


# LGA Corporate Peer Challenge

Bournemouth, Christchurch and Poole Council

16 -19 November 2021

Feedback report





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# 1. Executive summary

Bournemouth, Christchurch and Poole Council (BCP Council) has exciting long-term ambitions for its place agenda and has a resolute focus on its leadership role for the whole area that it serves.<sup>1</sup> The Council has worked tirelessly to create the large-scale unitary authority that it has become; bringing together district, unitary, and county level services from four preceding councils which covers a population of 400,000.

The Council, having only been formally established on 01 April 2019, has achieved much in just two and half years. Against a backdrop of political change, it has driven organisational change by investing in a £45m transformation programme. This, whilst also responding to the many challenges presented by the Covid 19 pandemic, through which the council, according to many partners, has performed well and has demonstrated strong leadership and organisational resilience. Admittedly however, the pandemic has impacted on the pace of transformation.

BCP invited the peer team to visit the Council to offer an impartial and informed reflection on its achievements as a relatively new organisation and to provide an objective assessment on the robustness of its plans to support ongoing improvement. Continuing changes to the Council's operating environment presented the perfect opportunity to take stock and receive peer challenge. Findings of the peer team include:

- Recent political changes (resulting in a Conservative majority administration) appear to be bringing a sense of stability to the organisation which it is hoped will provide an opportunity for sustained focus on priorities.
- It is widely recognised that the Council has strong and ambitious leadership. Specific reference was made to the positive approach of the Leader, Deputy Leader and Chief Executive particularly in the regeneration space. The Council now needs to build on this approach to develop a wider leadership base and capacity, by drawing on other senior members and officers across portfolios, which will help to ensure greater parity between the people and place agendas

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<sup>1</sup> For this report the Place agenda refers to economic regeneration activity.

and will reduce the potential (over) reliance on the Leader and Chief Executive in the future.

- There are examples of governance working well at BCP including, Audit and Governance committee, Health and Adult Social Care Overview and Scrutiny Committee. However, there were questions about the impact and effectiveness of the Overview and Scrutiny Board in its current format. Similarly, political tensions continue to be played out in a way that is not always constructive and risks damaging the reputation of BCP.
- The Council has strong partnerships upon which to build, including those in some parts of the business community, police, and the voluntary and community sector. One example which demonstrated the impact of effective partnership working was 'The Summer Response'. This was a £3.5m tactical response led by the Council, to address the scale of issues experienced across the seafront, towns, parks, and open spaces during the summer of 2020 and provides a way of working that should be mirrored across the area.
- Despite progress in some areas, the Council needs to do more to leverage all partnerships to the benefit of residents across the BCP area. For instance, more could be done to develop relationships and partnerships with those from health, some additional economic partners, and the local universities. It was clear that there is an appetite from partners to do this and for them to be more involved in earlier discussions about joint priorities.
- The Council has a dedicated workforce that is committed to delivering the best outcomes for the residents of the area and there is widespread understanding of and dedication to achieve the ambition and vision for BCP. There is a real sense of excitement amongst staff about what BCP can become as they continue to forge positive relationships and cement in practice what it is to work together as one organisation.
- The Council's £45m transformation programme is comprehensive in its breadth. Staff are bought into the ambition of the programme and have a sense of what it is trying to achieve. However, concern was raised that staff

don't always feel fully engaged in the programme as it develops (despite lots of written communications) and that initiatives such as 'smarter structures' have impacted on the transformation brand. There is concern too from directors and front-line staff about the capacity to deliver on business as usual, as well as delivering transformation and savings and want clarity about priorities, with the recognition that everything can't be done at once.

- The workforce is also looking to the leadership of the Council to set and model the culture of the organisation.
- There is a solid financial base (following Local Government Reorganisation) from which the Council can build, and this position is supported by positive audit opinion. This sound financial platform is vital for ongoing investment in transformation and the delivery of services, but it must continue to be underpinned by the robust management of risk. In particular, the Council should continue to take specialist technical accounting advice and external audit advice in assessing any new financial investment closely and by following the guidance set out for local government sector around capital investment.<sup>2</sup>
- There is a sense from the peer team that the Council's 'Big Plan' does not give equal weight to the place and people's agendas. The place agenda is very ambitious and place partnerships are strong but the Council's narrative about investment in people is not as clearly defined. This was referenced in conversations regarding the Council's ambitious digital agenda which highlighted that there was not a standard approach or strategy for digital inclusion, leaving a risk that some residents who are not digitally enabled, could be left behind.
- The peer team felt that a collective understanding of the purpose of the Urban Regeneration Company needs to be developed, as views were mixed as to what it is for and, potentially competing priorities could undermine its effectiveness as a delivery vehicle for the Council's place ambitions.

