

LGA Corporate Peer Challenge

Royal Borough of Windsor and
Maidenhead

24-27 January 2022

Feedback report

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1. Executive summary

We were delighted to be invited back to the Royal Borough of Windsor and Maidenhead (RBWM) to see how their improvement journey has evolved since their last full CPC in 2017 and follow up visit in 2019. Since then, there has been full Council elections, a new Leader and a new Chief Executive. It was very pleasing for the peer team to see that the Council has made significant good progress on the recommendations from both the earlier peer challenges and a CIPFA financial governance review in 2020. It was particularly impressive because the progress has been made despite the Covid pandemic and the Council's response to it.

The Chief Executive is widely credited by Members, staff and stakeholders for leading the positive change at RBWM. The Council is clearly self-aware and it understands that more remains to be done. The new Corporate Plan agreed in November 2021 has given the Council a real steer for the future. It now needs to be embedded throughout all levels of the organisation and linked to the organisation's Medium Term Financial Strategy (MTFS). An internal communication strategy is currently underway to embed the Corporate Plan as a "Golden thread" throughout all the Council's work and service departments are developing service plans to support the delivery of the Corporate Plan.

A new leadership team has been established including a new Executive Director of Resources / s151 officer and Monitoring Officer. New corporate values and a vision for the Council have been developed from the "bottom up" and are resonating well with staff. The change of culture at the Council is recognised by staff, the trade unions and partners in the community and voluntary sector. Staff have also welcomed the improved communications and the greater opportunities for flexible working and collaborating with colleagues.

RBWM is delivering effective and low-cost key services. Adult Social Care and Children Services are both recognised as “good”. Highways and Transport have high customer satisfaction and the transformation of libraries is starting to offer improved community-based customer service support to residents. However, we were told that the customer experience is still not as good as it could be and a customer services review is underway. Partners in business and the community said that the Council had provided an excellent response to the pandemic, supporting 8000 clinically vulnerable people and working with 1000 volunteers and community groups. The Council is a key player in the Frimley Health and Integrated Care System (ICS) which is the only Grade 1 ICS in the country, partly reflecting the excellent teamwork between the Council and the NHS.

RBWM has been a unitary council since 1998. Despite this, we felt that at a political level it still has a largely district council approach, heavily focussed on a local place-based agenda rather than operating as a strategic unitary authority. Adults and Children’s services are run by two different external “arms- length” organisations – Optalis and Achieving for Children (AFC). Whilst this mixed service economy model is working well at a service level, there are inconsistencies in the governance arrangements and roles and remit of senior officers and members which should be addressed.

We found that performance management within the council is not yet fully mature. Adoption of the Corporate Plan has prompted a wider review of performance, programme management and risk management. The inPhase Performance Management system was upgraded in 2021 to cover more services across the Council. As part of this upgrade, a public-facing Citizens Portal is to be launched in April 2022. The scrutiny process is improving and is becoming less party political. Notwithstanding that, we still saw room for improvement. There are some difficult Member working relationships in

evidence and some of the behaviour between groups and individual councillors is showing the Council in a poor light to the community both in meetings and across different social media platforms.

Transformation is a key priority for RBWM. It has made a good start on its transformation journey, particularly in Adult Services, but we are not yet seeing large scale corporate transformation. A Transformation Strategy and Delivery Plan have been developed and approved but the strategy does not feel strongly linked to helping to deliver the savings needed in the Medium-Term Financial Strategy (MTFS.) A corporate transformation programme linked to the MTFS will help to ensure that future financial sustainability is balanced and not over reliant on the disposal of assets or on future income generation.

RBWM's response to the Covid pandemic has helped the authority reconnect with residents and community groups. This needs to be sustained into the future through embedding new ways of working at a partner and community level. An Engagement Strategy is being developed to help take this forward. This work will be helped by a greater emphasis on Equality, Diversity and Inclusion (EDI). The Council recognises that it is at an early stage in addressing EDI issues in the community as well as internally within the council. The Leader and Chief Executive are both committed to progressing the agenda and an equality staff network has been established to help to take it forward. Working on a Be a Councillor programme would be useful to increasing Member diversity, possibly in partnership with the Local Government Association.

