

LGA Corporate Peer Challenge – Progress Review

Darlington Borough Council

24th March 2023

Feedback



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1. Introduction

The council undertook an LGA Corporate Peer Challenge (CPC) during 20th – 23rd June 2022 and published the full report with an action plan.

The progress review is an integral part of the Corporate Peer Challenge process. Taking place approximately six-eight months after the council published the CPC action plan, it is designed to provide space for the council's senior leadership to:

- Update peers on the early progress made and to receive feedback on this including how the action plan aligns to the CPC's recommendations
- Consider peer's reflections on any new opportunities or challenges that may have arisen since the peer team were 'on-site' including any further support needs
- Discuss any early impact or learning from the progress made to date

The LGA would like to thank Darlington Borough Council for their commitment to sector led improvement. This six-month review was the next step in an ongoing, open and close relationship that the council has with LGA sector support.

2. Summary of the approach

The progress review at Darlington Borough Council took place onsite on 24th March 2023. The review focussed on each of the recommendations from the Corporate Peer Challenge contained in the feedback report sent to the Council on 11th August 2023.

For this progress review, the following members of the original CPC team were involved:

- Chief Executive Peer - **Mike Jackson** (Chief Executive - Richmond and Wandsworth Councils)
- Lead Member Peer - **Councillor Rob Waltham, MBE** (Leader of the Council - North Lincolnshire Council)
- LGA Peer Challenge Manager – **Satvinder Rana** (Senior Regional Adviser)

The Peer Team met onsite at Darlington Borough Council over the course of 2.5 hours with the following representatives from the Council:

- **Ian Williams** - Chief Executive
- **Councillor Jonathan Dulston** - Leader of the Council
- **Councillor Jon Clarke** – Cabinet Member - Children and Young People Portfolio
- **Councillor Scott Durham** – Cabinet Member - Resources Portfolio
- **Councillor Lorraine Tostevin** – Cabinet Member - Adults Portfolio
- **Elizabeth Davison** – Group Director of Operations
- **Dave Winstanley** – Group Director of Services
- **Neil Bowerbank** – Head of Strategy, Performance and Communications
- **Seth Pearson** – Director, Darlington Partnerships

3. Progress Review - Feedback

The Peer Team was pleased to see the positive way in which the council addressed the recommendations of the Corporate Peer Challenge of 2022, the actions it has taken so far, and the evidence provided to show the progress being made.

Economic growth remains the priority of the council and significant investment continues across the area. These include the redevelopment of the train station, town centre redevelopment schemes, an incubator unit on Central Park offering a home for start-up and innovative businesses, the development of the Darlington Railways Heritage Quarter which should be ready in time to celebrate the 200-year anniversary of the Stockton and Darlington Railway in 2025. In addition, we were advised there have been signs of speculative development in the commercial, industrial and warehouse space, giving confidence about the strength of economic growth in the area.

The impact of interest rate rises on the housing market has slowed completion rates, and the recent intervention by Natural England on Nutrient Neutrality on new residential development has been significant. There are still challenges in recruitment in some parts of the economy as well as public transport and connectivity across the borough to link opportunities to people most in need. Nevertheless, the local

economy appears to be relatively robust. The council is looking to maximise the opportunities this presents and secured the relocation of the first batch of the 1500 civil service jobs earmarked to come to Darlington.

The council achieved a 'Good' OFSTED report in November 2022 which highlighted that *"the quality of support and care provided to children in care and care leavers is outstanding and they are cared about, listened to, taken seriously, and valued"*. This is a significant achievement, and the council should consider whether there is learning that can be taken into other parts of the organisation.

The peer team would encourage the council to continue to develop its approach, working with partners, in connecting job and other opportunities of the growth agenda to people in the borough yet to see the benefits of economic growth. It would also encourage the council to establish baseline data against the measures in the action plan, and how it is going to measure the impact it is making on the quality of life of residents, particularly those most in need.

Recommendation 1

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

The peer team heard about the council's Youth Employment Initiative, the Online Portal for young people seeking employment, and the successful jobs fairs held recently in conjunction with Youth Employment UK, the Department for Works and Pensions (DWP) and local employers designed to link people to employment opportunities. Over 70 exhibitors took part in February 2023 including key employers with vacancies in a range of sectors including hospitality, civil service, transport, health and social care, customer services, IT, retail, professional and business services. Another jobs fair is scheduled in the summer offering hundreds of potential job opportunities for local people.

The council is working with colleges to help ensure the courses they are providing are going to give young people access to the jobs the local economy is providing; and it is working with key employers on developing a richer dataset around their employees, their characteristics and where in the borough they come from.

It was encouraging to see the 'Levelling Up Darlington Plan' place a particular focus on developing stronger communities through a shared long-term vision and approach to recovery, joint action planning resource deployment with strategic partners, addressing inequalities, and tackling the underlying causes of poor outcomes for those most in need of support. This will help to ensure that economic growth is linked to tackling the challenges of inequality and deprivation in Darlington. Furthermore, the accompanying action plan clearly outlines the priorities for quality jobs, access to opportunities for young people, and addressing health inequality. These are backed up with specific actions, named lead organisations and outcomes to be achieved.

Going forward it would help the council if robust delivery targets and timescales were set against the actions and performance managed through the corporate performance management and reporting framework to ensure that the right impact is being made through the actions being taken.

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 is producing a new staff induction video that will detail the council's priorities and give examples of how the borough is changing. It has also made available bus tours for Members to show some of the regeneration and economic growth schemes in the town. These tours will now form part of the induction process for new Members following the local elections in May 2023. In addition, the council has started to collate a robust set of data from council services and external sources and has embedded its performance management and reporting.

