

# CHIEF EXECUTIVE'S PROGRESS REPORT JANUARY - JUNE 2013

## Introduction

1. This is the eighth of my half yearly progress reports to Members. I am again using it to provide an overview of the Council's progress over the last six months. As the period included the end of one Council term and the **election of a new Council** I am also using this report to take a longer term view, reflecting on the last four years and the strategic challenges ahead.
2. The **overview section** (p1-7) gives readers a summary of what we have achieved and the key challenges ahead. For those who would like more detail there are facts, figures and case study examples for each of the six Corporate Strategy themes attached to this report (see Annex A).
3. The **case studies** are described directly by our staff from across the Council who made them happen. I encourage staff to share examples of their achievements with me so I can draw attention to them in this report. It is one of the ways for us to celebrate our achievements and **learn from each other**. The 11 inspiring stories featured in this report will be added to those already on our online **Improvement Toolkit**.
4. Also attached to the report is a list of the latest **awards** the Council has secured (see Annex B). It is always heartening to see the hard work of Members and staff recognised on the regional and national stage. The local authority of the year award from IESE (Improvement and Efficiency South East) and the Government's award for being one of the country's top 10 councils to do business with are two examples among many.
5. A key addition to this report is the report from the **Local Government Association (LGA) Peer Challenge Team** who visited the Council in late February (see Annex C). It was incredibly useful to have our progress to date and future plans assessed by a team of such highly skilled and respected peers. Their report marks an important stage in the Council's development.
6. Before moving into the main part of the report I want to put on the record again my **appreciation of colleagues** right across the Council and the partner organisations we work with. I had the pleasure of being at two fantastic **market place events** in January and May where achievements from across the Council were showcased. In addition to the achievements themselves I was struck by how enthusiastically staff shared their learning and expertise with others.
7. I am fortunate to be part of such a strong team and am continually reminded of the **positive difference our work makes to residents' lives** day in, day out.

## Overview

### **The last four years**

8. The LGA Peer Challenge Team concluded that "there is universal recognition amongst the people we met during the peer challenge process that **Surrey County Council has made huge strides in the last four years**".

9. Hearing the feedback from the peer team confirmed for me just how remarkable the **Council's progress since 2009** has been. The plans agreed following the May 2009 elections to improve performance, stabilise finances and recover the Council's status were implemented successfully.
10. The Peer Challenge report also confirms the **areas we need to continue strengthening** and the challenges we face next. I am ensuring all the points raised in the report are fully addressed.
11. The significant scale and complexity of the challenges ahead make it even more important that we reflect on and **draw lessons** from the approaches that have served us well over the last four years.
12. I have selected below six quotes from the Peer Challenge report which I believe both sum up our progress and provide **an important reminder about how we have achieved** such significant improvement.

"The council has a strong commitment to 'doing what is right for the people of Surrey'. Politically the council is willing to take difficult decisions where it believes they are the right ones for the county to deliver the greatest benefit over the longer-term"

"The general level of staff commitment, enthusiasm, pride and talent in the council is notable...people spoke of having regained a sense of pride about working for the council"

"Relationships between elected members and officers at all levels in the council are seen now to be effective"

"The Council has worked hard to bring about vastly improved relationships with the district and borough councils in Surrey...relationships with the health sector have also improved significantly"

"External judgements have significantly improved around key services, including adults' services and the safeguarding of children"

"The review [*of learning disability services*] represents an example of leading-edge practice in public services around service user engagement, the involvement of staff and elected members in considering future approaches and the use of good approaches and principles around innovation"

*Source: LGA Peer Challenge Report (Annex C)*

13. These quotes emphasise the key components of what has been a **very effective strategy**: a constant focus on building strong relationships within and outside of the council; taking a long term strategic view; prioritising support to our most vulnerable residents; and finding innovative ways to work with residents to co-design and co-deliver services.
14. By **strengthening our capability and capacity** we have been able to rise to the many challenges we have faced over the last four years. In each of my

previous six-monthly reports I shared the key issues I was most concerned about for the next six months.

15. It is interesting now to go back to my list of previous worries and reflect on how they were transformed from concerns into positive outcomes. For example, critical front-line services were turned around, additional school places were provided, budgets were balanced, services were maintained through extreme winter weather, and a safe and successful Olympics and Paralympics was hosted. We can **take pride from these and the many other achievements** from the last four years.

