

# LGA Corporate Peer Challenge

West Berkshire Council

6 - 9 February 2024

Feedback report





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# 1. Executive summary

West Berkshire Council (WBC) has experienced significant change over recent years, both politically and managerially. WBC saw a change of political control in May 2023, and the new administration has had a steep learning curve, and has brought a noticeably changed approach to ways of working that are “more inclusive,” “more open,” and “more visible.” Following the elections, officers worked quickly to translate the political priorities of the new administration into an ambitious plan for the organisation in the form of the new Council Strategy 2023-27, agreed in October 2023.

Almost all members of the corporate leadership team (CLT) have changed in the last three years, with a new chief executive coming into post in 2021, and more recent permanent appointments to three of the four other CLT positions, with a restructure bringing greater capacity and focus to Children’s and Adults’ Services. It is positive that the council has now got a permanent CLT in place, and senior officers will need to quickly develop strong working relationships to ensure both effective leadership of their individual directorates and a strategic corporate grip on key overarching issues, underpinned by mutual support and ‘critical friend’ challenge. The council must now turn its attention to the next layers of management below CLT to make permanent appointments and bring further stability to the organisation, and to capitalise on the skills and enthusiasm of this cadre of officers.

Finance is a key challenge for the council due to overspending (especially in Children’s and Adults’ services), a significant deficit in the Special Education Needs and Disabilities High Needs Block (forecast to be £9.5m by the end of 2023/24), and low reserves (£4m forecast for 2023/24). The 2024/25 draft budget proposals set out a strategy to replenish reserves by £2m, identify ongoing savings totalling £14.5m and one-off savings of £2m, and include a council tax increase of 4.99 per cent. The savings targets represent a much larger amount than has been proposed in previous years and requires 100 per cent delivery to achieve a balanced position. It was clear to the peer team that the Dedicated Schools Grant (DSG) deficit represents a serious threat to the future financial sustainability of the council.

The scale of the challenge and potential impact of not addressing financial sustainability issues effectively appears to be widely understood and recognised

across the organisation, though it is not yet clear that there is a 'whole organisation' approach to respond to the challenge, or with regard to the specific challenges regarding the DSG, across the wider SEND system. This is something the council needs to resolve urgently by establishing a single, council-wide approach that is owned by the Executive and CLT, which will involve 'holding the line' to ensure that savings are identified and delivered, services do not overspend, and that growth and demand are managed.

Though the ambition articulated in the Council Strategy is admirable, WBC has a number of competing priorities, which do not reflect the council's capacity or finances to deliver. It is imperative that all parts of the council – led by the political leadership and CLT working together – engage in developing, and then delivering, a plan to reshape services to operate within WBC's financial constraints. This must also include CLT-wide ownership of determining and delivering the right level of reserves for the council.

There is a recognition that the projected changing demographics of West Berkshire will require the council to exercise its place shaping role to create thriving communities which attract new economically active people to the area to work and establish new businesses. As a small unitary council, operating in complex systems with competing geographical demands, it can be challenging to exert influence, but the council should continue to be an active participant in such arrangements. The peer team heard from many partners that generally the council is a good partner to work with and they are looking to the council to step more into this space. There are examples of partnership working bringing about real benefits for the people of West Berkshire, and there are opportunities to achieve more using this lever with partners across the district and beyond to maximise outcomes for local communities.

There has been significant work to review and reframe internal and public governance arrangements, though in the view of the peer team these remain overly complex and confusing, and at times hinder getting things done. Further work is needed to simplify the council's governance arrangements, to ensure that systems and processes add value, minimise duplication, and are well-understood across the organisation. Similarly, there is a need to ensure that there is appropriate input from key postholders at the right time as policies and plans are developed, for example strategic HR, communications, legal and transformation input. Putting this right will

enable more effective planning, risk management, and impactful delivery.

The council's overview and scrutiny function is generally seen as constructive and as a valuable means of holding the Executive to account and developing policy, with examples of good practice in the approach to work programming and budget scrutiny, for example. There are opportunities to build on this and strengthen scrutiny's contribution to the council further.

It was clear to the peer team that the council's staff are enthusiastic and committed, and they love West Berkshire and are passionate about making a difference to the district. Staff highlighted the supportive culture, with colleagues looking out for each other. However, staff were clear in their conversations with the peer team that they feel stretched to their limits, struggling to square capacity with the demands placed on them.

The council has recently introduced a new behaviours framework, and this undoubtedly will need time to bed in. The planned staff survey will provide an opportunity to test out how well the new framework has been received by staff and the extent to which it is beginning to be embedded. The peer team also heard about work underway to develop an Employee Value Proposition to support recruitment and retention. The council will need to find the right balance between enabling a positive work/life balance and a friendly workplace through flexible working, and ensuring that staff are productive and accessible to meet business needs.

The council is becoming less risk averse, and has launched a transformation programme that is initially focussing on six key projects, and has identified some dedicated resource to lead this activity. This is to be welcomed, however the peer team felt that there was a need to consider whether the programme is ambitious enough and resourced sufficiently to bring about the scale of change and pace required to make a meaningful contribution to the council's wider financial sustainability. Similarly, the peer team would encourage the council to be more ambitious and transformative when determining the next phase of transformation projects.

With a significant number of new members elected in May 2023, it was positive to hear that the council's member induction programme was well-attended and feedback was positive. Members who took up leadership positions have also taken

up support to assist them to get to grips with their new roles. This is to be applauded, and the peer team would recommend that members in leadership roles in particular continue to seek out opportunities to build their policy knowledge, develop their skills and glean good practice through networking.

