and although coal mining has ceased, the rail and engineering sectors are significant local employment sectors. The borough has good rail and road transport infrastructure and this has attracted major retailers including Next, Tesco, Ikea, Amazon and B&Q to base their warehouse storage and distribution centres in the town. Doncaster International Railport dispatches goods to Europe by rail via the Channel Tunnel. The A1(M) and M18 run through the borough, and Doncaster train station is on the East Coast Mainline between London and Scotland. Doncaster Robin Hood airport opened in 2005 and the airport business park is an Enterprise Zone.

Various regeneration schemes have been completed, including retail, leisure and sports development at Doncaster Lakeside, and the Waterdale area, which includes a new theatre and the council's new headquarters at the Civic Office.

Doncaster became a Mayoral authority in 2002, and in May 2012 residents voted to keep the Mayoral system. The next Mayoral election is in 2017. Currently elections are conducted by thirds, but from 2015, following the Local Government Boundary Commission for England's review, all out elections will take place every 4 years. In 2015 the election will also be based on a reduced number of elected members (54) and on new ward boundaries within the borough.

The current political composition comprises 64 politicians: Labour (48 including the Directly Elected Mayor), Conservative (9), Non-Aligned Independent (5), UKIP (1) and one vacancy. Mayor Ros Jones (Labour) was elected in 2013: she has a Cabinet of 8 elected members from the Labour Group. The Mayor's priorities for the next 3 years are:

- Creating jobs and housing
- Protecting Doncaster's vital services
- Safeguarding communities
- Bringing down the cost of living
- Being a strong voice for our veterans

The Chief Executive is Jo Miller: she was appointed in 2012. The council's workforce, excluding schools, comprises around 4,300 full time equivalent staff. The council's housing stock of 21,000 homes was transferred in 2005 to St. Leger Homes, an Arm's Length Management Organisation.

The council delivered £93m of budgetary savings between 2011-2014 and a further reduction of £109m by 2017 is required in order to balance the budget. The council's net revenue budget for 2014-15 is £238.6m.

Following the CGI inspection in 2010 the government established a Recovery Board in Doncaster to provide external support to the council and to provide challenge where necessary, as well as to provide regular updates to the government on the progress of the council's recovery. In 2013, following several years of formal intervention and oversight of Children's Services, the Secretary of State for Education ruled that an independent trust would run Children's Services in Doncaster, having responsibility for children's social care. The Trust will become operational from October 2014, with the council retaining responsibility for schools and education. There are currently 3 external commissioners for council-wide intervention and one external commissioner for Children's Services.

An Ofsted inspection of school improvement undertaken in March 2014 found the council's arrangements for supporting school improvement to be ineffective.

## **Detailed findings**

### **Local context and priority setting**

The council is emerging as a strong player in the Sheffield City Region (SCR) and is beginning to punch its weight in discussions both within the Doncaster boundary and beyond. Partners welcome this new visibility, and recognise that with the second largest economy in the City Region, the borough has much to offer, and the council's economic development plans are regarded as very credible. The Mayor and Chief Executive are both leading this agenda and their visibility and style are seen as open and welcoming. Their active involvement is credited with securing a number of significant infrastructure projects and inward investment schemes within the borough. Doncaster plays a lead role within the SCR not least by taking on leadership of the skills and logistics groups work, and it will be important to maintain its collaborative approach in the widest sense to ensure that Doncaster contributes to the greater good of the City Region, over and above the council's individual interests.

The Mayor's priorities for the next 3 years have been clearly articulated, and appear to be widely recognised and understood by staff and elected members. This is supported by a 3 year budget plan.

The council is growing in confidence and has moved on from its troubled past. This is reflected both internally by members and officers who have greater ambition and want to bring about change, and externally by partners who are now able to place greater faith in the organisation as a whole, and its ability to get things done.

