

Sally Marshall
Dacorum Borough Council
The Forum
Marlowes
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05 March 2019

Dear Sally,

LGA Corporate Peer Challenge follow up visit 13-14 February 2019

At the invitation of Dacorum Borough Council (DBC), the Local Government Association undertook a corporate peer challenge at DBC in June 2016. At that time, the council asked the peer team to make a follow up visit to help review and assess progress and developments in response to the peer challenge feedback and recommendations.

The follow up visit took place on the 13 - 14 February 2019 and this letter summarises the main observations of the peer team. The peers 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 during their visit to DBC.

Process and peer team

Peer challenge is one of the key tools to support sector-led improvement. It is tailored to meet individual councils' needs, and designed to complement and add value to a council's own performance and improvement focus. This follow up visit brought some of the previous team back to review and assess progress against the original peer challenge recommendations. The peer team provide feedback as critical friends, not as assessors, consultants or inspectors.

The peer team taking part in the follow up visit:

- Alan Goodrum, Former Chief Executive of Chiltern and South Bucks Councils, LGA Associate
- Councillor Chris Millar, Leader of Daventry District Council
- Dave Barnes, Strategic Director, Christchurch and East Dorset Councils
- Ami Beeton, Peer Challenge Manager, Local Government Association
- James Mehmed, Programme Manager, LGA

In June 2016, the peer team left DBC with a set of recommendations¹ which it thought would help the council address its main challenges. This feedback letter reflects on progress made in implementing the recommendations over the last year.

To inform their work the peer team spent two days on site at DBC, during which they spoke to around 50 people, including a range of council officers, councillors and external partners.

Feedback has been structured around five core themes: Place, Partnerships, Leadership, Capacity and Service Delivery with an initial section on key messages and observations

Key messages and observations

DBC remains an organisation that has a strong financial base having recently set a balanced budget for the next two financial years. Robust financial management has enabled the council to be bold in their delivery within a backdrop of a 70% reduction in settlement funding assessment since 2010/11. Council tax yield has grown through an increase in properties within the Borough and through increasing council tax to the maximum threshold under current government policy.

Members have prioritised the protection of front line services whilst delivering investment into community facilities, housing and regeneration. The peer team was able to compare and contrast the new council building, the 'Forum' which was delivered successfully with the previous office accommodation. The Forum provides much more than office accommodation for staff and is serving as a community hub for citizens which is very impressive. The peer team were able to observe members of the community using the Hertfordshire County Council library and registrars service and enjoying the café facilities which is operated by a private entity. There is also a strong voluntary sector presence with the Citizens Advice service, Dacorum Community Trust and Credit Union.

Whilst preparing to move to the Forum, DBC has delivered some highly successful regeneration programmes in Hemel Hempstead for example the Water Gardens and the Town Centre improvements. Although Hemel Hempstead has circa 60% of the Borough's population the council has invested in other regeneration programmes in Berkhamsted and Tring, ensuring there is balance delivery across the Borough.

Partnerships have continued to strengthen. Peers spoke to a number of partners who cited the Council as being critical to their delivery.

Despite the volume of regeneration, growth and organisational programmes the Council has been able to maintain a strong focus on delivery of core services to its Citizens.

¹ See Appendix I for a list of the recommendations from the 2016 Corporate Peer Challenge

Peers were able to speak to a number of different staff groups as well as councillors and could see strong evidence of good working relationships between members and staff, supporting effective public service delivery. The Corporate team has changed since the June 2016 Corporate peer Challenge and has been strengthened with recent appointments.

Place

DBC has a positive approach to delivering its enterprise zone, improving its rented housing, investment and house building programmes. It has with partners an ambitious Garden Community proposal. In 2016 the peer team recommended that DBC enhance the Council's leadership profile at a sub-regional level to meet the challenges ahead. This has been progressed with the Chief Executive as the nominated lead for the South West Hertfordshire joint strategic place shaping collaboration. This was seen as positive and is enabling the Council Leaders and Chief Executives from the South West of Hertfordshire to take a broad perspective on place shaping whilst considering the infrastructure requirements and broader issues of economic growth, housing and enabling sustainable communities.