2022 will be a key year for the Council. Adoption of the Borough Local Plan in February 2022 will be an important milestone, enabling a plan led approach to development across the borough into the future. In 2023 RBWM celebrates 25 years as a unitary council. This is a good time to reset its future vision for the

next 25 years by working with its young people and having a strong focus on issues like equality and climate change. The Council motto - "In Unitate Felicitas" "In unity, happiness" is also an excellent prompt for further work on political culture as well as developing relationships with business and community and voluntary sector partners.

2. Key recommendations

A number of observations and suggestions for improvement are made within the main section of the report. The following are the peer team's **key** recommendations to the council:

2.1 Recommendation 1

Prioritise embedding the Corporate Plan across the Council and the establishment of a new performance framework which links service plans and priorities to budget and risks over the medium term.

2.2 Recommendation 2

Refresh the MTFs with stronger links to the savings made by the Transformation Strategy and underpinned by the creation of a Transformation Fund to deliver the benefits needed. The first priority of the strategy should be to improve the customer experience.

2.3 Recommendation 3

Establish a Member development programme, including a new induction package for May 2023 which aligns to the strategic priorities of the Royal Borough. Group Leaders need to be fully involved in developing the programme to ensure ongoing member participation, throughout the term of office.

2.4 Recommendation 4

Put in place stronger support for member casework that provides consistency and timeliness of response across all council functions. This will help members to carry out their ward work more efficiently and maintain residents' confidence that their issues are being dealt with.

2.5 Recommendation 5

Review the current model of scrutiny committees. There are currently 4 scrutiny panels and one county-wide health scrutiny committee. It may be better for the panels to be more closely aligned to the priorities in the Corporate Plan and service delivery arrangements covering the people, place and corporate functions.

2.6 Recommendation 6

Revisit the terms of reference and remit of the joint Health Overview and Scrutiny Committee for East Berkshire as part of the establishment of the ICS.

2.7 Recommendation 7

Review Cabinet portfolios so that they are re-balanced across people, place and corporate functions to enable more capacity to influence at a sub-regional and national level alongside local place leadership responsibilities.

2.8 Recommendation 8

Develop a clear and consistent framework on the role and governance of the arms-length Council entities including Optalis, AFC and the Property Company. Shareholder responsibilities should be separated from those of the strategic client.

2.9 Recommendation 9

Develop a localism strategy with town and parish councils and community groups which promotes greater subsidiarity of decision making and thus enabling RBWM to be more strategic.

2.10 Recommendation 10

Take advantage of next year's 25th anniversary of being a unitary council to work between now and then with the Youth Council and partners to set out a new 25-year vision for the Royal Borough.

2.11 Recommendation 11

Once the improvement plan for the Planning function is in place and beginning to have an impact, consider a peer review of the Planning Service to drive continuous improvement in 2023/24 and beyond

3. Summary of the peer challenge approach

a. 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:

- Kate Kennally – Chief Executive, Cornwall Council
- Neil Thornton – Director of Resources – Rochdale Borough Council
- Tim Ryder- Monitoring Officer - Suffolk County Council
- Cllr David Renard – Leader Swindon Council (Con)
- Cllr Marianne Overton MBE- Leader of the Independent Group LGA, Lincolnshire County Council and North Kesteven District Council (Independent)
- Cllr Heather Kidd –Shropshire Council (Lib Dem)
- Gill Elliott – Review Manager - LGA

b. 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?

c. The peer challenge process

Peer challenges are improvement focused; it is important to stress that this was not an inspection. The process is not designed to provide an in-depth or technical assessment of plans and proposals. The peer team used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read.

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

- Gathered information and views from more than 35 meetings, in addition to further research and reading.
- Spoke to nearly 100 people including a range of council staff together with members, citizens 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. Key

recommendations are made at the start of the report with other suggestions made as part of the more detailed feedback under the five themes.

