

# Area Peer Challenge

## **Lowestoft**

July 2013

Report

## Background and scope of the peer challenge

On behalf of the team, I would just like to say how much we enjoyed spending time with you on the recent peer challenge based on the Lowestoft area. The team very much appreciated the welcome we received, the openness and honesty with which people from all four agencies engaged in the process and the support provided in the lead up to, and during the course of, the challenge.

Peer challenges are managed and delivered by experienced elected member and officer peers. The peers who delivered the peer challenge were:

- Stephen Brown, Chief Executive, Cannock Chase District Council (Lead Peer)
- Cllr Pam Challis OBE, Leader of Castle Point Borough Council
- Dr Carlton Brand, Corporate Director, Wiltshire Council
- Mary Burguieres, Policy and Strategic Partnership Lead Manager, Surrey County Council
- Robert McCulloch-Graham, Deputy Director, Department for Communities and Local Government
- Neil Shaw, Programme Manager, Local Government Association

It is important to stress that this was not an inspection. Peer challenges are improvement-orientated and tailored to meet local needs. 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. This peer challenge focused on the Lowestoft Public Service Delivery Project. The Project aims to be a new approach to the delivery of public services in Lowestoft. It has developed from discussions between the major public sector partners active in Lowestoft – Suffolk County Council, Waveney District Council, Suffolk Constabulary and Health East (the Clinical Commissioning Group for Great Yarmouth and Waveney). As a result the Project formed the focus of the peer challenge.

The guiding questions for all peer challenges are:

- ❖ Does the area understand its local context and has it established a clear set of priorities?
- ❖ Does the area have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully?
- ❖ Does the area 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 and transformation?
- ❖ Are organisational capacity and resources focused in the right areas in order to deliver the agreed priorities?

In addition, four partner agencies identified four significant issues for the team to explore:

- ❖ Examining delivery models
- ❖ Exploring the underpinning organisational development needed to support implementation

- ❖ Identifying significant improvements to systems and processes
- ❖ Making the most effective use of funding

As you will recall, we undertook to write to you to confirm the team's findings, building on the feedback provided to you on the final day we were in Lowestoft 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

This report gives some reflection on how the project can be accelerated and provides a number of specific ideas of how the project can be moved forward.

Lowestoft has a wealth of community assets upon which it can build. Greater emphasis should be placed on building on these strengths. The aspiration of the Lowestoft Public Service Delivery Project is well understood by senior leaders across the main public agencies. A particular strength of the project is the genuine desire of all the partners to work together for the benefit of Lowestoft. The multi-agency Suffolk Family Focus work centres on a number of individuals and families. Although there are a limited number of families who have met their targets of reducing, anti-social behaviour, getting into work and/or reducing truancy, the work is getting traction and this will provide a good foundation for the project.

Plans are already in place to co-locate a number of services into new buildings over the next twelve months. This is an excellent opportunity as a visible symbol of the change and partners should make more of this. This will be a chance to take a fresh look at the underpinning systems and processes, staffing, IT infrastructure and funding of services.

Further progression needs to be underpinned by a better analysis of the financial spend in Lowestoft and the development of a 'Lowestoft Leaders' programme for both middle managers and practitioners to support officers through the change. This needs to be in place well ahead of the move to the new buildings and maintained in place for several years.

One of the central parts of this peer challenge is to identify a series of future delivery models for the project. The report outlines three options in detail - the partnership plus model, the single management model and the single organisation model. Each of these has a number of potential benefits and risks which will need to be mitigated if they are implemented. The options need careful consideration and discussion with stakeholders.

There is clear leadership of the project. Throughout it will be important to ensure elected members continue to play an important role. Governance needs to be inclusive, appropriate and ensure there is strong accountability and oversight of service delivery. The nature of the governance structure will be shaped by the delivery model chosen. If more integrated arrangements are to be progressed, this is likely to necessitate the creation of a new Lowestoft Governance Board made up jointly of district, county and local Lowestoft elected members.

