

**Derby City Partnership (DCP) Review
December 2009**

Introduction

1. A core function of Derby City Partnership is to lead and manage the development and delivery of the priorities within Derby's Sustainable Community Strategy. Planning will begin in early 2010 to work with local people and partners to identify those priorities from 2011 onwards. As these priorities and associated actions are identified consideration will be given to a fuller partnership review of the partnership structures required to deliver the Sustainable Community Strategy in about 12 – 18 months time.

The purpose of this first stage review is to clarify the role of DCP to ensure strategic fit with Derby City Council in light of the Council's current organisational restructure 'One Derby One Council' and ensure financial sustainability. This will re affirm the role of DCP until March 2011.

DCP Background

2. DCP was formed in 1995 and since 2002 has acted as the Local Strategic Partnership (LSP) for Derby, with a Director in post since 2002. During 2006 DCP was comprehensively reviewed using Regeneris Consultancy, attached as appendix 1. Key successes for DCP were:

- A mature partnership, exceptionally well administered
- Broad representation... 'partnership working is how we do business'

Recommendations from the review resulted in the current structure of DCP and re-focused the role to both *support* and *direct* the Partnership.

3. A discussion was held in early 2009 between DCP and Derby City Council (DCC) to:
 1. Have an agreed understanding of the strategic fit between DCP and DCC
 2. To consider specifically the functions of:
 - Performance management
 - Financial processes
 - Programme management
4. The outcome of this work was an agreement that DCP offered value for money and that there was no identified duplication of role between the Council and DCP colleagues. There was an agreement to review the

links between accountancy and DCP, which is ongoing. Following this discussion a decision was made not to recruit to a vacant Funding Coordinator Manager post and currently there is an acting team leader fulfilling some of these functions.

Current Context

5. During 2008 DCP significantly reduced its staffing base in the funding team with a final three members of the team leaving through redundancy in 2009. DCP now consists of 14wte staff including a Director split into three teams comprising:
 - Partnership Coordination
Responsible for the Sustainable Community Strategy, Local Area Agreement, Comprehensive Area Assessment and partnership coordination and support to the five cities and theme groups
 - Funding Coordination
Programme management of external funding streams into the city- currently Single Programme, ERDF, European Social Fund and Lottery and closure of previous external funding
 - Central Services
Provides full administrative services to DCP centre and partners and customer and communications services to DCP partners
6. The 2009-2010 Business Plan for DCP is attached at Appendix 2 which gives detail of role and responsibilities.

DCP Responsibilities and Accountability

7. DCP fulfils the functions identified in the July 2008 Government Guidance for LSP to:
 - Exercise leadership by identifying and articulating needs and aspirations of local communities
 - Coordinate community consultation and engagement
 - Establish a shared local vision and priorities for action
 - Produce a Sustainable Community Strategy (SCS)
 - Produce and implement a Local Area Agreement (LAA)
8. Additionally DCP has responsibility for external funding coordination and programme management.
9. Accountability for DCP lies with all of its partners exercised through the DCP Board, although statutory responsibility for DCP lies very clearly with Derby City Council. An outcome from the DCP Board Away Day in October 2009 underlined partner's ownership of DCP "*It exists! If it didn't then we would want to invent it*" and a "*true partnership*". There

was also an acknowledgement of the challenges going forward underpinned by a need to *“work better together, to be open, to know what partners are doing, understand each other’s needs, pooling resources for greatest benefits”*

10. Constitutionally and structurally there should be a strong and active relationship between DCP and Elected members of Derby City Council. There are three levels of member involvement:
 - The Leader of the Council is chair of DCP and chairs the Board
 - Cabinet Members sit on all of the city Executives
 - The Partnership Performance Group is chaired by the Leader of the Council and has wider Elected Member representation as does the State of the City Forum
11. Senior officers of the Council are represented at the DCP Board; DCP Management Group is chaired by the Chief Executive with high representation of current Chief Officers of the Council and City Executive meetings are attended by senior officers of the Council.
12. Further consideration can be given to improving communication from DCP into and out of the Council and with Elected Members.

