

Corporate Peer Challenge **South Derbyshire District Council**

23 – 25 October 2019

Feedback Report

1. Executive Summary

South Derbyshire District Council (SDDC) has much to be proud of. It is serving its community well with highly regarded services, strong partnership working, and has a regionally renowned track record of driving growth to create district wide prosperity.

The Council should be more confident in showcasing these successes and communicating its vision and aspirations more extensively. It should do this not just within its own community and workforce, but across the wider national local government community. A more outward looking approach will help SDDC in seeking to be “*champions of excellence*”, so as to learn from good practice and innovative ideas from elsewhere, as well as share its own insights with others. This will also help raise its profile.

Although there is currently no shared understanding of South Derbyshire’s unique selling points or ‘brand’, there is a desire from councillors, residents and partners alike to develop this. This place narrative needs to be defined and widely communicated, so it is shared and owned by councillors, staff, communities and partners.

With the emergence of the 2020-2024 Corporate Plan, there is a great opportunity to strengthen political leadership, with the Corporate Plan providing the catalyst through which to deliver SDDC’s intent. Senior councillors in leadership positions must be ‘front and centre’ in setting the strategic direction for the Council and owning this vision. By establishing a higher profile for political leaders in relationships with partner organisation this will enhance SDDC’s ability to shape outcomes across the district and beyond by utilising to full effect elected members democratic mandate and powerful advocacy role.

There is a highly regarded officer team, with the Chief Executive leading from the front. Staff are an asset, being both committed and proud to work for South Derbyshire. Although still bedding in, the new organisational management structure has been widely welcomed and is an important step in strengthening organisational resilience and succession planning. Further activity will be required to maximise the impact and success of the new structure more fully, such as: clarifying the roles and responsibilities of the Leadership Team and Heads of Services; matrix working at a senior level; and raising the profile of external facing officers.

Partnership working is a particular strength, with one stakeholder describing SDDC as “*the best local authority*” they work with. The Council’s enabling and proactive approach translating into on the ground delivery is particularly apparent on the growth agenda (e.g. significant housing delivery, strong business investment and growth, low unemployment, skill development, creation of community and recreational facilities). There are nevertheless untapped benefits to be realised from further collaboration, and opportunities to do more around housing growth and infrastructure to further strengthen growth activities, and with the community voluntary sector (CVS) to deepen community intelligence and empowerment. With a genuine desire from partners across the piece to work more closely with SDDC, this is an opportunity the Council should seek to capitalise upon.

Organisationally there is a drive to modernise service delivery, with a particular focus on enhancing customer service. This change agenda is at an early stage, reflecting the fact that SDDC has not had to respond to the same financial imperative as many other local authorities. This means there is a great opportunity to now lay down strong foundations which will enable SDDC to realise its full transformative potential and to drive service improvement at pace. To do so, transformation and customer service goals need to be articulated and activities need to be coordinated, strategically driven and collectively owned, with steps taken to simplify, streamline or eliminate existing barriers to change and organisational development. Transformation needs to be owned and led at a senior

18 Smith Square, London, SW1P 3HZ www.local.gov.uk **Telephone** 020 7664 3000 **Email** info@local.gov.uk

Chief Executive: Mark Lloyd

Local Government Association company number 11177145 Improvement and Development Agency for Local Government company number 03675577

political and officer level if SDDC is to realise its ambitions. This will enable SDDC to unlock productivity and accelerate the speed of delivery.

An organisational-wide understanding of SDDC's financial position and its direction of travel is not clearly or consistently articulated across the organisation. Establishing a clear, collectively understood financial narrative that articulates SDDC's financial position now and into the future, will be critical to driving this change forward and will enable more expansive financial planning. The development of aligned Commercial, Asset Management, Investment and Workforce Strategies will assist in establishing a more complete understanding of SDDC's financial situation. With a clearer financial narrative, councillors, staff and partners will be better able to buy into, and support delivery of, SDDC's ambitions, priorities and longer-term financial health.

SDDC is in a strong position to be able to achieve its ambitions; now is the time to seize the moment!