Statutory and community partners have reported a step change in terms of positive engagement with council members and officers, particularly since the 2013 elections, and they see the council as working well and as a 'credible' partner. This is leading to greater collaborative working and contributes towards a feeling that the authority is actively engaging with others on a range of joint issues.

Now that there is greater stability the council needs to more clearly articulate its future vision for its communities and for the organisation. In the medium term a number of factors will have a radical impact on the council and its capacity to deliver. The budget savings that need to be delivered will result in a radically different council by 2017, but detailed plans to support further structure and capacity do not exist in all cases. There is an aspiration to be a 'commissioning council' but this needs further exploration and articulation, and would be aided by having a political lead for commissioning and transformation. Some people feel there is a vision for the future, citing the Borough Strategy that was refreshed in April 2014, others are less clear about whether this strategy is still valid and where it fits with the new Mayor's priorities. Taking some time now to think about the future of Doncaster and the council's role will help to bring more focus to future plans and transformation.

The leadership of Doncaster at both political and officer levels clearly recognises the need for the council to play a key role in shaping 'place' and growing the business base. Increasingly they recognise the need to make growth work for local people and have ambitious aims for new jobs and housing. If Doncaster's ambitious economic growth plans come to fruition there will be more inward investment and industrial development, more

jobs and new homes. Some of this development will attract new residents moving into the borough's towns and villages, and will inevitably have an impact on existing communities and their abilities to grasp new opportunities, for example by ensuring that local people have the right skills for these new jobs. A clear narrative is needed to show how regeneration aims and delivery will impact on local communities and local services, so that the council and its partners can maximise opportunities, explore synergies and plan for the future. The council recognises it needs to more closely align its efforts around school improvement with its regeneration strategies.

There is, however, hesitancy around engagement as public perception of the council's past has yet to catch up with its current ambitions and the improvements it has made. A good start has been made in addressing the previously poor relationships between schools and between the council by active engagement from the lead portfolio holder and senior managers within the Children's and Young People's department. Staff in some services also reflect a good understanding of the needs and complexities of local communities, and recent events in Hexthorpe and how the council worked with partners to dissipate tensions is a good example.

The organisation has suffered major reputational damage in respect of Children's Services. There is emerging evidence that the service budget is coming under control, and the quality of social work practice is beginning to improve, but senior management are under no illusions about the scale and challenges of the tasks they face. There are mixed views about the Trust arrangements, as it appears that some people have a belief that the Trust in itself will resolve issues about performance. The improvement of services for children in Doncaster is the responsibility of everyone.

## **Financial planning and viability**

Budget and efficiency savings of £93m were delivered between 2011/12 and 2013/14, including outturn underspends in the first two years, and an anticipated underspend for 2013/14. The scale of the savings and efficiencies required in the future is widely understood by members and officers.

The council has put in place an impressive process for developing its three year budget for 2014/15 to 2016/17. The Mayor clearly led this process, with her Cabinet, beginning with a Budget Conversation in late 2013 that signposted the overall scale of savings the council had to find (£109m) and began to suggest clearly and honestly to the public and to staff where likely savings would come from. A financial plan is in place to cover the time period 2014-2017.

The budget identifies £92m of savings so far, and recognises that a further £16m of savings needs to be identified, most of which are scheduled for 2015/16, giving more time to explore politically and managerially what needs to be done. Additional one-off funding has been identified to help bridge any gap which appears in the timing and scale of savings delivery, which is £17.9m between 2013/14 and 2016/17. Whilst a discrete series of potential savings areas have been identified to cover this budget gap, the council acknowledges that more needs to be done to detail the way in which those savings will be delivered (the what, who, when, where, how, why questions). This process is beginning, and some savings (for example libraries) have more detailed plans which have been agreed politically and which set out how the savings will be delivered. Other savings

proposals, for example changes to Adult Services commissioning intentions, and Modern and Flexible Working, need further work to fully develop the savings proposals, and to clarify how sums identified are removed from directorates' budgets. Explaining the delivery processes for the financial plan, including synergies, will help to ensure that implementation and monitoring can take place, and risks including slippage can be managed.

