

# LGA Corporate Peer Challenge – Progress Review

Basingstoke and Deane Borough  
Council

Wednesday 23 August 2023

Feedback





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# 1. Introduction

The council undertook an LGA Corporate Peer Challenge (CPC) during November 2022 and promptly published the full report with an action plan.

The progress review is an integral part of the CPC 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 council's action plan responds to the CPC's recommendations.
- Consider peers' 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 Basingstoke and Deane Borough Council (BDBC) 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 BDBC took place remotely on 23 August 2023.

The progress review focussed on each of the recommendations from the CPC, under the following theme headings:

- **Local priorities and outcomes**
  - Recommendation 1 – Prioritised actions
  - Recommendation 2 – Setting intended outcomes
  - Recommendation 3 – Planned approach for difficult decisions
  - Recommendation 4 – KPIs and performance framework
- **Organisational and place leadership**

- Recommendation 5 – Regional collaboration
- **Governance and culture**
  - Recommendation 6 - Constitutional review and Overview and Scrutiny
  - Recommendation 7 – Member bodies
  - Recommendation 8 – People strategy
- **Financial planning and management**
  - Recommendation 9 - Using resources to drive priorities
- **Capacity for improvement**
  - Recommendation 10 - Alignment of policy, performance, organisational development, human resources and change functions
  - Recommendation 11 – Capacity for major projects
  - Recommendation 12 – Equality, diversity and inclusion

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

- Wallace Sampson OBE, Former Chief Executive, Harrogate Borough Council
- Linda Haysey, Former Leader, East Herts District Council
- Lucie Breadman, Strategic Director, Colchester City Council
- Harry Parker, Peer Challenge Manager, Local Government Association

The peer team met via Microsoft Teams over the course of the morning of 23 August with the following representatives from the council:

- Russell O’Keefe, Chief Executive
- Cllr Paul Harvey, Leader
- Rebecca Emmett, Deputy Chief Executive
- Sue Cuerden, Executive Director of Corporate Services and Assets (Section 151 Officer)
- Sarah Longthorpe, Director of Regeneration
- Fiona Thomsen, Head of Law and Governance and Monitoring Officer
- Sarah Cragg, Head of HR, Communications and Policy

- Katy Sallis, Head of Customer Services, Improvement and Performance
- Sara Shepherd, Communications and Marketing Manager

### 3. Progress Review - Feedback

The peer team was impressed with and strongly commended the breadth, depth and scale of activity that had taken place in the ten months since the CPC, across the 12 recommendations.

Since the peer team were on site in Basingstoke and Deane in November 2022, plenty has changed. Following the election in May 2023, the political control of the council changed. The authority is now being led by a minority administration of the Independent Forum and the Liberal Democrats. Following the election, establishing stability for the continued delivery of business-as-usual services was important, this is something which has been achieved.

Whenever there is a change of political control considerable effort is required to form strong working partnerships between the new executive and the officer leadership team. From what the peer team heard the transition to the new administration went smoothly, with the Cabinet members settling into their portfolios and the council adjusting to their priorities.

It was remarked to the peer team that supporting the new administration into their roles had been an 'enjoyable experience', working collaboratively in setting out where the council was moving on a variety of fronts. Often a change of political control, can provide space for reflection, enabling the council to take stock and re-identify with the new political leadership the council's priorities.

The relationships which have been established between the new political leadership and officer leadership appear to be functioning well. This is an essential dynamic to well-functioning councils.

A further dynamic which will have to be managed is the coalition between the two ruling groups. Continuing to build these relationships will be important so the administration can tackle the difficult decisions together in the future. Maintaining the coalition agreement will take an active and considered approach. This will become increasingly important as political campaigning increases in the approach to the May

2024 election.

### Local priorities and outcomes

No.	Recommendation	Council RAG
1	Actions that sit beneath the draft council plan should be clearly prioritised, reflecting the most important ambitions.	Green

The Council Plan is in the process of being updated to reflect the priorities of the new administration. Workshops were held with the Cabinet to establish their short and medium-term priorities, a paper on these is going to the October 2023 Cabinet. Once approved, the council should continue in the approach it has adopted in previous years of implementing a priority-based budget setting for 2024/25 and 2025/26.

During the CPC, the peer team was consistently told that: *“our recycling and waste services are not good enough and don’t meet the high standards of service our residents deserve. One of our key areas of focus will be to improve them.”* As part of the progress review, the council updated peers on the work carried out to improve the waste service. The council enforced contract penalties due to the poor performance of the supplier.

Despite penalties being enforced, the peer team was told relationships with the supplier have improved considerably with the service now *“performing far better”*. The council’s Overview and Scrutiny committee were singled out for praise for the good work they carried out, scrutinising the waste contract.

