



DERBY CITY COUNCIL

COUNCIL CABINET **March 16 2010**

ITEM 10

Report of the Corporate Director Regeneration
and Community

REVIEW OF DERBY CITY PARTNERSHIP

SUMMARY

1.1 During the last few months reviews have been undertaken of some of the Council's principal partnerships arrangements including Derby City Partnership, the Councils Local Strategic Partnership and Derby Community Safety Partnership and the allied Neighbourhood management arrangements. These have taken place alongside the Councils own organisational review to ensure that partnership arrangements continue to be fit for purpose and sit appropriately within the new Council organisational structure.

1.2 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 early 2011.

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.

1.3 The Derby City Partnership review has been the subject of consultation with key partners who broadly support the recommendations.

1.4 The key findings of the review are included in this report's 'supporting information' and it's appendices can be found on CMIS

RECOMMENDATION

2.1 To conduct a full review of Derby City Partnerships organisational structure during and on completion of the new Sustainable Community Strategy (SCS)

2.2 In producing a new SCS, to ensure a wider engagement and consultation with partners and stakeholders, in particular at Neighbourhood level, and to reflect such in determining the new structure of the DCC.

2.3 To retain the post of Director at its current grade on a permanent full time appointment.

- 2.4 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.
- 2.5 To note the staffing structure for 2010/11 but to consider the options for strengthening the European Service as resources permit.
- 2.6 To bring forward a programme for improving communications and engagement between Derby City Partnership and elected members and Council service managers.
- 2.7 To agree and implement the performance management arrangements.
- 2.8 To agree with partners their future role and financial contributions to the DCP.

REASONS FOR RECOMMENDATION

- 3.1 A review of organisational structure post SCS will ensure the structure best fits future delivery requirements.
- 3.2 The post of Director is a crucial role in developing partnership arrangements through working with senior managers in our key partner organisations.
- 3.3 Enhancing the European role could improve funding opportunities for public services in Derby.
- 3.4 To fully engage members and officers in Derby City Partnership activities.
- 3.5 To improve performance against LAA targets.
- 3.6 To manage the 2010/11 budget

SUPPORTING INFORMATION

- 4.1 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, available on CMIS.

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.

- 4.2 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

- 4.3 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.
- 4.4 **Current Context**
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
- 4.5 The 2009-2010 Business Plan for DCP, available on CMIS, gives detail of role and responsibilities.
- 4.6 **DCP Responsibilities and Accountability**
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)
- 4.7 Additionally DCP has responsibility for external funding coordination and programme management.
- 4.8 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*"
- 4.9 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

4.10 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.

4.11 Further consideration can be given to improving communication from DCP into and out of the Council and with Elected Members.

4.12 Financial Sustainability and Organisational Structure of DCP

The Council is a major funder of DCP with £323k investment to support salaries in 2009/10 with partner contributions of £67k (see appendix 2) 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.

4.13 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.

4.14 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

4.15 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 0.57wte 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.

- 4.16 A major element of the salary cost within DCP is the Director post. Other options to consider for the Director role could 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

- 4.17 However, on reflection it is considered that in view of the significance of the Sustainable Community Strategy Review and the emergence of the Total Place agenda, the post of Director should remain at its current grade and be a permanent full time appointment. 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.

4.18 LAA Performance Management arrangements

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
- 4.19 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.

OTHER OPTIONS CONSIDERED

- 5.1 Covered in 4.16

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Background papers:	None
List of appendices:	Appendix 1 – Implications Appendix 2- Income

IMPLICATIONS

Financial

- 1.1 The DCP budget for 2010/11 only balances through the use of reserves. Further consideration will be given to preparing a balanced budget for future years over the next 12 months

Legal

- 2.1 None arising from this report

Personnel

- 3.1 The report recommends the retention of the DCP Director post and proposes the staffing structure for 2010/11

Equalities Impact

- 4.1 None arising from this report. DCP seeks to ensure that the Sustainable Communities Strategy addresses equalities impacts.

Corporate objectives and priorities for change

- 5.1 The corporate objectives and priorities for change are supported by five ambitions for the city:
- Build a brighter future for children and young people who enjoy a healthy, safe and happy childhood, with the opportunity to achieve their full potential
 - Opportunity and innovation, a thriving and attractive city for all, with an environment that we will sustain and protect for future generations
 - Stronger, safer and cleaner communities where everyone feels safe and confident in their daily lives
 - Significant cultural city that inspires, engages and celebrates diversity
 - Healthy city where people enjoy long, healthy and independent lives

Appendix 2

Income					
Partner Contributions	2005/06	2006/07	2007/08	2008/09	2009/10
Bombardier Transportation	3,183	3,278			
Derby City PCT	33,948	34,966	34,966	36,308	36,308
Derby Area Trade Union Council - for 03/04 and 04/05	50	50			
Derby Cityscape	3,183	3,278	3,278	3,278	3,278
Derby Community Network	50	50			
Derby Council for Voluntary Service	300	300			
Derby Diocese	500	500			
Derby Evening Telegraph	3,183	3,278			
Derby Hospitals NHS Foundation Trust	530	546	546	546	546
Derby Millennium Network	50	50			
Derby Racial Equality Council	50	50			
Derbyshire Building Society	5,305	5,464			
Derbyshire Chamber and Business Link	3,000	3,090			
Derbyshire Constabulary	10,609	10,927	13,000	13,000	13,000
Forum of Faiths for Derby	50	50			
Jobcentre Plus	3,090	3,183	3,183	3,183	3,183
Learning + Skills Council	8,487	8,742	8,742		
Pro-Derby	530	546	546	250	
Rolls-Royce plc	5,305	5,464	5,464	5,464	5,464
Trent Barton	1,061				
University of Derby	318	328	328	328	328
Westfield Shopping Towns	5,000	5,150	5,150	5,150	5,150
Contributions total - all partners	87,782	89,291	75,203	67,507	67,257
Derby City Council Contribution			321,581	323,313	323,313