

LGA Corporate Peer Challenge

Runnymede Borough Council

16th to 18th October 2024

Feedback report



Corporate Peer Challenge



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1. Introduction

Corporate Peer Challenge (CPC) is a highly valued improvement and assurance tool that is delivered by the sector for the sector. It involved a team of senior local government councillors and officers undertaking a comprehensive review of key finance, performance and governance information and then spending three days at Runnymede Borough Council to provide robust, strategic and credible challenge and support.

CPC forms a key part of the improvement and assurance framework for local government. It is underpinned by the principles of Sector-led Improvement (SLI) put in place by councils and the Local Government Association (LGA) to support continuous improvement and assurance across the sector. These state that local authorities are responsible for their own performance; accountable locally not nationally; and have a collective responsibility for the performance of the sector.

CPC assists councils in meeting part of their Best Value duty, with the Government expecting all local authorities to have a CPC at least every five years.

Peers remain at the heart of the peer challenge process and provide a 'practitioner perspective' and 'critical friend' challenge.

This report outlines the key findings of the peer team and the recommendations that the council are required to action.

2. Executive summary

The council is very aware of both the opportunities and challenges facing the borough and has a track record of place-shaping activity and supporting communities. Staff and elected members are proud to belong to the council and have a strong sense of worth both through what it delivers and their closeness to communities. The council is demonstrating an increasing external strategic focus and there is a clear ambition from elected members for Runnymede to be 'put on the map'. External partners reflected a council that has engaged well over many years in partnership working at the operational and service delivery level.

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Chief Executive: Joanna Killian

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The council has been experiencing a significant degree of change as an organisation in the last year or so. These are not normal times for Runnymede, which has been very stable over many years. There is a strong commitment from the managerial leadership to ensuring clear and consistent messages are conveyed to staff as they seek to lead people through the inevitable uncertainty that such periods of change generate.

The Co-Leaders of the Runnymede Council Alliance are demonstrating a mature and cohesive approach to their new Administration. There is a strong shared agenda across the political and managerial leadership of being a council that wants to do things well. More than that, the leadership demonstrates a clear and constructive desire for the council to understand better what it is engaged in delivering, why and the impact being secured. This therefore represents something of a 'discovery period' in which established approaches and ways of doing things in the organisation are being appropriately challenged and some new directions being forged. There is also a very clear principle established of ensuring the council 'lives within its means'.

The council received a non-statutory Best Value Notice from Government in December 2023. This was issued to express concerns relating to the council having significant debt relative to its size and commercial income being used to support both core and discretionary services. The council is viewing the non-statutory Best Value Notice as an additional driver of continuous improvement.

As part of the response to the non-statutory Best Value Notice, the council has established a moratorium on new debt-funded asset investments. A key area of risk in relation to the borrowing is around ensuring the council has the necessary expert capacity to undertake the on-going management of the related assets and regeneration activity in order to secure the necessary value from them. The council is very much aware of this risk and is taking mitigating action.

The Medium Term Financial Strategy published in October 2024 highlights a financial gap in the revenue budget of £4.1m by the end of 2027/28. The council can approach the revenue budget challenge confidently and in a measured and planned way as a result of its traditionally good financial position.

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The May 2024 elections saw very significant change in the elected membership and this has required the establishing of a new set of relationships and people adapting to new roles. The council benefits from positive and respectful relationships between elected members and officers. It has undertaken a lot of work in recent years to enhance its governance and central to this has been a focus on risk management. This has contributed to councillors feeling more aware of risk, which forms part of a picture of elected members feeling generally well informed of the council's context and challenges, including its financial challenges and the non-statutory Best Value Notice.

The council's Committee System and related Member Working Group arrangements seek to maximise elected member involvement and engagement. This is positive but the 'other side of the coin' is the significant level of officer capacity that is required to support the range of council forums and bodies that exist. As the demands upon the organisation increase, difficult decisions will be required around how capacity is used and what is prioritised. The council must keep its committee and working group arrangements under review. They have to be fit for purpose.