As improving the waste service was a priority area for the council, as part of the 2023/24 budget an investment of £300k per annum was made. The impact this has had, the peer team was told, was considerable, *“a completely different level”* of service quality was now being achieved. However, time constraints prevented the peer team from reviewing relevant performance data to verify the improvements achieved.

No.	Recommendation	Council RAG
2	Be clear that the council’s emerging actions reflect the	Green

	outcomes BDBC is seeking to achieve. For example, the decisions being taken to achieve the net zero ambition and the local demand for homes.	
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The recommendation from the CPC related to the interconnectedness and the necessity of consistency in decision making. For example, the council needs to continue to consider the carbon implications of its decision making if it is to achieve its particularly ambitious target of being net zero as a council by 2025, and as a borough by 2030.

During the progress review the peer team was updated on the work which has been delivered related to climate change. Additional resource was put in to create the Green Team, Ranger Team and additional posts in climate change and sustainability as part of the 2023/24 budget round. The Green Team in particular were highlighted to the peer team as being well received by residents, assisting them in making energy efficient and cost saving decisions.

Whilst efforts continue to achieve the target of being net zero as a council by 2025 and as a borough by 2030. The council shared its thinking that the 2030 target will be unachievable without significant change at a national and countywide level, many of the measures to achieve this are beyond the control of the local authority.

Nevertheless, the council should review its 2030 target and continue to act as a place leader, influencing other anchor institutions and businesses of the co-benefits of moving towards net zero.

No.	Recommendation	Council RAG
3	Develop a planned approach to tackle the more difficult political decisions and risks that need to be taken to deliver the priorities set out in the council plan.	Green

The peer team heard of the ongoing efforts being taken to progress the development of the local plan. These include holding several policy review days for the new Cabinet, all member and group briefings, established a task and finish working group,

seeking King’s Counsel opinion and specific sessions for Overview and Scrutiny. All with the intention of achieving a majority consensus. Given BDBC is in no overall control a particularly collaborative approach has needed to be adopted. Achieving consensus in this environment on a political contentious topic, such as the local plan, is no mean feat. The council is currently on track to commence Regulation 18 on the draft Local Plan in January 2024.

Multiple stages remain though before a new local plan can be adopted. A crucial part of any adoption of a local plan is the importance of engaging with key partners and stakeholders. Partners such as local MPs and the town and parish councils, are particularly important. The Leader shared with the peer team his plans to meet with all the parish and town councils, to hear their thoughts and to stress the importance of securing a sound local plan.

The council recognise the importance of delivering the local plan. At present, the council only has a 4.2-year land supply, putting the council at significant risk of speculative development and planning by appeal. The peer team wanted to stress the importance of maintaining the momentum to put in place a new local plan at pace to avoid the impact of sustained period of speculative development.

In July 2023, BDBC received a letter from the Department for Levelling Up, Housing and Communities (DLUHC) that as the local planning authority they may be liable for designation under section 62A of the Town and Country Planning Act 1990 due to 12.2 per cent of decisions on planning applications overturned at appeal for major development. The council has put in place a planning improvement board with an improvement plan developed. External support from the Planning Advisory Service has been delivered. Specific support included dedicated member development training with advice provided for the development control committee.

No.	Recommendation	Council RAG
4	Key performance indicators should be refined to reflect the priorities in the draft council plan and ensure that these are meaningful and measurable. The process for reporting performance needs to be simplified giving clearer lines of accountability.	Green

The Council Plan was adopted in February 2023, alongside the approval of the plan a revised set of key performance measures and targets were brought in corresponding to priority actions set out in the Council Plan. Given the change of political control and the pending paper on the administration’s short and medium-term priorities, it will be important that the key performance indicators (KPIs) are updated to track and scrutinise the delivery of these.

As part of the progress review the peer team heard of the improvements which have been brought forward relating to the performance framework. These include having heads of service more directly involved in presenting performance information in relation to their service as well as the creation of the new strategy and performance manager post to better co-ordinate this work across the organisation. Good practice can also be demonstrated with KPIs embedded into the appraisal process for staff.

The council has also been trialling the use of Power BI to provide snapshot views of corporate performance. This is good practice and the peer team would encourage the council to continue and accelerate the training and roll out of this.

In general, there appears to be positive moves in establishing a greater culture of performance, with KPIs routine in the management and scrutiny of service delivery. Member oversight remains a key component to performance monitoring. The peer team was pleased to hear the cross-party role the scrutiny subcommittees have taken on in tracking organisational performance and asking for relevant revisions to some KPIs.