Financial Sustainability and Organisational Structure of DCP

13. The Council is a major funder of DCP with £323k investment to support salaries in 2009/10 with partner contributions of £67k (see appendix 3) and income from external funding streams for the technical assistance and support role in the funding coordination team. For 2009 this is £129k for Single Programme and approximately £30K for erdf which supports both DCP and Council activity, although this has to be 50% match funded. A recommendation of this review is to agree with partners their ongoing contributions into DCP.
14. There will be a balanced DCP budget for 2009-2010 and a known funding shortfall in 2010-2011 of up to £176k and in 2011-2012 of £80k, due to the end of Transitional Funding. These figures are dependent on the staffing structure and technical assistance claimed. DCP holds Partnership reserves of £276k that will go towards this shortfall but clearly this position is not sustainable for future years.
15. A breakdown of staff and salary costs for 2010-2011 based on the current established posts is detailed below:

Title	WTE Posts	Salary + 25%on costs
Director	1	£90,929
Funding Coordination Team	4.30	£188,543
Partnership Coordination Team	4.15	£185,850
Central Services Team	3.57	£93,990
Total		£559,312

16. Proposals are currently being considered to change the established staffing structure to:

- Remove the P05 funding Coordinator manager post and replace with a Team Leader post at P03
- Remove a scale 3 administrator post at 0.57hrs and replace with a Modern Apprentice post

This will reduce the staffing costs from 2010 onwards with a saving of approximately £11k, although further consideration needs to be given to the unfulfilled function of securing European Funding which is part of the responsibilities of the vacant P05 post.

17. A major element of the salary cost within DCP is the Director post. Other options to consider for the Director role include:

- A percentage of the posts role fulfilling responsibilities of the main funding partner- the Council
- Having responsibility for a key additional role such as Total Place
- Taking additional Partnership responsibilities
- Reducing to part time hours

18. An outcome of *one Derby one council* is a change to the line management arrangements of the DCP Director, who will sit structurally within the Chief Executives office and be line managed by the CEO. This is a welcome development and will ensure greater strategic alignment with the accountable body.

LAA Performance Management arrangements

19. DCC and DCP staff have considered the current performance management issues in relation to the 35 LAA indicators that the partnership is responsible for. There is an integrated DCC and DCP performance management framework that ensures that performance indicators are effectively monitored. The issue appears to be the inconsistent management of performance from partners both individually and within partnership groups. Insufficient challenge is also identified as a gap from both partners to each other and also from

Elected Members. It is agreed that a paper will go to the January Management Group to secure:

- Accountable officers to produce LAA indicator Action Plans for 2010-2011 to be performance managed by the link DCP city
 - A performance exception report to be considered by the DCP Board at their quarterly meetings
 - A pre meeting to be held with partners on the performance support group to enhance their understanding of performance issues and identify key questions
 - Review membership of partners on the performance support group
 - City strategic leads meeting to consider performance issues
20. Partners will be aware that Hazel Lymbery is currently seconded to the DCP Director post from her Head of Service position in Children and Young People. This temporary contract expires at the end of March. Hazel has notified the Chief Executive of her intention to return to CYP although she is willing to extend the contract to April 30 to fit in with the Councils restructure timescale. The position of DCP Director will therefore be considered within the Council restructure process in discussion with Helen Osler who currently occupies the substantive post whilst seconded to Cultural Services.

21 Recommendations

- 21.1 To note the intention to conduct a full review of DCP's organisational structure on completion of the Sustainable Community Strategy to ensure that the structure is fit for purpose in achieving the new strategy.
- 21.2 To retain the post of Director at its current grade on a permanent full time appointment.
- 21.3 Further consideration to be given on the appropriate way of securing future European Funding which is part of the responsibilities of the vacant PO5 Funding Coordination Manager post.
- 21.4 To note the staffing structure options for DCP for 2010 – 2011 but confirm this once a decision has been made on the Director post, and European service requirements.
- 21.5 Consideration to be given to improving communications from DCP into and out of the Council including with Elected Members.
- 21.6 To agree and implement the performance management arrangements.
- 21.7 To agree with partners their contributions to DCP costs.

Hazel Lymbery

Jonathan Guest

Director Derby City Partnership Director Regeneration and Community