The council has managed to add to its reserves during 2013/14, in order to provide it with a greater 'safety net' as it begins to deliver the savings schemes necessary to bridge its £109m budget gap in the subsequent three years. General reserves were increased by £5.5m at the end of 2013/14, these now stand at £11.7m. This exceeds the Council's target of having £10m in general reserves, and is a prudent approach reflecting a significantly improved reserves position relative to 2010/11, despite the ongoing budget reductions. For both revenue and capital budget planning extending the time horizon beyond 2018 is needed in order to support how the council will operate in a pared down climate, once the required savings have been delivered.

The council has a single, integrated Capital Programme, covering the years 2014/15 to 2016/17. This is consistent with the relatively short revenue horizon over which the council is planning. The council plans to invest £339m over the three year period, with £150m in 2014/15. The sums are significant, and in the early years of the programme will take all available council capital funding to deliver it.

Improvements have been made to the quality and processes involved with the closure of the council's year end accounts process, and these improvements are reflected in the external auditor's most recent letter on governance in September 2013. The quality of the accounts has developed steadily and can be shown year on year from 2010/11, in areas such as the quality of working papers and supporting information. The letter reports and a generally sound organisational and IT control environment to support the day to day running of the council.

Children and Young People Services (C-YPS) have been reviewed in recent years, and some initial savings have been made. However, services remain under government intervention, and continue a pattern of historic overspending. In 2013/14 this overspend whilst reduced, was £1.7m, mainly as a result of placement costs. The council's budgets are prepared on the basis of service demands and affordability, combined with a set of proposals aimed at reducing costs, increasing income and managing demands. It is important that all services with the council deliver against the plans agreed in the council's three year budget, otherwise overspends will occur which can drain staff confidence.

In our focus groups, many staff found it difficult to define what value for money was, and what it looks like for their service, their team, or their job. Whilst the external auditor has not qualified the council's Value for Money Conclusion, the ongoing intervention in Children's Services, and the poor results of the recent Ofsted Inspection into School Improvement, have meant that the auditor has considered whether DMBC offers value for money. His conclusion, as reflected in the Report to Those Charged with Governance (ISA 260) 2012/13, is that it does offer value for money, but that further work is needed to remedy these issues. Developing some evidence based value for money assessments of the council's services may help to extend what value for money means for staff and how they can be involved in delivering it.

The development of the savings plan, and the detail that will be required to define how all the required £109m will be delivered, will also offer an opportunity for the council to undertake more consistent and comprehensive benchmarking of its costs and outcomes against comparator authorities.

There are intentions to save £5.6m across its three year budget by reducing the number of assets it uses. Whilst work has begun to identify the broad themes about how it will do this (buildings disposal, a corporate landlord model, reducing staff involved in operating assets, and charging more for assets when they are used); the council lacks a clear asset strategy. This will need to be linked to its operational priorities, and clearly identify those assets it will need in future to retain given its future business; and those assets it wishes to no longer use, and which can be either sold or move to community ownership. Whilst certain reviews, such as the Libraries Review, have clearly identified the associated impact on assets, the lack of a completed three year savings plan means it is difficult to identify overall what the impact will be on asset requirements.

## **Political and managerial leadership**

It is clear that the Mayor and Cabinet work well together as a team, and with the Chief Executive and her senior officers: there is a common purpose and shared understanding of the issues that the council faces. The scale of the challenges ahead and the need to make difficult decisions is understood at both senior member and officer levels, and we heard a number of officers being more optimistic that the council will make those changes deemed necessary, rather than avoid or delay them as they report happened in the past.

Officers told us that senior members have worked hard to get to grips with their portfolios and the complexities they contain, and that briefings add value and provide the opportunity for ongoing dialogue. Relationships with officers are much improved from the low point of the CGI inspection in April 2010, and despite some back bench members having concerns about access to information at ward level, overall relationships are characterised by growing levels of trust and mutual respect.