## Detailed findings

### Accelerating the project

The peer team identified a series of core issues on which the partner agencies are likely to be able to accelerate progress on the Lowestoft Public Service Delivery Project. It will be important to focus down the current ten outcomes which have formed the first phase of the project. The existing ten outcomes provide too broad a view of the future strategic direction. There is a need to focus in on a smaller set of core priorities which are likely to better focus on the issues which are most important and where the biggest impact might be made to improve outcomes for local people. The strength of the local economy, for example, is likely to be one of the biggest single drivers for improving outcomes and this should be reflected in a more focused prioritisation.

It is essential that the project is designed around the needs of local people and that they are involved in the design of the work strands. This is a complex project and it will be important to take an inclusive and iterative approach to co-produce the content to ensure delivery is appropriately focused. There are a wide range of strengths and social capital on which Lowestoft can build. It will be important to take a positive emphasis to focus on these strengths which include:

- The high quality of life for the majority of local people
- Relatively low crime levels
- The prevalence of affordable housing
- A clean and tidy town centre
- A wealth of tourism assets including the beach, promenade and Broads
- Potential for economic growth through the renewable energy and tourism sectors
- Easy access to rural areas and the space for economic growth
- A vibrant local arts scene
- Major employers like the Centre for Environment, Fisheries & Aquaculture Science
- Engaged staff across the four partner agencies

Lowestoft has a wealth of community assets upon which it can build. It will be important to build on this strength, getting a better understanding of the physical and community assets. More fundamentally, this is about changing the emphasis about the way local people and service providers talk about Lowestoft. Greater emphasis should be placed on talking up the strengths.

There are early positive signs of work on reducing the long-term demand for public services. The multi-agency Suffolk Family Focus work focused on a number of individuals and although slow to gain actual results the work with troubled families is getting traction. The whole systems approach work on the outcome themes needs to continue. Partnership working at the practitioner level is good and joining up.

Even though the results have yet to be made in significant numbers, the Suffolk Family Focus has made a very good start to the national Troubled Family Programme. Suffolk and Lowestoft in particular have quickly identified and agreed across their wide partnership of services, which families to work with. The Suffolk programme, and

Lowestoft in particular, are ahead of most other authorities in the country with regards to the numbers of families identified and being worked with.

The partnership of services has enthusiastically embarked on this work with the most challenging residents of Lowestoft. The strength of the programme has been to bring services, which would not normally have worked in close consort together, around a focused problem and families with complex needs of Lowestoft and in the wider Suffolk County. There is an obvious opportunity to use this early work as a major catalyst for change for the way in which local and county services work together.

## **Organisational development to support implementation**

The County and District Councils both have good, but separate, organisational development programmes. Senior leaders recognise the need for a strong organisational development focus as an integral part of the project and have a track record of delivering this. The Systems Leadership work brings together local leaders across Lowestoft and Great Yarmouth to discuss health and social care issues which is helping with organisational development. The partners have a range of positive organisational culture characteristics on which they can build, including a willingness to work together and a passion for Lowestoft and improvement across all sectors. The RSA 'Change Maker' programme in place could be used as a model to roll out more widely.

A more integrated approach will require members, senior and middle management & officers to evolve the collective culture of the organisations, adopting a new mind-set and approach. Establishing a clear purpose, set of values, behaviours and roles will be important in the new arrangements (whichever delivery model is pursued). The agreement of a new set of values and behaviours should then gear the development of a 'Lowestoft Leaders' programme for middle managers and practitioners. These programmes should be undertaken at the same time the partners move to a new delivery model.

The leadership programmes should be focused less on technical leadership skills and more on community and people development skills which will be identified through the agreements of the new values and behaviours. However, this is likely to include how stronger relationships can be built between all agencies in Lowestoft, how to work across service boundaries, taking collective leadership, strengthening accountability, having 'difficult conversations', communication and boosting some officer awareness of working in a political environment. The four organisations are likely to learn much from the best elements of each other's approach to leadership. This should be undertaken through a blended learning approach, using action learning sets, job shadowing, coaching, mentoring, a structured development programme and learning from others who are doing similar work outside Suffolk. This should include a focus on creating:

- a greater degree of flexible working and acceptance of a matrix management approach
- a more consistently collaborative approach (built on the integrated working which already exists)
- a willingness to take ownership of issues outside an officer's direct area of responsibility