### **The last six months**

16. In May a **new Council** was elected. This important moment was naturally a focal point for Members over the last six months. Equally, officers worked with colleagues in district and borough councils to ensure the procedures and processes ran smoothly. A new **election dashboard** website, designed through our “Shift” innovation process, provided residents with key information about voting and results – it attracted 22,888 unique visitors (see Annex A, case study 8).
17. An initial **induction programme** for Members was run in May and June, using a variety of formats. Initial feedback has been positive and Members will be asked for further feedback shortly via an online questionnaire. The induction programme will continue over the next few months with the aim of providing Members with the skills and knowledge they need to support their specific roles in the Council.
18. At the time of writing we are almost half-way into the **first 100 days** of the Council. There is a strong momentum building and Members have been developing the strategic direction and priorities for the Council over the next five years. Throughout this **period of transition** to a new Council term the huge range of services the Council is responsible for have continued to be delivered day in day out. The case studies in Annex A are testament to the range of improvements that continue to be made across the Council.
19. The first six months of 2013 have also included a number of other significant events and milestones. For example, in May the roll out of **Superfast Broadband** began in earnest when the village of Pixham was provided with a Superfast connection. Our partnership with BT is **supporting economic growth** and bringing other social benefits by making Surrey the best connected county in England.
20. Our work with partners to support the local economy was given a further boost in March with the launch of **Surrey Future**. This is a new group which brings together all Surrey’s council and business leaders to take a long term coordinated approach to investment in infrastructure. In the nearer future the construction of the new **Walton Bridge** is on track and it is set to open for traffic later in the summer (see Annex A, case study 6).
21. Two separate events in April illustrated the important work being done to support residents during challenging economic times. An auction held at the start of the month with energy firms as part of the Council’s **Switch and Save** scheme resulted in a deal that means over 1,000 residents will now save an

average of £118 from their energy bills over the course of a year (see Annex A, case study 2).

22. Later in April a Developing Skills for Surrey event attracted more than 60 businesses looking to hire **apprentices**, offer trial placements or offer work experience. The continued expansion of our successful apprenticeships scheme is one important aspect of our wider drive to increase the number of young people participating in education, employment or training.
23. In March the Council signed a very important pledge spelling out its commitment to **young people leaving care**. The care leavers charter details promises the Council has made to help care leavers realise their full potential. It includes making sure they are listened to, treated with respect and are involved in making decisions. Support for care leavers includes a savings scheme that sees us double the cash young people pay into a savings account.
24. More and more of our essential work to **support and safeguard Surrey families and individuals** focuses on effective early intervention and promoting people's independence and choice. The continued work to modernise dementia and older people's mental health services in the county is one illustration of this.
25. In March a county wide **dementia friendly community project** was launched which includes advocates delivering training to a wide range of organisations and the creation of a £50,000 dementia challenge innovation fund for projects that promote the social inclusion of people with dementia. The initiative is part of a wider programme that also includes the opening a chain of advice centres to provide people with information to spot the early signs of the condition, and the mobilisation of dementia advisers who are trained to give support to people in their homes.
26. Responsibility for improving the health of Surrey's communities and reducing inequalities officially transferred to the Council from the NHS on 1 April. **Public Health** colleagues have been based at the Council for the last year developing close working arrangements and this helped ensure a smooth formal transfer.
27. On 1 April the **Surrey Health and Wellbeing Board** also officially took up its responsibilities for the strategic leadership of health and social care services. Having already existed in shadow form the Board has already made strong progress. In April it published Surrey's first Joint Health and Wellbeing Strategy following a comprehensive review of evidence and an engagement process with over 900 stakeholders.
28. In the last month we've been doing some significant work with our partners across the county to look at areas where we could **accelerate our joint working** and re-shape our budgets to transform services and reduce overall costs. We submitted a strong Expression of Interest to the Department for Communities and Local Government (DCLG) to be involved in a **Public Service Transformation Network** they are establishing as a successor to the Community Budget pilots.
29. Our proposals cover several areas from increasing our focus on supporting those families with the most complex needs, to better collaboration by the three emergency services across the county. At the time of writing we are awaiting a decision from DCLG about our involvement in the Government's programme.

We will anyway continue to develop the business cases for these proposals and implement **enhanced joint working arrangements** where there is agreement among partners.

### **The next challenges**

30. Demands for our services continue to rise. We have new legal responsibilities to meet. There are further significant national policy changes to respond to. At the same time our resources in real terms are continuing to reduce. This makes for a **very tough immediate and long term set of challenges**. I remain confident we can address them. My confidence stems from the evidence of our continued progress over the last six months and the track record of achievements from preceding years.
31. It is important to understand this **does not mean standing still**. It does not mean doing more of the same things. It means adapting the way we work, developing new partnerships with residents and partners, and finding innovative solutions that can improve services and value for residents. Members will of course play a vital role in developing these new approaches, in particular through strong community leadership and by feeding information from local areas into the Council.
32. The next six months will prove critical to the successful implementation of the refreshed Corporate Strategy. In this period we must **build the momentum** required to deliver our goals. There are three particular areas we will need to focus on to do this.
  - Relationships
  - Finances
  - Innovation
33. The work we do in these areas over the coming months and the decisions Members make on these issues will **set a course for the next four years**. Focussing on these areas will also address the key points raised by the LGA Peer Challenge Team.