It is clear that the council has made progress on recommendations from the last [Corporate Peer Challenge](#) in 2019, and WBC should be congratulated on this. There are opportunities to further improve communications and engagement activity and addressing these, alongside the other recommendations in this report, will ensure that WBC is able to galvanise all of the skills and resources at its disposal to deliver for its residents, communities and businesses.

As mentioned above, with regard to Special Education Needs and Disabilities (SEND) the significant deficit in the SEND High Needs Block is a major challenge for the council and the local area's SEND system, and represents a serious threat to the future financial sustainability of the council. There is a lot of good practice in place relating to SEND, but there are some key gaps that needs to be addressed urgently, not least because an Ofsted Area SEND and Alternative Provision Inspection is likely to take place soon. These include work to develop a clear and ambitious SEND and Alternative Provision strategy, establishing a strategic Local Area Improvement Partnership for SEND and Alternative Provision, and undertaking some focussed work to better understand the links and joint working opportunities between the Integrated Care Board, the Health and Wellbeing Board, and the Locality Integration Board to ensure that the right colleagues are in attendance and that there is a coherent vision for strategic services and outcomes for children.

## 2. Key recommendations

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

### **Recommendation 1**

Urgently address overspending in children's and adult services and build reserves, develop a clear plan that has buy-in from the whole organisation.

## **Recommendation 2**

Ensure that there is traction on the delivery of the Delivering Better Value SEND programme and have a plan to resolve the High Needs Block Deficit.

## **Recommendation 3**

Transformation needs to be embedded across the organisation with strong leadership from the political leadership, CLT, and an empowered central team to drive and enable transformation activity. Linked to this, the transformation programme needs to be bolder to help ensure that the council can get a grip of finances, particularly the overspends in children's and adult services, and home to school transport.

## **Recommendation 4**

Invest time to strengthen relationships and ensure that the newly formed CLT are equipped as an effective senior officer leadership team to provide clear and consistent direction and stewardship for the organisation. This should be an ongoing area of work. Similarly, create more space for the Executive and CLT to jointly develop as a 'Top Team' to reinforce close working relationships and trust. Now that you have a permanent CLT in place, urgently stabilise the leadership below executive director level.

## **Recommendation 5**

Give greater clarity regarding priorities and focus on things that will make the most difference and that can be delivered within the council's financial envelope and capacity. This will involve deprioritising things.

## **Recommendation 6**

Executive members should continue the good work settling into their new roles, taking up opportunities to develop their skills, and owning and leading their portfolios to ensure effective political leadership for the council.

## **Recommendation 7**

Simplify the governance structure to increase pace and agility.

### **Recommendation 8**

Ensure that strategic legal, HR, communications and transformation expertise has a place at the 'top table' in a meaningful way and at the right point of policy development and delivery.

### **Recommendation 9**

Test the extent to which the behaviour framework has been embedded within the organisation (e.g. through staff survey/ pulse survey).

### **Recommendation 10**

Strengthen communications and engagement activity further, by using internal communications expertise earlier in project planning, closing the communications loop via consistent feedback on outcomes of consultations, and embedding approaches that engage wider groups of people earlier in the process and in more meaningful ways.

### **Recommendation 11**

Build on strong and positive operational relationships between the council and partners, including contractors, and develop strategic relationships that create opportunities to deliver activity that will support wider council and partner objectives (e.g. apprenticeships, social value). As part of this, develop a strategic Memorandum of Understanding with the Voluntary and Community Sector.

## **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:

- Laura Church, Chief Executive, Bedford Borough Council
- Cllr Gareth Roberts, Leader, Richmond Council
- Cllr Rory Love OBE, Cabinet Member for Education and Skills, Kent County Council



- James Walton, Executive Director Resource, Shropshire Council
- Giles Perritt, Assistant Chief Executive, Plymouth City Council
- Barbara Peacock, National SEND Children's Improvement Adviser, LGA
- Emily Bennett, NGDP Management Trainee, LGA
- Peer Challenge Manager – Kate Herbert, Principal Adviser, LGA

### 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, the council asked for an additional focus on the council's approach to Special Educational Needs and Disability (SEND).

### 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 four days onsite at West Berkshire, during which they:

- Gathered information and views from more than 40 meetings, in addition to further research and reading.
- Spoke to more than 140 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

West Berkshire is sited on the Western fringe of the South East region on the major arterial route between the West Midlands and the South Coast, Wales and the South West, and is a predominately rural district, nearly 75 per cent of which is classified as part of the North Wessex Downs Area of Outstanding Natural Beauty (AONB). West Berkshire Council (WBC), a unitary council created in 1998, has a population of 161,447 (2021 data). The population has grown at a slower rate compared with the rest of the South East and is expected to reduce by 3 per cent by 2036, again bucking regional and national trends. Population projection data looking at the period 2001-2036 suggests that West Berkshire's population will move from being relatively young to one which has a declining number of under 20 year olds and a 12 per cent reduction in 20-64 year olds. It is also forecast to see an over 35 per cent increase in the number of over 65s, and an over 86 per cent increase in the number of over 85s.<sup>1</sup> The 2019 Index of Multiple Deprivation places West Berkshire amongst the top 10 per cent least deprived areas in England, though there are pockets of deprivation in the district. There are differences of up to 10 years in life expectancy between the

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<sup>1</sup> Population projection data from WBC position statement

least and most deprived wards in the district.