- a passion for utilising the assets held within both residents and the environment in which they live (co-production)

In moving the project forward, the performance management of officers will be important. The transformational change will place new demands on officers. This will give an opportunity for officers to be energised and up their performance to improve outcomes for residents. Buildings, new systems and procedures are important symbols and shapers of organisational culture. There is a one-off opportunity to use the co-location plans not just to make better use of buildings and have more consistent processes. The new arrangements can be used as a catalyst to support the wider organisational development and culture change. An extensive team and individual engagement needs to happen from now leading up the new buildings opening.

## **Improving systems and processes**

There are plans to create a Multi Agency Safeguarding Hub (MASH) during 2013. Such a Hub will seek to be the front door for a range of services. Referrals from all agencies and self-referrals would be considered by the Hub and details recorded ready to be shared appropriately with partners. Local Authorities who have operated a MASH process for some time have reported a decrease in the time required to process referrals, and greater engagement across the partnership of services. In addition since all data is collated in one place, better interrogation of locality needs, and demographic needs can be made. This improved intelligence leads to more informed commissioning of services, directly targeting need.

Most authorities operate a single MASH team. However, the nature of Suffolk County with two major towns would suggest that a twin MASH operation may better suit the needs of the county and for Ipswich and Lowestoft in particular. Although it may appear more practical to have a single MASH for the County, if the partners are to pursue more radical integration focused around Lowestoft it is likely that the needs of Ipswich may be underserved by basing the county's single MASH in Lowestoft. This is based on an understanding that officers operating the day to day functions of the referrals and triage are better understood when they have more intimate knowledge of who they are referring cases to and the local context. Partners would need to consider the implications of one single MASH if they are to progress with more integration of Lowestoft services.

The co-location into new buildings is an excellent opportunity to take a fresh look at the underpinning systems and processes. All of the partners are embracing a system thinking approach to look at their processes end to end. This competitive advantage should be capitalised on by the leadership team throughout the transition. The ECINS system is being used as single case management system for working with vulnerable families under the Suffolk Family Focus project. This is at an early stage and has more potential, but is a useful indicator of how systems can be more joined up.

The co-location work is an opportunity to systematically explore how systems and processes can be improved to reduce duplication and ensure a more joined up approach for local people. This work is planned and its delivery needs to ensure it does not perpetuate silo working.

IT can be a much stronger enabler of services joining up around local people and managing long-term demand. There is a need to introduce a fully shared IT infrastructure (hardware, software, major systems and applications). This should bring together work anywhere technology, “bring your own device to work”, tablet technology and other mobile technology which supports a joined up approach to managing work with individuals and families and enabling much more mobile and integrated working ‘on the ground’. Information sharing protocols already exist and these now need to be implemented in practice so that service providers can share appropriate levels of information on individuals to enable a more joined up approach to take place. Failure to create an integrated IT infrastructure will hamper efforts to be truly joined up. They will also provide evidence that joining up can’t work which will undermine the culture and organisational development work.

A significant process mapping exercise needs to be undertaken as an urgent priority to map work flow. Embedded cost is largely in the poor and complicated flow of work. The precise form this will take will depend on the delivery model selected. A ‘lean’ approach to reviewing systems appears likely to yield a notable reduction in waste and duplication. Understanding the systems and process as well as the organisational development needs of the new buildings will ensure the transition is handled smoothly. The scale of this challenge should not be underestimated.

Bringing services together will create significant opportunities to reduce the duplication of staff roles and functions. Bringing teams together will improve the resilience of services and it will be important to ensure services also maintain the appropriate capacity to manage the period of transition. The detail of opportunities to reduce duplication will need to be explored in the next phase of the project in detail.

The review of systems and processes presents an opportunity to reduce the number of entry points to services. The creation of a single ‘front door’ through the MASH would strengthen a more customer/client focused approach. Partners are likely to benefit from reflecting on the work of community budget pilots areas, particularly areas like Cheshire West & Cheshire, as they progress to a much more joined up approach.

