

**To the Chair and Members of
Full Council**

Core Annual ‘Define & Deliver’ Cycle

Relevant Cabinet Member(s)	Wards Affected	Key Decision
Ros Jones, Mayor of Doncaster	All	No

EXECUTIVE SUMMARY

1. 2017/18 will mark the start of a new 4 year Mayoral term, 4 year Strategic Plan and the continuation of the Council’s journey to improve its governance arrangements. This report proposes an improved core annual ‘define & deliver’ cycle which more clearly links together the following key annual processes for defining and delivering improved outcomes for residents:
 - State of the Borough assessment.
 - Policy and Budget Setting and updating the Strategic Risk Register.
 - Service Planning and staff Performance and Development Reviews (PDRs).
 - Corporate Performance Monitoring.
2. By better integrating these processes and establishing a clear annual timetable for completing them, the Council will ensure that year on year the Council’s priorities:
 - Reflect an up to date understanding of the needs of residents and how the Borough is changing.
 - Pervade the work of the Council.
3. The fundamental objective is to ensure that the efforts of the Council are focussed on delivering and supporting the improvements that matter most – to residents and the long-term success of Doncaster as a place.

EXEMPT REPORT

4. This report is not exempt.

RECOMMENDATIONS

5. It is recommended that:
 - a) Full Council agrees to an annual timetable for completing the key processes of a ‘define & deliver’ cycle, as a key building block of good governance.
 - b) This annual timetable is captured in the Council’s forward plans (which includes the Council’s Forward Plan of key decisions) and rolling agendas.

- c) The Constitution is amended to include within Article 3.01 – Functions of Full Council: ‘to receive a State of the Borough assessment each year to inform the policy and budget setting process’.
- d) Overview and Scrutiny support the State of the Borough assessment by considering undertaking reviews into thematic areas where there are gaps in the Council’s knowledge.
- e) An annual report on the Council’s contribution to delivering Borough-wide outcomes is made available to Full Council by the end of August each year. This will draw upon the previous year’s corporate quarterly monitoring reports.

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

- 6. The improvements outlined in this report are focussed on delivering improved outcomes for residents.

BACKGROUND

- 7. The International Framework for Governance in the Public Sector defines governance as comprising:
 - The arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved.
- 8. The Council’s Governance Framework comprises the systems and processes, culture and values by which the Council is directed and controlled. The Council has approved and adopted a code of corporate governance, which is consistent with the principles that should underpin the governance of each local government organisation, as defined by the Chartered Institute of Public Finance and Accountancy (CIPFA).
- 9. CIPFA’s new ‘Delivering Good Governance in Local Government: Framework (2016 Edition)’ recognises that local government has been undergoing significant change and the environment in which it works is becoming increasingly complex. New responsibilities and ways of working provide challenges for governance such as ensuring transparency and, in particular, over managing risk. Whether working with other authorities, public sector bodies, the third sector or private sector providers, councils must ensure all joint arrangements follow the principles of good governance and are managed and reviewed with sufficient rigour.
- 10. Internal Audit are reviewing CIPFA’s new Framework to identify any significant changes to the previous version. It is already clear that it is a more outcome focussed Framework. However, it not expected that the fundamental ‘building blocks’ of good governance will have changed significantly.

LAYING THE FOUNDATIONS FOR GOOD GOVERNANCE

- 11. Doncaster Council is in the last year of 4 year plan and the organisation is significantly different from the start of the journey. Two years ago the Council was in Government intervention; it is now one of the most improved councils in the country, as recognised by the Local Government Chronicle in 2015 - with DMBC being Highly Commended in the Most Improved Council awards category.

12. The Council's 2015-16 Annual Governance Statement was presented to Audit Committee 22nd June 2016. It reported that governance arrangements have improved each year and are now more robust than ever before. Within the context of a complex and rapidly changing local government working environment, the Council has been committed to improving governance on a continuing basis through a process of evaluation and review. This has included the following key building blocks of good governance:
 - Defining the Council's role and priorities.
 - The working relationships between officers and members.
 - Financial stewardship.
 - Decision-making processes.
 - Reviewing Overview and Scrutiny arrangements.
 - Risk management.
 - Standards of conduct and behaviour.
13. The Council has already embarked upon a wide-reaching modernisation programme and is beginning to deliver services in innovative ways, often requiring difficult decisions to be taken, for example:
 - The establishment of the first Children's Trust in the country.
 - Transferring care homes out of public sector control.
 - Transferring libraries to community ownership.
14. At the same time, savings of £205 million from 2010/11 up to and including 2016/17 have been delivered. The Council has had to balance the prioritisation of statutory services for those at most risk with longer term investment in preventative services.
15. Doncaster Council is a more credible organisation. Businesses want to work with the Council to create jobs and growth. Doncaster's successful bid to host the National College for High Speed Rail (due to open in 2017), in partnership with the private sector, exemplifies the improved credibility, profile and potential of Doncaster. This is just one of a critical mass of investments being made in the Borough. We are also punching above our weight in the Sheffield City Region, with commitments to invest in Doncaster featuring prominently in the latest Devolution Deal.