2. Key recommendations

There are a range of suggestions and observations within the main section of the report that will inform some 'quick wins' and practical actions, in addition to the conversations onsite, many of which provided ideas and examples of practice from other organisations. The following are the peer team's key recommendations to the Council:

- 1) **Be confident and consistent in celebrating your successes – internally and externally.** By promoting SDDC more extensively and assertively, this will strengthen your influence within the district and beyond, as well as showcase the good work being undertaken on residents' behalf.
- 2) **Develop the South Derbyshire 'brand' to articulate the Council's ambitions for the area and communicate it consistently.** This will establish a powerful place narrative that the political and officer leadership, staff, stakeholders and community can coalesce behind and help deliver. Taking forward the recommendations of the Communications Health Check will assist you in doing this.
- 3) **Support the political leadership to be 'front and centre' in setting the strategic direction for the Council and owning this vision.** This will enhance SDDC's ability to shape outcomes across the district and beyond by utilising to full effect elected members' democratic mandate and powerful advocacy role.
- 4) **Review and clarify the roles and responsibilities of the strategic Leadership Team and new operational Heads of Services.** Having clearly defined remits will drive service improvements by making empowerment tangible, strengthening trust and supporting agile decision-making.
- 5) **Simplify, streamline or eliminate existing barriers to change and organisational development to accelerate decision making.** This will unlock productivity and accelerate the speed of delivery. It should include:
 - a) Altering the Scheme of Delegation within the Constitution to reflect this;
 - b) Developing a concise 4 year Delivery Plan to underpin the Corporate Plan; and
 - c) Making empowerment tangible.

- 6) **Create a narrative understood by all, that clearly articulates your financial position now and into the future.** This will support more informed, expansive financial planning, and will enable councillors, staff and partners to help contribute to SDDC's longer term financial sustainability (Recommendations 7, 8 and 9 will help you achieve this).
- 7) **Develop a shared understanding of what commercialisation means for South Derbyshire District Council (SDDC).** This will encourage organisational wide ownership of the commercial agenda, provide a framework through which to consider future proposals, and identify whether they fit with SDDC's risk appetite.
- 8) **Develop aligned Asset Management, Investment and Workforce Strategies to drive forward financial sustainability and provide councillors with appropriate assurances.** This will enable agile and joined up decision-making by providing strategic direction for SDDC's overarching commercial and investment choices and a strategic framework for councillors so that decisions are made in line with strategic plans.
- 9) **Develop a Transformation Programme that is: driven by a Strategic Director and lead Councillor; organisation wide; collectively owned; and underpinned by strong programme management.** This will unlock efficiencies, drive service improvement and facilitate a step change in SDDC's pace of transformation.
- 10) **Councillors and officers to take a more active role on the regional and national stage, and look beyond SDDC's borders to learn from - and share - good practice.** This will support SDDC's ambition to be "*champions of excellence*" through learning from good practice and innovative ideas from elsewhere, sharing your own learning, and developing a higher profile.

3. Summary of the Peer Challenge approach

The peer team

Peer challenges are delivered by experienced elected member and officer peers. The make-up of the peer team reflected your requirements and the focus of the peer challenge. Peers were selected on the basis of their relevant experience and expertise and agreed with you. The peers who delivered the peer challenge at South Derbyshire District Council were:

- **Yvonne Rees**, Chief Executive of Cherwell District Council and Oxfordshire County Council
- **Cllr Sam Chapman-Allen**, Leader of Breckland Council
- **Julie Whittaker**, Pendle Borough Council, Housing, Health and Engineering Services Manager
- **Jonathan Lund**, Gloucester City Council, Corporate Director, Transformation
- **Clair Parker**, Regional Policy Lead, Yorkshire and Humber
- **Frances Marshall**, Peer Challenge Manager, Local Government Association

Scope and focus

The peer team considered the following five questions which form the core components looked at by all Corporate Peer Challenges. These are the areas we believe are critical to councils' performance and improvement:

1. Understanding of the local place and priority setting: Does the Council understand its local context and place and use that to inform a clear vision and set of priorities?
2. Leadership of Place: Does the Council provide effective leadership of place through its elected members, officers and constructive relationships and partnerships with external stakeholders?
3. Organisational leadership and governance: Is there effective political and managerial leadership supported by good governance and decision-making arrangements that respond to key challenges and enable change and transformation to be implemented?
4. Financial planning and viability: Does the Council have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully?
5. Capacity to deliver: Is organisational capacity aligned with priorities and does the Council influence, enable and leverage external capacity to focus on agreed outcomes?

