

LGA Corporate Peer Challenge

Brentwood Borough Council

9 – 12 November 2021

Feedback report





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1. Executive summary

Brentwood Borough Council (BBC) is one of 12 district, borough and city councils in Essex. It covers around 153 square kilometres, making it the ninth largest by area in Essex. With a population of around 76,550, BBC is the second smallest council, by population in Essex - however, it is not to be underestimated. The peer team were taken aback with the council's ambition along with its bold persona, driven by strong political and officer leadership. The corporate strategy for 2020-2025 details the substantial programme of work the council aspires to deliver. Impressively, peers saw how much had already been achieved in its first year. Notable projects included the roll out of a new recycling scheme, community co-design of Dunton Hills Garden Village, reopening of Brentwood Leisure centre following collapse of the Trust, delivery of numerous community events and activities and progression of the Brookfield Close (zero carbon) housing development from vision to planning permission in 12 months. These were all in addition to the council's core business.

The pace of delivery, especially during the pandemic was impressive and testament to the dedication and commitment of staff and councillors at BBC. The organisational culture is admirable. The "can do" attitude and officer support for each other is akin to a family (which can have its downsides) and best described as "the Brentwood way". Staff held the leadership in high regard and described how over the past two years there had been a "step change" providing energy, opportunity and change which the whole council was embracing.

However, peers did see evidence of weariness, which given the challenges of the past 18 months is not uncommon, the pace of delivery was now taking its toll and was seen as a concern. BBC currently has insufficient resilience in the system to deliver all the councils' aspirations and needs to focus on a smaller set of priorities to ensure timely delivery whilst also building in resilience to key service areas to manage the risks associated with single points of failure. Peers strongly recommend developing a new workforce plan to consolidate strands of work which will support the council's ambitious delivery programme.

BBC was commended for its engagement with partners, businesses and stakeholders, particularly throughout the pandemic. Reference was made to the

information produced and distributed involving varying channels of communication used during the pandemic to keep everyone updated on the evolving situation and for the efficient and timely distribution of business grants. The council's role as community leader, holding all the elements of work together and coordinating the response was seen by all as exemplary. The Brentwood Business Partnership, community projects including Lighthouse Furniture and other councils in South Essex, see BBC as a partner of choice and the Association of South Essex Local Authorities (ASELA) praised the contribution BBC had made to the partnership. However, beyond South Essex, BBC was less visible - with the larger districts having a stronger voice and achieving greater attention. Peers recommend more work is done to observe approaches taken in North Essex around partnerships and learn from some of the best practice being showcased.

Whilst the council is currently viewed externally in a favourable light, there have been instances of poor councillor behaviour at public meetings. It is important this conduct is challenged and dealt with expediently to prevent the actions of a few impacting on the whole council's reputation and detracting from the great work being delivered. Some honest and open conversations need to take place at the political level to build trust and confidence, share the workload and build capacity. Peers encourage the council to embrace the skills of the senior political leadership team and build on the good member development programme already in place to ensure there is an effective political succession plan.

The Council's financial strategy is largely focussed on capital expenditure for regeneration and investment purposes financed through prudential borrowing (£121m in 2020/21). The peer team questioned whether sufficient revenue resource was available to deliver services and give organisational capacity, particularly where there will be a need for highly skilled programme and technical staff to deliver the ambitious capital programme. There was also a concern that an over reliance on commercial activity was detracting from the great work BBC was doing in other areas of the council such as through its communities' team and various partnerships.

Peers recommended a more diverse budget strategy was developed - looking at opportunities through partnership working, transformation and efficiencies would reduce the risk, should the investments not reach full potential. There was also a potential conflict of interest between the Joint Venture (Brentwood Development

Partnership), SAIL and the Council over the objectives for new developments (profit vs community benefit including affordable housing). The Council should consider the future of the BDP in the light of new capacity to directly deliver sites whilst considering the potential impact on SAIL.

The council has a positive approach to partnership working and has various shared service arrangements with other public sector providers. The new strategic partnership with Rochford District Council and sharing of CEX post was seen as a positive step by peers and they encourage the council to explore further opportunities for sharing knowledge, capacity and skills. Peers recommend BBC develops a partnership plan to ensure existing partnership arrangements are appraised and compared - with performance and value for money strong considerations and that they are considered in light of new opportunities with Rochford or others.

