



## **Corporate Improvement Plan**

### **SUMMARY**

- 1.1 This report presents the draft Corporate Improvement Plan which has been developed to address the recommendations from the LGA Corporate Peer Challenge report published in December 2017. The Improvement Plan consolidates a number of action plans in place and provides a focus for addressing key risks and meeting internal needs and external expectations.
- 1.2 It is proposed that Audit and Accounts Committee will play a key role in monitoring progress of the Plan and will receive quarterly updates going forward.

### **RECOMMENDATIONS**

- 2.1 To note the Corporate Improvement Plan in **Appendix 2** and review its content, making comments as appropriate.

### **REASONS FOR RECOMMENDATIONS**

- 3.1 As part of the Sector Led Improvement approach, it is expected that local authorities are open to external challenge and learning (for example, hosting peer challenge reviews), and actively promoting their own improvement in priority areas. The Corporate Improvement Plan brings together a number of action plans and addresses recommendations made by the LGA Corporate Peer Challenge team. The plan identifies key actions, lead officers and target dates to facilitate performance management of these improvements.

## SUPPORTING INFORMATION

4.1 Derby City Council invited the Local Government Association (LGA) to undertake a Corporate Peer Challenge (CPC) review in June 2017. The Peer Team looked at five key areas as part of the review...

- Understanding of the local place and priority setting.
- Leadership of place.
- Financial planning and viability.
- Organisational leadership and governance.
- Capacity to deliver.

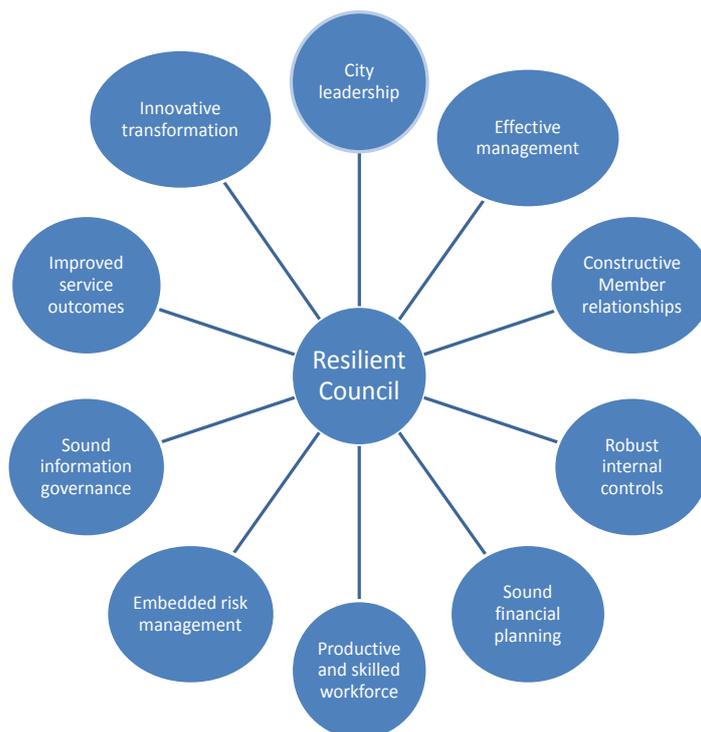
4.2 The findings from the CPC were published on 20 December 2017. As part of the Sector Led Improvement approach, Derby is expected to address the eleven recommendations made by the LGA team:

1. Focus on a smaller number of key priorities
2. Consistently engage with key partnerships and provide clarity to partners about the council's overall priorities
3. Re-establish the Derby Plan as the single partnership plan
4. Strengthen approach to community engagement
5. Close the 2015/16 and 2016/17 accounts
6. Review the capability of the finance function
7. Develop a robust financial strategy urgently and explore other financing options
8. Seek external support to improve member-member relationships and member-officer roles and responsibilities
9. Review and strengthen corporate capacity and capability within the Organisation and Governance Directorate
10. Commit to a workforce development plan to embed behaviours and culture, and build managerial and leadership capacity
11. Develop a clear approach to commercialism backed by a plan understood and owned by managers across the council.

4.3 Improvement planning is a key part of the Council's Performance Management Framework and enables focus in priority areas. Improvement planning is well established in Children's and Adult Services and has proved invaluable in supporting inspection readiness and driving improvements in both practice and outcomes. This was reflected in the 'Good' rating awarded by Ofsted in the recent Single Inspection Framework (SIF) inspection that took place in March 2017.