A council-wide job evaluation programme is being embarked upon to develop greater consistency in the council's pay and reward arrangements and ensure it is competitive as an employer. This will clearly be a significant undertaking and will inevitably add to the sense of uncertainty amongst staff. However, once concluded, it will deliver major benefit through providing greater consistency and increased transparency. The job evaluation programme forms part of a growing organisational development and cultural change agenda being driven forward in the council. This is positioning equalities, diversity and inclusion as a growing priority and the overall programme is intended to deliver significant positive impact on the organisation's functioning and its people within 18 to 24 months.

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3. Recommendations

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

3.1 Recommendation 1

Keep up the good work! There is already clear activity and significant momentum around most of the key areas we have touched upon in this report. Central to this is maintaining the very constructive response to the non-statutory Best Value Notice.

3.2 Recommendation 2

Ensure the council has the necessary expert capacity to deliver the asset management strategy and, within this, undertake the on-going management of the related assets and regeneration activity

3.3 Recommendation 3

Revisit the Corporate Business Plan to ensure it reflects the priorities and political narrative of the Runnymede Council Alliance

3.4 Recommendation 4

Ensure the necessary progress is made in relation to key areas of performance that are below target

3.5 Recommendation 5

Meet the developmental needs around the political 'change of control', both through the council's own activity and the LGA's sector-led improvement offer

3.6 Recommendation 6

Keep the council's committee and working group arrangements under review – they have to be fit for purpose and strike the right balance

3.7 Recommendation 7

Publish and be seen to respond to the findings of the staff survey

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4. Summary of peer challenge approach

4.1 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 by the LGA on the basis of their relevant expertise. The peers were:

- Neil Taylor, LGA/SOLACE Associate and formerly substantive Chief Executive of Bassetlaw District Council
- Councillor Jeremy Pursehouse, Tandridge District Council (Independent)
- Councillor Alan Connett, Devon County Council (Liberal Democrat)
- Councillor Isobel Darby, Buckinghamshire Council (Conservative)
- Sal Khan, Interim Corporate Director of Finance and Resources, Worcester City Council and LGA/SOLACE Associate
- Shiraz Sheikh, Monitoring Officer and Assistant Director (Law and Governance), Cherwell District Council
- Chris Bowron, LGA Peer Challenge Manager

4.2 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? Is there an organisational-wide approach to continuous improvement, with frequent monitoring, reporting on and updating of performance and improvement plans?
2. **Organisational and place leadership** - Does the council provide effective local leadership? Are there good relationships with partner organisations and local

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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? What is the relative financial resilience of the council like?
5. **Capacity for improvement** - Is the organisation able to bring about the improvements it needs, including delivering on locally identified priorities? Does the council have the capacity to improve?

As part of the five core elements outlined above, every Corporate Peer Challenge includes a strong focus on financial sustainability, performance, governance and assurance.

4.3 The peer challenge process

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

The peer team prepared by reviewing a range of documents and information in order to ensure they were familiar with the council and the challenges it is facing. This included a position statement prepared by the council in advance of the peer team's time on site. This provided a clear steer to the peer team on the local context at Runnymede Borough Council and what the peer team should focus on. It also included an LGA finance briefing (prepared using public reports from the council's website) and a LGA performance report outlining benchmarking data for the council across a range of metrics. The latter was produced using the LGA's local area benchmarking tool called LG Inform.

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The peer team then spent three days onsite at the council, during which they:

- Gathered evidence, information, and views from more than 25 meetings, in addition to further research and reading.
- Spoke to more than 130 people including a range of council staff together with elected members and external stakeholders.

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

5. Feedback

5.1 Local priorities and outcomes

The place of Runnymede is economically significant nationally, with it ranked in both 2021 and 2023, in the UK Competitive Index, as the most competitive borough in the UK outside of London. It is home to a number of major national and global companies and has the largest economy, measured by Gross Value Added (GVA), of all the council areas covered by the former Enterprise M3 Local Enterprise Partnership.