2. Key recommendations

There are a number of observations and suggestions within the main section of the report. The following are the peer team's key recommendations to the council:

2.1. Recommendation 1

Build your capacity to deliver your ambitions – there is insufficient resilience in the system to deliver all the councils' aspirations.

2.2. Recommendation 2

Prioritise on your key projects – Focus on delivering a smaller number of key projects at pace and within the capacity available to avoid undue pressure.

2.3. Recommendation 3

Invest in success – Develop a new workforce strategy, align pay, refresh and implement corporate learning and development.

2.4. Recommendation 4

Grow your political leaders – Develop and empower councillors to efficiently succession plan.

2.5. Recommendation 5

Develop a more diverse budget strategy – Expand the focus to include efficiencies through transformation, partnership working and future opportunities.

2.6. Recommendation 6

Rationalise the investment structure – Review the interrelation of Brentwood Development Partnership (BDP), Seven Arches Investments Limited (SAIL) and BBC.

2.7. Recommendation 7

Promote the “Brentwood way” - The culture of BBC is the councils unique selling point to continue to grow and develop maximise externally.

2.8. Recommendation 8

Have a plan for partnerships – review existing arrangements to ensure they are still value for money and meeting the council’s objectives.

2.9. Recommendation 9

Consider wider opportunities – Other partners and stakeholders want to work with you to help deliver services.

2.10. Recommendation 10

Demonstrate good standards in public office – Councillors can also demonstrate and adopt the “Brentwood way”.

3. Summary of the peer challenge approach

3.1. The peer team

Peer challenges are delivered by experienced elected member and officer peers. The make-up of the peer team reflected the focus of the peer challenge and peers were selected on the basis of their relevant expertise. The peers were:

- Bill Cullen, Chief Executive Peer - Hinckley and Bosworth Borough Council
- Cllr William Nunn, Member Peer - LGA Regional Peer, Breckland District

Council

- Sarah Gobey, Officer Peer - Chief Financial Officer, Adur District and Worthing Borough Councils
- Andy Wood, Officer Peer – Service Lead for Growth, Development and Prosperity, East Devon District Council
- Annabel Crouch, Officer Peer - Policy Manager, Elmbridge Borough Council
- Kirsty Human - LGA Peer Challenge Manager
- Rachel Stevens - LGA Project Support Officer

3.2. Scope and focus

The peer team considered the following five themes which form the core components of all Corporate Peer Challenges. These areas are critical to councils' performance and improvement.

1. **Local priorities and outcomes** - Are the council's priorities clear and informed by the local context? Is the council delivering effectively on its priorities?
2. **Organisational and place leadership** - Does the council provide effective local leadership? Are there good relationships with partner organisations and local communities?
3. **Governance and culture** - Are there clear and robust governance arrangements? Is there a culture of challenge and scrutiny?
4. **Financial planning and management** - Does the council have a grip on its current financial position? Does the council have a strategy and a plan to address its financial challenges?
5. **Capacity for improvement** - Is the organisation able to support delivery of local priorities? Does the council have the capacity to improve?

In addition to these questions, you asked the peer team to provide feedback on:

6. **Shared services and partnership working arrangements.**

3.3. The peer challenge process

Peer challenges are improvement focused; it is important to stress that this was not an inspection. The process is not designed to provide an in-depth or technical assessment of plans and proposals. The peer team 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.

The peer team prepared by reviewing a range of documents and information in order to ensure they were familiar with the council and the challenges it is facing. The team then spent one and a half days virtually followed by two days onsite in Brentwood, during which they:

- Gathered information and views from more than 30 meetings, in addition to further research and reading.
- Spoke to more than 90 people including a range of council staff together with members and external stakeholders.

This report provides a summary of the peer team's findings. In presenting feedback, they have done so as fellow local government officers and members.

4. Feedback

4.1. Local priorities and outcomes

Brentwood Borough Council (BBC) is one of 12 district, borough and city councils in Essex. It covers around 153 square kilometres, making it the ninth largest by area in Essex. At its centre is the market town of Brentwood with town centres at Shenfield and Ingatestone to the North East. There are excellent transport networks, a wide selection of schools, shops, employers and recreation activities that make Brentwood desirable to businesses and residents. The town is surrounded by countryside and smaller villages, 89% of which is in the greenbelt. It is this unique mix of market town, villages and green space just 20 miles out of central London that is essential to the character of the borough

BBC has a five-year corporate strategy (2020 – 2025) which was developed throughout the summer of 2019, informed by residents, councillors and stakeholders. It sets out the councils five key priority areas, summarised neatly by "Growing,

Protecting, Developing, Improving and Delivering". The strategy is monitored by officers and committees along with other key performance indicators as part of the council's performance management framework and an annual progress report is produced to highlight the achievements that have been made against the years objectives.