- 4.4 It is proposed to adopt a similar approach to address current corporate priorities for improvement identified within a number of plans and reports:
- **Governance Project Plan** - the Governance Board and Working Group established an improvement plan in 2015 to address gaps in the Council's governance 'building blocks'. This included areas highlighted in the Public Interest Report of July 2016 (now addressed) and others such as risk management, organisational development and information governance where work is ongoing.
  - **Section 24 Statement of Accounts Action Plan** - In July 2017 the External Auditors issued a S24 Statement of Recommendation report. This led to the creation of the Accounts Action Plan to respond to the outstanding issues relating to valuations, statement of accounts production, management of capital projects and wider control environment. The Action Plan was approved by Full Council in July 2017 and the majority of actions have now been completed.
  - **Corporate Peer Challenge** – the review held in June 2017 identified a number of areas for improvement including partnership working, senior management capacity and working relationships between members and officers.
- 4.5 Considerable work has already taken place to respond to issues reflected in these areas. However we need to act quickly to show a position direction of travel to external stakeholders such as External Audit and Local Government Association. Whilst it is too late to influence the Value for Money Opinion for 2016/17, there is still time to demonstrate progress to Ernst & Young for 2017/18. The LGA Peer Team will return to Derby for a follow-up visit in 12-18 months to assess our progress in making wider improvements.
- 4.6 It is suggested that a consolidated Corporate Improvement Plan (CIP) will provide the mechanism for driving forward work to address current risks and recommendations. The benefits of introducing a Corporate Improvement Plan include:
- Providing greater focus on key priorities with a reduced number of plans and robust monitoring through DORIS (Council performance monitoring system).
  - Alignment with objectives and actions in other plans such as Council Delivery Plan and Departmental Business Plans to ensure improvement activity is embedded. This will also promote a greater understanding of the costs of service improvements, which can be linked to budgets.
  - More transparent improvement planning through published priorities and progress reported through the Council's Annual Report.
  - Greater visibility and ownership - the plan will be owned by Chief Officer Group (COG) and progress reported to the Corporate Improvement Board, Audit and Accounts Committee and Executive Scrutiny Board.
  - Improved delivery of outcomes – better governance and focus on the strategic areas included in the CIP will result in delivery of improved outcomes for our customers.

4.7 The draft CIP, which can be found in **Appendix 2**, is structured into 10 priority themes...



4.8 The summary plan is underpinned by a more detailed action plan. It is proposed that the CIP action plan is monitored monthly with urgent follow-up action to address slippage. The CIP will also be reported monthly to the Corporate Improvement Board (previously the Governance Board) chaired by the Cabinet Member for Finance and Governance. Quarterly updates will be made available for Audit and Accounts Committee to monitor progress and Executive Scrutiny Board to scrutinise.

**OTHER OPTIONS CONSIDERED**

5.1 None.

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

<b>Legal officer</b> <b>Financial officer</b> <b>Human Resources officer</b> <b>Estates/Property officer</b> <b>Service Director(s)</b> <b>Other(s)</b>	Mark Taylor, Interim Director of Finance
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<b>For more information contact:</b>  <b>Background papers:</b> <b>List of appendices:</b>	Heather Greenan – Head of Performance and Intelligence 01332 643462  None Appendix 1 – Implications Appendix 2 – Draft Corporate Improvement Plan
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**IMPLICATIONS****Financial and Value for Money**

- 1.1 Each year the External Auditors give an opinion on the Authority's Statement of Accounts and Value for Money (VFM) Opinion. The Corporate Improvement Plan is required to drive improvement against key risks and provide evidence for the VFM Opinion for 2017/18.

**Legal**

- 2.1 There is no legal requirement for a Corporate Improvement Plan however it will make reference to other improvement plans which are legally constituted (for example, the Ofsted SIF Improvement Plan approved by Cabinet in September 2017).

**Personnel**

- 3.1 The CIP includes actions which will support strong leadership and workforce planning.

**IT**

- 4.1 None arising from this report.

**Equalities Impact**

- 5.1 Inspections and assessments consider how services are addressing equality and diversity needs of both individuals and communities.

**Health and Safety**

- 6.1 None arising from this report.

**Environmental Sustainability**

- 7.1 None arising from this report.