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<sup>2</sup> The Prudential Code for Capital Finance in local Authorities. (2021)

- There was some evidence that there is corporate ownership of Children's Services improvement and of working across directorates to address challenges. However, it is important for the continued improvement journey as well as the need to deliver savings within the Medium-Term Financial Strategy (MTFS) that Children's Services improvement remains a corporate priority.

BCP Council has achieved lots in a short space of time, much of which has been against the difficult backdrop of the pandemic. There are many things for the Council, both members and officers, to be proud of. The Council has great staff who are committed to achieving the vision for the BCP area, but the peer team heard that staff are tired and need to be re-engaged positively about the next steps for transformation and the underpinning culture for the Council. It is clear there is still much to be done; significant savings need to be made, the pace of transformation needs to continue and there is a pressing need to ensure priorities are identified with capacity and resources aligned appropriately. It is also crucial that the Council remains steadfastly focussed on improving its children's services. Finally, there is also a need to ensure equality and diversity is embedded within the culture of the organisation and that there is clear approach to addressing climate change within Council policies.

The detailed feedback contained within this report, recognises the achievements made to date at BCP Council and focuses on activity which will underpin the continued improvement required, at pace, to ensure the Council can meet its local ambitions and priorities for the people of BCP.

## 2. Key recommendations

The following are the peer team's key recommendations to the council:

- 2.1 Revisit the 'Big Plan' to ensure parity between the peoples and place agendas. This will help to rebalance the focus across the two areas ensuring capacity and resource are better aligned and that there is a clearer narrative on the benefits for people arising from the economic regeneration initiatives, including from skills and employment opportunities.

- 2.2 Engage members, officers, partners, and residents to give a wider understanding of the vision and priorities for the Council that is collectively owned and clearly understood.
- 2.3 Work through the alignment of strategic programmes and create appropriate and clear prioritisation for the delivery of them.
- 2.4 Following the agreement of priorities consider reviewing the current SMT structure to ensure senior capacity is available at the right level to drive the council's priorities.
- 2.5 Ensure increased emphasis is given to developing a culture change programme through which the Leadership of the organisation set the culture for the organisation. This must be a priority because without it there are risks to wider transformation objectives.
- 2.6 Provide a development programme for both members and officers to improve joint working and a better understanding of respective roles and responsibilities.
- 2.7 Develop a clear approach for staff engagement and consider whether the Council has the right Organisational Development and internal communications resources and expertise to do this well.
- 2.8 Maintain a sound financial platform underpinned by robust risk management and ensure that the Council takes the difficult decisions which will enable the delivery of the medium-term financial plan.
- 2.9 Realign the transformation programme from an IT process driven approach to one that is culture led.
- 2.10 Provide greater clarity on the purpose and remit of the Urban Regeneration Company.
- 2.11 Clarify the Council position and actions on climate change and make sure objectives are centrally embedded.
- 2.12 Embed equality and diversity into the culture of the organisation.

## 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:

- Zina Etheridge – Chief Executive, Haringey Council
- Cllr Izzy Secombe - Leader Warwickshire County Council (Conservative)
- Cllr Adam Paynter – Deputy Group Leader Cornwall Council (Independent)
- Duncan Whitfield - Strategic Director of Finance and Governance (Southwark Council)
- Carlton Brand - Programme Director (Somerset County Council)
- Matthew Essex – Corporate Director of Regeneration and Culture (London Borough of Redbridge Council)
- Claire Hogan – LGA Principal Adviser (North West)
- Kathryn Trant – LGA Adviser (South West)

### 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 the team to look at:

**Transformation** – with a view to understanding the progress and implementation of the transformation programme.

**Partnership working** – with a view to providing feedback on the approach to, learning from and opportunities in partnership working.

**Summer response** – to explore the effectiveness of the Council's 'Summer response' (See section 4.2)

### 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 to ensure they were familiar with the Council and the challenges it is facing. The team then spent four days onsite with BCP Council:

- Gathered information and views from more than 51 meetings, in addition to further research and reading.
- Spoke to more than 185 people including a range of council staff together with members and external stakeholders.

