

# **LGA Corporate Peer Challenge – Progress Review**

Brentwood Borough Council

25<sup>th</sup> November 2024

Feedback



**Corporate Peer Challenge**



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# 1. Introduction

The council undertook an LGA Corporate Peer Challenge (CPC) during March 2024 and promptly published the full report with an action plan.

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:

- Receive feedback from peers on the early progress made by the council against the CPC recommendations and the council's RAG rated CPC Action Plan.
- 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.

The LGA would like to thank Brentwood Borough 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 Brentwood Borough Council (BBC) took place (onsite) on Monday 25<sup>th</sup> November 2024.

The Progress Review focussed on each of the recommendations from the Corporate Peer Challenge, under the following theme headings:

### **Vision and Priorities**

Recommendation 1 - Urgent need to develop a clear, short and concise political vision for the borough.

Recommendation 2 - Senior officers to then communicate and deliver this vision working with members to develop a new intelligence-led corporate plan with clearly defined outcomes, priorities and measures of success.

## **Strategic internal and external communications**

Recommendation 3 - Introduce a monthly meeting of senior officers (CEX, S151, MO and strategic directors) with the leader and committee chairs to discuss council strategy and progress.

Recommendation 4 - Senior members need to be more visible externally, particularly in the South Essex Councils arena and focus on strategic direction.

Recommendation 8 - Increase and enhance meaningful two-way communication between organisational layers.

## **One Team**

Recommendation 5 - Make a political decision on the future of the One Team arrangements with Rochford District Council – options paper for future.

Recommendation 6 - Regardless of political decision on the one team, there is a pressing need for officers to clarify structures, systems and the timescales for future operation of the council.

Recommendation 7 - Officers working for both councils either formally or informally need to have pay and costs appropriately apportioned to avoid a risk of potential cross subsidisation of finances and to ensure the completeness of recharging.

## **SAIL**

Recommendation 9 - Continue to progress the value for money review of SAIL and review how S151 and MO engage with the company. Ensure any reports to Committee or Council have a covering report written by both of these statutory officers to ensure independent financial oversight and legal oversight of SAIL.

For this Progress Review, the following members of the original CPC team were involved:

Chief Executive Lead Peer – Mark Stone: South Oxfordshire District Council and Vale of White Horse District Council

Political Peer – Mayor Peter Taylor: Mayor of Watford Borough Council (Lib Dem)

Peer Challenge Manager - Kirsty Human: LGA

### 3. Progress Review - Feedback

#### Overview

Peers were impressed by the progress made at BBC in the eight months since the peer team were last in Brentwood. The political leadership have set out their vision and priorities in a new Corporate Plan. The Corporate Leadership Team (CLT) is now fully staffed with just one interim role remaining. The leader has made a concerted effort to involve himself in the wider Essex partnership space and communications and relationships are much improved both internally and externally.

Out of the CPC's nine recommendations, the council's RAG rated action plan reports that 44 per cent of actions are completed and 56 per cent are in progress.

The council is on a journey with further work to do but everyone is now pulling in the same direction and there is a genuine feeling of being in it together.

#### Vision and Priorities

*Recommendation 1 - Urgent need to develop a clear, short, and concise political vision for the borough.*

*Recommendation 2 - Senior officers to then communicate and deliver this vision working with members to develop a new intelligence-led corporate plan with clearly defined outcomes, priorities, and measures of success.*

Over the past eight months the senior leadership teams have worked together to develop a new Corporate Plan which articulates a clear vision "Our Borough - A sustainable, vibrant community where everyone thrives and belongs" and how this will be achieved through three main strategic themes of work: a place to call home, cleaner, greener and safer, a thriving and growing economy, and a fourth theme, a leading local authority which creates a solid foundation for delivery of the Corporate Plan. Each theme is supported by a number of priorities and key deliverables which can be monitored, and progress reported on.

Although only agreed by Council in October, the staff peers spoke with already knew the key aspects of the plan, and how it would support the work they deliver across the council. There is widespread support for the aims and objectives and the stability

this is providing officers in terms of direction and service planning. Peers welcomed and commended the council on delivering against this recommendation. They also hope that by setting out clear priorities for the council, old habits of adding extra priorities throughout the year would stop, or at least provide a basis for constructive discussion around what might have to be delayed or postponed if something new needed to be considered.

Alongside the new Corporate Plan, officers have developed a new Corporate Governance Framework which from May 2025 will align the themes of the plan with committees, chairs, and officer boards. This will create strong strategic alignment and enable oversight of the council's priorities at every layer of the organisation.