Early in 2023, partners across the Health and Wellbeing Board (HWB) developed the Vision 2036 to set out a medium-term vision for the district. Following the change in political control in May 2023, officers worked quickly to translate the political priorities of the new administration into a plan for the organisation in the form of the new Council Strategy 2023-27, agreed in October 2023. The new Council Strategy sets out an ambitious programme, and the members, officers and partners the peer team spoke to were all passionate in the way they talked about their desire to improve the district for residents, businesses and visitors. That said, the peer team found that there was no short, pithy explanation of what the future vision and key priorities are for both West Berkshire the place and WBC the organisation. It would be helpful to articulate clearly and simply what the future vision looks like in a very practical way, to provide a narrative for staff, members and partners alike to rally behind.

The service delivery plan supporting the Council Strategy contains an ambitious set of priorities and key performance indicators (KPIs), both in scope and scale. Given the budget and size of the organisation, it may be difficult to deliver all of these, and the peer team would encourage the political and managerial leadership of the council to consider what the 'hierarchy of priorities' looks like and ensure that they are able to provide clarity about how practically these will be delivered. For example, which are the most important things to be achieved over the short-term, the medium-term, the long-term to improve the lives of local residents? Which actions and investments will have the greatest impact on achieving those goals? By crafting a short and simple narrative that sketches out what will look and feel different over the period of the Council Strategy, alongside identifying the tangible actions that need to be achieved to deliver desired outcomes, this will help staff in particular understand how their individual contributions will bring the vision into reality.

The last Resident Survey undertaken in 2021 found that a high proportion of residents are satisfied with the local area (89 per cent) and with the way the council runs things (64 per cent). This compares favourably with comparative national data from the Local Government Association, where the results are 78 per cent and 56 per cent, respectively. That said, only 33 per cent of West Berkshire residents said they would speak positively about the council, compared to 16 per cent that would speak negatively.

There are inherent tensions to balance the needs of village, town and district alongside the needs of urban/ suburban areas and ensure that all partners are meaningfully included, and there remains a need to counter a view from some that the council is 'Newbury-centric' or 'Hungerford-centric.' The council has a strong focus on the rural agenda, and activity such as the Rural Business Forum and the 'rural community conversation' are helpful approaches to engage local businesses and residents to inform the council's understanding of the issues facing rural communities across the district, identify where there are opportunities to work together in partnership, and shape how the council can respond.

As the area has experienced significant floods in recent years, responding to and mitigating issues associated with climate change is an important issue locally. The peer team heard examples of how staff had gone "above and beyond" in their efforts to support local communities affected by recent flooding, working alongside dedicated ward members.

Having been the first council to launch a community municipal investment in 2020, WBC used this as a new way of raising finance for climate schemes. The council has since received planning permission to develop its own solar farm on land within the district to help deliver its net zero ambitions.

It is impressive that the council achieved a 'Good' judgement at its last ILACS Ofsted inspection in 2022, however the most recent Ofsted Focussed Visit on care leavers in October 2023 highlighted a number of areas of concern that need to be addressed, including the quality and impact of management oversight and supervision; performance management, quality assurance and audit processes, and the impact of the corporate parenting panel<sup>2</sup>. It was clear to the peer team that the new Executive Director for Children and Family Services is prioritising these matters. It is anticipated that there will also be an Ofsted Local area SEND inspection at some point in the short term.

The council has maintained Good CQC ratings for all but one of its in-house adult social care services, and is confident that it can evidence further improvements. The peer team noted that a Care Quality Commission statutory inspection of adult social care was due to take place at WBC at the end of February 2024.

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<sup>2</sup> <https://files.ofsted.gov.uk/v1/file/50232041>

The council's current Local Plan runs to 2026, and a revised draft Local Plan for the period to 2039 is in development and has been submitted for the examination phase. Following the change in political control in May 2023, the new administration indicated that it wanted to withdraw the draft Local Plan from examination. At the end of 2023, the then Minister of State for Housing, Planning and Building Safety instructed the council to proceed with the examination phase of the draft Local Plan. The Council will need to ensure that the examination process is well managed so that a Local Plan can be adopted that properly reflects the needs and aspirations of the district.

## **4.2 Organisational and place leadership**

Following the change of political control in May 2023, the new administration has had a steep learning curve and many people – including members, staff, residents, businesses and partners – told the peer team that the new administration has brought a noticeably changed approach to ways of working, described variously as “more open”, “more inclusive”, and “more visible”. The CPC took place ten months into the new administration, and the peer team heard that some officers observed that for some members the cultural adjustment from opposition to administration was still being made.

In the run up to the CPC's onsite period, there had also been some changes in members of the Executive and the peer team encouraged new postholders to seek out learning and development opportunities, such as those available through the LGA, to support them as they get to grips with their new roles. An Acting Leader arrangement was put in place just before the CPC as a result of the Leader of the Council taking a sabbatical. Assurances were given to the peer team that the Acting Leader arrangement was constitutional. The peer team would encourage the council to ensure that there is clarity about specific accountabilities during the temporary arrangement.