**Property and Asset Management**

- 8.1 None arising from this report.

## **Risk Management**

- 9.1 Risk management is one of the priority themes included in the CIP where improvement is needed.
- 9.2 Performance monitoring, reporting and scrutiny allows the Council to manage risk by identifying potential issues at the earliest opportunity and put measures in place to mitigate these and improve performance.

## **Corporate objectives and priorities for change**

- 10.1 The CIP will support implementation of the Council Delivery Plan covering 'Safe, Strong, Ambitious and Resilient' priorities.
- 10.2 The Council's performance monitoring processes monitor the implementation of the Council Plan 2015-18 and the 8 priority outcomes which underpin our vision.

**CORPORATE IMPROVEMENT PLAN – JANUARY 2018**

*CIP Summary Plan V3.5*

What we want to achieve?	How will we do it?	By when?	Who will lead this?	How will we know it's achieved?
<p><b>1. Strong leadership for the city to deliver a shared vision for integration</b></p>	<ul style="list-style-type: none"> <li>• Agree a single delivery plan across partners in Derby.</li> <li>• Review the role and purpose of the Leadership Board and thematic partnerships.</li> <li>• Raise our profile beyond the city boundaries.</li> <li>• Put in place a community safety board to drive 'strong' ambition.</li> <li>• Continue to develop our approach to community engagement.</li> <li>• Introduce four-yearly election cycle to Derby City Council.</li> </ul>	<p>September 2018</p>	<p>Chief Executive</p>	<ul style="list-style-type: none"> <li>• Published delivery plan in place, signed by all major partners.</li> <li>• Reinvigorated Leadership Board.</li> <li>• Greater influence across the region / nationally.</li> <li>• 'Strong' Board established.</li> <li>• Full Council endorsement of change in election cycle.</li> </ul>
<p><b>2. Sound financial planning and management</b></p>	<ul style="list-style-type: none"> <li>• Review detailed savings plans with sign-off by each strategic director.</li> <li>• Review the Medium Term Financial Plan (MTFP) and Council Delivery Plan to ensure they are sustainable.</li> <li>• Develop a financial appraisal model to assess the impact of major capital and revenue projects.</li> </ul>	<p>January 2018</p>	<p>Interim Director of Finance (Strategic Director of Corporate Resources)</p>	<ul style="list-style-type: none"> <li>• Positive External Audit review of MTFP.</li> <li>• Robust saving proposals with evidenced tracking.</li> <li>• Confirmed priorities in Council Plan which have been reviewed as affordable.</li> </ul>
<p><b>3. Effective leadership and assurance</b></p>	<ul style="list-style-type: none"> <li>• Undertake a senior management restructure to create capacity.</li> <li>• Develop and implement a robust assurance framework to ensure everyone is aware of their roles and responsibilities.</li> <li>• Implement new engagement forums for Directors and Heads of Service.</li> </ul>	<p>September 2018</p>	<p>Chief Executive</p>	<ul style="list-style-type: none"> <li>• Creation of additional posts with clear roles and responsibilities.</li> <li>• Assurance framework in place and reviewed by External Audit.</li> <li>• Manager attendance at forums and training sessions.</li> </ul>

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<b>4. Constructive working relationships between members and officers with clear boundaries and high standards of behaviour.</b>	<ul style="list-style-type: none"> <li>Strengthen Standards processes, including Member Code of Conduct and Officer-Member protocols.</li> <li>Undertake Local Government Association (LGA) member / member and member / officer training.</li> <li>Review and enhance Member development programmes.</li> </ul>	March 2018	Director of Governance	<ul style="list-style-type: none"> <li>Annual 'fit for purpose' review of Standards processes.</li> <li>Fewer complaints / breaches being investigated.</li> <li>Positive feedback from members and officers during CPC follow-up review.</li> </ul>
<b>5. Robust internal controls and unqualified audit opinion</b>	<ul style="list-style-type: none"> <li>Deliver the Statement of Accounts action plan</li> <li>Implement an effective framework of control across the Council, including review of Financial Regulations and Contract Procedure Rules.</li> <li>Review the effectiveness of Audit and Accounts Committee and establish a development plan.</li> </ul>	July 2018	Interim Director of Finance (Strategic Director of Corporate Resources)	<ul style="list-style-type: none"> <li>Unqualified audit opinion on Statement of Accounts 2016/17 and 2017/18.</li> <li>Positive Value for Money (VFM) opinion in 2017/18.</li> </ul>
<b>6. Productive, skilled and motivated workforce</b>	<ul style="list-style-type: none"> <li>Deliver workshops and action plans to address staff survey.</li> <li>Through workforce planning develop and design a Workforce Development Plan.</li> <li>Promote leadership behaviours and succession planning arrangements.</li> <li>Hold employees to account for their performance.</li> <li>Establish an Attendance Management Project Group to monitor and reduce absence.</li> </ul>	March 2019	Head of HR / OD Manager (Director of Human Resources)	<ul style="list-style-type: none"> <li>Development plan in place to address skill gaps / key issues.</li> <li>Challenge of underperforming employees.</li> <li>Improved feedback from staff survey regarding visibility of leadership, motivation and engagement.</li> <li>Improved sickness absence rate.</li> </ul>