FUTHER IMPROVING GOVERNANCE - 'DEFINE & DELIVER' ANNUAL CYCLE

16. Looking to the next four years, the Council's purpose remains the same - ensuring that communities thrive, creating the right climate for good growth and delivering modern value for money services with a strong sense of partnership. Continuing to improve governance is essential to achieving this.
17. 2017/18 will mark the start of a new 4 year Mayoral term and a new 4 year Strategic Plan which is integrated with the Medium Term Financial Plan (MTFP). The priorities in the 4 year plan will be captured in a new 2017-21 Corporate Plan - to be proposed to Full Council later this year. These plans are essential pre-requisites for good governance; however, to ensure that the outcomes that matter the most to citizens are defined and delivered, the plans need to:

- Reflect an up to date understanding of the needs of residents and how the Borough is changing
- Pervade the work of the Council.

18. A core annual 'define & deliver' cycle which more clearly links together the following annual processes will help to achieve this:

Annual Process	Main Objective	Commissioning Cycle Stage
State of the Borough assessment	A single 'picture' of how the Borough is changing and the needs of residents	ANALYSE
Policy & Budget Setting & Strategic Risks review	Agreeing and funding priorities for the next year as the basis for service planning, informed by an update of the Strategic Risk Register	PLAN
Service Planning & PDRs	Translating the Council's priorities into action and accountability	DO
Corporate Performance Monitoring	Reviewing whether residents are better off as a result of the Council's work	REVIEW

19. In effect, these processes form part of an on-going strategic commissioning process through which the Council seeks to deliver a continuous cycle of effective action and improvement:



20. Most of the annual processes also include other functions within the strategic commissioning cycle. For example, Service Planning also includes some 'Analyse', 'Plan' and 'Review' work. However, the key point is that all these processes need to be applied with the same rigour and better integrated so that the 'Do' (day to day work) is focussed on the outcomes that matter most for residents and the Borough as a whole. For example, the Corporate Plan refresh and Budget Setting process needs to be better informed by an understanding of the needs of citizens (i.e. the State of the Borough assessment).

21. **Annex 1** proposes a high-level annual timetable for completing each of these interlined corporate processes within a 4 year Mayoral term and Strategic Plan horizon. It represents a typical year. The budget setting process already has a detailed timetable. The Strategy and Performance Unit (SPU) will co-ordinate the work to ensure that similarly detailed timetables are produced for the other processes.

22. To ensure that this annual timetable is achieved it is essential that it is reflected in the

Council's forward plans (which includes the Council's statutory Forward Plan) and rolling agendas.

23. Each of the core annual processes is now discussed in turn, including areas for improvement.

State of the Borough Assessment

24. The work of the Council needs to be better informed by a rolling assessment of how the Borough is changing and the needs of residents – scheduling a State of the Borough assessment each year will provide this knowledge. Many individual needs assessments are currently undertaken or planned which provide the evidence base for the State of the Borough assessment, for example:
 - Joint Strategic Needs Assessment.
 - Joint Strategic Intelligence Assessment.
 - Place Based assessments, e.g. Economy, Housing, Skills & Infrastructure.
 - Children's Needs Assessment.
 - Ward/Community Profiles.
25. It is recommended that each year these individual needs assessments are consolidated into a single 'picture' to inform priority setting. A full assessment would include both a backwards and forward look and:
 - Assess how the Borough is faring against the priority outcomes.
 - Capture the results of horizon scanning.
 - Probe in more detail particular themes/topics to better understand the drivers and forces that are impacting on quality of life in the Borough.
 - Review the progress made over the past year.
26. There is a significant opportunity for Overview and Scrutiny to support this assessment by proactively undertaking reviews into thematic areas where there are gaps in the Council's knowledge. This could involve fieldwork and direct engagement with citizens to provide new insights into how the Borough is changing and the impact on the needs of residents. When updating its annual work programme, it is recommended that Overview and Scrutiny consider undertaking reviews in support of the State of the Borough assessment.
27. To ensure the annual State of the Borough assessment report is considered in accordance with the above requirements it is recommended that 'to receive a State of the Borough assessment each year to inform the policy and budget setting process' is inserted within Article 3 of the Constitution - 3.01 Functions of Full Council.
28. The SPU will develop a proposed scope and detailed timetable for completing the State of the Borough Assessment which will be shared at the earliest opportunity with officers and Members to inform forward planning. The target month for the assessment to be submitted to Council each year is July.