In addition to these questions, you asked the peer team to provide feedback on growth and customer services.

The peer challenge process

It is important to stress that this was not an inspection. Peer challenges are improvement focussed and tailored to meet individual councils' needs. They are designed to complement and add value to a Council's own performance and improvement. The process is not designed to provide an in-depth or technical assessment of plans and proposals. The peer team used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read.

The peer team prepared for the peer challenge by reviewing a range of documents and information in order to ensure they were familiar with the Council and the challenges it is facing. The team then spent 3 days onsite at South Derbyshire District Council, during which they:

- Spoke to more than 80 people including a range of Council staff together with councillors and external partners and stakeholders.
- Gathered information and views from more than 34 meetings, visits to key sites in the area and additional research and reading.
- Collectively spent more than 285 hours to determine their findings – the equivalent of one person spending more than 6 weeks in South Derbyshire.

This report provides a summary of the peer team's findings. It builds on the feedback presentation provided by the peer team at the end of their on-site visit on 23 – 25 October 2019. In presenting feedback to you, they have done so as fellow local government officers and members, not professional consultants or inspectors. By its nature, the peer challenge is a snapshot in time. We appreciate that some of the feedback may be about things you are already addressing and progressing.

4. Feedback

4.1 Understanding of the local place and priority setting

South Derbyshire District Council (SDDC) is delivering well for its community, and has much to be proud of. It is held in high regard by a wide range of partners, and its services are performing well. Notable achievements include: strong business engagement leading to inward investment and growth; ISO1400 accreditation for ten years in a row; affordable housing delivery above targets; Green Flag Awards; a Bronze Green Apple International Award; fifth highest number of FSA rated five star Food Businesses in the country; and high tenant satisfaction rates. The Council should be confident in proclaiming its successes, not just locally within its own communities and workforce, but also across the wider national local government community.

The Council has a clear understanding of its place, and has demonstrated its ability to be responsive to socio-economic, demographic and environmental change. For example, with the decline of traditional local industries (mining and pottery manufacturing), it has utilised its geographic position and inter-connectivity to diversify its economy with an 'open for business' approach. In doing so, it has secured inward investment, attracted major international companies, supported local SMEs, and sought to match local skills provision to future business need (e.g. Toyota, JCB, Nestlé, low unemployment rates).

SDDC has one of the fastest growing populations nationally, and with a third of the district being in the National Forest, SDDC recognises the need to balance the infrastructure, environmental and service pressures that growth brings. Its environmental focus is apparent through its commitment to being Carbon neutral by 2030, advancement of green infrastructure in developments and promoting environmental responsibility with partners (e.g. National Forest, Businesses, Environmental Education Projects). Furthermore, the Council's growth agenda is driven by an inclusive focus on the community, with the aspiration to drive community-wide prosperity. Evidence of this can be seen in the Stenson Fields development, Nestlé, and creation of leisure and retail facilities across the district (e.g. Etwell and Green Bank leisure centres, Golf course, Cinema, Rosliston Forestry Centre). As with all district councils, SDDC has an important role to play in public health and prevention. Whilst SDDC is engaged in this agenda, this was not reflected in the conversations the peer team had during their visit. SDDC may wish to consider how health and prevention priorities can be more prominent, and embedded, across the breadth of its activities.

The Council uses a number of consultation and communication channels to understand its communities and to inform its priorities (e.g. social media, Area Forums.) With a growing population, persistent pockets of deprivation and groups outside the labour market, there is scope to do more to broaden and deepen SDDC's community intelligence and empowerment. For example, SDDC should consider enhancing its: customer and resident insight; community-wide engagement; and collaboration with partners and communities. Area Forums are recognised as a useful method of community engagement. There is however an opportunity for SDDC to take them to the next level (e.g. road shows, marketplaces, co-design and delivery with the CVS). With a willingness from community and voluntary sector (CVS) partners to collaborate with you on this, there is a great opportunity to broaden and deepen community engagement.