Almost all members of the Corporate Leadership Team (CLT) have changed in the last three years, with a new chief executive coming into post in 2021, and more recent permanent appointments to three of the four other CLT positions. The recent move from having a single People Director to separate Executive Directors for Adult Social Care and Children and Family Services is a positive step and will bring greater

capacity and focus to these service areas. Now that all CLT members are in post, senior officers will need to quickly forge strong working relationships, to ensure both effective leadership of their individual directorates and a strategic corporate grip on key overarching issues. A collegiate CLT should be underpinned by both mutual support and 'critical friend' challenge, as expected in healthy, well-performing organisations.

Given the change in both the political and managerial leadership of the council, it is important that colleagues continue to invest time and energy in developing the CLT/ Executive working relationship, ensuring that there is a good understanding of how best to work together to make the most of the experience and expertise across the council's 'Top Team', and appropriate support and challenge from Executive to CLT and vice versa. In addition to embedding an effective cycle of briefing time and decision making meetings, this includes making space for 'non-transactional' time for wider, horizon scanning discussions, and reflection and learning. The existing quarterly Strategic Board thematic sessions – for example on Bond Riverside – provide a good example of this and should be built upon to include wider topics.

It is very positive that the council has now got a permanent CLT in place, and the council must now turn its attention to the next layers of management and expedite the permanent appointments at service director level to bring further stability to the organisation. The peer team spoke to a number of service directors and it is clear that they are keen to step up and contribute more to the council as a whole. By empowering service directors, WBC could achieve more and increase pace by capitalising on this enthusiasm.

There is a recognition that the projected changing demographics of West Berkshire will require the council to exercise its place shaping role to create thriving communities which attract new economically active people in the district to work and establish new businesses. Place leadership in the wider Berkshire context is complex, with WBC participating in different layers of partnership working with competing geographical demands. For example, the Integrated Care System operates across Buckinghamshire, Oxfordshire and Berkshire West (Reading, Wokingham and West Berkshire councils); the Thames Valley Berkshire Local Enterprise Partnership (LEP) across all six Berkshire local authorities; the Emergency Planning shared service with Bracknell Forest and Windsor &

Maidenhead; and the Public Protection Partnership shared service with Bracknell Forest and Wokingham. This complexity means it can be challenging for WBC to exert influence, but the council is making inroads in this space, for example negotiating standard adult social care salary rates to avoid councils 'poaching' staff from one another, and making good progress in the development of the Thames Valley Berkshire LEP into a Shared Prosperity Board, with Berkshire local authority leaders and chief executives working together well.

The peer team heard that there are good relationships with partners and contractors at an operational level, for example with the Berkshire, Buckinghamshire and Oxfordshire Wildlife Trust (BBOWT), Veolia, and Volker. The Building Communities Together (BCT) partnership – the community safety partnership for West Berkshire – demonstrates strength in joint working, for example the joint approach to using data to drive targeted early prevention activity in relation to school exclusions. BCT is a valued body according to all the partners the peer team spoke to, as evidenced by good attendance at meetings. Given the seniority of those involved in the BCT, the peer team was of the view that more could be achieved, and it would be worth the partnership taking some time to think about how it can make the most of the partnership and translate into tangible outcomes.

More generally, there are opportunities to strengthen partnership working further, with partners telling the peer team that they are looking to the council to step more into the 'place leadership' space and a keenness among partners – including statutory partners, voluntary and community sector organisations, town and parish councils, and local businesses – to work more closely with WBC. The peer team heard several examples of good practice in partnership working – including work with the Greenham Common Trust, the Council for Voluntary Services, and the Rural Communities Charity for Berkshire; some examples of positive consultation practice; and positive support and joint working in response to the recent flooding events – but reflected that often this was down to good working relationships with individual officers and that what was lacking was a more consistent and strategic experience with the council as a whole. A number of partners – especially the town and parish councils and the VCS – expressed a desire to strengthen joint working with the council, highlighting opportunities that could be realised if the council were to engage with them earlier and more frequently.

By engaging partners in the council's vision and ambitions, WBC could lever in additional capacity and resources to maximise the outcomes that can be achieved for local communities. Similarly, there are opportunities to bring a more strategic 'clienting' approach to partnerships with contractors, for example building into contracts ways in which such partnerships could contribute to corporate priorities. Looking more widely, the council could make more of opportunities to develop and embed meaningful co-production in adults' and children's services.

Efforts to improve partnership working could be achieved through better and earlier communications with external organisations, giving partners early notice of new initiatives or plans, creating opportunities to shape early thinking and/ or co-produce solutions, and identify potential for collaboration. Working together in a way that demonstrates a sense of parity of esteem for partners to identify, develop and deliver shared priorities will result in better outcomes for local people. One way of contributing to this agenda would be to develop a strategic memorandum of understanding with the VCS. This would provide a welcome statement of intent and help to bring a strategic approach across the council to improve how the council works with these key partners.

The peer team also heard about external scrutiny sessions that have taken place with the Police, Thames Water, and the Environment Agency, contributing to the council's place leadership and holding partners to account on behalf of residents, and representing their concerns.

### **4.3 Governance and culture**

The peer team heard from a number of sources that the new administration had introduced new approaches to ways of working, particularly in relation to being more inclusive of opposition members. For example, there is Conservative member sitting on the Property and Investment Group, a Green councillor chairing scrutiny, and a Conservative Vice-Chair of the Governance Committee. The working relationships between members appear improved, with behaviour described to the peer team as "positive," "respectful," and "professional."