**Organisational and place leadership**

No.	Recommendation	Council RAG
5	Consider how the council can collaborate more regionally to support the delivery of the council’s priorities with a particular focus at a county level.	Green

The peer team was pleased to see the notable efforts made by BDBC to collaborate more regionally.

Through the 2023/24 budget process an additional Director post was approved. This enabled the Deputy Chief Executive to focus more internally and in turn provided capacity for the Chief Executive to focus more time on external work at the county and regional level.

From April 2023 onwards the Chief Executive took the Chair position of the Hampshire and Isle of Wight Public Sector Leaders group and as the co-Chief Executive lead for the Hampshire and Isle of Wight Local Government Association. It was remarked to the peer team the mutual benefits this provides the council, such as earlier consultation and greater influence on policy development at a county and regional level.

The political leadership too has sought both regional and national roles. The Leader has been appointed to the South East Councils Executive Board and also sits on the District Councils’ Network Executive.

BDBC has also sought to play a leading role in shaping cross-county relationships, reviewing the governance structure once the Local Enterprise Partnerships end. Conversations are being facilitated with councils across Hampshire, Surrey and Berkshire on the potential for further M3 corridor collaboration.

The positives of the council positioning themselves on the wider place agenda, has delivered demonstrable benefits such as improved working relationships and opened doors for conversation at a regional and governmental level. The council shared with the peer team their efforts to work closer with Homes England, as part of a strategy to attract more external funding to support the delivery of council priorities.

**Governance and culture**

No.	Recommendation	Council RAG
6	Review the options from the constitutional review specific to the scrutiny and policy committees’ structure and function.	Red

Proposals to rationalise Overview and Scrutiny were brought forward and agreed by the cross-party constitution working group involving each of the group leaders in February 2023. A report was prepared for formal approval at Council in March 2023 to reduce the number of Overview and Scrutiny committees from four to two. The

concept of “policy” committees would no longer exist as the Overview and Scrutiny Committees: Community, Environment and Partnerships and Economic, Planning and Housing would have all overview and scrutiny functions including the function of assisting in policy development and call-in functions, currently exercised only by Scrutiny Committee.

However, following concern expressed from within the political groups, this report was withdrawn just before the meeting to allow more time for group discussions. Therefore, no changes since the CPC have been made to the scrutiny and policy committees’ structure. The peer team would encourage the council to continue to review this to rationalise the number of committees to reflect good practice. The peer team understand a further report on the committees’ structure and function is due to go to Council in December 2023 for decision, and if approved for implementation for the new civic year 2024 onwards.

Some positive steps have been taken though related to Overview and Scrutiny, such as the main committee now being chaired by a member who is not from the ruling groups. Officers commented that there had been a notable improvement with the recommendations coming from scrutiny which are actively contributing to policy formulation. The peer team was pleased to hear of the positive scrutiny reviews with external partners and suppliers, engaging them in the council’s governance process.

No.	Recommendation	Council RAG
7	Review and rationalise the member bodies within the governance framework.	Green

Steps have been taken to reduce the number of member bodies within the governance framework, these include removing the project boards, the property board and member advisory panels.

No.	Recommendation	Council RAG
8	The refreshed people strategy should continue to embed the	Green

	culture changes and address challenges of siloes that have been identified.	
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The council recognised the need to revise its workforce offer. The council’s People Strategy has been implemented and has been complemented by the updating of the organisational values and additional organisational development (OD) capacity.

The council’s new organisational values are being developed through multiple forms of engagement with staff. These values will form a basis of the council’s appraisal process and OD offer, woven into the employee lifecycle at BDBC.

During the CPC the peer team encouraged the council to review its approach to recruitment and retention. In particular its external marketing as an employer, this is a great opportunity given the attractiveness and potential of working at BDBC. A good step the council has taken was the completion of the pay and benefits review. During the 2023/24 budget £6m was invested in the workforce, which translated as 88 per cent of staff getting a pay rise. This will have a positive impact on both recruiting and retaining talented staff.

The council has also committed to providing increased focus on OD. Additional capacity has been included within the HR and OD service. A positive development has been the introduction of an enhanced internal recruitment function.

BDBC has also looked to strengthen its staff wellbeing offer which is a positive step. The council told the peer team that they had looked to broaden the scheme of staff events, with a mixture of more formal and informal events. An example of which is the council ‘Crufts’ event which got good attendance. Often the more informal events can be more impactful in generating a positive organisational culture, the peer team was encouraged to hear the efforts the council have taken here.

The council has looked to address some of the challenges brought about from siloed working. Measures include introducing officer working groups and task and finish groups, drawing in people from across the organisation e.g. the equality, diversity and inclusion (EDI) working groups and the environmental champions.