Recognition that the council needs to continue to change was reflected in the submission for the Boundary Review which included a proposed reduction in the numbers of elected members. The submission was developed by a cross-party working group, showing that elected members are working together in a mature way. The review offers an opportunity to refresh the council, and shows its aspiration to be modern, efficient and a commissioning council. It will also provide an opportunity to refresh the council's membership at a political level, to ensure that it better reflects its increasingly diverse communities.

Major improvements have been made within the officer community. The Team Doncaster charter, new appointments at Director level, investment in officer leadership and development and the new Civic Office have all contributed to a visible culture change away from one of fear and disillusionment towards openness and improvement. The concept of officers as leaders of change is widespread, and they report themselves to be more confident, positive about working for Doncaster MBC and are responding to the visible, supportive leadership examples set by the Mayor and Chief Executive.

Tools to support engagement and development are making a difference. The Leadership framework and qualities provides a clear summary of behavioural expectations and skills

set. The cohorts of senior officers completing the Leadership Academy were very positive about their increased capability: a number of innovative council projects have been delivered by participants, generating revenue and/or realising efficiencies. It is encouraging that the programme rollout is being accelerated.

In common with other councils, there is a lot to do over the next three years. Shaping the long term future for the council requires robust, realistic and networked leadership. Building capacity through new appointments and maintaining the pace of staff engagement and cultural change is important.

Although much greater effort is put into communication with staff, and this is welcomed by them, care needs to be taken to ensure that those not working at other sites away from the Civic Office are not disadvantaged, as we heard concerns about an emerging 'us and them' feeling from some staff based in other sites who feel that communication with them is less satisfactory. This is because there appears to be a buzz of energy in the new building, and the emphasis on electronic communication is more accessible for staff across departments who are desk based, but more attention needs to be placed on reaching those at different sites, who may not have access to online information and who would value greater visibility of senior managers.

That DMBC is looking up and speaking with greater confidence and optimism is a good sign for the future. However, a careful balance needs to be sought between raising morale and improving confidence whilst remaining self-aware and avoiding over-optimism. Maintaining a focus on the day to day business of delivering quality services while leading the change and efficiency agenda is a balancing act. Where delivery plan timetables and saving benefits need to be changed this should be done consciously and transparently.

Greater optimism for the future needs to be matched by the highest standards of behaviour and expectations about how the council will conduct its business, both internally and externally. Staff told us that behaviours have improved: now that the council is functioning properly, ongoing attention will be needed to ensure the highest standards are maintained.

## **Governance and decision-making**

Governance has a high profile and has been overhauled over the last four years. A Governance Group was created in 2011 and the first Governance Plan was introduced in 2012. The Governance Group comprises of senior officers from across the council and is led by the Chief Executive: it meets quarterly and reports annually to the Audit Committee. Improvements have been widespread and include changes in the call-in process, resulting in fewer call-ins; revisions to the scheme of delegation; fewer complaints made to the Monitoring Officer about members' behaviour.

Staff report more confidence in being able to get things done, and welcome the visibility of the Mayor and portfolio holders when difficult decisions need to be made. The speed at which the council's business is conducted is regarded as better and more transparent, although a number of people told us they felt it could be speed up further. In addition to the Governance Group, other groups and boards have been created in order to support governance improvements, for example the ICT Governance Board. These groupings are

instrumental in supporting a consistency of approach across departments, and a more corporate feel to the council's business.

A governance survey of members and officers was completed in 2012 and included some questions which enabled direct comparisons to be made to the survey undertaken as part of the CGI inspection in 2010. The Audit Committee receives regular training on issues such as procurement, updating the council's governance arrangements and current risks for local authorities.