4. Feedback

4.1 Local priorities and outcomes

The Council is achieving some good outcomes, particularly for its People services where services are being delivered at a reasonably low cost with good outcomes. This is a real achievement for a small borough. Children Services were rated by Ofsted in 2020 as good and 97% of the Borough's schools are currently rated good or outstanding. Performance metrics for looked after children are better than the average for councils in the south-east in terms of the numbers of children in care and care leavers being in suitable accommodation and those in employment, education or training. Adult social care services have been independently ranked in the top 15 authorities nationally in terms of value for money and good outcomes.

The Council's focus in the last two years has been on addressing service delivery challenges in areas such as waste and grounds maintenance. In 2021 it recycled a higher percentage of waste than other councils. However, planning services are a concern for the Council. In 2021 the service performed less well than other councils in the south-east on the time taken to process planning applications. **(Source LG Inform)**. An improvement plan is under way and an interim consultant has been brought in to improve the customer experience of the planning service.

The COVID pandemic has helped the authority to reconnect with residents and community groups. For example, the Council has engaged well with the Maidenhead Mosque over the last 18 months and the relationship is ongoing with regular meetings to discuss issues like social prescribing and flu and winter pressures. However, engagement with residents needs to be sustained into the future. The development of an engagement protocol and portal as part of the work on rolling out the Corporate Plan will help to strengthen ongoing and sustained engagement with residents.

We understand that building community capacity is a core component of the

Council's new engagement strategy. Voluntary sector partners reported that working with the Council had become easier over the past 12 months with officers being more empowered to work with them. Some partners still have difficulties navigating Council structures and knowing who to make initial contact with. Relationships were often reliant on one officer (reflecting the lack of capacity within the Council) and there was then an expectation that officers would deliver for RBWM even if there wasn't always the corporate support in place.

Progress is being made on the Corporate Plan. We received good feedback from interviewees about the plan and the support provided to Heads of Service to develop service plans to underpin the delivery of the Corporate Plan. The Plan still needs to be embedded in the Council and a performance framework established and rolled out which links service plans and priorities to budget and risks over the medium term. There is good performance management in people services, but this is not yet consistent across the whole council.

Some other key strategies are now in place including Housing, Environment and Climate Change. Some stakeholders said they not been engaged with at the formative stage of the development of these strategies and that when they were eventually involved it felt more like a like a "fait accompli" by the Council. By contrast, the health partners that we spoke to said that they do feel fully involved in strategy development with the Council through the ICS. Greater consistency of engagement with stakeholders should be one of the aims in the new Engagement Strategy.

The Council's partnership approach to delivering on a climate strategy seems the right one to the peer team through the investment in a climate change partnership. However, climate change is a real opportunity for RBWM to connect with residents and businesses and will require clear place leadership working led by the Council. Clear leadership needs to be given by the Leader and Cabinet on the issue of climate change supported by a cross party approach to ensure it is seen as apolitical by stakeholders. A more detailed route map is needed to deliver on the key Corporate Plan target of being net zero by 2050. This should be developed with partners over the next year.

Adoption of the Borough Local Plan in February 2022 is a significant milestone for

the Council in helping to improve housing affordability across tenures and housing types which is really needed if the borough is to remain sustainable into the future. The Corporate Plan refers to a “ladder of housing opportunity”. However, it is not clear where the strategic responsibility for this sits across the Place and Adults, Health and Housing directorates. The different aspects of policy (planning policy, housing strategy, regeneration) and delivery (Registered Provider, Property Company) will have to be brought together to achieve the ‘ladder of housing opportunity’ which is needed.

Improvement around equality, diversity and Inclusion (EDI) is recognised as a priority for the organisation both internally and externally. Senior leaders are committed to the agenda, however the organisation is at an early stage in taking it forward. The Strategy Team has started to consider what actions need to be taken forward. The only dedicated equalities post is currently vacant but once filled will also provide some expertise to the Council and a staff EDI network has been established and is in the process of developing its priorities. This must be visibly supported by the Council’s leadership. Work on the EDI agenda now needs to be broadened to include all staff and Members. Working on a ‘Be a Councillor’ programme would be useful to increase Member diversity, possibly in partnership with the Local Government Association.