Policy & Budget Setting

29. Part 3 of the Council's Constitution 'Responsibility for Functions' set out the plans and strategies that form the Policy Framework. These include those which are required by

law to be adopted by Full Council:

- Crime and Disorder Reduction Strategy.
- Local Transport Plan.
- Plans and alterations which together comprise the Development Plan.
- Youth Justice Plan.
- Licensing Authority Policy Statement.
- Sustainable Community Strategy.

As well as the other plans and strategies which the Full Council decide should be adopted by the Full Council:

- Corporate Plan.
- Health and Wellbeing Strategy.

30. The Corporate Plan is the key Council-specific document in this list and will be subject to a more comprehensive update in 2017/18. **Annex 2** shows the position of the Corporate Plan within the “golden thread” which connects strategic priorities to the actions of individual employees at all levels.

31. The impact of the Corporate Plan depends upon the priorities within it being translated into more detailed policies which provide an up to date, agreed Council position on how it will deliver outcomes for citizens. There are many other ‘outward’ facing policies, not on the list above, for example the Growth Plan and Environment Strategy. There are also many ‘inward’ facing policies which are focussed on improving the Council’s capacity to deliver outcomes for residents through its workforce, for example the People Strategy. An initial assessment of the range of policies currently in existence reveals that there is considerable scope for having a fresh look at:

- What policies are needed.
- How to better integrate the policies.
- Opportunities to better schedule policy updates to capture an up to date assessment of need.
- Improving the integration between the Council’s policy development processes and those of partner organisations.
- Improving the consistency of the development and implementation of policies.
- The potential for all plans, including the Sustainable Community Strategy, to be on a 4 yearly update timeframe to be consistent with the Mayoral Term/4 Year Strategic Plan - unless specifically agreed otherwise or because of the different time period required, for example by legislation.
- The purpose and content of the Sustainable Community Strategy (Borough Strategy) – in the light of the changing needs of residents, changing partnership landscape, and given that it is no longer a statutory requirement to produce one.

32. The SPU will lead this review; any potential implications for the Constitution will be reported to Full Council.

Service Planning

33. Service Planning is the key mechanism for ensuring the Corporate Plan (and the thematic policies that flow from it) is delivered. Service Plans provide the starting

point for the PDRs of all but the most senior Council staff.

34. There was a 100% return rate of service plans in 2016/17 by Heads of Service and they were completed by the end of May, which is earlier than previous years. **Annex 1** reflects an even more challenging timeframe – to have Service Plans ready for the start of the financial year (recognising that they are four year ‘living’ documents). The SPU will continue to propose improvements to the Council’s approach, for example to ensure there is a more systematic process for identifying, managing and reporting risks – as discussed under ‘Strategic Risks’ below.

Performance & Development Reviews

35. One of the five core themes within the Council’s People Strategy is ‘Workforce Planning and Development’; it is focused on ensuring that the Council has a skilled and flexible workforce, now and in the future, to support good growth and delivers modern value for money services with a strong sense of partnership. Embedding continuous and robust performance management practices including an effective PDR scheme, where managers and employees are clear about their priorities and are held to account, is a cornerstone of the Council’s Performance Management Framework. The PDR process effectively translates the priorities in service plans into individual targets and together with subsequent 1-1 meetings throughout the year, allows for a fair and robust performance monitoring process. It ensures we have the right people in the right jobs with the right skills, behaviours, knowledge and expertise.
36. **Annex 1** represents a proposal for starting PDRs earlier and condensing the overall timeframe, so that all staff have targets in place by the end of July. This will present a significant challenge to some people managers and therefore this proposal is subject to further discussion. A new four year People Strategy will be implemented from April 2017 to align with the Corporate Plan and Medium Term Financial Plan. It will ensure both employees and partners understand their role in working together as ‘Team Doncaster’ to enable Doncaster and its people to thrive.

Strategic Risks

37. Significant strategic risks are identified and reported as part of the quarterly Finance and Performance challenge process. The Council’s Risk Management Framework sets out the mechanisms for ensuring that a systematic and integrated approach is taken to the identification, management and reporting of risks. However, Audit Committee have requested that these processes are better embedded. A review is underway, led by the SPU, to identify key areas for improvement to be recommended to the Committee. However it is already clear, for example, that the identification, management and reporting (to the leadership) of strategic risks needs to be a more systematic, on-going part of service planning.