The approach to member training and development was revised in July 2013 following the introduction of a cross party Member Development Working Group and the creation of a new Member Development Framework, and is more closely aligned to priority outcomes. A schedule of Member Training and Development was agreed in March 2014, informed by a skills audit questionnaire completed by members. It includes compulsory training scheduled in the first half of the municipal year to ensure members are undertaking the training at the right time for their roles, and compulsory sessions include events on safeguarding, data protection and equalities. Emphasis is placed on the importance of chairing skills and keeping up to date with chairing skills is regarded as an essential eligibility requirement for chairing the Full Council, a council committee or scrutiny panel. Appropriate linkages are made between Standards Committee matters and members' training needs.

Overview and Scrutiny is regarded as much improved and is no longer operating as a parallel structure with the purpose of undermining the Mayor. It has a clearer focus more closely aligned to the Mayor's priorities, but is not yet matching the best performance of other councils. Improvement has accelerated since 2013, with members reflecting that they are being listened to more, and they can see changes arising as a result of scrutiny activities, for example, revisions to budget proposals. Recently agreed changes include the development of task and finish groups to conduct scrutiny activity: this shows a willingness to explore newer ways of working.

Managers at all levels report that both systems and better technology are enabling more focused decision making and the dissemination of resulting actions. For example, the quarterly Policy and Performance report, linked to quarterly Financial Performance data, shows a clear route of ownership through head of service and portfolio holders, onto Executive Board, Cabinet and Overview and Scrutiny. The new Corporate Plan provides focus and enables staff to know where they fit and contribute into it, although degrees of this focus appear to vary to an extent on location, with staff in the Civic Office appearing to be clearer.

This new performance framework needs to be embedded and if it is to be truly a tool to drive up organisational performance, then it must:

- Ensure it is measuring the right key performance indicators
- Has a clear focus on outcomes
- Ensure action is taken to correct under performance
- Drive upwards continuous improvement
- Be used to deliver key financial outputs and in particular the savings programme
- Enable a clear judgement about value for money to be made

- Be embedded in the HR processes of the organisation from staff appraisals through to Cabinet outcomes and Mayoral priorities

The Industrial Relations Framework adopted by Cabinet in June 2014 needs to be swiftly implemented and be seen as a core framework to address the change agenda. It should also be used to ensure a consistency of approach is applied across the organisation, so that overall it becomes the way that the council forges a new and improved relationship with the trade unions. The framework should be seen as core to the council's HR framework and be used to ensure that informal processes are not created or used as a substitute for formal processes. A forward plan of consultations could be introduced to ensure that unions have a better chance to respond appropriately.

The trade unions also told us they want to have a more visible and explicit role as part of Team Doncaster and to be seen as enabling, rather than blocking progress. The peer challenge team recommend that Doncaster Council managers are helped to assert their right to manage within agreed policies, but know that they must do so within clear expectations of fairness and due process.

In this forthcoming period of significant change maintaining and accelerating the pace of change is a priority. The availability of reserves should not be used as a safety net to remedy the impact of the slow delivery of transformation projects. Managers must move quickly from the planning stages of change into delivery, and the council should seek to accelerate its transformation programme. The 'star' chamber' approach to challenging and evaluating performance, scheduled from August 2014, will help to grow corporate cohesion and understanding in key areas.

A number of current major plans have a timeline that ends in 2014, for example, the Local Investment Plan, the Housing Strategy, and ICT Strategy. These need an urgent refresh to ensure consistency with the new organisational direction of the council, and to extend the planning horizon. Other plans currently in draft, particularly the Asset Management Plan, need to be finalised to support the major transformation programme.

## **Organisational capacity**

Team Doncaster is widely acknowledged as being an inspirational concept, helping to foster a greater sense of purpose and belonging across the organisation, from both officers and members, and externally with partners. Greater clarity and certainty is helping staff to feel that although more change is coming, they will be supported, and there is a genuine feeling that 'we are all in it together'. Greater networking and support is emerging and there are indications of improved team working and communication across services.