'South Derbyshire' has the potential to develop a genuinely valuable and marketable brand. Councillors, residents and partners share a desire to create a brand which recognises the district's rich identity including: the National Forest, industrial heritage, blend of rural and urban, strong historical heritage, and dynamic growth. This potential is widely recognised, though not consistently articulated. More needs to be done to establish a shared understanding of South

Derbyshire's unique selling points and develop them into a consistent narrative which is communicated widely. Giving clear and consistent messages about the Council's vision and priorities for the future will help residents, stakeholders and staff not only to understand these ambitions, but also deliver upon them. SDDC should prioritise taking forward the recommendations of the Communications Health Check undertaken in November 2018 which sets out a route map for achieving this (e.g. invest time in creating the South Derbyshire narrative and brand, develop and implement the Communication Plan around it etc.).

The emerging Corporate Plan and its promotion will be central to achieving the Council's aspirations and the Council recognises this. The format of the refreshed Plan is short, snappy and engaging. This creates a great platform to ensure it is well understood and owned by councillors, staff, communities and partners alike. It is important that the Corporate Plan is backed up with analysis of intelligence and objective data, with community and stakeholder consultation as part of this. Annually refreshing the Corporate Plan is one way to help to achieve this. Once the Corporate Plan and priorities have been agreed by the corporate and political leadership, attention should be given to translate the Corporate Plan's ambitions into a Delivery Plan. This Delivery Plan should be aligned with the four year political term and the financial year to enable the political leadership and residents to hold delivery to account. This is important to monitor and manage performance, but also to demonstrate success to a wider audience.

4.2 Leadership of Place

SDDC takes an active role sub-regionally to promote and deliver shared agendas with partners. This is evident through examples such as the Leader Charing the South Derbyshire Partnership Board, the Chief Executive being Lead officer for growth and regeneration on D2N2 and strong joint working with neighbouring District Councils and the County Council. The Council can have the confidence to take a more active role beyond the sub-region and enhance its regional and national profile (e.g. District Councils Network, LGA, think tanks and the media more widely). It should seek to have a more outward looking approach across all areas. In so doing, it can showcase its successes, as well as benefit from sharing learning, innovation and good practices from others which will help it in pursuing its ambition "*to be champions of excellence*".

Councillors and staff alike care passionately about South Derbyshire and this is evident in the manner in which the authority is perceived externally, and described by residents as "*positive and well run*." The Chief Executive in particular demonstrates visible leadership of place and is seen as the driving force for delivery across the full breadth of Council services. This is particularly apparent on the growth agenda where he has pursued an active role embodying the Council's 'open for business' ethos. The Chief Executive is keen to create room to enable colleagues to raise their and the Council's profile within and beyond the district. It will be important for external facing officers within the authority to step into this space so as to move towards a more distributed model of leadership in the external arena.

Ensuring that the senior political leadership of the Council are 'front and centre' in setting the strategic direction and owning Council policy is critical to SDDC realising its full potential to shape outcomes across the district and beyond. Supporting the political leadership (e.g. Leader, Deputy Leader and Committee Chairmen) to have a higher profile and more visible role in relationships with partner organisations should be a priority. This reflects not only the importance of their democratic mandate and powerful advocacy role, but also councillors' ability to use their networks, relationships and democratic accountability to move things forward for the district. The emerging

2020/24 Corporate Plan provides an ideal platform from which to reset this balance, and there is enthusiasm from the political leadership to do so.

There is also an opportunity to make more effective use of frontline councillors in promoting SDDC priorities and ambitions. Time should be taken to clarify the role and expectations of Member Champions and Outside Bodies appointees, with systematic officer support provided to councillors in these positions. This will enable councillors to fully understand how they can represent the Council's interests in these roles, and also the mechanisms for feeding back. This will strengthen councillors' agency as community champions, as well as improve SDDC's external engagement activities and intelligence.

There is a strong ethos towards partnership working, with SDDC described as "*the best local authority*" to work with by one stakeholder. Collaboration is evident across a broad range of partners, sectors and Council priorities, with joint working taking a variety of forms. These include: formal collaboration through partnership structures (e.g. South Derbyshire Partnership Board and its sub groups); shared services; co-location (e.g. County Council registrars); grant funding to deliver key projects (e.g. South Derbyshire CVS); and co-delivery (e.g. Hello Heritage, Rosliston Forestry Centre). The Council's enabling and proactive approach is widely recognised across a range of partners, and seen as key to translating into delivery on the ground. Examples include: significant business investments; the creation of Stephen Burke Construction Academy; and Hello Heritage. Partners are generally very positive about working with the Council and would like to support SDDC more to deliver shared priorities (see paragraph 4.5 for further details). Whilst closer partnership collaboration is one of the Council's ambitions for its new Civic Hub, SDDC may also want to explore more opportunities for integrated working with partners beyond Swadlincote (e.g. 'one stop shop' for services in more than one location across the district).