There has been significant work to review and reframe internal and public governance arrangements, drawing on an independent review by the Centre for



Governance and Scrutiny and adopting the CIPFA/ SOLACE framework for good governance. New governance arrangements to streamline structures and processes are being introduced in a phased way. Some of these new arrangements had not yet been introduced when the peer team was onsite. These efforts are to be applauded, though the peer team was of the view that further work is warranted. The new governance structure – though simpler than what was in place before – still seems overly complex and confusing, and several staff at different levels across the council told the peer team that they still do not understand it. The peer team also heard that at times the governance ‘hoops to go through’ hinder getting things done. With this in mind, work is needed to further simplify the council’s governance arrangements, to ensure that systems and processes add value, minimise duplication, and are well-understood across the organisation.

The peer team heard that strategic HR, communications, legal and transformation input is often left out of early discussions about policy development, and noted that this may be in part due to the positioning of these roles within the council’s wider structure. There is a need for the council to ensure that appropriate expert insight and advice is fed into both strategic discussions and specific policies and plans as they are developed, both in informal and formal meeting settings. Providing opportunities for input from service area experts at an earlier stage will enable more effective planning, risk management, and impactful delivery for the council.

The peer team heard evidence that the council’s overview and scrutiny function is generally seen as constructive and as a valuable means of holding the Executive to account and developing policy. The committee has demonstrated some good practice, for example holding an inclusive work planning session at the start of the municipal year bringing together scrutiny members, Executive members, and CLT to explore topics for scrutiny and prioritise options using a set of evaluation criteria. Other good practice includes scrutiny being chaired by an opposition councillor, scrutiny members starting to undertake primary data collection themselves, and the external partner scrutiny and budget scrutiny mentioned elsewhere in this report. This is all positive, but there are opportunities for ensuring greater effectiveness through more visible leadership, and following up on what action has been taken in response to scrutiny recommendations. Scrutiny might consider how it can assess and report on the impact it has made, for example through an annual scrutiny report to Full

Council. The peer team also noted that there is limited officer support for scrutiny, which limits scrutiny's capacity and potential impact.

The Governance Committee has a new chair who takes his role seriously. The council would do well to explore how it can support him in his new role, in addition to regular training for members of the committee. The remit of the Governance Committee includes audit and risk, and the peer team would encourage the council to review this as best practice clearly states that audit should be considered separately from other issues such as standards, code of conduct, etc.

At the time that the peer team was onsite, there was a new vacancy for an Independent Member of the Governance Committee. The council should seek to fill this vacancy as soon as possible and review allowances to encourage recruitment of new Independent Members.

The peer team heard that there is currently a constitutional review underway – including a review of the code of conduct and the procedure for complaints against members – though there were inconsistent reports of its status. Some reported that the review was taking a long time to conclude, and others appeared not to be aware of the project. It would be helpful to bring clarity around this work, and an inclusive approach to ensure that all are sighted on the project as required.

The peer team received feedback that the audit and risk team works well, with team members having a good grasp on their areas of responsibility. Looking more broadly, there are opportunities to use the Annual Governance Statement as a dynamic tool to drive governance improvement across the council.

With regard to the organisational culture at WBC, the peer team was struck by the enthusiasm and commitment of the council's staff, who love West Berkshire and are passionate about making a difference to the district. Staff highlighted the supportive culture of the council, in which colleagues look out for each other. However, staff were clear in their conversations with the peer team that they feel stretched to their limits, struggling to square capacity with the demands placed on them. Colleagues reported high levels of stress, responsibility and workload, and said they felt that they were constantly firefighting. This is borne out by responses to the council's staff pulse surveys. The work recommended elsewhere in this report to bring greater clarity to the council's key priorities (including what is not a priority) and the development of a

corporately coordinated approach to responding to the financial challenge will help with this. Similarly, now that the CLT is fully established, there is an opportunity for this group of colleagues to work together to bring a cohesive approach to leadership and management across the organisation.

WBC is demonstrating good practice by undertaking staff pulse surveys to assess health and wellbeing, and the peer team noted that a full staff survey is planned for a few months' time. The peer team would encourage the council to undertake a full staff survey more regularly (the Employee attitude survey takes place every 3 years currently) and use the more frequent pulse surveys – which have been successfully used to gauge colleagues thoughts on health and wellbeing matters – on broader topics.

The council has recently introduced a new behaviours framework, and this undoubtedly will need time to bed in. The planned staff survey will provide an opportunity to test out how well the new framework has been received by staff and the extent to which it is beginning to be embedded. The peer team also heard about work underway to develop an Employee Value Proposition to support recruitment and retention. The council will need to find the right balance between enabling a positive work/life balance and a friendly workplace through flexible working, and ensuring that staff are productive and accessible to meet business needs.

#### **4.4 Financial planning and management**

WBC has a net revenue budget of £159m. Like many councils nationally, budgets and spending fluctuated in West Berkshire during the Covid-19 pandemic and masked some of the immediate and legacy implications of the various lockdown periods, but the council managed the pressures and carried forward Covid-19 funding into future years. However, during that period, spending pressures were building in adults and children's social care in particular. By 2022/23, demand-driven service pressures meant that the council reported an overspend of £4.7m. This was managed by one-off and technical adjustments, including an increased contribution from (an already low) level of reserves. Accounts from 2021/22 onwards have not yet been signed off by the external auditor. This is a national issue, but the external auditor has raised specific concerns in several areas and has a letter setting out a number of concerns regarding financial sustainability. The council has previously

invested in commercial property and has a portfolio valued at £58.9m, reporting that the assets provide a net return of less than 2% after accounting for all costs.