There is also recognition that the Corporate Plan is an evolving document. BBC intends to consult on the new plan, with a view to revising it alongside the budget in February to ensure there is also financial alignment with the key deliverables. Staff can have their say through all staff briefings and team meetings with the public being consulted initially through the December edition of the council's resident magazine "Our Borough.

### **Strategic internal and external communications**

*Recommendation 3 - Introduce a monthly meeting of senior officers (CEX, S151, MO and strategic directors) with the leader and committee chairs to discuss council strategy and progress.*

*Recommendation 4 - Senior members need to be more visible externally, particularly in the South Essex Councils arena and focus on strategic direction.*

*Recommendation 8 - Increase and enhance meaningful two-way communication between organisational layers.*

Peers were instantly impressed by the positive change in mindset of the top team. It was clear the political and officer leadership has come a long way since the CPC and there is a maturity and focus to the relationships.

Following the CPC, two monthly meetings were created:

- Leader, deputy leaders, chief executive, and strategic directors.

- Corporate Leadership Team, chairs, and vice chairs meeting.

In line with the new internal governance framework, the meetings are being used to provide strategic direction and ensure ongoing oversight and coordination of delivery against the Corporate Plan. They focus on budgets, delivery of major projects and relationship building between the top teams. Peers were very pleased to hear this recommendation had been acted upon and stressed the importance of these meetings to provide the strategic direction and to air in a safe confidential space, issues that might need resolving collectively or views on upcoming legislation for example.

They also encouraged the council to consider lengthening the meetings to enable more detailed discussions and to focus agendas on the biggest issues. Not all officers need to attend the full meeting, many can come and go depending on the agenda. Peers heard in multiple conversations that the last meeting had been the best yet but had run out of time to discuss everything.

The relationship between the leaders and deputies of the joint administrations at BBC and RDC has also developed since regular meetings were scheduled. Joint working on the numerous senior officer appointments has strengthened connections to the extent that from May 2025 a joint Employment Committee will be established between both councils.

The leader has made a conscious effort to be involved in more county wide partnerships, attending District Council Network (DCN) events, the LGA conference and roundtables hosted by political figures including Lord David Blunkett. He has also been proactively engaged with other county leaders on the potential for local government reform and in discussions at South Essex Councils (SEC) on its role in the county. The progress review was delivered at a time when the future of councils across the country was being discussed. The political leadership at BBC had a pragmatic approach to this, allowing conversations to take place, but not making any decisions until publication of the White Paper. Needless to say, there were concerns expressed about the implications of any reorganisation on the partnership.

Work has commenced to review the current communications strategy and should be complete in early 2025. Standardisation of communications across the organisation

will be supported by new communications protocols with CMT being briefed ahead of any announcements to ensure they are on the front foot and prepared to support their teams.

To increase information flow up and down through the council, a series of joint CLT and CMT meetings are now taking place and a member of CLT attends the monthly CMT meeting. CLT away days have taken place and there is a new development plan for CMT and CLT.

Staff commented on the number of opportunities for them to be engaged and supported, citing, the summer wellbeing conference, staff picnic, staff awards, all staff briefings and newsletter, early morning briefings for operational teams and monthly “one you” meetings with managers. There was clearly a view amongst staff peers spoke to that communication and engagement had improved, but they still wanted clarity on if and when all staff would be working across both councils.

Peers congratulated the council on their efforts to increase the communication channels and flow of information, cautioning against reducing any of this activity - keeping people informed and engaged and winning hearts and minds is the toughest job in any council.

## **One Team**


*Recommendation 5 - Make a political decision on the future of the One Team arrangements with Rochford District Council – options paper for future.*

*Recommendation 6 - Regardless of political decision on the one team, there is a pressing need for officers to clarify structures, systems and the timescales for future operation of the council.*

*Recommendation 7 - Officers working for both councils either formally or informally need to have pay and costs appropriately apportioned to avoid a risk of potential cross subsidisation of finances and to ensure the completeness of recharging.*

There was a palpable difference in the political perceptions of the partnership with Rochford District Council. The administration could clearly see the benefits the partnership was delivering and regular meetings between the two leaders are supporting good productive discussions about options for the future.





An external independent review is currently taking place, using desktop analysis and gathering views from officers and members. The specification asks for the following to be included:

- Compare/review at high level the present position against the original objectives set out in the methodology. In doing so consider:
  - Outcomes both financial and non-financial
  - Compare against the original targets (outcomes) set.
- Future operating options regarding governance.
- Future options around direction taking into consideration the present, future and regional local government landscape.