4.3 Organisational leadership and governance

While there is evidence of healthy, "positive" and "open" councillor and officer relationships, there is nevertheless scope to improve support to all councillors to better enable them to fulfil their roles. For example, the peer team heard that councillors and parish councils do not always receive timely responses to enquiries and requests for information, and that frontline staff are contacted directly by councillors. Attention should be given to fostering closer relationships between the Heads of Service (HoS) and all councillors so as to provide single points of contact through which councillors can raise service issues and receive resolutions in a timely manner. This will help establish greater trust and mutual respect, as well as ensure HoS have oversight and can drive better service within their teams. The Protocol for Member and Officer Relations can be an effective tool for driving and embedding this. As mentioned under paragraph 4.2, more also could be done to ensure senior councillors in leadership positions fulfil their important role in setting the strategic direction, owning this vision and holding officers to account. This will strengthen both political and managerial leadership.

SDDC operates a Committee system, with three main Policy Committees. Whilst councillors and officers have shared frustrations about the speed of decision-making (e.g. number of low level issues taken to committee for decision), the external focus of the Overview and Scrutiny Committee can be commended. The Overview and Scrutiny Committee has been encouraged to look outwards and has focussed on a wide range of issues which is an effective way of utilising scrutiny within a Committee system (e.g. broadband, play equipment, S106 funding).

South Derbyshire's Leadership Team is well respected by staff and partners. There is a positive organisational culture, in which staff are committed, feel proud to work for South Derbyshire and newly appointed staff are warmly welcomed into the team. In recent years, the Council has undergone organisational restructures at Senior Leadership and HoS level, with the most recent changes taking effect from 1 April 2019. The restructures have been designed to future proof the organisation by bolstering its resilience and improve succession planning. Several personnel were still very new in post at the time of the peer team's visit, yet it was apparent that the new organisational structure has been widely welcomed by staff and partners. The new structure should be seen as one part of a package of measures to mitigate the risk of single points of failure. Further work is required to achieve this across all service areas. Establishing matrix working within the organisation at a senior level will help to achieve this by empowering the HoS. The momentum created by the new structure and personnel provides a great opportunity to drive forward the Council's ambitions through the emerging Corporate Plan.

To harness this opportunity, a number of steps should be taken. Firstly, SDDC should invest in team development for the Leadership Team and HoS as a priority. This investment will be fundamental if SDDC is to seize the great opportunity it has before it to drive forward its improvement journey, powered by a cohort of HoS that are passionate to do so. Alongside this, the respective roles, remits and authority of the operational HoS and strategic Leadership Team should be clarified. Whilst empowerment of staff is promoted in principle, this does not consistently translate into tangible empowerment in practice (e.g. low level of officer delegation without Committee authorisation, decisions requiring Chief Executive sign-off). By having clearly defined remits, this will make empowerment tangible, strengthen trust, support agile decision-making and embolden HoS to 'think big,' and 'take ownership'.

Internal communication is an area which SDDC has sought to strengthen in recent months, and it recognises the challenge of keeping the workforce engaged in uncertain and changing times. There are a number of staff engagement mechanisms in place (e.g. staff forums, briefings, constructive Trade Union relations etc.) and there was an acknowledgement from the workforce that some improvements in internal communication have been made. For example the Employee Forum briefings have been welcomed by staff. There is nevertheless a perception of inconsistency in communications, interpretation and implementation of policy (e.g. appraisals, use of temporary contracts, access to training, sickness policy). Staff engagement and communication could be enhanced by developing a suite of tools for staff and managers which should be applied consistently. Possible options to consider include: undertaking a staff survey (e.g. the most recent dating from 2011), investing fresh effort into authority-wide appraisals for all staff; and utilising multiple mediums for communication.

