

LGA Corporate Peer Challenge – Progress Review

Bromsgrove District Council

6th December 2023

Feedback





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1. Introduction

The council undertook an LGA Corporate Peer Challenge (CPC) during March 2023 and published the full report in March 2023 and an action plan in July 2023.

The Progress Review is an integral part of the Corporate Peer Challenge process. Taking place approximately ten months after the CPC, it is designed to provide space for the council's senior leadership to:

- Update peers on the early progress made and to receive feedback on this including how the action plan aligns to the CPC's recommendations
- Consider peer's reflections on any new opportunities or challenges that may have arisen since the peer team were 'on-site' including any further support needs
- Discuss any early impact or learning from the progress made to date

This progress review was undertaken within the context of significant changes within the managerial leadership of the council as a result of the departure of the former chief executive and political changes at Bromsgrove District Council following the local elections in May 2023.

The LGA would like to thank Bromsgrove District Council for their commitment to sector led improvement. This Progress Review was the next step in an ongoing, open and close relationship that the council has with LGA sector support.

2. Summary of the approach

The Progress Review at Bromsgrove District Council took place on 6th December 2023.

The progress review had full regard for the political and managerial changes in the council alongside each of the recommendations from the Corporate Peer Challenge as follows:

Recommendation 1

The council needs to review its strategic priorities and realign resources accordingly.

Getting the right priorities in place to maximise emerging opportunities and deal with the challenges will provide the council with the strategic framework for engaging with citizens, collaborating with partners, improving the quality of life for residents, facilitating the transformation of the organisation, and will enable everybody to better understand their place and role in delivering for Bromsgrove.

Recommendation 2

The organisation should consider a governance review to improve decision-making.

There is room for improvements in the council's governance arrangements and a review will strengthen decision-making through more Member engagement and provide a greater level of scrutiny, challenge and assurance. It will also improve the processes and support arrangements across the council to enable Members to deliver on their democratic and leadership responsibilities.

Recommendation 3

Embed the 2022-2026 Workforce Strategy and develop an action plan which needs to be implemented at pace.

This will help to align organisational capacity, corporate resources, transformation, workforce development, succession and talent management, and performance management to the new priorities. It will also strengthen the link between the council's ambitions and delivery as well as providing a clear corporate line of sight on how resources are being deployed, what is being achieved and how the organisation is feeling.

Recommendation 4

Agile working principles and policies need to be implemented consistently.

This calls for flexible and hybrid-working plans to be supported by clear management and staff guidance on how this will work in practice for the whole workforce in an equitable way. Not having clear guidelines and parameters in place exposes the council to potential unequal and discriminatory practices leading to inconsistencies across the organisation.

Recommendation 5

Ensure the Section 24 Notice and Interim Annual Audit Report recommendations are fully implemented.

This is a key priority for the council as it impacts on the reputation of the council and statutory compliance. Furthermore, the implementation of the recommendations will lead to improved governance and financial management in the organisation.

Recommendation 6

Use engagement, shared values, and improved processes to create a positive democratic culture.

This means finding ways to involve a greater number of Members in the work of the council and fostering a more supportive and cordial culture between Members and enhanced understanding and joint working between Members and staff to strengthen the democratic process.

For this progress review, the following members of the original CPC team were involved:

- **Joanne Wagstaffe** - Chief Executive at Three Rivers Borough Council
- **Peter Fleming OBE** – Former Leader at Sevenoaks Borough Council
- **Councillor Georgina Hill** – Independent Member at Northumberland County Council
- **Satvinder Rana** - Senior Regional Adviser at the LGA

Members of the peer team had online discussions with their counterparts prior to the onsite visit and had face to face meetings in Redditch Borough Council over the course of one day with the following representatives from the council:

- **Sue Hanley** – Interim Chief Executive, Redditch BC & Bromsgrove DC
- **Councillor Karen May** - Leader and Cabinet Member for Strategic Partnerships, Bromsgrove DC
- **Councillor Sue Baxter** - Deputy Leader and Cabinet Member for Economic Development and Regeneration, Bromsgrove DC
- **Councillor Rob Hunter** – Leader of the Liberal Democrat Group, Bromsgrove