Whilst staff and stakeholders clearly understood the corporate strategy, peers heard there was a tendency to add projects to the already ambitious programme and this was causing confusion over priorities and stretching resources. There was no doubting the good intent behind some of these extra projects, for example, purchasing of The Baytree Centre – expectations around the pace of delivery on other key projects need to be reduced. The inconsistent approach to service planning was also impeding staff understanding of what work took precedence and how their contribution was supporting the delivery of the council's overall ambitions. Peers supported the introduction of the new major project board and programme board and recommend these are effectively utilised to prevent scope creep - be clear on the priorities, stick to them, communicate them and identify what needs to be paused or stopped to enable delivery within available resources.

The Corporate strategy opens with the statement "Brentwood is open for business" which peers interpreted as primarily focusing on just business and economy – potentially overlooking aspects of work, such as work with communities which peers found was held in high regard. Through discussions, it emerged the council intended the statement to have a much wider meaning around being open to work with and do business with everyone. However, the innocent misinterpretation provides an opportunity for the council to provide clarity around its vision and narrative in future reviews of the strategy.

There are sound mechanisms for performance, project and programme management based around PRINCE2/MSP/Agile methodologies and managed by the programme office. The phased approach to projects is clear and the "plan on the page" as the initial stage is a quick and efficient way for ideas to be considered before further development into business cases and project initiation documents. Highlight reports are presented to the programme board on a monthly basis to provide the required oversight. The Corporate strategy and KPIs are managed through a dashboard which details progress made and has a RAG status to identify direction of travel.

Performance against headline comparators with statistical near neighbours is generally good, (See [LG Inform Headline Report](#)) although peers did highlight the cost of central services, planning and environmental services as being high, in some cases over double the average. It was recognised that within these services there are some partnership arrangements. Peers strongly recommend a cost/benefit review to ensure there is sufficient value and financial benefit in these arrangements.

Delivery continued at pace during the pandemic. Despite taking a leading role in the response phase, BBC implemented a new recycling scheme which removed 3.5 million single use plastic sacks, increased revenue by £150k and increased the quality and quantity of dry recyclables. This implementation contributes greatly to local climate and environmental targets, setting the example as a place leader on taking positive action. The five-year leisure strategy continued, with the refurbishment of four play areas (two more to be completed in early 2022) and commencement of the pavilion and play areas at King Georges Playing Field. Following the insolvency of the Brentwood Leisure Trust, BBC swiftly reopened the centre in two months to provide much needed leisure facilities during the pandemic, before commissioning SLM to manage the centre on a two-year contract. The council's flagship, 62 zero-carbon homes regeneration project at Brookfield Close continued and was taken from concept, through to public consultation and planning consent in a year. This will provide much needed quality affordable housing for the borough and meets with the sustainability and climate aspirations of the council.

Don't undersell yourselves - peers heard from staff that external communication of the council's achievements could be improved to ensure all residents have increased awareness of the good work being delivered in and for communities.

There is an understanding of current and future needs across the borough, with communities, businesses and young people regularly engaged through the annual resident's survey, focussed consultations such as Dunton Hills Garden Village, the Brentwood Business Partnership and numerous community events. Other than during the pandemic, it wasn't clear to peers was how BBC engages with other under-represented groups such as ethnic minorities and older people to understand their needs and ensure equality in service provision and to inform related policy development. Further visibility of this work should be prioritised.

Brentwood is home to a vast number of schools, over 30 primary and nine secondaries. Engagement with young people takes place through a number of channels including the community's team, Community Safety Partnership (CSP), youth services and leisure. There is a plan to implement a youth council early in 2022 and the council's apprentices have been working with the leader to develop the terms of reference and publicity information to share with schools. An early topic to engage young people will be focused around climate change and the role young people can play in supporting the council with its aspirations.

Businesses and community groups praised the council for its response during the pandemic, highlighting the important role of coordination of response locally and in the administration of business grants. There is an opportunity with the emerging economic development strategy to reflect changes and adaptations to a post-pandemic world and the benefits this brings locally – for example more home working and less travel into the city leading to busier high streets and cafes during the day.