The council has recently developed a transformation programme, having previously focussed on annual savings to meet the budget gap. The council has built up a deficit in the Special Education Needs and Disabilities (SEND) High Needs Block of the Dedicated Schools Grant (DSG): At the end of 2022/23 the deficit was £4.8m, and at the time of the CPC the deficit was forecast to increase to £9.5m by the end of 2023/24. As a result, the council is part of the Department for Education's Delivering Better Value (DBV) programme. Should the statutory DSG override end, as is forecast from 2026, the deficit is likely to have a detrimental and significant impact on general fund reserves.

The 2024/25 budget draft budget proposals set out a strategy to replenish reserves by £2m, identify ongoing savings totalling £14.5m and one-off savings of £2m, and includes a council tax increase at the maximum permitted level of 4.99 per cent. The savings targets represent a much larger amount than has been proposed in previous years and requires an ambitious 100 per cent delivery to achieve a balanced position. The peer team noted that in the current financial year the Council is forecasting to deliver 80% of its saving target. At the time of this CPC, the council was forecasting a large overspend of £3.3m for the 2023/24 financial year, with an underlying pressure of £7.7m before mitigation.

The council is upfront about the fact that finance is a key challenge. It was clear to the peer team that the DSG deficit represents a serious threat to the future financial sustainability of the council. The council's financial situation has been communicated widely, including with the Department for Levelling Up, Housing and Communities (DLUHC). The scale of the challenge and potential impact of not bringing stability to the finances appears to be widely understood and recognised across the organisation. Indeed, staff the peer team spoke to consistently had finance at the front of their minds. It was not clear to the peer team however that there is a whole organisation approach to respond to the challenge yet. There is an urgent need for a single, council-wide approach to tackle the financial challenge that is owned and led by the Executive and CLT, which will involve holding the line to ensure that savings are identified and delivered, services do not overspend, and that growth and demand are managed at a service and organisational level.

As mentioned above, WBC has a number of competing priorities, which do not reflect the council's capacity or finances to deliver. It is imperative that all parts of the council – led by the political leadership and CLT working together – engage in developing, and then delivering, a plan to reshape services to operate within WBC's financial constraints. Members of staff are keen to support the council to resolve the budget gap, but are not clear about how they can contribute. They need to be supported to know how to focus their efforts, and this includes clarity about what staff can stop doing, that is to say what is not a priority. As part of this work, the Executive may wish to consider whether the existing executive portfolios are aligned to the administration's priorities.

The council has historically had a low level of reserves compared to its CIPFA nearest neighbours. At the time the peer team was on site, reserves stood at £7.2m, but these were predicted to reduce to £4m by the end of the 2023/24 financial year due to in-year budget pressures. This low level of reserves is extremely concerning, and WBC needs to address this urgently. The peer team supported the council's desire to grow the reserves but believes this should be more ambitious and the plan in the current medium term financial plan should be seen as an absolute minimum. The additional £2m planned to go into reserves for 2024/25 will bring the total unallocated reserves to £6m, noting that this is below the council's identified stated policy that the minimum level of reserves should be £7m. The peer team was of the view that the council would in fact benefit from spending time considering the wider risks associated with this current assessment, getting cross-organisational support to increase reserves and going harder to increase their level significantly. The council should publish a clear plan to increase reserves even further over time.

There is cross-party trust in the S151 Officer (the Executive Director for Resources) and his team, however in the view of the peer team too much responsibility is being placed on the S151 Officer alone to assess where the right level of reserves should be. There needs to be a risk assessment of what the reserves should be and there needs to be a collegiate approach by CLT as a whole to assess this risk.

The peer team heard about the Financial Review Panel that has been established to review spend as a means of tightening grip on the budget. While this is understandable given the financial situation, it is important that the council has a plan to put in place appropriate management controls that are followed so that the

Finance Review Panel is not needed, not least because it is not a long-term solution and it takes a lot of time and effort to service. Care should also be taken to ensure that the Financial Review Panel is not an impediment for creativity and innovation and does not set a culture that removes financial responsibility from those that need to be accountable, but in the short-term drives the change that is needed across the organisation.

The council has a robust financial planning process, with links between council strategies and the medium term financial strategy, though this could be strengthened further as a result of the work recommended elsewhere in this report to review the council's priorities. There was positive engagement from the public in the budget consultation exercise (with more than 2,500 responses), with ward members playing an important role in encouraging local people to share their views. The Adult Social Care financial modelling has been reviewed externally by the LGA's National Care and Health Improvement Adviser and found to be sound. To support the improvement around budget planning, forecasting and compliance with controls, the council should consider putting in place training to strengthen financial literacy across management tiers and members.

While there are limited resources to support risk management across the council, the peer team heard that the council's culture is shifting from risk averse to risk aware, although it was acknowledged that this was variable across service areas. Discussions about the appropriate risk appetite for the council have taken place between the Executive and senior officers. Work to make the link between performance and risk in the new performance monitoring system is innovative and has huge potential to bring about benefits by reviewing risk and performance information in tandem regularly.

The capital programme has consistently underspent over the last few years. Given that improving the property estate is one of the council's priorities, it is important that this is gripped to deliver to timetable. The peer team was told that a review of the capital programme was underway, and flagged that it would be helpful for the Capital Strategy Board to ensure that this work links the council's Corporate Plan priorities and its plans for how it will use assets.