Assessing the impact on residents

38. At the moment the quarterly Finance and Performance challenge process is the key, regular process for considering whether residents are better off as a result of the work of the Council. This is a well-established process and improvements continue to be made, for example condensing the quarterly timetable to facilitate more timely and joined up decision making. The reports are more succinct, and are providing a sharper focus for the work of Overview and Scrutiny to hold the Executive to account.

39. Further improving data quality is an essential pre-requisite for an effective challenge process and work is underway, led by the SPU to identify improvements.
40. The introduction of an annual State of The Borough assessment (as discussed above) will significantly enhance the breadth and depth of evidence available for assessing the impact of the work of the Council on the lives of residents. The Council's ability to communicate this impact in a meaningful way to residents, partners and staff will be enhanced by capturing individual resident stories and experiences in case studies.
41. It is recommended that the Council's contribution to delivery of Borough outcomes is captured in an annual report which is made available to Full Council by the end of August each year. This will draw upon the previous year's corporate quarterly monitoring reports.

Other Good Governance Building Blocks

42. There are many other related processes/mechanisms that are essential for the annual cycle to function effectively. Improvements are being made to a number of them:

Business Intelligence

43. The State of the Borough Assessment is a key part of the Annual Cycle and essential for more informed decision making. However, it is only one part of a business intelligence framework which needs to more effectively capture and disseminate:
 - The latest developments, e.g. at a Government, City Region and Team Doncaster level.
 - New research and intelligence, e.g. generated locally through horizon scanning and via national Think Tanks.
44. Work is underway in the SPU to develop and propose an improved business intelligence framework for the Council.

Programme Management

45. The Strategy and Performance Unit is working jointly with the DN17 team to review and improve the Council's approach to programme management, at a strategic and operational level. By implementing a more consistent approach to programme management, the Council will ensure its agreed priorities are translated into the intended outcomes for residents.

Forward Plans

46. Forward plans capture for the future business of the Council and include for example:
 - The Forward Plan of executive decisions covering the next 4 months.
 - Council's 12 month rolling Work Plan.
 - OSMC's Work Programme.
 - Other forward plans, e.g. Directors' meetings and Directorate Leadership Teams.

47. These need to be more reflective of the Council’s priorities as determined by the Core Annual Cycle. The Council’s SPU is considering pragmatic options for achieving this.

Partnership Boards & Outside Bodies

48. Improvements have already been made to the structures for ensuring that the Key partnerships boards and Outside Bodies more systematically report into the Council. A report was agreed by Cabinet in September 2015 recognising that the Council must ensure that its business is conducted in accordance with law and proper standards, and that public money is safeguarded, accounted for and spent economically, efficiently and effectively. This applies equally to its partnerships as it does to the Council itself. As part of our continued governance of these partnerships, further improvements are required to ensure there are consistent approaches to accountability and capturing the partnerships business intelligence that needs to inform the Council’s core annual cycle.
49. A report will be presented to Full Council in November 2016 which will capture a consolidated view on the effectiveness of our partnerships governance arrangements, whilst making a series of recommendations which aim to provide assurances to Members and officers that risks associated with partnerships are routinely and regularly considered.

OPTIONS CONSIDERED

50. The other main option is to leave the current ways of working largely unchanged – with a more ad-hoc approach to ensuring that the day-to-day business is focused on delivering the priorities and outcomes that matter to residents.

REASONS FOR RECOMMENDED OPTION

51. The improvements to the core annual cycle outlined above will enhance the ability of officers and Members to:
- Determine priorities based on an understanding of residents’ needs.
 - Use the latest business intelligence to inform decision-making.
 - Shape interventions, ideas and projects in their formative stages.
 - See the connections between interventions.
 - Monitor the delivery of the interventions.
 - Understand and communicate whether residents are better off as a result of interventions and on-going service delivery.

IMPACT ON THE COUNCIL’S KEY OUTCOMES

52.

Outcomes	Implications
<p>All people in Doncaster benefit from a thriving & resilient economy.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Creating Jobs and Housing</i> • <i>Mayoral Priority: Be a strong voice for our veterans</i> • <i>Mayoral Priority: Protecting Doncaster’s vital services</i> 	<p>An improved core annual ‘define & deliver’ cycle will improve the Council’s focus on delivering its priority outcomes.</p>

People live safe, healthy, active & independent lives. <ul style="list-style-type: none"> • <i>Mayoral Priority: Safeguarding our Communities</i> • <i>Mayoral Priority: Bringing down the cost of living</i> • 	
People in Doncaster benefit from a high quality built and natural environment. <ul style="list-style-type: none"> • <i>Mayoral Priority: Creating Jobs and Housing</i> • <i>Mayoral Priority: Safeguarding our Communities</i> • <i>Mayoral Priority: Bringing down the cost of living</i> 	
All families thrive. <ul style="list-style-type: none"> • <i>Mayoral Priority: Protecting Doncaster's vital services</i> 	
Council services are modern and value for money.	
Working with our partners we will provide strong leadership and governance.	