The team collectively, in total spent over 216 hours to arrive at these findings, the equivalent of one person spending almost 6 weeks in BCP. This report provides a summary of the peer team's findings at a point in time. In presenting feedback, they have done so as fellow local government officers and members.

## 4. Feedback

## 4.1 Local priorities and outcomes

Bournemouth, Christchurch and Poole is a predominantly urban area, surrounded by the sea and areas of rich heritage and natural environment including, natural harbours, 14 miles of coastline with nine blue flag beaches and 23 green flag parks. It is home to several museums and theatres, has a wealth of heritage assets with many listed buildings and conservation areas, as well as numerous visitor attractions. The BCP area is successful in attracting more than 15 million visitors each year and understandably the Council is keen to capitalise on the attractiveness of the areas and is in the process of redefining and modernising its culture, leisure, and entertainment offer to enable more people of all backgrounds to actively participate in all aspects of culture.

There is a clear understanding by the Council of the challenges, as well as the opportunities, in the BCP area. The area has seen significant economic growth in recent years; it is the number one area in the UK for high growth digital business and is the UK's second fastest growing area for start-ups, 28 percent of which were digital-tech related. The BCP area is also part of the UK's largest regional cyber security cluster and has the second largest international education sector outside of London. The rate of unemployment at a local level was 4.6 percent for the year to June 2021, similar to the national rate of 4.5 percent. However, despite these opportunities the Council is acutely aware of the challenges it faces in relation to lower levels of productivity compared the national average. There are also challenges including congestion, poor transport infrastructure, housing affordability and poor connectivity which are risks to ambitions for growth.

The Council hopes to address these challenges through its 'Big Plan', which sets out the vision for, *'BCP city region to be world class – one of the best coastal places in the world in which to live, work, invest and play'*. This scale of this ambition can't be faulted; it is clear, exciting, and engaging and provides a link back to the ambition which drove the creation of BCP Council through Local Government Reorganisation, (to protect frontline services, to give the BCP area a stronger voice nationally and to better meet the needs of communities). Importantly, the ambition of the Council has strong support from local business communities, cultural partners, and the Local Enterprise Partnership (LEP).

Underpinning strategies either exist or are emerging that when fully developed will give BCP Council a clear basis on which to progress, including the development of a local Economic Development Strategy and a new Local Plan. The Council has also recognised that if it is to achieve its ambition at pace, investments and new ways of working are required. As such, the Council has allocated substantial resources to support the ambitions in the Big Plan through an investment of £50m into a ‘futures fund’.

The Council set up a Joint Venture with Morgan Sindall<sup>3</sup> called Bournemouth Development Company and has also established an Urban Regeneration Company (URC) called ‘Future Places’. This development was viewed by the peer team as a pragmatic approach which will provide much needed capacity with suitably skilled staff for rapid progress with their place ambitions.

However, there is a lack of clarity about the role that the URC plays, and further work is needed to define this. The Council needs to be clear whether the URC is a vehicle for development with added capacity or is also the body that takes on the place shaping/regeneration role more broadly for the Council. Whichever, there needs to be greater clarity and clear governance with defined roles and responsibilities.

Direct delivery ambitions, through the housing revenue account, the URC and wider partnerships will also give the Council scope to directly influence the development of the place and with 2,800 corporate assets this could form the cornerstone of an ambitious development programme over the next 10 years and potentially beyond.

Despite the vision, the Big Plan is not sufficiently balanced between the place and people agendas. The peer team did not get a sense of how the resident voice has informed its development or how they will directly benefit from the growth ambitions. There was little evidence of consultation with staff, residents, and partners in the drafting of the Big Plan which has resulted in the risk of a lack of ownership of the objectives. The team heard concerns about how the digital agenda was developing too. Whilst acknowledging the aim and potential benefits of becoming the ‘most

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<sup>3</sup> Morgan Sindall is a group consisting of eight complementary businesses working in affordable housing, investment and infrastructure and construction and the revival of inner-city areas that have been in decline

*digital and data driven local authority in the UK* there was concern about the lack of a standard approach or strategy for digital inclusion which could result in some people, who are not digitally enabled, being left behind. The Council would benefit from providing clarity to partners and residents through its developing engagement strategy how the needs of people will be met and how they will be able to access services. (The team also heard from some partners that Economic aspirations need to draw on a wider base.)