4.4 Financial planning and viability

The Council has financial governance processes in place through its Budget and Medium Term Financial Strategy (MTFS) which are reviewed annually and scrutinised by members. There is, however, an absence of an organisational-wide narrative articulating South Derbyshire's financial position and its direction of travel, with SDDC's financial position not expressed clearly or consistently by councillors, staff or in core financial and strategic documentation. It is vitally important for the Council to establish as a matter of priority an organisational-wide understanding of SDDC's financial position and to construct a shared narrative around it. This will enable councillors, staff and partners to go on the journey with SDDC to drive financial sustainability (e.g. be bought into and contribute to financial management and service delivery targets).

SDDC's 2019/20 budget set a net General Fund Revenue spend of £13m and a deficit of £0.4m (as at February 2019). The Council appears to be cash rich with £10.4m in General Fund reserves (as at 31 March 2019). However, the 2019/20 budget does not include sufficient savings to balance the budget by year end, meaning it is reliant on the use of reserves or underspends. A high reliance on reserves is built into the Council's MTFS over the next five years (e.g. plans to reduce General Fund reserves to £2.6million by March 2024). Concern was expressed from within the Council about an element of "organisational complacency" relating to SDDC's financial position in years to come. As with all local councils, SDDC is facing significant uncertainties due to reducing central government funding and other future funding changes (e.g. Business Rates Retention, the Fair Funding Review, New Homes Bonus grants etc.). In this context, a stronger focus on budget forecasting, along with establishing the aforementioned financial narrative, will be important to support more informed financial planning in the short, medium and long term.

There is limited evidence of driving efficiency savings or a commercial approach to income generation. This reflects the fact that SDDC has not had to respond to the same financial imperative as many other local authorities (e.g. no shared understanding of commercialism, 2018/19 expenditure below budget, 2019/20 forecast to be below budget). The Council's overall approach appears to be risk averse (e.g. regular underspending, no borrowing). The political leadership however is willing to establish a more commercial approach, is supportive of exploring all options, and there is an appetite from staff to be creative. SDDC should therefore examine its appetite for risk to ensure it reflects the Council's ambitions. One element of this should be to establish a Fees and Charges policy. This will mean that such decisions are systematically taken as part of the annual budget setting process, which is informed by contextual information, sector comparators and knowledge of the true cost of delivery.

A number of further steps will be important to embed a culture of commercialism and to drive this agenda forward. Consideration should be given to developing a succinct Commercial approach that is coordinated and driven at a strategic level. This will support the development of an organisation-wide shared understanding of what commercialism means for South Derbyshire, with contributions from all service areas. Of equal importance is the development of aligned Asset Management, Investment and Workforce Strategies to drive forward financial sustainability. Together these will provide a framework through which councillors can provide strategic direction to the Council's overarching commercial and investment choices, and be assured that decisions are made in line with this. Simultaneously the framework will enable SDDC to operate flexibly and with speed as and when required. It will also bring together a more robust understanding of the financial situation.

4.5 Capacity to deliver

SDDC's workforce are an important asset, with frontline staff described as "*fantastic, caring and professional*". They are passionate and proud to work for South Derbyshire, describing the authority as "*considerate, developing, supportive, constructive and creative*". The Council recognises the value and importance of their workforce, describing them as "*the means by which we will achieve or fail*." This is reflected in the fact that SDDC has a good track record of growing talent internally and is committed to developing and advancing staff (e.g. apprenticeships, Springboard Training Programme, professional qualifications, mentoring). Whilst there is strong evidence of investment in training and development, it is not consistent across the organisation. Strengthening consistency in the application of policies and practice will further enhance the positive staff morale and skill development to keep pace with the ever changing workforce landscape.

The time taken for decision-making, and the length of decision-taking processes, can inhibit SDDC from operating in a more flexible, agile and responsive manner (e.g. number of low level issues taken to committee for decision, HR change processes etc.). Steps should be taken to simplify, streamline and/or eliminate existing barriers to change and organisational development (e.g. decision-making, processes and procedures). This will unlock productivity and engender greater staff empowerment. One example of this would be altering the Scheme of Delegation within the Constitution to empower HoS to take decisions about the structure of their teams without Committee authorisation and within parameters to ensure a consistent approach. Accelerating the speed of decision-making will be critical to driving improved future delivery and help make empowerment more tangible.