## **Exploring financial viability - more effective use of funding**

The project is focusing on improving outcomes for local people. Although this aims to generate an overall financial saving for the four partner agencies, the project is not driven by the ethos of making a financial saving. This is a wise approach. The organisations have a track record of creating a stable financial setting, through sound medium term financial planning. The County and District councils have pooled their business rates which provide the basis for further work to bring funding together.

The partners have undertaken an initial high level analysis, which identified the level of public sector spend in Lowestoft in the region of £160m. The public sector financial resource base of Lowestoft is complex and not easy to understand. There is a need to clearly understand the scale of the revenue and capital resource base. This work needs to be further developed to understand the public sector spend in more detail and analysing this against the performance of local services. Improving the analysis of ‘spend’ down to

the frontline aligned to a more evidence based approach from the Joint Strategic Needs Assessment (JSA) will help partners to understand how well services are delivering, their value for money and enable more informed decisions around how funding is spent on interventions/projects and can be better aligned to delivering improved outcomes. This should result in a JSA and medium term financial plan specifically for Lowestoft.

Working together effectively on a partnership basis will enable Lowestoft to access greater funding opportunities than would be available to any single organisation such as New Homes Bonus, LEP funding, Housing Revenue Account and Community Infrastructure Levy. The partners should consider the strategic opportunities this will create and whether they wish to pool these opportunities.

The financial impact of creating a strong financial partnership will give Lowestoft a stronger voice in the LEPs strategic growth plan. The systems review work will draw out significant cash savings (evidence from elsewhere suggests that 20% plus is achievable). The scale of this saving should be determined more precisely during the next phase of the project. The partners should ensure that benefits realisation within this programme is managed and delivered robustly against set targets agreed with partners.

Once a detailed financial analysis of spend has been completed the partners will be able to better align funding to deliver improved outcomes against the need established in the 'community JSA' which should also detail additional factors such as education, housing, economy, health, leisure and recreation. It is important for partners to recognise that moving existing expenditure to their collective priorities is a big opportunity to make a stronger impact and shift the emphasis of spending towards more preventative work. Throughout this process, there should be meaningful engagement with wider stakeholders and residents through a co-production approach, to ensure that they are bought into both the prioritisation of outcomes and the alignment of resources.

## **Leadership and governance**

The aspiration of the Lowestoft Public Service Delivery Project is well understood by senior leaders across the main public agencies – Suffolk County Council, Waveney District Council, Suffolk Constabulary and Health East and there is strong commitment to making this work. The two local authority Leaders and the Chief Executive Officer from the four partner agencies are all providing strong leadership on the project.

A particular strength of the project is the genuine desire of all the partners to work together for the benefit of Lowestoft. There is an understanding across all the partners that there is a need for a radically new approach for services to work beyond their traditional boundaries to seriously improve outcomes for local people. This is exemplified by Suffolk Constabulary's strength of intent on partnership working, for example, on Suffolk Family Focus.

Throughout it will be important to ensure elected members continue to play an important role the project. Whilst there is a need to ensure a debate about governance structures does not dominate or derail the delivery of the project there is an opportunity to establish a member panel early to enable members to be fully involved in the project. Governance

needs to be inclusive, appropriate and ensure there is strong accountability and oversight of service delivery.

The nature of the governance structure will be shaped by the delivery model chosen. It will be important to ensure that democratic oversight of the new organisation can be effective. If the current partnership delivery arrangements continue, Waveney District Council members need to take a robust oversight over delivery. If more integrated arrangements are to be progressed, this is likely to necessitate the creation of a new Lowestoft Governance Board made up jointly of district, county and local Lowestoft elected members. More detail on the nature, role and decision-making role of the Board will need to be developed as part of the detailed business case for the delivery model during the next phase of the project. All of this should help support the future sustainability of the project.

Experience from elsewhere on projects of a similar scale indicates the critical role that middle managers play in making sure projects are driven and delivered, particularly those based remotely from the 'centre'. There is a need for senior operational leaders involved in the project to be visible and operating within Lowestoft.