DBC's Housing team was awarded the Pro Landlord accreditation from Tpas, the leading experts for tenant engagement. Tenant engagement was seen as best practice and serves as a strong catalyst for community engagement.

<https://www.dacorum.gov.uk/home/all-news/2017/03/23/leading-the-way-in-tenant-engagement>

In May 2019, DBC will have 'all out' elections with members seeking re-election. This will provide the opportunity to develop a new Corporate Plan which will set the Council's priorities over the next four years and beyond. This will provide an opportunity to further engage and consult with communities over future place shaping. Again in 2016 the peer team recommended that DBC progress the sustainable growth agenda. It was clear to see that positive progress has been made on economic development and enabling housing growth with a broad range of planned and successful delivery involving strategic partnerships for house building, creating employment and training opportunities for apprentices in partnership with, for example, West Herts College. This is a positive example of partnership working as well as building capacity and skills for future house building.

However, the peer team could not fully understand the sequencing and resourcing of the growth and infrastructure projects going forward. The relationship with existing related work was also not clear; for example how the Council's growth and infrastructure plan links to the South West Hertfordshire strategic planning initiative, Hertfordshire County Council's growth board and the development of the Dacorum Local Plan review. The capacity and resourcing for this work was unclear and could benefit from further consideration. At the time of writing this report we understand the Council has a bid for a Hemel Garden Communities which would provide funding for resources and research for the proposed 12,000 new homes and 2 million sq feet of commercial buildings. The peer team also heard numerous references to how the local community was much more accepting of housing growth if the infrastructure is

in place, this was seen as a critical shift by the community who were previously less favourable of housing growth.

Partnerships

The feedback from partners was very positive, with the Council reported as operating with openness and transparency. Hemel Hempstead Business Ambassadors (HHBA) who represent the business community view the Council very positively, which was seen as essential given the economic sustainability and growth will be achieved through effective partnership working between the Council and the business community going forward.

The Council is playing a pivotal role in enabling its partners to deliver. West Herts College said “We couldn’t do what we are doing now without Dacorum Council” which is testament to the support the Council has given to the College.

DBC also undertook a review of leisure provision resulting in the appointment of a new provider who cited the Council as “Helping us navigate through muddy waters” demonstrating a positive working relationship.

Given the volume of partnership working the Council has had to prioritise its capacity which can be challenging whilst maintaining positive relationships with partners. The Council has successfully maintained a balance of provision to partners ensuring they do not over promise in terms of what it can support or deliver.

Leadership

The Leader and Chief Executive continue to be seen as good ambassadors for the Council and place. The ambition for place and the people of the Borough is seen as bold although leadership is tempered by realism and an honest perspective on what can be delivered.

The peer team were able to hear about a range of projects that varied in complexity, scale and risk. Positive leadership was evidenced through the delivery of the Forum, addressing the leisure provision issues and on delivering the successful regeneration programmes.

Outward facing leadership was seen as positive with members and officers playing a critical role in engaging communities, citizens, partners and the broader business community. There is a strong business community that are seen to want to work with the council to deliver growth and bring in more investment.

The follow up process enabled the peer team to engage with a number of different staff groups at different levels in the organisation as well as Elected Members. The organisational structure was seen as culturally too hierarchical by some staff which manifested itself in some feeling that change was being done to them rather than

progressed with them. The Chief Operating Group (COG) were perceived by some as being remote and distant from staff as well as owning decision making that may be best placed at a different management level. There was a feeling that more capacity could be released from the workforce if management and staff were more empowered and allowed increased responsibility for decision making at a service level.