The borough is also one of contrasts. Some of the most affluent communities in the country sit alongside five wards classified as deprived and, when last measured in 2019, eight per cent of local children – 1,620 in total – were recognised as living in absolute poverty. Whilst being classed as the 60th least deprived out of 317 local authority areas in England in the most recent Indices of Multiple Deprivation (IMD), Runnymede has fallen 19 places on this measure since 2015. The local population has increased from just over 80,000 in 2010 to around 90,000 now. Local residents have higher average earnings than for the UK but a lower level than is the average for Surrey.

Runnymede's connectivity nationally and internationally is excellent, with six railway stations, access to the M3 and M25 motorways and Heathrow airport only a matter of minutes away. London is easily accessible by train. Connectivity within the borough

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is more challenging, however, in part due to the congestion that results from the frequent closure of level crossings where roads intersect the many railway lines.

The council is very aware of both the opportunities and challenges facing the borough and has a track record of place-shaping activity and supporting communities. The former includes the delivery of regeneration schemes in Addlestone (Addlestone One) in 2018 and Egham (Magna Square) in 2022. The latter includes the delivery of impressive responses to the flooding in 2013 and 2014 and the pandemic. Since the recent change in Administration, with the Runnymede Council Alliance assuming control following the May 2024 elections, continuity has been maintained in relation to the focus of the 2022 – 2026 Corporate Business Plan.

The political narrative of the new Administration is emerging, focused around improving health and wellbeing outcomes; tackling climate change and delivering net zero; modernising the council's housing stock; and maintaining the borough's economic attractiveness. The Corporate Business Plan will be revisited in the coming months to ensure it reflects the priorities and political narrative of the Alliance. A review of the borough's Local Plan will commence in early 2025 and the council and the Administration are very aware of how challenging the development of this will be.

The council has a pragmatic approach to service delivery, reflected in a 'mixed economy' model. This is reflected in, for example, retention of the council's own housing stock; the recent bringing back in-house of grounds maintenance provision; integrated community services being delivered in partnership with Surrey Health Borough Council, including the joint procurement of the vehicle fleet; a CCTV service being provided by Runnymede to a number of other councils, NHS partners and private sector clients; and the council's counter-fraud services being delivered through Reigate and Banstead Borough Council.

Staff and elected members are proud to belong to the council and have a strong sense of worth both through what it delivers and their closeness to communities. This includes the council being able to retain a number of discretionary services through which it maintains regular contact with a wider range of local people than may be the case with some other councils. Examples of this include the community

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meals service which provides around 40,000 meals to local people per year; community transport services; day centres for older people; the community alarm (Careline) facility; and community halls. Maintaining these services also reflects an ethos within the council around seeking to prevent social and financial costs elsewhere in the public sector system through, for example, countering social isolation. Partners value this. Councillors attach tremendous importance to the continued undertaking of elections by thirds in the borough, with the engagement and accountability which that entails.

There is a growing commitment from the council to develop its approach to formal resident engagement. It acknowledges that approaches to date have been limited, focused primarily on council house tenants; engagement with specific and established community groups; and the undertaking of statutory consultation exercises. Consideration is currently being given as to how best to undertake both formal consultation and general engagement going forward, including looking at the potential benefits of a citizen's panel and how that would most effectively run.

5.1.1 Performance

The council has a well-established business planning infrastructure that provides a clear link from strategic priorities to service area plans and objectives for individual officers. The monitoring arrangements linked to this indicate that currently 85% of the planned activities within the Corporate Business Plan are completed, on track or have been appropriately superseded. Progress in relation to corporate key performance indicators is reported quarterly to elected members.