Schools are at the centre of Lowestoft's communities, hold a significant resource and play a core role in improving outcomes for Lowestoft. Whilst 'Raising the Bar' and Change Makers are in place as the major drivers for school improvement, schools can play a stronger role in improving outcomes for local people. They are the largest single organisation with daily contact with the families of Lowestoft. They are critically placed to meet the needs, raise aspirations and contribute to economic growth. The priority for schools is currently driving up educational attainment. The work between local schools and Job Centre Plus in particular, could play a strong role in reducing long-term demand for public services by ensuring a better 'bridge' into the world of work. Schools need to be strongly linked into the leadership of Lowestoft's overall improved outcomes.

## **Examining effective delivery models**

There is a clear aspiration through the Lowestoft Public Service Delivery Project to take a place based approach to fundamentally developing a more cohesive approach to how public sector organisations work together more effectively to address the root causes of large scale social issues. This is focused on delivering better outcomes for local people, taking a resident, not an organisational, centred approach. Considerable work has already been undertaken in recent years to bring some services and points of access together. This includes the work associated with:

- Suffolk Family Focus – this has brought services together through a practical function on targeted families. The numbers of families identified and worked with are well ahead of national averages
- integrating health and social care teams (which will bring together nurses, community matrons, health visitors, occupational therapy and social workers)
- the creation of an Enterprise Zone and a Local Enterprise Partnership that includes Lowestoft

- Lowestoft Junction (which brings together help and advice for young people on jobs, training and health issues)
- the Lowestoft MARAC (co-ordinating work on domestic violence)

There are well advanced plans to co-locate groups of services in two locations in the town. The Marina and Riverside developments will bring together frontline and back office District and County Council services like adult and children's services, highways and environmental health, along with the Police's Lowestoft South Policing Team. The Kirkley Rise development will bring together Health East and some frontline social care services. Joint monthly locality management meetings are in place, which bring together the partners to discuss joint work. The current arrangements and co-location proposals provide an excellent platform for more integrated and joined up working in the near future.

It will be essential to ensure the focus for the project is retained on delivering better outcomes for local people and reducing long-term demand and not on organisational structures and boundaries. Different agencies (and middle managers within those agencies) are at different points in terms of their organisational readiness to join, co-deliver or merge service delivery. Whatever delivery model local leaders wish to pursue there are a series of developments which must take place if the organisations are to make a stronger impact on outcomes:

- A business planning approach - there is a need to link together existing work in a more coherent whole. A strategy or delivery plan for Lowestoft would clarify the contribution organisations are making to improving outcomes and also enable better tracking of delivery
- A stronger programme management approach - there is a need for more discipline which will be based around how work is commissioned, delivered and its impact evaluated
- A stronger evidence based approach - there is a need for a more consistent understanding of 'what works'. Evaluation need not be onerous. A practical approach needs to be taken to review and evaluate the impact of interventions. A place based 'community JSA' for Lowestoft would help inform a more evidence based approach. This should integrate outcomes from engagement with local communities to ensure it is owned by local people. This will help target resources more effectively, if coupled with the need to decommission interventions which are not having a strong impact
- A strong focus on driving up educational attainment - schools need to play a stronger role in equipping young people for the world of work. The work associated with 'Raising the Bar' recognises the role educational attainment plays in driving better outcomes in the town. It will be important to deliver this work robustly. This will need to include strengthening the role schools and Lowestoft College play in signposting job opportunities, raising awareness of the jobs market and improving core job skills like interviewing and functional skills. There may be opportunities for Job Centre Plus to contribute to this joined up work. This coupled with practical support from industry and commerce including work placements, apprenticeships,

business mentors for pupils, homework clubs and more should see a turnaround in pupil performance

- Marketing and branding of Lowestoft - there is a need to engage with local media and the partner agencies own communication functions to more consistently and clearly communicate the positive impact of interventions, build a more positive image of the town and 'sell' Lowestoft

It is for local leaders to determine the most appropriate delivery model for services and how far along the spectrum of co-delivery local public services want to travel. The peer challenge outlines the following options.