#### *Relationships*

34. Developing and maintaining the principles and ethos of working as “**one team**” in the best interests of Surrey requires continual attention. The challenges ahead will test our resolve to stick to these principles, at the very time when we need them most. It may be tempting to pursue short term answers and work in isolation. We must resist this.
35. With this in mind the Leader and I are personally committed to making sure the Council improves in areas where staff and Members have raised concerns. Our staff surveys have provided some positive indications. They have also identified areas we need to improve on such as helping and supporting each other and dealing with bullying and harassment. In the coming months we will be developing further **opportunities for engagement, discussion and listening** across the Council. We will also continue to invest in the training and equipment that officers and Member need to work productively and provide excellent service.

36. Individuals, families and communities across the county have different needs and aspirations and it is crucial that we continue to develop new approaches that increase their control over how services are designed and delivered. We want to understand and develop the resources – or the **social capital** – that exists among the residents and communities in Surrey and unlock their ability to build strong support networks.
37. This means applying energy and skill to how we engage and work with residents, including exploiting the potential of new technology and social media. A new **Communications and Engagement Strategy** has been put together to help guide our efforts and Members will of course have a crucial role to play in this.

#### *Finances*

38. The financial crisis has had a deep and lasting impact on the UK economy, household income and public finances. Local government is now facing its most critical period in our lifetimes. The Government's **Spending Review announcements** on 26 June confirmed that further reductions to local authority budgets will be required.
39. Having already delivered nearly £200m savings over the last three years - and started to bring in the £68m savings in required this financial year - the prospect of finding further significant savings is daunting. There are **very real uncertainties** around the future levels of grant, the Government's policy on council tax and the impacts of national policy changes such as welfare reform. All of these can affect the Council's income and the demand for its services.
40. We are taking every step possible to **plan and manage our finances carefully and responsibly** in these circumstances. The factors that underpin and impact on our finances are not static so we are regularly reviewing our financial position on a monthly basis. We will continue to share the latest analysis with Members over the coming months so they can make start to make the decisions that will shape the Council's long term budget. We will also develop a full programme of engagement with residents and partners so they can understand, influence and shape our options.
41. An **update report** on the Council's finances is scheduled for the Cabinet meeting on 23 July. At the same meeting the Cabinet will also be presented with an approach to investment to consider.

#### *Innovation*

42. The Council already has some excellent specific examples of innovation and arguably demonstrates a level of innovation that compares well against other local authorities. The scale of the long term challenges ahead now requires us to develop an **innovation capacity and capability** that compares well not just to other local authorities, but to leading organisations from all sectors and industries.
43. To help us towards this objective a **strategic framework for innovation** was developed and approved by the Cabinet in November 2012. Building on this we kicked off our **Shift** approach in February.

44. Shift is the name we have given to the method and tools and techniques that can **support innovation across the county**. In setting up Shift we have brought together skills in service design, research, technology and change management which we can apply to the problems and challenges we face. These complement existing improvement tools such as Rapid Improvement Events.
45. Hundreds of staff have already been involved in Shift workshops, projects and events, and a new website (**Simpl**) has been set up where we are **capturing and sharing ideas** people have had to make Surrey an even better place. At present we are purposefully testing and learning about the approaches that can best support systematic innovation across the Council. Later in the summer we will use the findings from this test period to shape our **long term approach**.
46. Members have a crucial role to play in **driving and focussing our innovation agenda**, ensuring we hit the right balance between improving the things we do already and doing radically different things. It is interesting to reflect on research which tells us that in a quickly changing environment staying ahead requires making every single “marginal gain” available and a selected number of more radical leaps.
47. One of the important ways we can innovate is through the adoption of different **delivery models** to provide services and secure public value. On 26 March the Cabinet approved the development of an approach to **trading** and in the coming months the first business cases will be presented to Members for consideration.

## Conclusion

48. Over the last six months the Council has **continued to perform strongly** while going through an important transition into a new Council term. The new Council has subsequently set out a clear strategic direction and long term goals. There are significant challenges that need to be overcome for these goals and ambitions to be delivered.
49. I am **confident the council can meet these challenges**. Doing so will require putting the key components of our strategy into practice over the next six months. This means continuing to work as one team, shaping a long term budget and developing our innovation capabilities. I look forward to working with Members, colleagues and our partners to make this happen. I will provide a further progress report to Council in December 2013.

## Annexes and further details

50. The following annexes are attached to this report:

Annex A: Case studies  
 Annex B: Awards  
 Annex C: LGA Peer Challenge Final Report

51. There is only room for so many examples in this report. You can find many more details and information on specific services on the **council's website** including the latest progress report on the priorities contained within the Council's **Fairness and Respect Strategy**. Also note that an **Annual Report**

for the 2013-14 financial year designed to give residents and stakeholders a clear picture of the Council's progress will be published by the end of July.