Whilst positive in the main, there are important areas of performance that were below target in the first quarter of 2024/25 and which the council will want to ensure it progresses. These include:

- The number of outstanding high risk Fire Risk Assessment actions
- The number of households in bed and breakfast accommodation for more than two weeks per quarter

- The proportion of homes that do not meet the Decent Homes Standard
- Satisfaction with the overall reactive housing repairs service received
- The proportion of non-emergency housing repairs completed within target timescale
- The average number of days to re-let a void housing property
- The percentage of invoices paid in 30 days
- The percentage of Freedom of Information requests processed within statutory timescales
- The number of decisions investigated by the ombudsman requiring a remedy

Looking at the 'LG Inform' data and performance information system which the Local Government Association hosts on behalf of the sector, the following can be seen for Runnymede when comparing it with the other councils in its CIPFA 'family' grouping of similar authorities, using the most recently available data:

Where Runnymede is amongst the better performers:

- The percentage of council tax collected as a percentage of council tax due
- The percentage of non-domestic rates collected as a percentage of non-domestic rates due
- The time taken to process housing benefit new claims and change events
- The timeliness of processing of major Planning applications

Where Runnymede is less high performing:

- The percentage of vacant dwellings as a percentage of all dwellings in the area
- The number of affordable homes delivered
- The timeliness of processing 'other' Planning applications

Where performance in Runnymede is around the average:

- The number of households on the housing waiting list
- The number of households living in temporary accommodation per 1,000 households
- The amount of residual waste per household

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- The percentage of household waste sent for reuse, recycling and composting
- The timeliness of processing minor Planning applications

The following is a link to the 'Headline Report' for Runnymede in the LG Inform system:

https://lginform.local.gov.uk/reports/view/lga-research/lga-research-report-headline-report-bar-charts?mod-area=E07000212&mod-group=CIPFA_Near_Neighbours&mod-type=comparisonGroupType

5.2 Organisational and place leadership

The four Co-Leaders of the Runnymede Council Alliance are demonstrating a mature and cohesive approach to their new Administration. There are weekly meetings both between themselves and with the Chief Executive and two Assistant Chief Executives. There is also a monthly 'plenary forum' which brings together the 25 elected members of the political groups forming the Alliance – Labour and Co-Operative; Liberal Democrat; Green; Runnymede Independent Residents' Group; and Englefield Green Independents. This helps to shape the focus of the Administration and inform the undertaking of council business. The Co-Leaders are affording the council's managerial leadership the time and space to focus on the immediate priorities facing the organisation, exemplified by the decision to defer the reviewing of the Corporate Business Plan.

There is a strong shared agenda across the political and managerial leadership of being a council that wants to do things well. More than that, the leadership demonstrates a clear and constructive desire for the council to understand better what it is engaged in delivering, why and the impact being secured. This therefore represents something of a 'discovery period' in which established approaches and ways of doing things in the organisation are being appropriately challenged and some new directions being forged, including in relation to organisational culture and

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spend. Examples of this include the review of community transport services and a related saving of £125,000; the council's future programme of service reviews, which includes looking at customer access channels and the use of community buildings; embarking upon a council-wide job evaluation programme; seeking a cultural shift that will see responsibility for decision-making being held at lower levels in the organisation; and the consideration being given to the approach to resident engagement going forward. There is also a very clear principle established, both politically and managerially, of ensuring the council 'lives within its means'.

The council received a non-statutory Best Value Notice from Government in December 2023. This was issued to express concerns that emerged following a Capital Review by the Chartered Institute of Public Finance and Accountancy (CIPFA) in the financial year 2022/23. These concerns included the council having significant debt relative to its size – with borrowing 71 times greater than its 'core spending power' – and commercial income, as a substantial revenue source for the council, being used to support both core and discretionary services. Income from the property holdings funded by borrowing represents around £10m of the council's revenue budget currently.

The council is viewing the non-statutory Best Value Notice as an additional driver of continuous improvement. From what it has outlined, the council is providing a very constructive response to the Notice, focused on enhancing organisational insight and learning; providing transparency; and ensuring stakeholder confidence. The response seems to have been carefully thought through and to be rigorous. It also demonstrates innovation, with initiatives that the council has adopted being drawn upon by others and thus facilitating learning within the sector. One example of this is the voluntary undertaking of a self-assessment against the Best Value Duty and the development of a related action plan. Another is the production of an illustration of the potential impact on the General Fund if assets purchased through borrowing were sold now in order to reduce the council's level of debt.