The biannual staff surveys can be used to measure impact and understanding of the council's internal messaging through targeted questioning. The development of the new narrative for 'place' and the refresh of the council plan will provide further opportunities to engage with and communicate key messages to the workforce. The peer team would encourage the council to seek out and learn from innovations and good practice in organisational development elsewhere.

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.

The Darlington Partnership has been replaced by the Stronger Communities Board which brings together representatives from the voluntary, public and private sectors, including representation of governing bodies. Its aim is to bring partners and stakeholders together to share a long-term vision and approach to recovery, help influence local agencies' action planning and resource distribution, and address the issues residents are experiencing now as well as creating strategies to minimise the likelihood of residents reaching crisis points. Relationships between partners and the council have improved and the business sector is engaged through the Town Fund.

This is a positive development and provides for a much stronger strategic partnership for Darlington. Its linkage into driving and delivering the Levelling Up Darlington Plan is commendable. Going forward it will be important to ensure that the continued development of the partnership is supported, that it continues to own the priorities of the Levelling Up Darlington Plan, has clear lines of responsibility for delivery, and can help the council tackle some of the complex challenges which can only be tackled by a range of partners working together.

Recommendation 4

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

The council continues to play an active role as system leaders within the North East and North Cumbria Integrated Care Board, with local and sub regional place arrangements being developed. The planning of 'place' based governance, specific to Darlington's health and social care system, is now at an advanced stage of development and has been shaped and agreed by Cabinet to ensure that key decisions affecting Darlington residents are made within Darlington.

Relationships with the Darlington Economic Campus (DEC) are strengthening, and the council is fully participating in DEC's stakeholder roundtables to help shape policy as DEC immerses itself in the community through Darlington Cares and other

outreach initiatives to become a good local employer.

The council is utilising the opportunity offered by its rail heritage and the Stockton and Darlington Railway's bicentennial celebrations in 2025 to strengthen its position on the world stage by becoming a major visitor attraction showcasing internationally significant rail heritage in the Tees Valley. The development of the Railway Heritage Quarter will act as a catalyst for heritage-led regeneration and social cohesion by empowering local communities and businesses to be part of Darlington's transformation.

The peer team would encourage the council to continue playing an active part in the partnership agenda, particularly the Integrated Care System and the Tees Valley Combined Authority, to position itself well to leverage resources and ensure Darlington's interests are best served.

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.

The council's Medium Term Financial Plan (MTFP) for 2023/24 to 2026/27 has been approved by Full Council. As part of this process the council undertook a full review of the assumptions in the previous MTFP and budgets have been increased to take account of the latest information regarding costs and demand with particular attention paid to increase in demand for social care across both adults and children's services, rising utility prices, increased payroll costs and other inflationary pressures. The council indicates it has used the most up to information to forecast future years. The MTFP shows a sustainability gap of £8m in year 4 (2026/27) which the council knows needs to be reduced.

The council has agreed a balanced budget for 2023/24 and has used reserves to achieve this in the short term. This is to allow time to implement changes to its service delivery and time for its economic growth strategy to deliver financial benefits through increased business rates and reduced demand for services.

As part of good financial management, the council continues to review its budgets on a regular basis to ensure it has the most up to date information when making decisions. It is examining those budgets deemed higher risk on a monthly basis and reports to Members on a quarterly basis. It has also made the MTFP a standing item on the Chief Officer's Executive, the Chief Officer's Board meetings and the portfolio briefings; and has put in place a process through which all spend within budgets will be subject to an internal peer challenge.

The peer team heard about particular challenges of increased demand and cost pressures in children's services. This will need to be a particular focus for Members and the Chief Officers Board, including how the strengthening relations with partners could be used to support new approaches.

The peer team commends the actions taken by the council in getting the MTFP for 2023/24 to 2026/27 agreed and the steps it is taking to monitor and manage the budget and would expect the council to continue keeping its finances, particularly its reserves and sustainability gap, under constant scrutiny and review.

Recommendation 6

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

It is essential that following the local elections in May 2023 the new administration own's the narrative and develops its own set of priorities to deliver its vision. Therefore, the council has rightly decided to commence this work post-election. Nevertheless, some initial thinking on how a new narrative for the place might be developed has been done and several small steps have been taken, these include the sharpening up of its communications, marketing and engagement strategy and exploring ways to develop the narrative in an inclusive manner.

The current council plan is due to be reviewed and this will also commence after the local elections in May 2023. Service plans will need to be aligned to the new priorities of the council and communicated widely both internally and externally so that everyone is clear on what the council is trying to achieve and how they fit into those ambitions.

The peer team would encourage the council to ensure that the new council plan incorporates the new narrative for the 'place' and has clear priorities that demonstrate how actions and initiatives will impact and benefit 'people'. Furthermore, the council should use this process to proactively engage with citizens, collect a rich set of baseline data, collaborate with partners, promote the inclusive growth of Darlington, and spearhead the continued transformation of the organisation. It can then use targeted and periodic citizens surveys to test out how residents are feeling about council services and the borough as a place to live.

4. Final thoughts and next steps

The LGA would like to thank Darlington Borough Council for undertaking an LGA CPC progress review.

We appreciate that senior managerial and political leadership will want to reflect on these findings and suggestions in order to determine how the organisation wishes to take things forward.

Under the umbrella of LGA sector-led improvement, there is an on-going offer of support to councils. The LGA is well placed to provide additional support, advice and guidance on a number of the areas identified for development and improvement and we would be happy to discuss this.

Mark Edgell (Principal Adviser) is the main point of contact between the authority and the Local Government Association (LGA) and his contact details are: Email: mark.edgell@local.gov.uk Tel: 07747 636 910.



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(On behalf of the peer team)