Good foundations for the future are being built and investment in key areas, such as the ICT strategy resulting in new co-ordinated and strategic investment, the Leadership Academy, member development and HR processes, are having a positive impact on the culture and capacity of the council. Absence management is being addressed with some rigour and headline data shows considerable improvement from an average of just under 14 days per employee in 2009/10 to under 10 days per employee in 2013/14. Managers told us that staff exits are being handled better.

A new higher profile approach to equality and diversity is reflected in a new Equality and Inclusion plan, and there is clear political responsibility for it in the Deputy Mayor's portfolio. Staff told us that equality and diversity has an improved profile across service delivery and they feel better able to champion equalities now than in the past. This includes being able to more easily challenge inappropriate language and attitudes.

The most recent staff survey was undertaken during February and March 2013 and showed some positive trends relative to previous years, although there were individual concerns about being able to speak up and question what the council is doing, and about the leadership of senior managers. There are plans to conduct another staff survey later this year. Our contact with staff does not represent a staff survey but the majority of employees whom we had contact with were encouraging about the cultural changes being made across the council:

- Growing pride in working for DMBC.
- The organisation is becoming less defensive.
- Senior managers are accessible and open.
- Perceptions that change is being handled well.
- Newer members of staff feel the culture of the organisation is considerably better than they anticipated, including those who have worked at other local authorities or elsewhere in the public sector

A good example of this is the transfer of Public Health into the council, which was treated as one of a number of change programmes, and where staff told us they felt "embraced" when joining the organisation. Another example of change initiatives being handled well includes the introduction of new staff terms and conditions. However, staff morale is mixed within Children's Services, with some staff feeling empowered and others feeling under significant stress due to the scale of changes and uncertainties arising from the forthcoming Children's Trust arrangements.

There is an inevitability that the scale of the changes ahead will have an impact on the number of staff that the council needs to employ. A workforce development plan would help to ensure that the council is planning for the future with the right people and the right skills.

There are examples of the council doing things differently and moving away from traditional models of service delivery, for example the co-production approach and the development of the Doncaster Keeping Safe Forum within Adult Social Care; the handing over of libraries to communities to manage; and the Internal Audit function and HR functions provided by Rotherham Council. Further consideration needs to be given to alternative models of service delivery in order to improve efficiency and provide value for money. Some of the thinking the unthinkable has already taken place in relation to the financial savings, but more exploration is needed of alternative models of service provision and delivery. This may mean devolving some services to community organisations, having different organisations providing services, limiting the services that the council will directly provide or stopping some service delivery altogether.

The scale of the changes ahead, their complexity, interrelationships and impact will be significant. Managing and delivering them will require grit and determination if they are to be delivered consistently, with managed risks and in line with the budget reductions. A

significant amount of work has been undertaken to develop organisational capacity through new policies, procedures and training. These need to be carefully embedded in the culture of the organisation. Although there are skilled and committed officers at the corporate centre, more capacity is probably needed to ensure that further changes can be delivered promptly and effectively, in order to meet the expectations of the Mayor and elected members, and so that Doncaster Council remains stable and continues to improve.

## Next steps

Through the peer challenge process we have sought to highlight the many positive aspects of the council but we have also outlined some key challenges. It has been our aim to provide some detail on them through this report in order to help the council consider them and understand them. The council's senior managerial and political leadership will therefore undoubtedly want to reflect further on the findings before determining how they wish to take things forward.

Members of the team would be happy to contribute to any further improvement activity in the future and/or to return to the authority in due course to undertake a short progress review. Mark Edgell, as the Local Government Association's Principal Adviser for your region, will continue to act as the main contact between the council and the Local Government Association, particularly in relation to improvement. Hopefully this provides you with a convenient route of access to the organisation, its resources and packages of support going forward.

All of us connected with the peer challenge would like to wish the council and the borough of Doncaster every success in the future.

On behalf of the peer challenge team:

Judith Hurcombe

Programme Manager (North East, Yorkshire and the Humber, and East Midlands)

Local Government Association

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