Central to the council's approach to the non-statutory Best Value Notice is it seeking on-going feedback from stakeholders on what it could do additionally or differently. The council's activity in response to the Notice is integrated with other key work

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strands that were already in existence in the organisation, including the series of service reviews and the savings and efficiencies programme.

The Chief Executive is providing very strong leadership around the response to the non-statutory Best Value Notice. He is also seen as being active on a wider Surrey basis, including within the Surrey Leaders' and Chief Executives' Group and as a member of the Board of the North-West Surrey Health Alliance. This is a key part of the council demonstrating an increasing external strategic focus and reflects a clear ambition from elected members for Runnymede to be 'put on the map'. Agreement has been established within the county that Surrey district and borough councils should be involved in any further future discussions around Devolution and Runnymede will wish to keep fully engaged in this.

External partners reflected a council that has engaged well over many years in partnership working at the operational and service delivery level. An example of this is the establishment, through the North-West Surrey Health Alliance of a 'step down service' through which additional support is provided to those requiring it in order to facilitate their discharge from hospital. This has reduced the length of hospital stays by an average of 31 per cent. It has also seen 3,500 referrals to other Runnymede council services since it was established, such as community meals, community transport and community alarms, with the support and interaction that these provide for service users.

Another example of partnership working is participation in the River Thames Scheme focused on alleviating flooding risk; delivering flood protection; improving flood resilience; and creating an enhanced biodiversity habitat. There is also work with Brooklands College to provide work experience placements and job opportunities for local young people with special educational needs or disability (SEND).

The council has been experiencing a significant degree of change as an organisation in the last year or so. These are not normal times for Runnymede, which has been very stable over many years. As well as having seen a change in Administration and receiving the non-statutory Best Value Notice, there were a number of new councillors elected in May 2024 and the council experienced a change in Chief Executive last year for the first time in 14 years. The scale of the financial pressure

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is increasing and the council is also undertaking changes to ways of working. There is a strong commitment from the managerial leadership to ensuring clear and consistent messages are conveyed to staff as they seek to lead people through the inevitable uncertainty that such change generates.

A range of internal communications mechanisms are in place, including a weekly blog from the Corporate Leadership Team and quarterly staff briefings led by the Chief Executive. There have also been a number of departmental away days. We would see merit in the new political leadership being woven into some of the engagement activity with staff to provide direct insight to political direction and enhance relationship building.

5.3 Governance and culture

The council has undertaken a lot of work in recent years to enhance its governance. Central to this has been a focus on risk management, which in part is a direct response to the findings from the CIPFA Capital Review. This has contributed to councillors feeling more aware of risk, which forms part of a picture of elected members feeling generally well informed of the council's context and challenges, including the financial situation and the non-statutory Best Value Notice.

The Annual Governance Statement for 2023/24 is more comprehensive than previous years and lists the actions for the forthcoming year that respond to the Notice. Also, an independent review of the governance arrangements of the council's three external companies (RBCI Ltd, RBCS Ltd and RBC Heat Company) has been undertaken and Non-Executive Directors have been appointed to the Boards.

The council benefits from positive and respectful relationships between elected members and officers. The Constitution and approach to governance are subject to on-going refinement, supported by the Constitution Member Working Group. An example of this would be the recent changes to the range of Member Working Groups in the council, including the discontinuation of the Regeneration and Major

Projects Working Party and a review of the Property and Assets Task Force being embarked upon.

The council's Committee System and related Member Working Group arrangements seek to maximise elected member involvement and engagement. This is positive but the 'other side of the coin' is what both officers and elected members have highlighted regarding the significant level of officer capacity that is required to support the range of council forums and bodies that exist. Additionally, things are seen to be "clunky", with reports 'passing around the system', being seen multiple times and absorbing extra time and effort. As the demands upon the organisation increase, difficult decisions will be required around how capacity is used and what is prioritised. In this context, the council must keep the committee and working group arrangements under review. They have to be fit for purpose and strike the right balance between enabling elected member involvement and engagement; the efficiency of the organisation; and the speed of decision-making.