Digital transformation of services is understood to be a key priority for the Council. The Digital Development Team is working on automating processes and expanding the number of services that have automated processes. The customer service experience was described to us by stakeholders and citizens as rather fragmented and inconsistent which does not allow for easy resolution of issues. A customer services review is underway to address some of these issues. The Parish Charter should be reviewed and once agreed, commitments should be adhered to.

4.2 Organisational and place leadership

The senior leadership team of the Council now looks fit for purpose at an officer level with a committed corporate leadership team (CLT). The new Leader and Chief Executive and their senior teams are driving the changes and improvements around

culture, transformation and digitalisation. They recognise that there is more to be done to connect strategic intention with frontline practice, political culture and relationships.

Over the last two years the Council has re-set its service delivery arrangements when it felt it was right. For example, legal services have recently been brought back into the Council. Adults and Children services are delivered by organisations outside RBWM and arrangements with these third parties have been regularised to give greater oversight of delivery.

There is now a risk of the Council's structures being unbalanced in terms of leadership capacity at both officer and member level. Cabinet Portfolios currently do not reflect the Corporate Plan, or Executive Leadership arrangements, with an imbalance between the people and place functions. For example, one Head of Service in the Place directorate has five portfolio holders whilst one portfolio holder has responsibility for Children's, Public Health and Adult Social Care. Strategic place leadership has grown at officer level in RBWM but this is not reflected at a portfolio level. The Council needs to consider the visibility of political leadership and portfolios in order to provide the strategic leadership necessary at a Borough, County and National level.

Stakeholders in business, health and the voluntary sector all recognise that RBWM has been a good organisation to work with especially during the Covid pandemic. In particular, the voluntary sector valued the opportunities for networking which were provided by the Council.

Businesses however have said that they do not know who the lead member in Cabinet for economic development is or who to approach on the matter when the issues are Borough wide, rather than specific to a town / locality. Businesses want RBWM to convene at a sector level and not just at a place level, e.g. bringing together retailers from Windsor and Maidenhead to share best practice and issues such as concerns about local competition. Businesses also said that communications from RBWM could be improved. They don't feel that there is a strategy for Maidenhead for the next two to three years as regeneration happens.

RBWM's place leadership at a borough level and as a strategic unitary is not as evident to businesses and other public sector partners as it could be. The Council's

leadership is more evident at a local place level. RBWM with its partners needs to consider which issues are best dealt with at a regional, county, borough and town level and resource appropriately.

RBWM takes the visitor economy very seriously for Windsor and is seen as a partner of choice by the Crown Estate. It recognises that this is a unique selling point for the town. Given the importance of the royal connection and the visitor economy, businesses would like the opportunity to be more involved in plans for the Queen's Platinum Jubilee. There may also be opportunities to make more of the River Thames through greater collaboration across businesses in Windsor and Maidenhead.

The Local Enterprise Partnership (LEP), businesses and health partners all said that they recognise that RBWM is changing and becoming more active in partnerships. An example of this is the fact that RBWM (through its Chief Executive and s151 officer) as an accountable body helps the LEP to gain influence with other Berkshire councils and therefore “punch above its weight”. However Berkshire wide partnerships want to see more political leadership from RBWM e.g. around skills and placemaking and the potential for any devolution to local government through a Berkshire County Deal in line with the Government's Levelling Up White Paper.

Benefit will be gained from the recent establishment, and participation in, networks across Berkshire of the Chief Executives, s151 officers and Monitoring Officers. This should also be considered for the other statutory officers to provide support and advice.

Economically RBWM has tended to “coat-tail” on the back of London and not had to chase economic growth. It now needs to consider its own economic strategy and role in a post pandemic context as part of thinking about the future of the Berkshire LEP and a potential county deal. A small economic insight and development function for Berkshire developing a Berkshire wide high level economic strategy would help in terms of a way forward driven by the Berkshire Placemaking Board.