DC

- **Councillor Peter McDonald** – Leader of the Labour Group, Bromsgrove DC
- **Peter Carpenter** – Interim Director of Finance & Resources (s151 Officer), Redditch BC & Bromsgrove DC
- **Guy Revans** – Interim Executive Director, Redditch BC & Bromsgrove DC
- **Claire Felton** – Head of Legal, Democratic and Property Services (Monitoring Officer), Redditch BC & Bromsgrove DC
- **Staff focus group**

3. Progress Review – Feedback

The peer team was pleased to see the positive way in which the council addressed the recommendations of the Corporate Peer Challenge of March 2023, the actions it has taken so far, and the evidence provided to show the progress being made. The council's leadership briefed the peer team about the work it has been doing and the context within which it has been operating since the peer challenge.

The council continues to operate in a shared services agreement with Redditch Borough Council and this arrangement is working well across both councils.

There have been some fundamental changes in the managerial leadership since the corporate peer challenge in March 2023. The previous chief executive retired in September 2023 and the councils' former deputy chief executive was appointed as interim chief executive until a permanent appointment is made. The interim chief executive is supported by two executive directors, both of whom are also in interim positions. There continues to be capacity challenges within the council including those at senior level due to staff turnover - although all leadership posts are being covered by interim arrangements endorsed by the Council.

The May 2023 local elections delivered Bromsgrove DC to 'no-overall control' and the council now has a coalition Cabinet made up of the Conservative Group and the Independent Group. The new Cabinet is gelling well together and has been undergoing 'top team' development, as well as drafting a shared political vision and political priorities for the council.

Despite these structural and contextual changes, the peer team was pleased to note renewed energy at the senior level in the organisation and a stronger sense of purpose and direction. The council developed and published an action plan in response to the recommendations of the corporate peer challenge and has been delivering against this. The peer team was impressed with the progress made so far and would encourage the council to continue its delivery whilst ensuring that it is measuring the impacts of its efforts.

Recommendation 1

The council needs to review its strategic priorities and realign resources accordingly.

Following detailed work by the Portfolio Holders, Cabinet drafted a political vision and political priorities. At a recent session facilitated by the LGA which involved the Cabinet and the corporate management team, next steps have been agreed for the development of the council plan.

This was critical in the development and delivery of the review of priorities. The new 3-year council plan for the period 2024-27 detailing strategic priorities and aligned resources will be presented to full council and published in 2024. Having an aspirational and forward-looking District-wide strategic vision supported by a comprehensive council plan with a clear set of priorities for the council will help to inject confidence and positivity among elected members, staff, partners, and citizens as they take Bromsgrove forward.

Recommendation 2 and Recommendation 6

The organisation should consider a governance review to improve decision-making.

Use engagement, shared values, and improved processes to create a positive democratic culture.

A comprehensive review of the council's constitution is currently underway by external lawyers and should be in place from 1st April 2024. This review will consider the findings of the Governance review in Bromsgrove as well as changes to the constitutions agreed by Members through the constitution review process.

In addition, several actions have been taken to improve decision-making, including for example:

- Putting in place a hybrid form of Leader and Cabinet model of decision making with a Memorandum of Understanding between the Leaders of the two groups on how they are going to work together.
- Progressing the recommendations made by the governance systems task group, which are being monitored by overview and scrutiny committee.
- Holding Cabinet surgeries once a month and meeting of political group leaders once a month.
- Putting in place independent support to the Cabinet via the Local Government Association (LGA).
- Implementing the recommendations of the review of the council's planning committee by the Planning Advisory Service's (PAS)
- Extra briefings for all Members on specific subjects to help improve communications and understanding among Members.
- The joint calendar of meetings for the Cabinet for the 2024/25 municipal year has been reviewed and work planning days have been included to provide the Cabinet with an opportunity to plan its work for the year ahead.
- Overview and Scrutiny work prioritisation events for the council have been booked to take place early in the municipal year alongside refresher training.
- Dates have been scheduled throughout the year for Member briefings on emerging issues.
- Individual Cabinet Members have been provided with opportunities to attend training provided by the Local Government Association (LGA).
- The council is progressing with the introduction of the modern.gov report management system and this should help to ensure that the quality of reports improves in future whilst the system should also help to encourage report authors to meet deadlines.
- Members have agreed that Council and planning committee meetings should all be live streamed to the council's YouTube channel moving forward to help improve the transparency of the decision-making process.
- Overview and Scrutiny Committee meetings have been scheduled to take place in advance of the Cabinet meetings in 2024/25 to reduce the gap between publication of the main Overview and Scrutiny Committee agenda and supplementary packs containing Cabinet reports for pre-scrutiny.