Scrutiny members undertook a special budget scrutiny session for the first time this

year, with dedicated time for members to ask questions and offer suggestions on the draft budget for 2024/25. This is a positive development, but the timing of the session – two days before the Executive meeting where the budget was to be agreed to be recommended to Full Council – was unfortunate. In future, budget scrutiny needs to be scheduled earlier in the process to allow sufficient time for the Executive to properly consider and respond to scrutiny comments.

The external auditor described positive relationships with council colleagues. It is aware of the council's financial challenges and is supporting WBC in its work to highlight the scale of the challenge. The peer team heard about a general lack of audit capacity to support the council, however. As the council is about to take on a new external auditor, the peer team would recommend the council should seek assurances from the new external auditor that they will receive the support required.

#### **4.5 Capacity for improvement**

The council has launched a transformation programme that is initially focussing on 6 key projects:

- Business support review – consolidation and automation of manual and administrative functions into a central business support unit;
- Strategic asset and locality service delivery model review – rationalisation of corporate buildings and co-location of council services;
- Place service improvement plan – implementation of a service improvement plan to improve efficiency and customer satisfaction in the council's planning service;
- Corporate review of recruitment – considering ways to improve recruitment processes whilst reducing agency costs;
- Review of care home provision – development of an in-depth business case for the future role of the council in local residential care provision; and
- Review of home to school transport – review of the service delivery model for home to school transport to identify efficiencies.

While these are all worthy projects, the peer team would encourage the council to be more ambitious and transformative when determining the next phase of transformation projects.

It is positive that the council has invested in a Service Director for Transformation, though there is a question as to whether transformation activity is resourced sufficiently with a small team of one. Recognising that outside of the transformation team there are colleagues across the council doing work on such activity, including but not limited to the programme office, it would be worth the council considering whether the transformation resource across the council is corralled in a way that is cohesive and enables this work to be delivered at the pace required.

The peer team was surprised to learn that transformation programme projects do not have financial targets. While not a savings project in itself, the transformation programme has significant potential to deliver savings for the council and it would be helpful to articulate that. Furthermore, it is important that HR and organisational design considerations are taken into account at very early stages of transformation project planning, and efforts need to be made to ensure that this is consistently done.

The work to redesign business support will be a major project, and the peer team heard inconsistent views on whether there is capacity to deliver the project and whether there is buy in for the project across CLT.

The peer team heard that historically WBC has had a risk averse culture, though this appears to be changing with steps taken to encourage greater appetite for innovation across the council. There is more work to be done in this area, so that innovation is not seen as a thing that one specific team does, and instead is something that is owned, embedded and championed throughout the organisation.

Executive members are keen for the council to improve approaches to ensuring consistency across the organisation. The peer team recognised the advantages and greater clarity that may arise from mapping corporate processes, but would urge the council to take care to avoid it 'becoming an industry,' taking the focus away from organisational priorities and get in the way of delivery.

A performance management system is currently being introduced and early indications suggest this will be a positive addition, incorporating risk in an easy-to-use format. It was not clear to the peer team the extent to which it is being used to drive wider improvement, and greater emphasis should be placed on this. There are opportunities to lever data to drive improvement and deliver priority outcomes.



The peer team heard about a number of good initiatives to promote equality, diversity and inclusion (EDI) across the council, such as establishing staff networks and mental health first aiders receiving the same allowance as physical first aiders, but this activity appears to be inward looking. There are opportunities to project this work outside the council to underline WBC as an organisation that is committed to equality and diversity. In governance terms, it would also be worth WBC considering whether the good initiatives on EDI are embedded in both day-to-day activity and decision-making.

It is important that EDI activity is led by CLT and for senior management to be exemplars in challenging poor behaviour where it occurs. The peer team heard concerning examples of some women receiving sexist comments which were reported to the peer team as having gone unchallenged. While it is beyond the scope of the CPC to investigate such allegations, the peer team wanted to flag this as an issue that had been raised, and urge the CLT to consider how they demonstrate their commitment to supporting EDI in their leadership. In addition to the impact on staff, not providing such leadership would undermine the council's positive work elsewhere on EDI.

With a significant number of new members elected in May 2023, it was positive to hear that the council's member induction programme was well-attended and feedback was positive. Members who took up leadership positions (eg in the Executive, or chairing scrutiny or other committees) have taken up support to assist them to get to grips with their new roles, including via LGA political mentoring, LGA Leadership Essentials training, and resources from organisations such as the Centre for Governance and Scrutiny. This is to be applauded, and the peer team would recommend that members in leadership roles in particular continue to seek out opportunities to build their policy knowledge, develop their skills and glean good practice through networking. The council should ensure that members stepping into new roles are provided with details of learning and development support they can access.

Noting that female members make up only 25 per cent of WBC's councillor population, the peer team would encourage the council to consider how to attract greater female representation, for example using campaigns such as the [LGA's 'Be a Councillor'](#) programmes. Linked to this, the council could give some thought to the

timing of council meetings to be more inclusive to allow members and residents who work and/ or have caring responsibilities.