There is an opportunity now to re-set RBWM's approach to the Borough Local Plan's implementation with developers and partners once the plan is agreed. More needs to be done on housing affordability which is a very real issue in the borough. The target of 20% affordable housing delivered as shared ownership on large schemes is not met nor if it were would it meet the need in the borough. The housing development

partnerships set up to redevelop council owned sites in Maidenhead is delivering a lot of new build units, but viability arguments mean there are very few units for social rent, nor is this ensuring a sufficient housing mix across all tenures.

Due to a lack of co-terminosity across the area RBWM has complex delivery arrangements. For example, policing is across the Thames Valley (Bucks, Berks, Oxon), the ICS covers East Berkshire and parts of Surrey and Hampshire with the Fire and Rescue and LEP being county wide bodies for Berkshire. Consequently, good relationships at a political and executive level are seen as key to ensure integrated public service delivery. Relationships with the police are strong at an operational level but they are less strong with further and higher education organisations where this function is largely undertaken by the LEP. The Council could use its wider convening role to bring all these organisations together in an RBWM Leadership Board, chaired by the authority to set a Borough wide longer-term vision and strategy which will ensure that the borough remains sustainable into the future socially, economically and environmentally. It is important that RBWM is seen as the leader of place, respected and holding the democratic mandate.

4.3 Governance and culture

The 2017 and 2019 Corporate Peer Challenges identified governance and culture as issues that were fundamental to the improvement of the Council. Since the arrival of the new Chief Executive and the new Leader much has been achieved across both issues.

The Council has redefined its corporate values. Dedicated staff focus groups were held on both the Corporate Plan and the Corporate Values to engage staff at an early stage. We heard from staff and trade unions about clear improvements in the culture and values of the organisation and a willingness to do more. The previous “blame culture” has largely disappeared and trade unions said that from their perspective bullying is no longer a significant issue in the organisation as evidenced through their case work statistics. There was praise from staff for the leadership during the pandemic including the Chief Executive’s briefings and Wednesday Wellbeing Calls. The staff survey showed that staff value the ability to work flexibly and are more likely to recommend RBWM as an employer.

Staff have been involved in the development of the Housing, Climate and Transformation strategies. They said that they now feel part of the RBWM team and welcome having more opportunities to collaborate with colleagues across the Council. They praised the 'RBWM Together' web page which allows teams to promote the work they are doing to colleagues, including survey results and events promotion. A more formal induction process would help new staff to be more aware of the organisation, its' values, priorities etc.

There has been a conscious decision to invest resources into supporting governance in the organisation. The constitution has been reviewed and a new Members Code of Conduct introduced. There is a new Audit and Governance Committee and an Annual Governance statement. Other key actions in train include a review of the scrutiny function and introduction of a performance management framework. The officer-member culture is being addressed with some mandatory member training and development of a communications protocol. The Chief Executive, Section 151 officer and the Monitoring Officer meet bi-monthly to discuss governance matters. Work on improving governance still has more to do and member behaviour remains an issue for the organisation, although the Monitoring Officer is addressing this as a priority.

The role of all Group leaders still needs to be developed, making it clearer what their role is and how they support effective governance in the Authority through an agreed role profile which could be included in the Constitution. Group Leaders should be supported to collectively set the political culture of the organisation by the Chief Executive and Monitoring Officer. Complementary to this is ensuring that all councillors feel respected. Their role in raising issues of governance and representing residents needs to be always fully appreciated by the Council, with timely responses and actions. Group Leaders are trusted advocates of their members and need to be kept fully informed. However, it is also important that there are structured ways for member feedback for example through member surveys and member development.

Scrutiny is improving and becoming less party political. Recent work on the Corporate Plan is a good example, but there is still work to be done in encouraging the Executive to recognise the value of good scrutiny. Amongst members and officers there appeared to be a limited understanding of the difference between a

constructive overview function - helping to develop solutions, and scrutiny of cabinet decisions or service delivery by any organisation influencing the lives of residents in the Borough. Opposition members said that they do not get sufficient officer support when they seek evidence in scrutiny committees and ruling Group Chairs were often dismissive of the need for evidence. There needs to be a continued focus on improving overview and scrutiny within RBWM to ensure that the work programme is owned by all committee members and that it is supported through a clear programme of member briefings with annual reports providing clear evidence of impact.