This is impressive progress and is helping to improving decision-making across the council. Nevertheless, processes to ensure that Members receive comprehensive, accurate and timely reports can be further tightened and will help to lessen strain on officer capacity and foster a positive democratic culture in the organisation.

Furthermore, the introduction of the new constitution will require additional Member training to ensure that they have a better understanding of how the democratic process works in the council and how the constitution will support that.

Recommendation 3

Embed the 2022-2026 Workforce Strategy and develop an action plan which needs to be implemented at pace.

Implementation of the strategy is in force and an action plan for Year 1 and additional resources have been signed off by the corporate management team (CMT). Year 2 and 3 of the action plan is kept under review to ensure the interdependencies within the action plan are considered and addressed and that it remains fluid to address any priority needs that may arise. To give weight and ensure robust project management, a workforce strategy board, chaired by the interim chief executive, has been established.

A reset of the culture of the organisation is underway and this is being driven by the council's four key principles of people, performance, pride, and purpose. It was encouraging to hear senior managers refer to these and how they are using them to manage their service areas.

The corporate apprenticeship programme has been launched and work is ongoing to implement the first cohort of apprentices under the programme. The first cohort of the council's leadership development programme – AWARE+ began in September and a second cohort is planned for the spring of 2024.

Improvements to the council's appraisal system are being implemented and a revised appraisal process is due to be launched by early 2024 which will support workforce planning. A new recruitment system is being developed and is also to be implemented at the beginning of 2024. This will be accompanied by a programme of training for managers both in using the system and in the skills and behaviours

required to carry out successful recruitment campaigns.

An exit Interview survey has been developed and was implemented in November 2023 with the aim of improving understanding of why people leave the councils' employment and what might be done to reduce staff turnover. A Staff Induction Working Group has been set up to look at the best ways of onboarding new starters and has been tasked with creating a revised induction to be rolled out early in 2024.

These are tangible steps that the council has taken and should continue with this work at pace to ensure that it is able to both retain quality staff and attract new talent into areas where it currently has capacity gaps.

Recommendation 4

Agile working principles and policies need to be implemented consistently.

The council's Agile Working Policy was launched in June 2023 with managers tasked with rolling out the policy within their service areas. Member briefings have also taken place, a project board constituted and CMT has set clear parameters for agile working. The nature and extent of agile working will be dependent on specific roles (for example front-office vs back-office) to ensure customer service and delivery of outcomes remains the priority.

The Workforce Strategy Board is now the revised governance body overseeing implementation of the policy, and will provide additional guidance where required and review the effectiveness of implementation. Heads of service and fourth tier managers will be responsible for applying the policy.

Manager training has been ongoing, covering topics which support the rollout of the policy, and the potential of artificial intelligence and robotics are being explored to help carry out routine activities to enable staff to be released to focus on activities that add value to customers. Managers have welcomed the policy as it provides structure and flexibility to enable them to meet business and operational needs.

Agile working in all councils was accelerated because of the pandemic and the new ways of working will take time for it to get embedded across organisations. The peer team would reiterate that it will be essential to continue to keep implementation under review so that parameters can be fine-tuned where necessary, and consistency and equity across the organisation ensured. This will help continue delivering outcomes

for the organisation and help attract talent to the council.

Recommendation 5

Ensure the Section 24 Notice and Interim Annual Audit Report recommendations are fully implemented.