There is also a need to reflect that the ambition of the Big Plan cannot be delivered in isolation and needs to be cognisant of the strategic objectives of the Local Plan (and development targets) as well as planning policy. Further work is needed to ensure this alignment.

To address these challenges the Council should look to develop a clear narrative which articulates how residents will benefit from the opportunities of regeneration and be clearer on how the ambitions beyond development will be met. For instance, the Council should be more explicit about the potential benefits relating to skills and employment opportunities, arts and culture, liveability, sustainability, and economic activity which are all equally critical elements of any placemaking strategy. Linked to this point is the need to consider who, from a senior officer perspective, 'owns' the development of place. There is clear political leadership for this agenda from the Leader and CEX but no single officer point (below CEX) for regeneration, which is creating a significant gap at a strategic level within the organisation and places too much focus on the CEX to lead operational areas.

Currently, there is also a lack of clarity about sustainability and how this is reflected in the Council's policy development process. The Council has a target to become carbon neutral by 2030, and whilst there is a stated intention for sustainable development and to provide sustainable environments, there is little detail or evidence of direct activity linked to these aims in key documents or activity. The Council is encouraged to work closely with partners (public and private) to progress its sustainability approach as this agenda provides a great opportunity to co-design a shared response which can bring significant longer-term people and place benefits.

The policy and strategy landscape needs streamlining into a smaller and more coherent set of documents so that everyone, from members to residents is clear about what the Councils core priorities are and how they fit together. There are lots of individual strategies that need to be brought together with clear governance and accountability for delivery. For instance, the Council could consider combining the Big Plan with the corporate strategy. It is also encouraged to widen its approach to community engagement and co-design which would help bring together both the People and Place agendas and would also provide an opportunity to improve engagement with communities and partners which in turn would help to improve the variable experiences of customer service that the team heard about. (See 4.4)

The Council has well-established mechanisms for performance monitoring with performance reports presented to Cabinet on a quarterly basis and review of performance in certain areas taken to Overview and Scrutiny. The team heard that senior officers scrutinise performance at a corporate level and directorate level (weekly in some service areas such as Children's services) and that lead members receive more detailed performance updates on their service areas. The team also heard that following the recent SEND inspection (see below) changes are being made for more regular reporting. The Council should now consider presenting benchmarking information in these reports so that members have a better understanding of how services are performing in comparison to other statistical neighbours.

## **4.2 Organisational and place leadership**

The journey the Council embarked upon to become the 10th largest unitary can't be underestimated. The transition to date has been a huge achievement for members and officers and should be celebrated. However, the Council should now focus on developing a clearer narrative, with a strong evidence base about the benefits of unitarisation and highlighting the gains that are evident from operating as one organisation. For instance, the award of £170m transport grants that the Council wouldn't have received if it wasn't a larger unitary is a good example of the financial gain for the BCP area. Residents were clear of the current and potential benefits of BCP Council as one organisation. For instance, they understood that they would not have received the transport funding (as above) if they did not have one large Council. However, they expressed concern that they haven't yet seen the benefits of this

translate into practical impact on their lives and are keen to see investment of transport grants into creating an integrated sustainable transport strategy/system for the whole of the BCP area.


Developing this narrative would also help to create a clearer identity for BCP Council; one which embraces and builds upon the unique identity of the three localities whilst evidencing the opportunities of coming together as one Council. Staff would be supportive of this approach as there is strong sense that people want and are happy to refer to themselves as BCP Council.

There are significant challenges in Children's Services (as outlined in the Ofsted focused visit in 2020) that require strong senior leadership to ensure investment at the right level and sustained focus on improvement is maintained. (see below for detail on Children's services) Similarly, developments in the Integrated Care system are crucial for meeting the future health and care needs of the local population and given the importance for residents (and for the Council's financial position) it is important that there is strong leadership in these areas. While it is widely recognised that the Council has strong and ambitious leadership (specific reference was made to the positive approach and visibility of the Leader, Deputy Leader and Chief Executive in the place and economic regeneration space) the Council would benefit further if a similar level of engagement could be stretched across to the people agenda in the broadest sense, drawing on members and officers from across portfolios to ensure better outcomes on both the agendas and to achieve parity across the two. This will also help to reduce the (over) reliance on the Leader and CEX.