The remit of scrutiny panels should be revisited to ensure that there is balance across the people, place and corporate functions of the authority and clarity on links with Corporate Plan priorities. This should include the role of opposition members in agreeing the work programme and the leadership of the scrutiny function, taking account of best practice. The recent introduction of a scoping document for potential scrutiny items, which includes an indication of the value to be added, is helpful in defining the scope of work. However, Members need to decide what topics to include on forward plans, based on what matters to residents.

There needs to be better cross council support for Democratic Services to ensure that reports are submitted in advance of published deadlines. Reports would benefit from earlier engagement with the key corporate services rather than being prepared and submitted without financial, legal and key statutory consideration being assessed at an early stage. This would mean better considered options for Members and also less of a “pinch point” at entry into the committee process. If there is less need for Democratic Services to be constantly chasing directorates, then the service will be able to focus on supporting committees and improving outcomes of meetings. Dedicated scrutiny support from the Monitoring Officer would ensure timely responses and improve the quality of reports and briefings to support an effective scrutiny function.

There are still issues with continuing “tit for tat” Code of Conduct complaints between members (especially around social media). The Monitoring Officer is addressing this, but there is a reluctance from some Group Leaders to address the poor behaviour of a small number of members. Elected members engagement in public needs to be consistently constructive to enable good community engagement, public confidence and demonstrate effective progression on key issues. Group leaders should

shape the tone of the political culture, they should be role models for the behaviour that is expected – and needed – across the parties. They should be working with the Monitoring Officer to clarify their roles to drive improved behaviours across all groups including using group structures to support improved behaviour. The Code of Conduct should not be used as a way to settle scores between individuals or seen as a way of abdicating personal responsibility.

A more pro-active strategy to improve councillor relationships could include cross-party working on a number of projects, facilitated discussions to seek resolution on divisive issues, mentoring with external mentors to sense-check on issues and draw in further expertise and experience.

The newly established Audit Committee and Governance Committee is in its infancy. It is currently only doing the statutory items such as the signing off the annual accounts and audit reports. With the Director of Resources, it needs to help the Council to develop its risk management arrangements and its understanding of risk appetite. The Council should consider co-opting at least one independent member to the committee who can bring additional skills to the table and improve the effectiveness of the Committee.

The Council and its health partners should take the opportunity of the formal establishment of the ICS to reset the role of health scrutiny at a Borough and East Berkshire level alongside the Borough Health and Wellbeing Board to ensure there is clarity of purpose and objectives, and to avoid duplication. The Health Overview and Scrutiny Committee (HOSC) should be doing in depth scrutiny of the ICS and the Health and Wellbeing Board. Delivery must fit the needs of residents and not that of the Health Authorities. There should also be consideration given to cross party membership of the Health and Wellbeing Board.

There is currently no formal Member training programme and no Member training budget. The Council relies on free LGA training or in-house training. The member development offer should be strengthened. Work should be undertaken with the current members to identify priorities both now and for a new member induction programme to be driven by Group Leaders. The development programme should take account of member's local community roles and regulatory functions alongside their corporate leadership role. Whilst noting these have repeatedly been supplied

chairing skills and guidance on using social media, behaviours between members and learning to work together could also be included.

The support given to members raising issues is not consistent across the council. It is reportedly good in Children and Adult services but in other directorates questions are not dealt with quickly enough and things “get lost” in the system. There is no Member casework system in place although this have been identified as a priority. A new quarterly performance and risk board is being put in place for April 2022. To support members in their ward work and to free them up to undertake their wider place leadership responsibilities, it is essential that members are better supported through a consistent casework approach which ensures responses are consistently of high quality and prompt. There was frustration expressed by town and parish councils and other stakeholders that matters referred to councillors were not responded to and in turn, councillors were frustrated that they were not receiving feedback/responses from officers. Service standards need to be set and adhered to underpinned by an easy casework reporting system which flags for members and senior managers when something is overdue for reply. There should be an avenue for members to report urgent issues and get something done and a feedback system so that residents can be informed.