The council is investing in place and has jointly secured £11m through the ASELA partnership across South Essex for regeneration and infrastructure projects. More locally the purchase of The Baytree Centre and Childerditch Business Park provide income which will help the council financially, enabling reinvestment and regeneration of the town centres.

The council is on a journey to “going green” and has invested in a dedicated officer to develop the green strategy for the borough. It is working with partners such as Essex County Councils CORE group, environmental group, residents' environmental group and ASELA to drive action on reducing carbon emissions. Key achievements so far include planting 6800 trees, introducing EVC charging points in car parks, building carbon neutral homes, introducing electric vehicles to the council's fleet and realigning procurement processes. The new Brentwood Environmental Business Alliance (BEBA) is an extension of the council's commitment to climate action, initiated to support the borough being carbon neutral by 2040, 25 local businesses have already signed up. Peers admired the commitment and actions already taken and recommend the council maintain momentum on its transition to a zero-carbon economy. The dedicated officer has been recruited on a fixed term basis and it will be important to consider future capacity requirements and how carbon reduction can be mainstreamed throughout the Council's activities, for example through integrating

this into Service Plans.

4.2. Organisational and place leadership

The leader and chief executive provide strong leadership to the organisation and place and are respected by partners. Throughout internal and external conversations peers consistently heard praise for the leadership, a direct quote was “Chris and Jonathan are a dynamic duo.” Over the past two years, the council has been on a journey, staff describe this as a step change. The chief executive has provided ambition and energy, demonstrated openness and honesty whilst developing talent and capacity. Officers at all levels described the chief executive and the leadership team as visible and supportive. One director was singled out by staff who told peers they send a monthly newsletter to their team updating on projects, health and wellbeing and things they are reading and listening to – other staff in the room were rather envious.

Public sector partners had witnessed the positive impact made and described the chief executive as an ambassador for the council with the gravitas required to develop constructive partnership connections across Essex. The Association of South Essex Local Authorities (ASELA) praised the contribution BBC had made to the partnership. In particular the leaders work in lobbying for more accountability and transparency which led to an enhanced governance structure with published agendas, minutes and external accountability. The Chief Executive leads on the Housing Ambition’ which is one of five key ambitions of the partnership. As a member of ASELA, Brentwood benefits from the collective power of the partners, place shaping at scale to deliver significantly more benefits to residents that it would be able to do alone.

BBC is a partner of choice in South Essex. There are positive relations with the business and voluntary communities and relationships were further developed during the pandemic, with praise given to the economic development team and leadership for the communications (hand delivered by councillors), branding (Open) and grant support (currently over £52m) which was “head and shoulders ahead of neighbouring districts.” Peers heard stories from the community on how the council worked with them to troubleshoot and source logistics – for example the charity that following a call for help collected 1000 litres of milk from a cruise ship docked at Tilbury and

distributed it to local Brentwood families. Peers suggest the challenge is now to keep building on these relationships and harness the good will developed.

The Business showcase event held this year on 20th October is considered a “stand out” initiative by businesses. Attended by hundreds of business visitors from across Essex and the South East it heard from inspirational leaders, held workshops and facilitated networking to inspire businesses to grow and innovate. The inclusion of a sustainability zone and the launch of BEBA at the event demonstrates the council’s commitment to achieving its priorities around protecting the environment.

Business and community stakeholders want to support the council in delivering on its corporate strategy ambitions. They identified a need for further provision of incubator/small business and storage spaces to help industries and projects grow – supporting creative industries was specifically mentioned. BBC has an open invitation to further engage, codevelop and commission with stakeholders and peers recommend the council prioritise time and resources to maximise the potential opportunity.

Businesses were also keen to explore the creation of Business Improvement Districts (BIDs) either separately or as one for all three centres (Brentwood, Ingatestone and Shenfield). There was a view this could be a further extension of the Brentwood Business Partnership.

There is an effective Community Safety Partnership (CSP) in place across Brentwood, delivering positive outcomes. Partners spoke of the swift action following the recent tragic events in Brentwood to establish a cross partner team who worked together to support the community and address concerns. Fear of crime is heightened in the town and the CSP is battling to counter this perception. A partnership plan is in place which takes forward the priorities identified by residents and data from the strategic intelligence assessment. Bi-monthly progress meetings take place supplemented by monthly operational meetings.