The 'Summer response' (and 'Together We Can') <sup>4</sup>are great examples of whole place leadership which gives BCP Council something to build upon as it looks to become the steward of a range of places with distinct identities. The Summer Response in particular was overwhelmingly positive. This was a £3.5m tactical joint response, led by the Council, to address and safely manage the influx of visitors to beaches, town centres, parks, and open spaces during the Summer of 2021. The response was member and officer led with partners and residents and businesses fully engaged at

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<sup>4</sup> The [Together We Can Community Resilience initiative](#) was established as part of the response to COVID-19 to improve contact with residents across of communities



each stage. This approach demonstrated how a data driven, digitally supported initiative can deliver great results. The summer response received positive feedback from those involved and provides an excellent case study of how BCP Council can work in the future.

On the people's agenda (despite the need to ensure a greater parity with place) there were examples of good practice. For instance, there was evidence that the joint commissioning board arrangements for adults is working well and there have also been some small improvements in Children's Services following the Ofsted focused visit in 2020 which found 'serious and widespread weaknesses'. Audits of cases have improved, thresholds for access to different levels of service are clearer which has resulted in less cases being held in 'Early Help' and more being appropriately referred to children's social care. Another improvement is that those children who need them have permanence plans in place, which had not been the case previously.

This Council has in place a 15-point improvement action plan and invested a further £7.5m to improve the service. Prior to the peer team arriving on site the Council had announced the appointment of new Director of Children's Services. This appointment will be crucial in ensuring the ongoing improvement in Children's services is maintained and to ensure the emerging evidence of corporate ownership of Children's Services is maintained. There is a need now to focus on the pace of and sustainability of transformation in Children's Services and to ensure that Children's Services feature more broadly in the Council's corporate strategies with evidence that the voice of children and young people is central to strategic planning more generally.

COVID-19 placed leaders of BCP Council into unimaginable pressures and relatively unforeseeable new challenges. The way the Council worked with local partners throughout the last 18 months in response to the pandemic, was recognised positively by many that the team spoke with. As in many places the challenging experience of COVID-19 brought further into focus the underlying health inequalities and socio-economic challenges experienced by over 50s, people with underlying health conditions and those from black and minority ethnic backgrounds.

Going forward one of the ways to ensure that the Council is best placed to address the inequalities that Covid brought into focus will be to have a more purposeful leadership role within the developing Integrated Care System (ICS). Given the scale of change presented by the shift to the ICS and the implications this can have for place leadership of health, the Council should move quickly to decide how it wishes to step into this structure and do this with a sense of urgency to ensure the realistic benefits of doing so ahead of April 2022 are met.

The commitment to Equality and Diversity (EDI) from the senior leadership (both political and officer) is clear and widely understood. There is ambition to create a community and an organisational culture *'in which everyone matters, feels safe and can participate in public life and achieve their potential feeling they are treated with respect and fairness'*.<sup>5</sup> There are some green shoots emerging with the creation of EDI network groups, all of which is creating a good base for the future.

However, despite clear intentions the culture to support EDI throughout the organisation is not yet sufficiently apparent. *'We are in the process of developing the culture but not there yet'* and *'the organisation doesn't have the maturity for the conversation about equalities yet'* are some of the things that the peer team heard. Network groups do not have a clear mechanism for their issues to be heard corporately and while there are some senior level EDI champions further work (including communications) is needed to embed EDI into the culture of BCP Council. Some immediate practical steps that the Council could consider are the inclusion of EDI questions at interviews as well as EDI mandatory training for participation on interview panels.

The Council also needs to be clearer on its priorities for tackling inequalities that residents face and ensure that these priorities are reflected in its corporate strategy. Developing this approach will help the Council to create their place leadership role within the developing integrated care system (as noted above). Should the Council wish to seek a detailed assessment of the progress made and steps which can accelerate this progress further, dedicated support and external challenge in this regard can be provided to the Council via the LGA

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<sup>5</sup> BCP position statement (October 2021)


Finally, in terms of organisational and place leadership, one very practical point that emerged from external partners, residents and staff is the need to quickly change internal and external signage for BCP Council. Lots of 'legacy council' street and council building signage still exists and there is concern this is causing confusion and undermining efforts to create a single identity for the council.

#### **4.3 Culture and Governance**

Local Government reorganisation resulted in the safe and legal creation of the newly established BCP Council with its governance system and constitution implemented successfully and robustly. Since September 2021, the Conservative Group has held control of the council with a majority of seats. Prior to this no single political party had overall control and a Unity Alliance had held the administration from June 2019 until September 2020. These recent political changes appeared to be bringing a sense of stability to the organisation which it is hoped will provide an opportunity for sustained focus on priorities. Although corporate plan high level objectives have been the same since they were drafted in 2019, reviews of activity underpinning plans were undertaken following the change of administration in October 2020 and they are being reviewed again since the latest political change. The team heard that reviews had previously led to a lack of consistency and clarity.