It is intended to report the outcomes of the review to elected members in January 2025. Following which, decisions will be made in both councils on the future of the partnership arrangements. Peers encourage the political leadership of both councils to then empower and give freedom to officers to put the remaining officer tiers in place according to business need.

There has been a sharp focus on recruitment and peers were pleased to meet the newest members of the extended leadership team. Although it has clearly been hard work for officers and elected members, the stability this has brought to the organisation was clear to see. Together the CLT are working on a new narrative for the partnership which clearly demonstrates the sovereignty of each council whilst bringing staff together to deliver for both.

A new internal governance framework has been developed which, when fully implemented, will provide robust arrangements for corporate governance, risk management and internal controls. It clearly demonstrates the lines of accountability and opportunities for oversight and scrutiny. The same structure is replicated for Rochford Council, streamlining processes and creating efficiencies for officers. Aligning the committees with the strategic priorities and officer boards enables the council to trace the link between every action and decision back to the vision and priorities. In addition, an exercise is underway to rationalise the number of policies and strategies across the two councils, sharing where possible and taking the best

from both to update or create new joint and individual documents.

Officers reported to peers that there has been a change in perceptions across both councils. It no longer feels like a Brentwood take over and there is far more positive engagement between staff across both councils with a recognition that it is still hard for those that haven't gone through the full process yet.

Peers welcomed the progress made in communicating timescales with staff, delivering on the little things that help to make jobs easier and encouraging staff to think differently. Examples included:

- Delivering IT enhancements such as a single directory of staff and members across both authorities and standardisation of IT equipment.
- Simplification of access to Brentwood and Rochford cloud desktop.
- Shared work across key strategies including ICT/Digital and Information governance.

Peers heard that although there is now greater awareness of the potential for cross subsidisation, it was still difficult in practise to prevent this. Managers are alive to the issue, and it is part of the discussions with finance business partners, but in reality, until both councils have clarity on the full deployment of one team throughout all tiers of staff, issues will continue to arise, and systems need to be strengthened.

## **SAIL**

*Recommendation 9 - Continue to progress the value for money review of SAIL and review how S151 and MO engage with the company. Ensure any reports to Committee or Council have a covering report written by both of these statutory officers to ensure independent financial oversight and legal oversight of SAIL.*

Following the CPC, the council commissioned an external independent review of Seven Arches Investment Limited (SAIL) which, along with reviewing governance and financial sustainability, also assessed SAIL against its objectives. The review recommended the council take a number of actions, which were in line with many of the CPC team's lines of enquiry. Once these actions have been completed, officers intend to bring a business case to elected members outlining the options on the future of SAIL and its assets, specifically:

- Options for moving forward as identified in the review.
- Consideration of the impact proposed options would have on the council and SAIL.
- Creation of a forward plan to enable implementation of whichever decision is made.

Monthly client meetings have been reestablished between SAIL directors and BBC senior officers which have strengthened understanding and improved relationships. Officers are preparing and presenting council reports alongside the SAIL reports to reflect the impact and risks of the company on the council. Statutory officers are also providing financial and legal oversight of SAIL on behalf of the council.


SAIL was established as an investment vehicle but has grown to also manage a number of the council's assets. With changes in financial regulations for local authorities, interest rates and Minimum Revenue Provision (MRP) implications, peers agree now is the time to consider the company's future and whether it is still providing value for money for BBC.

Whilst SAIL is still providing value for money, peers reminded BBC that its investments, particularly those out of borough remain a significant risk to the council.

Peers were encouraged to see the growth in the assets and investments team, with an increased breadth of skills and knowledge now in place. BBC has developed the capacity and capability to manage its own assets and support the council's commercial ambitions.

Peers noted that total external borrowing is now higher than the £226m reported in March 2023, which was largely due to BBC having forward dealt £45m of borrowing at very low rates. The increased borrowing is required as BBC continues to fund a capital programme, with most of the capital spend within the HRA, although the capital programme has significantly reduced.

The Council have highlighted that as part of an increased focus on debt levels, a decision had been made to develop the Baytree Shopping Centre in stages, in order to consider options, that may include bringing in a third party or external funding stream to enable this.



A review of the assets held has been carried out to consider the sale of assets that can provide a profit to the Council and also reduce the need to borrow by bringing in a third party or external funding to reduce the borrowing commitment for the main scheme. It is likely that these actions will provide options to repay some of the borrowing and reduce the Council's overall debt, which remains elected member's target.

## 4. Final thoughts and next steps

The LGA would like to thank Brentwood Borough 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.

In the meantime, Rachel Litherland, Principal Adviser for East of England, is the main contact between your authority and the Local Government Association. Rachel is available to discuss any further support the council requires.

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