We observed differences between the way the Council interacts with the arms-length Adult and Children services organisations – Optalis and Achieving for Children (AFC). For example, AFC has regular meetings with the s151 Officer, whilst Optalis does not. The Director of Adult Social Services (DASS) and the portfolio member for Adult services have recently joined the Optalis Board which has the potential for a conflict of interest. There is a need to reconsider the governance arrangements for these external companies to ensure that there is a clear separation between the fiduciary duties of the company and the requirements of the local authority. There is a risk that some of the current arrangements are not robust enough should there be a significant dispute that cannot be resolved. There are benefits to having a clear and consistent governance framework for arms lengths companies / entities, which separates out shareholder responsibilities from those of the strategic client. The governance framework should cover the role of lead members; Chief Executive, the s151 officer as well as financial planning and management.

4.4 Financial Planning and Management

The Council has clearly made progress in addressing the issues around financial management raised in the last CPCs. A CIPFA financial governance review was commissioned by the Council and this reported in 2020 with recommendations for improving financial management. By way of context we note, the ongoing impact of the low Council Tax levels, that the 2019/20 statutory accounts remain uncertified due to objections being raised which are being worked through and that the Council's Pension Fund is the most under-funded in the country and is not forecast to be fully funded for another 20 years. This will require the authority to get to a position of financial security in order to address this.

The CIPFA financial governance review has enabled the authority to pull together a single action plan for improving the authority's financial capability focused on improvements to budget monitoring and the introduction of a new finance business partner model; strengthened governance and processes for capital programme delivery and increased resources for pension fund including the appointment of a new Head of the Pension Fund. All the recommendations from this review have been enacted and signed off by Cabinet in December 2021. RBWM has set its stall out on sound financial governance and looking after each pound wisely. Drawing stronger connections between the Corporate Plan and the MTFs will help with the longer-term narrative regarding this. This link needs to be established and prioritised during 2022.

The appointment of the Executive Director for Resources / s151 Officer and strengthening of the Finance and Pensions Teams is positive. The s151 officer is working effectively with the Cabinet Member for Finance to help the organisation understand its medium-term financial position. There now seems to be a stronger grip on operating within approved budgets, although there is work to be done to ensure that there is consistency of financial support and responsibilities with arms-length delivery vehicles. Financial management of the capital programme has also been strengthened and appropriate provisions made.

The latest approved MTFs would benefit from further development and detail to better articulate how it will be successfully delivered. There is a need to progress the

five-year financial plans covering transformation, regeneration, income generation and savings during 2022. The Cabinet sees commercialisation and income generation as important opportunities for future finances. However, there is some question about officer capability and commitment to this strategy. Over the next twelve months senior executives and the Cabinet need to work through this as part of the five-year financial strategy and adopt a commercial strategy for the authority. Currently there are only piecemeal commercial projects around fees and charges and some small-scale sponsorship arrangements such as Legoland's sponsorship of libraries. The peer team are also concerned that Cabinet may be "putting too many eggs in one basket" with regard to commercialisation and asset disposal, given the financial risks from people and demand services and the Council's low level of reserves.

RBWM has made a useful start in its transformation journey with the recent approval of the Transformation Strategy and Delivery Plan. However, neither feels strongly linked to helping to balance the MTFs. A small transformation team has been established but it has so far largely been working on transformation in the Adults Service. Large-scale system change will require a significant step-up in the organisation's transformation capacity and the peer review team believe that the authority would benefit from commissioning an external partner to help identify the top-level transformation opportunities and develop a costed resource plan from which to implement the desired changes.

4.5 Capacity for improvement

The Royal Borough has made significant progress on its improvement journey since the last two CPCs in 2017 and 2019. Since then, the Council has elected a new Leader and brought in a new Chief Executive. This progress needs to be recognised and celebrated. Understanding where it has come from, will give the Royal Borough the impetus for new forward-looking conversations based on constructive challenge. These conversations must harness the energy and commitment of all 41 Members of the authority and not just the administration.