To realise the full benefits of transformative change going forward, Transformation needs to be brought together into a single change programme (e.g. business change, organisational development, new Civic Hub accommodation), that is driven by a Strategic Director and lead Councillor, and underpinned by robust governance and programme management with a clear timeframe. It will be important to establish what transformation means to SDDC and why it is important (e.g. IT investment, new ways of working, channel shift, agile working, silo removal, culture shift, commercial working or partnership working). As part of this, a strong narrative is needed to demonstrate how changes within the Council will drive the delivery of the emerging Corporate Plan to councillors, staff, partners and the public. By doing so, this will enable Transformation to be clearly communicated, collectively owned and consistently delivered.

The creation of a Business Change Unit and Transformation Framework reflects SDDC's desire to unlock productivity and drive service improvements. As part of this, it has invested in new IT hardware, operating systems and software, as well as providing training and support for staff. Going forward SDDC should invest tactically to be able to deliver at pace, such as greater support for flexible working to unlock productivity, and considering the transformation end point in designing the Civic Hub. To show that SDDC is serious about transforming, care needs to be taken to ensure that the new Civic Hub reflects and accommodates the transformed SDDC and is not simply a recreation of the existing offices at a new location.

SDDC works with partners to leverage in resources and capacity to deliver jointly (e.g. CVS, Districts, County, LEP, Housing Provider, Shared Services). As mentioned under paragraph 4.2, there are nevertheless untapped benefits to be realised by maximising further partnership working (e.g. efficiency savings, minimise duplication, increased productivity and improved outcomes). With many partner organisations ready and willing to expand and deepen their joint working with SDDC, this is an opportunity not to be overlooked (e.g. CVS, Parish Councils, LEP, the National Forest etc.). The Corporate Plan will be an important tool in giving clear and consistent messages about SDDC's aspirations and ambitions so that partners can contribute to delivering the Council's priorities.

4.6 Economic Growth

SDDC can be rightfully proud of its achievements in planning, driving and managing growth to create district wide prosperity (e.g. securing inward investment, housing development, business growth etc.). The Council is renowned within the sub-region for having a strong track record in this area (e.g. achievements widely recognised by local authority partners, delivered 219 affordable dwellings against a target of 150 in 2018/19).

The Chief Executive has a clear vision for growth and has been instrumental in driving this agenda through developing good relationships with landowners, developers and businesses to achieve investment in the district. It is important that the new Corporate Plan encapsulates the Council's growth ambitions and that these priorities are reflected in budget setting. This will help engender collective ownership across SDDC, with all service areas understanding how they contribute. It will also enable the Council's vision for growth to be articulated internally and externally (e.g. staff, councillors, partners, businesses, community). It is important that this outward facing engagement and profile is shared across the senior political and officer leadership (see paragraph 4.2).

Engagement with businesses is a key strength, particularly on the skills agenda. This can be seen through: strong evidence of growth in key business and increased jobs (e.g. Toyota, TwoTwenty); South Derbyshire Business Advice Service to support business engagement; Skills Festivals; and work with Burton & South Derbyshire College focusing the local education curriculum on employers' skills needs and developing skilled jobs. As with all councils, the uncertainty surrounding the UK's membership of the European Union (EU) has the potential to impact on the local economy in the short, medium and long term. Given this, SDDC should explore further steps to mitigate the risk of overdependence on major employers. Accelerating its efforts to develop other sectors further (e.g. leisure and tourism including further accommodation to increase overnight stays) will help increase local economic resilience.

The substantial interest from housing developers in the area demonstrates confidence in the district. SDDC has the opportunity to do more in terms of housing growth and infrastructure to capitalise on existing strong relationships, whilst developing and strengthening others. For example, SDDC should seek to maximise working with funding providers to increase opportunities for infrastructure funding (e.g. with LEP, Homes England). Similarly, further work with registered providers could increase delivery of housing on Council-owned land.