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<b>7. Embedded risk management</b>	<ul style="list-style-type: none"> <li>Update risk framework and communicate to staff.</li> <li>Refresh strategic and directorate risk registers.</li> <li>Implement regular monitoring of strategic and directorate registers.</li> <li>Deliver comprehensive training for managers and budget holders.</li> </ul>	March 2018	Director of Governance (Strategic Director of Corporate Resources)	<ul style="list-style-type: none"> <li>New risk framework and registers published.</li> <li>Evidenced monitoring reports to COG and Members.</li> <li>Improved risk appetite awareness across organisation.</li> </ul>
<b>8. Sound records management and effective information governance</b>	<ul style="list-style-type: none"> <li>Strengthen the corporate information team and develop capability across the organisation.</li> <li>Initiate corporate wide content management programme.</li> <li>Complete General Data Protection Regulation (GDPR) preparations.</li> <li>Secure Cyber Essentials accreditation.</li> <li>Refresh operating procedures and improve and maintain performance in responding to Freedom of Information requests (FOIs), Environmental Information Regulations (EIRs) and Subject Access Requests (SARs).</li> <li>Refresh and promote information breach reporting arrangements and embed learning.</li> </ul>	July 2018	Interim Director of Information Systems (Strategic Director of Resources)	<ul style="list-style-type: none"> <li>Compliance with GDPR requirements.</li> <li>No critical Information Commissioner Office decision notices.</li> <li>Performance reporting.</li> <li>Cyber Essential accredited.</li> </ul>

What we want to achieve?	How will we do it?	By when?	Who will lead this?	How will we know it's achieved?
<b>9. Improved service outcomes</b>	<ul style="list-style-type: none"> <li>• Implement the Single Improvement Framework Plan for Children's Services and prepare for new Inspection of Local Authority Children's Services (ILACS) framework.</li> <li>• Improve performance levels for Special Educational Needs (new Educational Health and Care Plans conversions).</li> <li>• Implement the Opportunity Area Delivery Plan to improve social mobility / educational outcomes.</li> <li>• Improve effectiveness of Adult Direct Payments/ Younger Adults.</li> <li>• Ongoing monitoring of Council Delivery Plan and Cabinet Member Pledges.</li> </ul>	March 2019	Strategic Director of People Services	<ul style="list-style-type: none"> <li>• External validation through Ofsted and Care Quality Commission.</li> <li>• Improved service outcomes as demonstrated through performance measures and user feedback.</li> </ul>
<b>10. Commercialism and innovative transformation</b>	<ul style="list-style-type: none"> <li>• Replace the Delivering Differently Board for managing internal projects with an Invest to Save board.</li> <li>• Implement the Commercial Strategy (by establishing preferred models and priorities and models for market testing).</li> <li>• Hold discussions with neighbouring authorities regarding opportunities for shared services / transfer of functions.</li> <li>• Undertake options appraisal for Leisure and Culture</li> <li>• Complete restructure of libraries, including the introduction of Community Managed Libraries.</li> <li>• Improve the use of digital solutions through implementation of the Digital Strategy (across the city, council and workforce).</li> </ul>	March 2019	Strategic Director of Communities and Place	<ul style="list-style-type: none"> <li>• Improved management of major projects.</li> <li>• Infrastructure to deliver commercialism in place.</li> <li>• Service re-design and transfer to new models.</li> <li>• Delivery of required savings and benefits in line with business cases.</li> </ul>