Peers heard about the positive engagement with schools supported through ring fenced funding, with ASB officers visiting monthly and projects such as drama productions. Since colocation of the police within BBCs offices, relationships have strengthened further and there are plans to create a community safety hub within the building. The links with health partners was less developed but there was an

opportunity to work more closely with the county council and peers recommend the council explore this along with colocation of services to foster improved joint working.

Place audits of the local centres and an economic development study completed in 2020 coupled with the councils purchase of The Baytree Centre and the relationships with the Brentwood Business Partnership offer a unique chance to further develop strategies for town centre recovery. Peers spent time on the high street in Brentwood and observed the café culture, a product of the pandemic and could see the potential for creating a gateway entrance to Brentwood – announcing the arrival for visitors. Reinvesting the profits from acquisitions into the town centres would clearly demonstrate the circular, sustainable economy Brentwood is trying to create.

The councils local plan was submitted in February 2020 and following questions, publication of evidence and hearing sessions, a main modifications consultation is now underway. BBC is aiming to deliver over 8,000 homes and 5,000 jobs by 2033. Given 89% of the borough is designated greenbelt, the council has sought to develop urban areas, brownfield land and strategic transport corridors before considering the release of green belt to meet overall needs, specifically the delivery of a new garden village at Dunton Hills and employment land at Brentwood Enterprise Park. The council is hopeful the plan will be found sound and can be adopted in 2022 in order to meet the growth needs identified and the ambitions within the corporate strategy around growing the economy. The local plan is also fundamental to the delivery of the growth prospectus for ASELA.

4.3. Governance and culture

BBC currently operates under a committee system of governance. Committees are generally well chaired and there is collaboration between officers and committee chairs to jointly set agendas. The senior leadership team meet separately with the leader and opposition leaders on a regular basis to have open honest discussions over council business and to review the forward plan of meetings and reports. The council moved swiftly at the start of the pandemic to establish virtual meetings and an emergency “decision making” committee which met twice to decide business grants. It is now a permanent committee of the council.

Scrutiny has a strong role in budget development and there are plans to increase the remit of the committee to consider decisions around audit, risks, key performance

information and complaints against councillors. Peers felt there was also a role for scrutiny in policy development and this should be explored. There is a requirement to support councillors to better understand the information presented in reports. Peers heard that some reports were very technical whilst others presented information in piecemeal rather than in totality. There was concern this could lead to decisions being made in isolation rather than being joined up and a review should be prioritised.

The council has three independent persons (IP) who are involved in supporting officers around councillor complaints. The monitoring officer decides which complaints warrant the involvement of the IP and to date they have not been called upon too much. There are plans to introduce a member's sub-hearing committee to hear reports from the monitoring officer, IP and others to preside over behaviour issues. Peers welcomed this move and it also supports closing the loop for the IP who currently don't get to hear feedback on their involvement.

Peers heard from a number of sources that "there had been a sustained deterioration in the level of respect between councillors" and that behaviour particularly in planning committee and council was inappropriate, so took time to observe this for themselves. Peers witnessed political point scoring and grandstanding taking place, but some meetings saw personal comments being directed at councillors and officers which went beyond what is considered acceptable. Senior officer and political leaders and chairs need to address this behaviour in real-time and efficiently whenever it occurs. Consistent application of the constitution, regardless of political party or position, was seen as an important foundation for this. Don't let the behaviour of a few, tarnish the whole - there is a very real risk to the council's reputation and unwanted erosion of the "Brentwood Way" culture.

Cross party working takes place with the constitution working group (CWG) and financial initiatives working group cited as good examples. Mention was also made of the cross-party leaders' meetings which no longer take place but used to support good political discussion. Restabilising this meeting could be a useful channel to help support the improvement in councillor behaviour and relationships.

BBC has a friendly welcoming, "can do", supportive culture - "the Brentwood Way". Staff told peers, "Brentwood is like a family", "there's a real sense of team", "support

from different service areas” - these are comments to be proud of and it’s a unique selling point for the council. However, peers also heard examples where the family culture had prevented difficult conversations and decisions being made. There is a fine balance to be struck and peers recommend managers are supported to reduce this risk ensuring critical challenge and feedback is part of organisational culture.

During the pandemic, the council moved quickly to developing online groups, support networks and increased communications to help staff feel connected and valued whilst working remotely. Pulse surveys and wellbeing checks were introduced to measure staff satisfaction. A new set of corporate values have been introduced and whilst still in infancy are welcomed by staff. The staff celebration event held in October featured in many of the peer’s conversations with staff and was obviously a highlight for many.