In 2016 the peer team recommended DBC to provide clarity to the change management approach. The 'New Normal' strategy has been delivered to provide an organisational change management framework. This was seen as a positive development, although implementation is at an early stage and was seen as a strategy not wholly owned by staff at most levels outside of COG and CMT. Some staff were unclear of its purpose or intention and how it will impact on day to day business. The peer team understand that the 'New Normal' strategy was included in a recent staff conference and is in the process of being launched and put into practice across organisation. In addition the internal communications manager will be supporting the organisation to address this current gap in understanding. Managers will also play a critical part in helping staff to understand and apply the principles in the context of their role. The Peer Team noted that a positive organisational culture is built on trust and that 'New Normal' would do well to embrace this quality as it is rolled out.

Communication was seen as disconnected in part. Staff were not always clear about the direction of travel the organisation was heading and often were unclear of current priorities. The peer team understand the council has some very positive existing communication channels and were able to see some of the visual messages advertising the next staff session as an example. Despite the blend of intranet communication, face to face briefings, conferences and email messages there appears to be a level of disconnect with some staff. The further development of the communication strategy should help ensure key messages are understood but needs to be rolled out alongside the development of an inclusive organisational culture helping to ensure effective two-way communication with staff rather than communication to staff. There is an immediate opportunity to engage with staff over the pending staff survey results to also discuss improving the flow of communication up and down the structure. Staff suggesting they want to receive corporate messages and more effective communication should be seen as positive and linked to better understanding the organisation.

DBC through the 'New Normal' strategy will facilitate improvement and programme delivery that will draw upon the requirement to maximise the skills and capacity of the workforce. The peer team heard that internal challenge did not always appear to be welcomed by some managers. Supporting creativity and innovation in public service delivery will require staff at all levels to be confident in suggesting new ways of working. This area could benefit from further examination to understand how widespread this experience is within the organisation and it may be linked to the concerns expressed about the approach to internal communication.

Capacity

The Council has had the challenge of resourcing 'business as usual' whilst identifying capacity for programmes and projects. The improvements made to working practices through moving to the Forum and rolling out new technology has positively supported greater flexibility although it is understood flexible working policies have not been reviewed. The opportunity for further improved working is high, with further scope to enable more flexible working patterns and workstyles that enable DBC to differentiate itself in the employment market and further enhance its employer brand.

The peer team heard staff raise concerns about capacity and resources, perceiving there to be blocks on recruitment activity. DBC could benefit by going out to the organisation and communicating clearly the processes around establishment control and how current vacancies are managed. The current practices are not consistently understood and leading to a climate where some staff feel their workloads are not sustainable and stretching the current good will.

Reward and recognition was cited as needing to be more meaningful with a mixed response to the value placed on the staff awards process. Some staff like it, others think it is tokenistic.

There was good evidence of a range of project delivery from HR which will assist the Council improving its employer brand and ensuring its policies and practices support the business. The HR function is on a journey, actively transforming its operation from transactional to being more value added. Successful delivery will provide the organisation with more professional capacity to support organisational development projects and workstream requirements from the 'New Normal' strategy. The decision to upgrade the current HR management system with capabilities for greater self-service and management information were seen as positive and an enabler for greater organisational capacity. Further HR capacity could be maximised by ensuring corporate plans and senior leader strategic requirements flow to the HR team, ensuring HR strategy is aligned to future need.

DBC has increased its staff to desk ratio since initial occupation. This greater increase of desk optimisation supports culture change in supporting home working, as well as a commercial opportunity to let an office floor to the Clinical Commission Group (CCG). This opportunity will enable the Council to receive a regular income ensuring financial sustainability or the redirection of funding to the delivery of front line services. Working with close proximity of the CCG presents a great opportunity to promote partnership working and strengthen the Forum as a public service and community hub.

Service Delivery

The Forum is operating as a positive community hub and is enabling partners and the broader system to take opportunities to provide great services to the public.

Public service delivery is seen as positive and recognised externally as award winning, for example leisure services 'Everyone Active' has been named as Facility Operator of the Year at the 2018 Swim England National Awards.

