



Derby City Council

**AUDIT AND ACCOUNTS COMMITTEE**  
**6 February 2019**

**ITEM 5**

Report sponsor: Chief Executive  
Report author: Director of Policy & Insight

## **LGA Feedback**

### **Purpose**

- 1.1 This report presents a letter recently received from the Local Government Association (LGA) commenting on our progress since the Corporate Peer Challenge (CPC) in 2017. This flows from their follow-up review undertaken before Christmas.

### **Recommendation**

- 2.1 To recognise the positive progress set out in the LGA follow-up letter and endorse the further actions it sets out to embed effective councillor / colleague working.

### **Reason**

- 3.1 As part of the Sector Led Improvement approach, it is expected that councils are open to external challenge and learning (for example, hosting peer challenge reviews), and actively promoting their own improvement in priority areas. It is important for the council to take stock of external feedback and respond proactively.

### **Supporting information**

- 4.1 The Council invited the LGA to undertake a CPC review in June 2017. The Peer Team looked at five key areas as part of that review:
  - understanding of the local place and priority setting
  - leadership of place
  - financial planning and viability
  - organisational leadership and governance
  - capacity to deliver.

4.2 The findings from the CPC were published on 20 December 2017 and included eleven recommendations made by the LGA team. The Council responded by developing a Corporate Improvement Plan (CIP) to address both the CPC findings and residual issues from the Section 24 report and VFM Opinion. The ten improvement themes are set out in the diagram to the right.



4.3 Considerable progress has been made since December 2017 in delivering the CIP with regular and effective oversight by the Corporate Leadership Team (CLT), Audit & Accounts Committee and Executive Scrutiny Board.

4.4 The opportunity to improve councillor / colleague working featured as a key issue in the CPC report. During 2018, the LGA has delivered training to three of the four political groups and over 100 colleagues. The three corporate statutory officers have also led several sessions with senior and middle managers focused on 'political nous'.

4.5 In November 2018 the LGA carried out a follow-up review. This is standard practice following any peer challenge. The outcome is the letter shown in **Appendix 1**.

4.6 Overall the LGA feedback is positive about progress highlighting:

*“a “can do”, positive attitude, a higher degree of stability, meeting statutory basics such as getting the 2017/18 Final Accounts signed off on schedule and making a positive difference to the way it is leading and delivering for Derby”*

*“substantial work on culture change, including increased staff engagement, improvements to communication and more shared leadership activity”*

*“Completion of the vast majority of the Corporate Improvement Plan objectives has paved the way for the continuous improvement activity that all good organisations undertake. Indeed a comprehensive range of work is well underway”.*

4.7 The LGA believes work is necessary to further embed this positive progress and suggests the following actions, with particular focus around councillor / colleague working:

- Relaunch the various codes of conduct (even if no changes are needed), with clear statements from councillors and officers of expected behaviours, supported by more awareness raising
- clarify expectations, agreed with councillors, of the timeliness of responses to their enquiries, casework etc

- work with councillors and officers to ensure expectations of advice, support and timeliness are met consistently and that councillor meetings are run and supported in the best way possible, so as to minimise the risk of this being a generator of any poor behaviour
  - further work to remind officers of the roles of councillors, helping to develop their political nous etc (this is already underway)
  - further steps to embed the confidence of officers that they will be taken seriously, and supported, if they have concerns about any councillor behaviour
  - work between officers and sometimes between officers and councillors to actively learn from situations where practice and behaviour has been sub optimal.
- 4.8 Over recent months, extensive work has been done to develop a new Diagnostic for the Council including an assessment of current strengths, weaknesses, opportunities and threats based on evidence and insight. From this will flow a new improvement plan to align with the launch of the Council Plan for 2019/20 onwards. The actions above will be incorporated within this to ensure they are addressed.
- 4.9 In March 2019 Audit & Accounts Committee will receive a final monitoring report on the Corporate Improvement Plan at which point it's intended to close that plan and move on to a new-phase Improvement Plan on our continuous improvement journey.

### **Public/stakeholder engagement**

- 5.1 The LGA feedback is based on engagement with Labour, Conservative and Liberal Democrat groups and sessions with managers and colleagues.
- 5.2 The CEO has discussed the findings with all group leaders.

### **Other options**

- 6.1 Under the national sector led approach, all councils are expected to participate and respond to LGA peer challenge activity so it is not an option to do nothing.

### **Financial and value for money issues**

- 7.1 The LGA report published in December 2017 did point to capacity issues within the Council's corporate functions, including finance. This has now been addressed and the Council has made progress with respect to the Statement of Accounts sign off and other issues raised in the Section 24 report.

### **Legal implications**

- 8.1 None arising from this report.

### **Other significant implications**

9.1 None arising from this report.

**This report has been approved by the following people:**

<b>Role</b>	<b>Name</b>	<b>Date of sign-off</b>
<b>Legal</b>	N/A	
<b>Finance</b>	N/A	
<b>Service Director(s)</b>	Heather Greenan	24 January 2019
<b>Report sponsor</b>	Carole Mills	24 January 2019
<b>Other(s)</b>	N/A	

<b>Background papers:</b>	
<b>List of appendices:</b>	Appendix 1 – LGA feedback letter