There are several examples of good governance at BCP Council. Licensing Committee and Audit and Governance Committee work well, with good quality papers and analysis supporting committees where elected members engage well with critical but constructive challenge. There are strong Committee Chairs who are supported by proactive professional teams. The Chair of the Audit and Governance Committee for instance, is an experienced Councillor who clearly understands the importance of a non-partisan role. There were also examples of 'deep dives' into specific themes and scrutiny of internal audit activity.

The governance of the transformation programme is clear. Members are kept up to date on progress and can challenge progress in relation to pace and delivery. This will be invaluable in helping to address some of the challenges raised in this report around priorities for the programme. Health scrutiny too is working well and there are developing links with Dorset Council to join up across the ICS footprint. Partners



engage well, and the committee's work on the pressures faced across the system, particularly in adult social care regarding hospital discharge and enabling people to remain at home is a strength. The peer team felt that report writing, and the quality of the information presented to members is generally good. However, they heard that there needs to be wider adherence to early inclusion of statutory officer input and opinion, which is sometimes lacking in some areas of the council.

However, there are areas where further improvement should be made. Overview and Scrutiny for instance is not consistently adding value and needs to be reset to deliver on its purpose of ensuring that the Council is open, transparent, accountable and delivers improved policy and services. There is also a need to develop a unified understanding of appropriate member and officer roles and responsibilities. Whilst good productive individual relationships exist between portfolio holders and directors there isn't yet sufficient strength in the relationship between cabinet and CMB collectively to deliver the ambitious agenda and this is an area for further development.

Political tensions are also still apparent within the Council and can sometimes play out in a way that is not constructive. This risks distracting the Council from its ability to unify and move forward in the best interests of the residents and Councillors themselves. There is a risk too of reputational damage to the Council if standards set out in the Code of Conduct are not adhered to. If BCP Council wants to become a 'world class' organisation, then all parties (led by group leaders) should set and demonstrate the behaviours and culture for the organisation based on the Nolan Principles of Public Life and reinforced by Standards committee.

The Council's constitution approved at its inception, was evolved from the legacy councils with different sections amended and adapted accordingly. (The latest revised version was presented to Council in November 2021). However, now BCP Council is better established it may wish to consider rewriting the constitution to ensure it is clear, concise and is fitting for the new single Council and provides an adequate framework to support the delivery of an ambitious agenda.


#### 4.4 Financial planning and management

Following the local government reorganisation process the Council, as a newly constituted organisation, had a solid financial base (supported by positive audit statement) upon which to build. Financial pressures are known and clearly identified and reported within Cabinet reports. Where necessary, plans are in place for budget recovery, for instance in relation to structural budget shortfalls in both Dedicated Schools Grant, High needs, and children's services as set out within public reports. The Council has also responded positively to Covid supported by robust financial management arrangements.

The Council has a relatively straightforward and uncomplicated set of accounts with normal local authority complexities around valuation and accounting, treatment of property and other assets. There is a reliable, professional, and experienced finance team who liaise well with other statutory officers regularly and there is a robust reporting framework of financial management, involving both senior officers and members.

Whilst capacity within finance teams is currently at an appropriate level, this position will need to be kept under close review as new council ambitions are rolled out. In addition, the development and implementation of the new corporate Enterprise Resource Planning (ERP) system will demand significant resource commitments from the finance function within the council and capacity requirements will need to be monitored. The implementation of the transformation programme and the tracking of benefits and investments will also need special attention as elements are rolled out across the Council over the coming months and years.

The Council has a reasonable level of unearmarked reserves (c £19m). However, consideration should be given to increasing those reserves to a level that is beyond the current MTFP target. This is required to offset and mitigate strategic and operational risks across a range of programmes including, but not limited to, transformation, regeneration activities, children's services improvement and DSG high needs deficits. This review should seek to bring BCP's unearmarked reserves in line with other unitary councils of a similar size and complexity and should seek to be



proportionate to the extent of financial budgets and specific risks including capital investments, service development plans and priority outcomes.