#### Option 1 - the partnership plus model

This model is founded on the principle of building on the partnerships and integrated working that currently exists. In this model the services continue to be structured and managed in their current configuration. Resources will still sit with their host organisation. This approach brings the benefits of:

- minimising disruption to existing services
- co-locating teams together
- undertaking some shared commissioning
- providing good referral routes
- sharing infrastructures such as IT
- retaining the sovereignty of individual organisations
- retaining the direct accountability of officers to individual organisations

Considerable integration and partnership working already exists in the town. The proposed co-location into two buildings should provide a good platform to bring services closer together. There are opportunities to build on this and draw in other services such as health. The main risks associated with continuing just with this approach include:

- the partnership approach not being able to deliver significantly improved outcomes for local people
- too easy to revert back to organisational silos due to future pressures or changes in leadership
- some services continuing to work in service silos
- the retention of multiple entry points for advice and services
- tension between different competing organisational priorities
- not delivering sufficient financial savings overall

#### Option 2 - the single management model

This model is founded on the principle of strengthening the delivery of services by creating a single senior management team across district, county, police and health services in Lowestoft. This will mean devolving services. This 'Lowestoft Director' model will necessitate the creation of a single management team under a single delivery plan reporting back into the four partner organisations. Resources will be retained by their host organisation. However, this approach would probably need to have the stability of a

medium term financial plan agreed by all the agencies. This approach brings the benefits of:

- creating a champion for Lowestoft
- greater clarity of direction and focus under a single management team
- more flexible use of resources aligned around priorities
- retaining clear accountability for delivery
- quicker commissioning (and decommissioning)
- greater leverage over delivering financial savings

Introducing a Lowestoft Director and single management team will bring challenges around matrix management of some staff and ensuring the single management team has the requisite skills, capacity and understanding of services outside their organisational area. The main risks associated with introducing this model include:

- clarifying how the new organisational structure will report into the existing senior management structures in the four partner agencies
- multiple reporting lines to senior management and complex governance arrangements back to four organisations
- maintaining the independence of the management team whilst ensuring democratic accountability and oversight
- possible perceived loss of sovereignty by current partner agencies
- tension between different competing organisational priorities (between services inside and outside the single management span of authority)
- financial risk connected to the annual budget cycle of four separate organisations

### Option 3 - the single organisation model

This model is founded on the principle of bringing all the existing services together into one new organisation. This is radical and bold. This is designed to bring direct control of delivery into one single organisation. The relevant service resources (people and finance) will be drawn into the new organisation. This will mean a divestment of resources from the four public sector organisations. It will be important to stress that this approach is a joint collaboration between the four organisations. Resources will sit with the new single organisation and the four organisations would commission the new organisation to deliver services.

The delivery vehicle for this model could be set up in a number of different ways: an arms-length organisation, a social enterprise, a plc, a limited liability partnership, a charity or a community led venture. This approach brings the benefits of:

- clarity and focus on delivering outcomes
- direct control of resources
- greater opportunities to break down barriers between services
- opportunities to generate significant financial savings by reducing the size of management needed and reducing duplication in processes

It will be important to ensure that democratic oversight of the new organisation can be effective. This could be mitigated by the organisation reporting to a new Lowestoft

Governance Board made up jointly of nominated representatives from the four agencies existing democratic membership. The main risks associated with introducing this model include:

- how this new organisation cuts across existing organisational boundaries and priorities
- the inability of Suffolk County Council, Suffolk Constabulary and Health East to align its resources to meet their own organisational priorities across their wider geographical areas
- introducing new governance arrangements and how these fit with current governance arrangements
- the potential disruption to services during the transitional period
- clarity needed on the role of statutory officer roles in children's, adults and the section 151 role
- the legal complexity of exploring the most appropriate delivery vehicle

It is important to remember that the peer challenge sits within a wider project. The next stage of the project is to reflect on the outcomes from the peer challenge, particularly the delivery model options.

Finally, we would like to thank colleagues, partners and members in Lowestoft for their support in the lead up to the peer challenge and during the challenge itself. The partner agencies embraced the challenge positively and supported the process well.

We have discussed the benefit of a follow up visit from members of the peer team. This is aimed at building on the outcomes from the peer challenge and enabling the partners to select one of the delivery models.

Yours sincerely



Stephen Brown  
Chief Executive, Cannock Chase District Council