The council has an asset management and development company Seven Arches Investment Ltd (SAIL). It also set up the Brentwood Development Partnership (BDP) in October 2019 - a joint venture between Brentwood Borough Council's Seven Arches Ltd and Morgan Sindall Investments Limited. The 30-year joint venture makes use of the council's portfolio of surplus land to build a variety of much needed homes and community facilities. Through some detailed conversations, peers were confident of the governance and regular reporting in place for SAIL and BDP. However, business representatives highlighted there was a lack of diversity on the BDP board which needs to be addressed. To further improve transparency, it is recommended that quarterly reports are presented to all members on these partnerships. There was also a risk identified by peers and the external auditor in relation to the council’s governance arrangements for Joint Venture decision making and these are set out in the next section.

4.4. Financial planning and management

The financial arrangements of the council are fundamentally sound. BBC has a good set of accounts and clean opinions from the auditors. The approved General Fund budget for 2021/22 of £8.810m resulted in a small surplus of £240k, after transfers to reserves of £2.73m and there is a net residual pressure of COVID of £0.86m. A good and experienced finance team ensure regular internal budget monitoring takes place with participation and ownership from across the council.

It is understood that budget monitoring reports are generally presented to committee at least three times per year although in 2020/21 the frequency of public reporting was reduced due to the impact of sickness within the teams. Whilst the reporting is sound, the focus of reporting is based on a high-level subjective analysis and the peers recommended improvements could be made to develop the narrative content contained within the reports to more fully brief members and the public on service pressures. This additional content should be developed in partnership with the service managers.

The Medium-Term Financial Strategy (MTFS) identifies all the cost pressures and resourcing challenges faced by the council. The council is forecasting a 2022/23 deficit of £1.567m continuing into 2023/24 at £1.528m. Currently the MTFS assumes no increase to Council Tax. A financial initiatives working group has been established to review the savings required and has already developed a list of 40 proposals to consider. Peers encourage the council to continue to develop plans for addressing the budget gap especially in light of the emerging restrictions on commercial property investment. The MTFS should include an assessment of the financial benefit of increasing council tax by the 2% allowed and a consideration of the long-term financial implications of the various options for Council Tax to enable councillors to make an informed choice.

The peers recommend that the MTFS should be further developed to provide clearer links to council plans, for example by:

- Illustrating more clearly the impact of financing the capital programme over the next 10 years especially in light of the ambitious capital investment plans.
- Demonstrating the links and impact of the corporate strategy.
- Considering the options for future Council Tax increases within the MTFS as part of the strategy to balance the budget.

BBC has an ambitious capital programme spending £125.8m in 2020/21. The Council purchased three assets (Childerditch Industrial Park, Academy Place and The Baytree Centre) through borrowing at a cost of £89m for regeneration and place shaping purposes.

The council's asset management and development company SAIL also had its loan

increased by £27.5m to £60m. Peers recognised the value and benefits these assets had for residents and had confidence in the skills and experience of officers acquiring and managing these investments but recognised there were some risks to the portfolio that needed further management. These included:

- Dependence on single specialist officers – further investment in resources is required to provide resilience and capacity to manage and deliver the Council's aspirations for property
- The potential conflict of interest between the Joint Venture (Brentwood Development Partnership), SAIL and the Council over the objectives for potential developments (profit vs community benefit). The Council should consider the future of the BDP in the light of new housing and regeneration capacity to develop sites in house whilst also assessing the potential impact on SAIL of any change to the development agreement.
- The value of assets held by SAIL is currently lower than the value of the loan held by the company. The Council should review the reserve policy and seek to set aside additional resources to mitigate the risk of this loss crystallising as and when the Council is able to.
- The Council has £129.5m borrowing with less than 1 year to maturity which is financing the acquisitions. The peers recommend that the Council considers the potential impact of refinancing risk in the light of current interest rate forecasts when deciding on the future maturity structure of loans.

Peers strongly recommend developing a more diverse budget strategy, looking at opportunities through partnership working, transformation and efficiencies to reduce the risk, should the investment strategy currently being adopted, not reach its full potential.

The council is developing a new Asset Management Strategy for February 2022. This is a chance to identify surplus assets and peers recommend developing opportunities to release capital resources to fund the capital aspirations in the corporate strategy and reduce the reliance on borrowing.