SDDC is aware of the need to balance the associated pressures of growth with the need to protect the community and environment. There are good examples of community benefits from growth (i.e. housing choice, affordable housing, removal of derelict sites, improved site viability, leisure centres, cinema, golf course, community facilities etc.). The regeneration of Swadlincote town centre is also evidence of this success, with low vacancy rates, and an enviable range of shopping and leisure facilities for a town of its size. There are opportunities for further inclusive growth, such as by better use of assets to generate income and contribute to long term financial sustainability of the Council (e.g. reinvestment in services.) The update of the Asset Management Strategy – which is underway – will be key to achieving this. It will help identify the scope for additional land and buildings to be declared surplus for development and open up potential new income streams. Additionally, the Council's choices around delivery models for future developments will also be pertinent. SDDC may want to consider using different types of delivery models to share risk and reward e.g. long term strategic joint venture partnerships. By doing so, could also create ongoing revenue funding streams to contribute towards longer-term self-sufficiency.

4.7 Customer Service

The recent creation of a Head of Customer Service post reflects the Council's focus on customer services and aspirations for enhanced and modernised customer service delivery. Frontline services are highly regarded and appear to be performing well (e.g. low number of complaints, resident and parish council satisfaction), however there is little objective data and online services are in their infancy (e.g. no resident satisfaction data, end-to-end processes not fully digitalised). With SDDC at the start of its customer service improvement journey, there is a great opportunity to shape and align this agenda with other key Council priorities.

Although still at an early stage, the proposals for a new 'one stop shop' Civic Hub could help strengthen customer service in Swadlincote (e.g. intention for co-location of key public and VCS partners). In the first instance however, it will be important to establish SDDC's vision for the future of customer services across the district, and identify what will best meet customer needs (e.g. a single or dispersed access points across the district, face-to-face, online, phone, design of end-to-end process). As well as defining this vision, it will also be important for Customer Services to be recognised as an organisation-wide imperative (e.g. collectively owned across all service areas) and with a prominent place within the Council's wider Transformation Programme. The development of a Customer Access Strategy - underpinned by an understanding of the customer journey - will be key to achieving this. SDDC may also wish to consider issues such as: investment in an integrated digital platform; a strategy for shifting demand from face-to-face to online; and consolidation of all customer contact into a single delivery structure.

5. Next steps

Immediate next steps

We appreciate that the 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.

As part of the peer challenge process, there is an offer of further activity to support this. The LGA is well placed to provide additional support, advice and guidance on a number of the areas for development and improvement and we would be happy to discuss this. Mark Edgell, Principal Adviser, is the main contact between your authority and the LGA. His contact details are: Email Mark.Edgell@local.gov.uk.

In the meantime we are keen to continue the relationship we have formed with the Council throughout the peer challenge. We will endeavour to provide signposting to examples of good practice and further information and guidance about the issues we have raised in this report to help inform ongoing consideration.

Follow up visit

The LGA Corporate Peer Challenge process includes a follow up visit. The purpose of the visit is to help the Council assess the impact of the peer challenge and demonstrate the progress it has made against the areas of improvement and development identified by the peer team. It is a lighter-touch version of the original visit and does not necessarily involve all members of the original peer team. The timing of the visit is determined by the Council. Our expectation is that it will occur within the next 2 years.

Next Corporate Peer Challenge

The current LGA sector-led improvement support offer includes an expectation that all councils will have a Corporate Peer Challenge or Finance Peer Review every 4 to 5 years. It is therefore anticipated that the Council will commission their next Peer Challenge before October 2025.

Annex A: Examples of good practice

Mercia Marina

Mercia Marina is the largest inland marina in Europe¹. SDDC led its development from a private fishery, to what it is today - a popular visitor destination with recreational, leisure and wildlife attractions for residents, boaters and holidaymakers.

The development of Mercia Marina is an excellent example of SDDC turning a necessity into an opportunity. Gravel extraction was required to physically support the creation of a highway interchange to the Toyota Plant, which is also within the district. The extraction site was then purposefully developed into the Mercia Marina - a waterside venue for related retail and leisure activities. By extracting the gravel from Willington Lake, this benefited the local economy, added value to an underutilised area, made excellent use of the area's network of inland waterways and retained the natural waterscape for the benefit of both visitors and wildlife.

Advisory Services for Food Businesses

As at 2019, South Derbyshire has the fifth highest number of Food Standards Agency (FSA) rated five star Food Businesses in the country. It has actively contributed to this achievement through its advisory service to food businesses, thus helping to drive the high level of five star food businesses.

¹ <http://www.merciamarina.co.uk/about-us/>