RISKS AND ASSUMPTIONS

53. One of the areas of improvement identified in this report is to better embed the mechanisms for ensuring that a systematic and integrated approach is taken to the identification, management and reporting of risks.
54. For the core annual cycle to have the required impact on outcomes all the processes within it need to be applied with the same rigour and better integrated. The processes span the work of the entire Council and depend upon the commitment of all staff and Members to work effectively. The Council operates within a rapidly changing, challenging and complex environment and there is a risk that an improved core annual 'define & deliver' cycle will not be effectively embedded and remain 'fit for purpose' over time.

This initial risk is rated as 20 = Likelihood 4 (likely) x Impact 5 (critical)

55. This risk will be mitigated by ensuring:
- There is a clear, widely communicated annual timetable for completing the key processes of a 'define and deliver' Council cycle which is reflected in forward plans
 - The Council's leadership routinely communicates the importance of cycle for ensuring the 'day job' is focussed on delivering improvements that matter most for residents.
 - That the improvements to the individual processes and the connections between are informed by engagement with officer and members
 - An overview of the effectiveness cycle is retained and how the individual elements fit together, with any areas for improvement identified early.
 - Improvements are made to related processes that will enable the cycle to function effectively, for example the Business Intelligence Framework.

These actions will reduce the risk rating to 10 = Likelihood 2 (unlikely) x Impact 5 critical).

LEGAL IMPLICATIONS

56. Changes to the Council's Constitution must be approved by Full Council. Any changes or additions to the Council's Policy Framework will need to be made in accordance with the Council's Budget & Policy Framework Procedure Rules and should be subject to further legal advice and Council approval.

FINANCIAL IMPLICATIONS

57. By more effectively linking together the assessment of the need to service delivery, an improved core annual 'define & deliver' cycle will support the Council in embedding equality considerations into its day to day work. Improvements to the individual processes that form part of the cycle may require a due regard statement to be completed and reported as and when appropriate.

HUMAN RESOURCES IMPLICATIONS

58. The Council has clear priorities to ensure Doncaster residents thrive and the workforce plays a key role in achieving these objectives. This should be achieved in an environment of robust governance and accountability and there is a need for staff to understand and comply with all aspects of the 'Define and Deliver' cycle to help support improved outcomes for residents.

TECHNOLOGY IMPLICATIONS

59. The Council's on-going progress towards becoming a modern digital authority as detailed in the ICT Strategy, Digital and Customer Service Strategies provide essential enablers in contributing to the success of the core annual cycle. These deliverables include:
- Enabling business intelligence to be more effectively captured and disseminated to allow more effective decision making in supporting those individuals and families that need the most help.
 - Providing a Single Customer Record and joined up service delivery enabling the council to have an informed picture of need and become more proactive in providing services.
 - Improving the Council's ability to direct, performance manage and track all services.
 - Reducing the cost of printing and circulating meeting agendas.
 - Equipping the workforce with the tools it requires to establish itself as a modern digital authority including mobile/remote working and collaboration working tools and skills and training to support a digital workforce.
60. It is the responsibility of the whole organisation to deliver transformation, utilising technology as the enabler; service functions must drive the delivery through effective identification and gathering of business requirements.

61. It is anticipated that the deliverables in this report will be closely linked with the Business Intelligence and Open Data/GIS Projects within Digital and being led by representatives from the Strategic Policy Unit. The effective gathering of business requirements to define the technology requirements will allow business intelligence to be utilised as an effective tool to support the deliverables detailed in this report.

EQUALITY IMPLICATIONS

62. By more effectively linking together the assessment of the need to service delivery, an improved core annual 'define & deliver' cycle will support the Council in embedding equality considerations into its day to day work. Improvements to the individual processes that form part of the cycle may require a due regard statement to be completed and reported as and when appropriate.

CONSULTATION

63. The good governance building blocks in this report have been considered by:
- Directors 3 May 2016.
 - Executive Board 19 July 2016.
 - OSMC 1 September 2016. The Committee fully supported the proposed approach set out in this report and welcomed the opportunity to consider undertaking reviews into thematic areas in support of the State of the Borough assessment.

BACKGROUND PAPERS

64. None.

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