A central part to the organisational culture are the internal communication channels for engagement. The peer team was pleased to hear the council has commissioned

an external review of its internal communications for September 2023. This review will include a cross-organisational survey, with the intention of identifying current strengths and areas for consideration.

### Financial planning and management

No.	Recommendation	Council RAG
9	Continue the strong financial governance in place whilst considering how to use the council's resources to drive priorities.	Green

The financial outturn for 2022/23 concluded with a favourable variance of £3.67M against the revenue budget. This underspend has been transferred to reserves, allowing the council to increase the 'Council Plan Projects and Initiatives Fund' to just under £3m. This can now be spent to fund the ongoing priorities of the new administration. This is further evidence of the strong financial position of the council.

In February 2023 the council set a two-year balanced budget for 2023/24 and 2024/25, whilst freezing council tax. The council also invested in council services, approving resource growth with a net increase of 25 full time equivalent posts.

The peer team heard that following the change of political control, the finance function carried out an exercise to review how financial information was presented and shared with members. The peer team heard of the positive measures which have been taken to engage with members, the new administration and bringing the wider senior leadership team together into the space of financial management in a much more significant way, with greater accountability and responsibility put on heads of service.

The council has a positive legacy of doing priority-based budget setting as well as documenting the horizon scanning through an in-depth MTFs, both of which are being developed for the 2024/25 budget setting.

Within the current MTFs there is a funding gap of £1.32 million predicted in 2025/26 and £3.15m in 2026/27. Savings and efficiencies will need to be brought forward to address this gap. The overall financial position of the council though remains strong, with no borrowing costs, a particularly helpful position given rising interest rates.

## Capacity for improvement

As mentioned previously, the council's financial standing has provided scope for investment in organisational capacity. This is an unusual position for councils, many of whom have had to carry out wholesale organisational transformation to balance budgets. Whilst growth in service areas can be beneficial in the delivery of the council priorities. The financial imperative other councils have been forced to meet has meant innovation and efficiencies have been brought forward. BDBC should keep reviewing transformational opportunities to ensure the council provides the best value for money services it can.

No.	Recommendation	Council RAG
10	Align the policy, performance, organisational development, human resources and change functions. Given the strategic importance this should report to the Chief Executive.	Green

The council has brought forward a revised structure with the recommended posts now reporting direct to the Chief Executive. A new post as the strategy and performance manager has been created to provide additional capacity and co-ordination to the corporate centre.

No.	Recommendation	Council RAG
11	Ensure capacity exists to deliver major projects for the longer-term success of the project	Green

BDBC have enhanced their capacity to deliver major projects through the creation and recruitment to a new director of regeneration post. Alongside the additional interim project management expertise, project governance and oversight appear to have been strengthened. For stability purposes though it is best not to get into a position of a reliance on temporary resource.

During the CPC the peer team remarked on the place ambition BDBC has with

exciting projects such as the exploration of a university campus in the town. The council updated the peer team on the positive measures taken to progress this.

The council has invested in its capacity to deliver major projects such as the new leisure centre in the leisure park which now has an estimated opening date of April 2027 and continuing the close working relationship with the Manydown company for the development on the site which has the potential to bring forward 3,250 new homes.

No.	Recommendation	Council RAG
12	Use the new census data to review the equality, diversity and inclusion objectives for the council and the borough.	Green

Following the adoption of the council plan, the council brought forward its EDI action plan, something which it has committed to doing on an annual basis.

The peer team heard of the governance arrangements which have been put in place to track and scrutinise progress on the EDI action plan. An Equality, Diversity and Inclusion Strategy Group (EDISG) which encompasses all the group leaders, the equalities portfolio holder and the chairs of relevant committees has been established. The peer team felt this was a positive development, demonstrating that there is a recognition of the importance of EDI.

During the progress review, officers updated the peer team on the ‘time to talk’ sessions which have been delivered recently. A space created for open discussion on a variety of issues, most recently on neurodiversity. Again, this is a positive development, something which the peer team welcomed.

Given the progress made on EDI, the council should consider using the equalities standard for local government as a means to benchmark commitment to equalities that officers have clearly articulated – this would help measure the difference council initiatives are making to improving diversity in all the council’s work to reflect and respond to its communities’ differing needs.

## 4. Final thoughts and next steps

The LGA would like to thank BDBC 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.

Will Brooks, Principal Adviser for the South East, is the main contact between the authority and the LGA. Will is available to discuss any further support the council requires – [william.brooks@local.gov.uk](mailto:william.brooks@local.gov.uk).