The HRA underspent by £322k in 2020/21 and set a surplus budget for 2021/22 of £434k. Whilst the latest monitoring shows that the HRA is likely to overspend by

£724k, this is largely to do with the costs of development that cannot be capitalised, however the Council does hold a reserve of £2.4m to support the development of homes which could be used to fund these costs if needed. Given the 30-year plan, the HRA can support the delivery of up to 500 homes and with the recent appointment of the new Housing and Regeneration Director provides the opportunity for more impetus to be put to delivery.

4.5. Capacity for improvement

BBC has loyal and committed staff who feel valued. The new corporate strategy has brought direction to the organisation and much has been delivered in its first year, alongside leading the borough through a pandemic and continuing to deliver business as usual activities. The leadership instigated a top-down restructure which has seen changes to roles and additional capacity created at a strategic level to drive the council's regeneration, housing and investment priorities. Whilst this is welcomed, these roles urgently need resilience built around them within the organisation to avoid a single point of failure and to ensure capacity to deliver. Further alignment of skills to priorities and ambitions is required to ensure the council has the capacity within other core functions, including human resources, economic development, estates and planning. There are opportunities to create capacity and resilience with the Rochford strategic partnership and staff on the front line would welcome this.

Staff development is well established, with programmes in place for professional qualifications, apprenticeships, coaching and mentoring. There were many examples from staff who had worked their way up through the organisation from administrative to managerial roles and peers encourage the council to continue growing its own staff. The Aspiring managers programme implemented alongside the senior management restructure was highly regarded by the many staff who took part and it was good to hear that a future cohort is being planned.

Peers recognise the HR function has recently been bought back in house and the two officers have worked tirelessly to implement and integrate policies and procedures under increased workload caused by the pandemic – but there is still much to do. Peers highlighted a number of areas in which BBC could make improvements including:

- Implementing robust systems to capture, monitor and evaluate employee

metrics, including sickness absence, protected characteristics and pay.

- Broadening the learning and development programme to include training on internal processes such as, appraisals, sickness absence, disciplinaries, recruitment, service planning and time management.
- Embedding the completion of appraisals consistently across the organisation.
- Rationalising the different pay and remuneration scales.
- Addressing recruitment and retention issues in nationally recognised areas of shortage e.g. planning, surveying and environmental services – including reviewing the use of high cost agency/temporary staff.

The council acknowledges that there is more to be done and peers recommended that the production of a workforce/organisational development strategy would bring direction to the vision, workstreams, actions and timescales required. Urgent additional resources are also required within the HR function to release the manager from operational duties and create capacity for more strategic planning.

Although a health and wellbeing forum and an equalities group exist, peers recommend the council consider establishing a consultative staff forum. This could involve staff from across the organisation with the unions to provide a platform for discussions around the updating and development of HR policies including staff initiatives, equality and diversity, training and development and any other issues. The appointment of a councillor champion for equality and diversity would also in the view of peers bring more authority to the equalities group and help it understand the needs in the borough more thoroughly.

Councillors told peers they felt briefed rather than engaged in the business of the council and whilst there was a willingness to be more involved there was a feeling this wasn't always welcomed. Some honest and open conversations need to take place at the political level to continue to build trust and confidence, share the workload and build capacity. Peers encourage the council to embrace the skills of the senior political leadership team and build on the good member development programme already in place to ensure there is an effective political succession plan.

The case work system/member portal is not working for either councillors or officers and is having a detrimental impact on relationships. Its deficiencies are leading

councillors to circumvent the system and contact officers directly, which was the very reason it was introduced. Peers recommend the system is fixed as a priority and that the wider practice of councillors contacting officers is discussed with group leaders to find a solution that works for all. Some political awareness development sessions for officers across the council would also help to improve understanding of roles and responsibilities.

4.6. Shared Services/Partnership working

The council has a positive approach to partnership working as is evident from its work with parishes, businesses, communities and stakeholders. Public sector shared services are in place with Basildon Borough council, Braintree District council, Rochford District Council, Thurrock Unitary Council and across Essex, Suffolk, Hertfordshire and Cambridgeshire.

The revenues and benefits service has been merged with Basildon Council for over four years and is a high performing well respected service. Staff feel part of one team and are proud of how it has developed. They remain connected to Brentwood and were very happy to win an award at the recent staff event.