The Chief Executive has assembled an effective senior leadership team (SLT) with a new Executive Director of Resources / S151 officer and Director of Adult Services.

The Council's corporate leadership team (CLT) is also clearly committed to the improvements and plans for future transformation. This collective leadership effort could possibly be harnessed better by encouraging more theme- based collaboration around the corporate plan themes which should form the basis for a multi-disciplinary corporate transformation programme.

Over the past two years the Council has strengthened its corporate capacity to deliver on its improvement and transformation ambitions and like all local authorities, the pandemic has driven a step change in use of technology and working remotely. Staff numbers in the transformation and digital development teams have grown and dedicated staff resources have also been put into engagement, consultation and project management. However, we feel that this is unlikely to be sufficient for large scale organisational transformation which embeds smarter ways of working and effective demand management and prevention which will be key for longer term financial sustainability. Capacity to deliver on significant transformation projects seems limited both in staffing terms, given the small size of the authority and an ability to tap into a Transformation Fund. There may be a need for an external transformation partner to identify the top opportunities for change and for implementation to be supported through a specific transformation reserve fund as part of MTFs process.

The Council is clearly seeking to foster a workplace culture where staff feel engaged with and able to offer feedback and suggestions. In the latest all-staff communications survey (undertaken during December 2021) 91% of respondents agreed that internal communications with staff is effective and timely. This is up significantly from just 45% in 2018 and 67% in 2020. However, staff survey results also show that there is more to do to connect the top, middle and bottom of the organisation to the corporate plan goals. Middle managers, in particular, need to feel more connected to the new corporate vision. A new leadership development programme for middle managers will be rolled out during 2022/23 to support implementation of the new Corporate Plan and Corporate Values.

The Frimley Integrated Health and Care system is nationally recognised and is an excellent opportunity for building RBWM's reputation and promoting earlier intervention and prevention approaches. The Connected Leaders programme led by RBWM has been crucial for building relationships across health and care

organisations and is a model of good practice. However, Health partners have identified that RBWM's capacity could be a potential limiting factor for deeper integration at an officer and political level for the future. This should be considered as part of the review of cabinet portfolios and the role of HWBB and scrutiny panels.

Equality, Diversity and Inclusion (EDI) is a priority for the Council. The Leader and Chief Executive are both committed to the agenda. The establishment of the EDI staff network is a very positive step. However, the network is still at an early stage in determining its own priorities to address and it already recognises that it has limited resources to address all the issues. Going forward it will be important for the Council to involve the whole organisation in the EDI agenda. This includes Members who have a key role to play both around EDI in the community and within the Council. The Strategy Team are already working with Public Health, Housing and Children Services to bring together evidence about disadvantage and inequality in the Borough. Some focussed engagement with staff around EDI will also enable the council to better understand the lived experience of staff in protected groups, including those in front line services who suffer verbal abuse from clients. There needs to be a policy to address the reporting of these incidents. Recruitment to the equality officer role will provide some dedicated expertise to help develop an Equality Strategy, revised equality objectives and improve the Equality Impact Assessment process.

As part of the adoption and implementation of the Borough Local Plan, completion of the improvement planning work of the Planning Service should help to build greater trust and confidence with residents and developers. Separation of line management reporting for the Managing Director of the Property company from that of Head of Planning has helped with separation of roles and how this is communicated externally will need to be carefully considered. Capacity and skills across RBWM and its arms-length delivery partners generally needs to be better aligned to drive improved outcomes regardless of the employing organisation e.g. having a consistent approach to personal development; inclusion within the staff survey, pay awards etc.

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 Corporate Peer Challenge process includes a six-month check-in session, which provides space for the council's senior leadership to update peers on its progress against the action plan and discuss next steps. The expectation is that the review and progress of the Council will be made public within six months.

In the meantime, Mona Sehgal, Principal Adviser for the LGA's South-East region, is the main contact between your authority and the Local Government Association.

Mona is available to discuss any further support the council requires.

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