An area where the Council may wish to review its current approach is in relation to borrowing to provide finance emerging capital projects as there appears to be headroom for further borrowing if required; being mindful of debt financing costs and prudential borrowing guidance. A useful comparison could be made by assessing the level of BCP borrowing from the Public Works Loans Board (PWLb) against that of unitary authorities with similar profiles.

The MTFP sets aside investment in the transformation programme of (£45m) with estimated annual savings (£43.9m). While the programme identifies some contingency to offset any delay in the roll out of these savings it is important that the Council continually assess the risks created by the overarching and ambitious programme of regeneration and transformation and potential impacts on resources necessary to support statutory and priority services.

It may be prudent for the Council at this juncture in the transformation programme to reassess the scale and profiling of both projected savings and investment across departments to ensure both are realistic and achievable. This should include for example the profiling of any new costs such as technology overheads, training, and change management capacity.

While work continues to achieve an agreed balanced budget position for 2022/23 by February, the MTFP for future years contains many assumptions and uncertainties has some areas that need particular focus. Recovery work on Children's Services finance for instance, will need to continue with support from across the council to ensure improvements needed within the service continue whilst also creating a sustainable budget. The DSG High Need Deficit (est. £18.6m by April 2022) also continues to require oversight as the deficit is close to creating a negative reserves position. And a final area that the peer team felt requires immediate focus relates to the assumptions of cost neutrality on the pay and grading review and the potential impact on the MTFP as there is concern that this assumption may be too optimistic.

The Council should continue to take specialist technical accounting and external audit advice in assessing new financial vehicles or instruments, especially in context of prudential code and recent guidance on capital strategy. Further independent review and analysis of projects may also benefit from wider commercial, valuation and legal expertise.


Finally, on finance, the Council should review the framework for budget accountability across all services both at officer and cabinet member level, providing both appropriate training and development programmes as it does so. This could include reviewing the role of scrutiny in the budgeting process and reviewing opportunities for Cabinet Members to be more accountable for service and project budgets in their portfolios over the MTFP period.

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

The Council has demonstrated its capacity to improve in recent years including the transition to become a single unitary, management of the response to the Covid-19 pandemic, some small recent improvements in Children's Services as well as the development of the single far reaching transformation programme.

During the response to COVID-19, a spotlight was firmly shone on how the Council can adapt quickly to new working practices and challenges and it developed impactful multi-agency work across the public and voluntary sectors to support those in need, including to bringing those rough sleeping inside. The Council's responsiveness and agility should be applauded with Members, Officers, partners, and communities working effectively and efficiently together.

As noted, (above) the Council has a very ambitious agenda and the vision to become 'world class' is well understood across the organisation. Staff are bought into the need for improvement and are passionate about making BCP Council a success. However, as well as being clear about priorities (see below), the Council now also needs to look at whether capacity is in the right places across the organisation and if a lack of capacity is impacting on service delivery. Examples were cited of residents struggling to access services in a timely manner and in some cases were struggling to get in touch with the Council. The Council should consider reviewing from a resident perspective the journey/experience of people accessing services, looking



closely at the impact (and potential impact) the move to digital may have on resident groups.

People across the organisation are understandably tired, following the local government reorganisation and to effectively responding to the pandemic. There is a sense that the organisation is running to catch up on transformation at a pace that is potentially unsustainable. The Council would benefit from a strategic reflection to resolve issues and make decisions on what can and cannot be done with the capacity it has. Ultimately, the Council should ensure there is sufficient capacity within the organisation to deliver on its aims. Consideration should be given to the reality of where the organisation is on its transformation journey and the distance to go to achieve its ambition.

Similarly, The Big Plan, despite its ambition, will not suddenly change the approach to how the Council delivers on its objectives and adapts to new ways of working without wider training and engagement to develop the staff and members or without the development of a clear programme, driven by the leadership of organisation, which sets out the culture for BCP Council that they are trying to achieve. The peer team felt that time and energy should be invested into developing this culture, because without it, there a risk to achieving the wider ambitions of the transformation programme.

The timescales for the transformation programme are far-reaching and the amount of change which this and other priorities are creating across the organisation may be overly ambitious (see below). The Council should consider reviewing if the right strategic management team structure to ensure officers at the right level with the right skills are part of the senior team. As noted above there is no Director of Place, or equivalent which leaves a significant strategic coordination capacity gap. This review would support the delivery of a wider leadership base than currently exists and will provide an opportunity to reset the corporate ownership of the transformation programme and the delivery of the vision in the Big Plan. This reset is important too as there have been several changes at CMB since the inception of the transformation programme and a renewed focus will ensure all new senior officers fully understand and are bought into its aims.