Thurrock council provides management support to the planning development team and environmental health and licencing teams at BBC. Benefits are clear in terms of the increased performance in planning and the resilience it offers in environmental services where there is a national shortage of qualified experts.

Peers questioned how often the partnerships were reviewed especially in light of the comparison data available in the LG Inform report – which highlighted the high cost of these services. Considering the opportunities that may also present with the Rochford strategic partnership, peers recommend BBC develops a partnership plan to ensure existing partnership arrangements are appraised and compared - with performance and value for money strong considerations and that they are considered in light of new opportunities with Rochford or others.

Peers heard from partners that BBC was a partner of choice in South Essex but when compared with all 12 Essex councils, its voice was not being heard. Larger councils in the North including Colchester, Chelmsford and Tendring were gaining more traction in the county on shared initiatives around adults, children and health.

There was an opportunity and an offer from Essex County Council for Brentwood to engage on these areas, with options for colocation of services, sharing of capacity around data analytics/health and work around the levelling up agenda – which peers considered worthwhile exploring.

BBC is actively developing a strategic partnership with Rochford and in July 2021 agreed to the sharing of Brentwood's chief executive for an initial six-month period. A business case is being developed with Shared Services Architecture Ltd which will explore extending the chief executive arrangement and consider further integration of services. In the main, staff at Brentwood saw this an exciting opportunity with some exceptions in areas where capacity was being stretched across the two councils on a temporary basis.

It was clear from discussions that the leaders of both Brentwood and Rochford were looking at the arrangement through the same lens and considered it an equal partnership. Although at an early stage, leaders wanted a structure that worked regardless of the politics. Peers could see immense value in the partnership, with some of the key benefits including:

- Opportunities for economies of scale - beyond back office
- Improved resilience and skills base - Learning from each other
- Regeneration and economic development
- Future public service trading
- Opportunities for further strategic partnerships with other councils

Some concerns were raised around the expectations and pace of any proposed changes given the limited capacity within both councils. Peers suggest external temporary support is procured to smooth the transition and support business case development. From experience, it was best not to delay restructuring once agreed and a spend to save strategy would need to be adopted.

Further work is also required with councillors at Brentwood to support their understanding of the long term benefits the partnership is hoping to achieve. There was scepticism and concern from some, who considered it a potential dilution of the Brentwood brand and identity.

BBC has been one of the seven members of ASELA since 2018. An idea born from the leaders in South Essex to work more collaboratively around delivering the housing targets for the area - with initially little influence. In 2021 the councils formed a joint committee which led to more accountability and transparency with published meeting agendas and minutes and a place at the table for Opportunity South Essex. Partners recognised the vital role the leader played in pushing for greater recognition of the partnership which he now chairs. Councillors and officers were keen to point out to peers that this has been a challenging process with changes of leaders due to elections and changes to the officer leadership. Fortunately, the partners could all see the benefits of working together at scale and momentum has continued. ASELA is now not just about building houses and has ambitions for infrastructure, the economy and place shaping in South Essex. It has enabled the smaller districts to punch above their weight and provides a platform to engage with national government. Over £11m has so far been levered in from government for the five pioneer programmes: superfast digital connectivity, Thames Freeport, SEEPARK (South Essex Estuary Park), Infrastructure and housing and South Essex Technical University. The chief executive plays a key role by leading on the infrastructure and housing programme for the partnership.

ASELA has created a compelling case for a trailblazing strategic place-based partnership with Homes England. Now agreed in principle, by the Homes England Executive Board, it will be just one of two such partnerships in the country. This work will require all partners to share resources to enable delivery – a hugely multi-layered and multifaceted project that has caught the attention of government ministers who are in conversations with the partners about what they can invest in the partnership to be part of the delivery.

All partners agreed that ASELA is a strategic partnership that can deliver at a scale and pace across South Essex unachievable to each of them singularly – the power is in the collective. It was also clear this model of partnership working could be replicated elsewhere and should be promoted outside of Essex.

5. Next steps

It is recognised that senior political and managerial leadership will want to consider, discuss and reflect on these findings.

Both the peer team and LGA are keen to build on the relationships formed through the peer challenge. The CPC process includes a six-month check-in meeting. This will be a short, facilitated session which creates space for the council's senior leadership to update peers on its progress against the action plan and discuss next steps.

In the meantime, Rachel Litherland, Principal Adviser for the 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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