The S24 notice recommendation around the delivery of the 2020/21 accounts is still in place and has been extended to the subsequent accounting periods now outstanding. Of the 5 key recommendations in the 2020/21 report, only one serious weakness remains in relation to opening balances linked to the budget which will be resolved with the delivery of the Accounts, the remainder of those significant weaknesses have been resolved or linked to improvement recommendations.

The council is taking the following actions to rectify issues highlighted in the S24 notice recommendation as well as key recommendations of the draft 2020/21 External Audit Report:

- The accounting policies report goes to every audit committee. The frequency of audit committee meetings has been increased from 5 a year to 6 a year until the financial position is rectified.
- The key closure deliverables for each financial year are clearly set out. The owners of these deliverables are the s151 and deputy s151 officers.
- Closure and audit of the 2020/21 accounts within the next few weeks will deliver the S24 notice recommendations. The owners of these deliverables are the s151 and deputy s151 officers.
 - The cash receipts suspense accounts will be cleared by the end of the 2023 calendar year.
 - The council has had difficulties in obtaining the data required by its external auditors to sign on the TechOne take on balances as of the 8th of February 2021.
 - The previous finance providers 'Advanced' are now being used to deliver this data as there is not the expertise in-house.
 - The council will only "give" the 2020/21 accounts once the data take on balances have been agreed with the external auditors.
 - The 2021/22 accounts will be drawn up once 2020/21 accounts are handed

over.

- Progress on key financial and compliance indicators are reported monthly to CMT and to audit committee bi-monthly. These deliverables are also reported on a quarterly basis to the Cabinet.
- Delivery of financial training is taking place to move staff to right level of skills.
- TechOne was upgraded to the latest version 23A in July 2023.
- Quarterly combined financial and performance monitoring is taking place throughout the 23/24 financial year with Q1 reported in September and Q2 in November/December 2023.
- In Quarter 2, the budgets for the first time were delivered on TechOne and not spreadsheets. This, linked to the finance training, will lead to better ownership and greater accuracy of forecasts.
- The 2024/5 Medium Term Financial Plan (MTFP) process has started. As part of this process the approach to consultation will be rethought as per the draft 2020/21 audit report recommendation.
- The MTFP will include scenario analysis given short term government guidance on central support.
- The audit task group recommendations have been integrated and endorsed by the Cabinet. As part of this, the audit committee agenda order has been changed to deal with risk earlier as per the recommendations of the audit task group.
- Risk workshops are still to be run to assess risk appetite of the Cabinet and audit committee. Strategic priority workshops have been run with the Cabinet in August and September 2023.
- Following the risk workshops the council will be able to implement Internal Audit Risk Review recommendations.
- The 2021/2 and 2022/3 value for money opinions was delivered to audit committee in November. This report set out how the council has progressed on the S24 issue and the 5 key recommendations.

Staffing numbers are back to close to establishment levels, although a number of these posts are covered by agency and fixed term contract staff. Financially, as at

Quarter 2 the Council is forecasting a revenue overspend for 2023/24 in the region of £39k, after the application of £557k from the Utilities Reserve as approved at Quarter 1. In the medium term the council is expecting to deliver balanced budgets over the next 2-3 years.

The peer team was pleased to note the council taking the right and necessary steps to address the S24 recommendations and appears to be on track to publish its accounts once Auditors have undertaken their reconciliation work on opening balances in January 2024. Following sign off of the opening balances by the Auditors the council can then supply the 2020/21 accounts for audit. The peer team would encourage the council to continue with this work to ensure that S24 as well as the audit committee recommendations are robustly addressed and improvements in the accounting processes sustained in the future.

4. Final thoughts and next steps

The LGA would like to thank Bromsgrove District Council for undertaking an LGA CPC progress review.

We appreciate that 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.

Under the umbrella of LGA sector-led improvement, there is an on-going offer of support to councils. The LGA is well placed to provide additional support, advice and guidance on a number of the areas identified for development and improvement and we would be happy to discuss this. Helen Murray (Principal Adviser) is the main point of contact between the authority and the Local Government Association (LGA) and her e-mail address is helen.murray@local.gov.uk

Satvinder Rana
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(On behalf of the peer challenge team)