## 4.5 Transformation programme

BCP Council has a very ambitious £45m single transformation programme which seeks to drive improvement, create capacity, identify savings, and streamline service delivery. There is passionate leadership for the programme from the Leader, Cabinet, and CEX and there is clarity about how the programme is to be implemented, with clear phasing and detail about organisation design. There is dedicated programme management capacity and clear governance through which reporting on milestones, benefits (both financial and not financial) and risk are monitored.

Savings targets of £43.9m, annually identified through the programme were felt by the team to be realistic and are comparable with savings delivered through similar LGR transformation programmes within the local government sector. It is positive too that the savings realised to date have helped to bring forward savings to support the Medium-Term Financial Plan.

However, the peer team were concerned that the time scale of 2 to 3 years for the delivery of programme is too optimistic and felt that a more realistic timescale would be closer to 5 years to deliver the full culture change aspects of the programme. This would inevitably impact on savings targets identified which would need to be re-profiled if the length of the programme is extended. It was also felt that despite lots of internal communications there remains a lack of sufficient engagement with people at service level. Staff understand the rationale and feel excited about the ambitions of the programme but are less clear about the journey to get there. The team heard from staff that there is a need to move on with the delivery of the programme and to make decisions on some key elements. Staff want to understand what the programme means for them and there was a strong message about the need to take decisions on pay and harmonisation.

The implementation of 'Smarter Structures' (the roll out of departmental structures aligned to centres of excellence based on cross-organisation activity analysis) had caused some confusion about the direction of the programme and there is a lack of clarity on who is leading different elements. There was also concern that the programme feels too focused on IT which risks missing the opportunity that the transformation programme presents to set the culture for the organisation. (It was also

felt that the narrative needs to be less dominated by jargon). Culture change will be the critical path to success, which IT needs to be a part of, and the workforce are looking to its senior leadership to set and role model this culture and to provide clarity about priorities, with the recognition that everything can't be done at once.

#### **4.6 Partnerships**

BCP Council has the benefit of operating across a uniform geography for health, economy, and police, which provides a relatively simple backdrop for developing successful partnerships. It has some well established and emerging partnership relationships with the Police, the Business Improvement District, and some wider business partners, who are happy with the approach and engagement of the Council and particularly like that there is clarity about who they need to contact at the Council to address specific issues. For instance, the BIDs could identify individual officers with whom they worked in areas such as Regeneration and had been provided with contact sheets for environmental services which ensured that they got a rapid/responsive service to any concerns they raised.

There was also positive feedback from voluntary sector and partners (including Community Action Network) about the benefits of working with the 'new' unitary council and the fact that they find it much easier working with just one organisation as opposed to across three. One VCS partner described the relationship with the council as being the best they have ever experienced. These positive relationships provide an opportunity for the Council to work with the voluntary sector to improve community engagement which as noted, is an area that the Council could do more. This engagement and strong partnership working should look to build on the positive working practice that developed during the response to Covid and the Summer response.

Despite some positive relationships there is scope for the Council to do much more to leverage all their partnerships for the benefit of residents and in particular with health partners and bodies such as the local universities and major employers. There is a sense that the emerging Integrated care system provides an opportunity for the Council to play a more strategic leadership role to ensure the BCP Council voice is driving change. (as noted in 4.2) The Council should also consider involving partners

earlier in discussions around policy development and priority setting, being clear on the joint outcomes they want to achieve. For instance, the Council should consider involving the local College and Universities in conversations about current and future employment opportunities that will emerge as a result of planned regeneration, thus aligning employment supply and demand side strategy. This could also involve working with these anchor institutions on higher so called ‘value added’ roles which will be crucial if they want to continue to diversify from tourism and retain young talent in the area.

Improving and developing stronger partnerships will be crucial for driving improvements in response to the recent Special educational needs and/or disabilities (SEND) inspection in June 2021 and recommendations that were made to address issues such as *‘poor co-production practice at operational and strategic level’* and *‘poor joint commissioning arrangements that limit leader’s ability to meet local area needs and improve outcomes’*.

## 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, Paul Clarke, LGA Principal Adviser (South West) is the main contact between your authority and the Local Government Association. Paul is available to discuss any further support the council requires and can be contacted via [paul.clarke@local.gov.uk](mailto:paul.clarke@local.gov.uk)