<http://www.dacorum.gov.uk/home/news/2018/12/12/everyone-active-wins-top-award-for-swimming-facilities>

DBC has also been recognised for its positive work on tenant engagement within the 'Engaging and empowering tenants in Council-owned housing report'.

<https://www.local.gov.uk/sites/default/files/documents/5.48-annexes.pdf>

DBC has gained five Green Flag awards for its parks and open spaces. The Green Flag Award is the benchmark national standard for parks and green spaces in the United Kingdom. <http://www.businessindependent.co.uk/latest-news/latest-news-stories/all-news/item/753-dacorum-borough-council-scoops-five-green-flag-awards> The peer team observed as well as heard examples of the commitment and hard work carried out by staff. This was seen as a great strength, although there are questions regarding its sustainability given feedback on 'good will running out' and some of the perceived resourcing and capacity challenges. The peer team heard that organisational turnover was at 10% which provides the opportunity to bring in new staff and experience linked to future workforce development plans.

Service users report good levels of satisfaction with services. The challenges over the next few years will be to ensure service delivery is digitised, where appropriate, to ensure front line services are maintained. Although the budget is balanced for the next two years, the future outlook will require potentially more difficult decisions on prioritisation for service delivery.

In summary

Overall the council has made good progress in taking forward the recommendations the peer review team made in 2016, though there are a number of areas that require further attention and action at pace. These are as follows:

- Build on your existing People Strategy and develop an OD plan incorporating your transformation objectives.
- Create an evidence based workforce development plan to profile future staff resourcing and capacity requirements.
- Review your flexible working policy and practices to maximise the opportunities your new working environment provides.
- Continually evolve your approach to internal communication to:
 - Ensure key messages reach all staff quickly
 - There is a feedback loop so decision making is transparent
 - Actively support staff in providing feedback (employee engagement)
 - Create a positive culture of internal challenge
- Ensure leadership is inclusive at all levels and members and managers

empowered.

- Ensure that the roll out of “New Normal” includes a strengthened approach to resource planning for projects and initiatives – e.g. growth agenda
- Prioritise development of a new Corporate Plan after the May 2019 elections to effectively coordinate the strategic approach to growth, housing, partnerships and organisational development. Use the plan to create a clear and consistent communications narrative both internally and externally. This presents a great opportunity to roll forward the Councils ambitions and set the narrative for the future.

The peer team would like to thank Dacorum Borough Council for inviting them back to provide further challenge to the council, and hopes that the feedback above helps to support continuous improvement.

Next steps

Your LGA Principal Adviser Rachel Litherland is the main contact between your authority and the Local Government Association. Her contact details are: 07795 076834 / Rachel.Litherland@local.gov.uk Rachel will be happy to work with you to identify any additional support the LGA can offer to help you respond to the points set out in the above.

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 2021.

James Mehmed – LGA Peer Challenge Manager

On behalf of the Peer Challenge Team

Recommendations from the 2016 LGA Corporate Peer Challenge for Dacorum Borough Council

Overall messages and observations 2016

- Well run council, stable leadership, good skills base and a great place to work
- Externally well regarded by partner organisations and stakeholders
- Good financial management but no burning platform
- Housing – sub regional pressures
- Affordable housing
- Good track record in regeneration
- Lots going on, lots of initiatives but clarity is needed in organisational vision
- Greater clarity of messaging in the change management approach
- Need to increase the pace of change so staff stay with you on the journey
- DBC needs to build on its successes with partners locally and within the sub region
- Entering a period of further austerity and need for prioritisation to ensure delivery

Overarching recommendations 2016

- Provide clarity to change management approach with consistent and simple messaging
- Develop a constructive challenge culture at officer and member level
- Enhance the Council's leadership profile at a sub-regional level to meet the challenges ahead
- Progress the sustainable growth agenda
- Sharpen the focus of priority setting
- Continue to be BOLD!