The peer team recognised that the council has responded to the 2019 CPC recommendations on communications: there is now a good communications plan in place, a new online magazine has been launched, and some positive examples of resident engagement initiatives. The 'Let's chat' staff meetings are well-attended, and the Leader has joined sessions to speak to staff. There are opportunities to improve further, for example considering the way in which WBC 'closes the feedback loop' with those who participate in consultations, or having early conversations with umbrella bodies such as the centre for voluntary services to identify a wider range of organisations and individuals to engage in consultations and service redesigns. Though the communications team has grown since the last CPC, the peer team heard concerns about whether the team has sufficient capacity to deliver, and would urge the council to ensure that it is clear about what is a priority to be delivered within the available capacity. Echoing points made elsewhere in this report, it is also important that communications expertise needs to be present at the top table to ensure early advice and planning.

The peer team was made aware of ongoing discussions between WBC and the trade unions, including work to reach an agreement regarding facilities and recognition. The peer team would encourage the council to resolve this as soon as possible.

#### **4.6 Special Education Needs and Disabilities (SEND)**

West Berkshire has experienced slower growth in the proportion of children and young people with additional needs compared to its statistical neighbours, but has a significant deficit in the SEND High Needs Block of the Dedicated Schools Grant (DSG). An Ofsted Area SEND and Alternative Provision Inspection is likely to take place in the short term.

It was clear to the peer team that the council benefits from committed and passionate staff who want to make a difference to the lives of children with additional needs. There is a range of services and offers for schools to support children with SEND, including some mental health support services in schools and Social Emotional Mental Health work in some secondary schools targeted at reducing exclusions. This

is leading to some positive educational outcomes for children with education, health and care plans (EHCPs). The council benefits from a stable and experienced educational psychology team, and there is a dedicated transitions team in place. Given the scale of the DSG deficit (forecast to be £9.5m by the end of 2023/24), the council is part of the Department for Education's Delivering Better Value programme, which does bring in additional resource to support SEND. This deficit represents a serious threat to the future financial sustainability of the council, and this needs to be resolved within the available financial envelope.

In the view of the peer team, there are a number of areas in which the council could make improvements in this area. First, an ambitious SEND and Alternative Provision strategy that is co-produced needs to be developed urgently to bring clarity and focus regarding what action will be prioritised. Contributions to and alignment with other work in progress – such as the autism strategy that is in development – provide opportunities to work together to develop an all-age approach to key areas of activity.

The council should consider establishing a DSCO (designated social care officer). This is not a statutory requirement but areas where this role is developed are showing the positive impact it can make to improving the understanding and engagement of social care in EHCPs and working with children and families where a child has special educational needs and/ or disabilities. There is a strong network of engagement and learning across authorities supporting best practice development for DSCOs, supported by the Council for Disabled Children. This can be a stand-alone role or a current post holder could have protected time to take on this role.

There is a need to urgently establish a strategic Local Area Improvement Partnership for SEND and Alternate Provision (AP), supported by a shared data set to understand the strengths and weaknesses across the SEND and AP system and drive improvement activity.

West Berkshire would also benefit from some focussed work to better understand the links and joint working opportunities between the Integrated Care Board, the Health and Wellbeing Board, and the Locality Integration Board to ensure that the right colleagues are in attendance and that there is a coherent vision for strategic services and outcomes for children.

The council should move quickly to re-establish an effective parent-carer forum, and

develop a co-production charter that will sketch out how meaningful co-production including parent carers and young people will be embedded in West Berkshire.

Whilst some work and thinking has been done on supported internships and routes into work, it appears to be limited small projects rather than a clear and accessible strategic approach. The peer team heard that some momentum was lost during the Covid-19 pandemic and some of this work is only now restarting. Partners talked to the peer team about wanting to add more 'social value' and were keen to have discussions around internships and work experience for young people and adults with EHCPs or disabilities. There is an opportunity to do more in this space, including knowing how many children with EHCPs move into adult services and how many move into adulthood without structured support. Furthermore, the council as a key employer could lead by example and establish some supported internships to offer employment for adults with disabilities. This is an area where a clear corporate approach and joined up thinking will support progress.

## 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 progress review within twelve months of the CPC, which provides space for the council's senior leadership to update peers on its progress against the recommendations from this report.

In the meantime, Mona Sehgal, Principal Adviser for the South East, is the main contact between your authority and the Local Government Association. She is available to discuss any further support the council requires ([mona.sehgal@local.gov.uk](mailto:mona.sehgal@local.gov.uk), 07795 291006).

## 6. Support and signposting

Details of the LGA's **sector support offer for local authorities 2024/25** are available online: [www.local.gov.uk/publications/sector-support-offer-local-authorities-202425](http://www.local.gov.uk/publications/sector-support-offer-local-authorities-202425).

**Political mentoring** – Through the LGA's political group offices, member peer mentors from other councils can be arranged for senior members. Typical mentoring engagements stretch over six months, providing the space for honest conversations, to be challenged and supported in a confidential environment.

**National member development programmes** – The LGA offers a range of training and development programmes, our political leadership training offer supports councils to build greater leadership capacity and develop politicians at all stages of their career, including face-to-face training as well as online training resources such as e-learning and workbooks. In particular, the following leadership programmes for Portfolio Holders may be of interest. To find out more or book contact: [grace.collins@local.gov.uk](mailto:grace.collins@local.gov.uk).

- Leadership Academy: For Members in leadership positions
- Leadership Essentials: Economic Growth
- Leadership Essentials: Housing
- Leadership Essentials: Finance
- Leadership Essentials: Climate Emergency
- 'Developing Your Political Leadership Skills' Masterclass

**Social media guidance for councillors** – The LGA can also provide bespoke social media training for members