One aspect of this may be considering the role of Overview and Scrutiny within a Committee System, given there isn't a formal requirement for it. Another aspect might be clarifying the relationship between the service committees and the Corporate Management Committee, which acts as something of an over-arching body. The relationship between them and their respective remits are less clear to elected members now than they have been in the past.

Approaches to committees and the way they are prepared for are varied. This includes the scope that the Chair has to shape meeting agendas; the extent to which the Chair is responsible for tracking progress on actions agreed at meetings; and the extent to which pre-meetings are held in preparation for the formal meetings themselves. Chairs that we spoke to recognise this differentiation. In part, at least, it is explained by the absence of training for Chairs when appointed. This has led to them having to learn for themselves and adopt practice as they see appropriate. They would be keen to undertake more learning around good practice from both within and beyond Runnymede. Elected members would also welcome reports to committees being made more concise and consistently featuring an Executive Summary.

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The May 2024 elections saw very significant change in the elected membership. These changes have clearly required the establishing of a new set of relationships and people adapting to new roles. This includes people having switched from Opposition to Administration and vice-versa through the change in Administration; new Chairs being appointed to council committees and bodies; and the senior managerial leadership and other officers liaising with new councillors and a new political leadership. This has generated a set of developmental needs around political 'change of control' that need to be met jointly through the council and the LGA's sector-led improvement offer.

Elected members spoke of the recent induction following the elections being intense. They experienced it being focused on imparting information to them rather than engaging them in more of a two-way process and it placing an emphasis on the elements geared to protecting them and the organisation, such as the Code of Conduct, use of social media and training for sitting on quasi-judicial committees. They also saw it as having emphasised what they require for their 'corporate' roles relative to that of ward councillor. This is now being played out in relation to elected member casework, with councillors not necessarily being clear on where to take issues, adopting a variety of approaches to 'lodging' issues with officers and seeing organisational responsiveness being mixed in a context of them not really knowing what might reasonably be expected in the way of timescales and quality of response.

What we have outlined here highlights a set of on-going elected member development needs which lend themselves to the creation of a programme tailored to individual need and learning style and providing networking and insights beyond Runnymede. Group Leaders have a crucial role to play in providing support to their newly elected members both now and following future elections.

5.4 Financial planning and management

As part of the response to the non-statutory Best Value Notice, the council has established a moratorium on new debt-funded asset investments, with this formalised through the Capital and Investment Strategy 2024/25 to 2027/28. The council has

adopted a strategic and measured approach to reducing its level of borrowing, reflected in the Asset Management Strategy 2023-2028. This is in a context of it seeing a set of risks related to any rapid sale of properties purchased through the borrowing, which was at the heart of the illustration drawn up of the potential impact if the council moved quickly to reduce the level of debt.

This strategic and measured approach generates a key risk in itself, around ensuring the council has the necessary expert capacity to deliver the Asset Management Strategy and, within this, undertake the on-going management of the related assets and regeneration activity in order to secure the necessary value from them. The council has, to a certain extent, been reliant on external capacity in this area to supplement its internal expertise but has faced difficulties in retaining this. The council is very much aware of this risk and is taking mitigating action.

The refined Medium Term Financial Strategy published in October 2024 highlights a financial gap in the revenue budget of £4.1m by the end of 2027/28. This is a reduction from the £5.2m projected to 2026/27 that had been at the centre of the council's thinking and planning until very recently. The council can approach the revenue budget challenge confidently and in a measured and planned way as a result of its traditionally good financial position. Indeed, it has already successfully secured significant savings without negatively impacting upon service delivery or actual staffing levels. This has been seen with the removal, in setting the budget for this year, of £1m in staff costs through the deletion of a number of posts that have been vacant over a prolonged period of time. An important and prudent principle of the Medium-Term Financial Strategy is for it to only reflect forecast savings with an extremely high degree of certainty of delivery.

The council's business planning process has established a clear requirement for an organisational focus on savings and efficiencies, placing this requirement at the heart of Service Area Plans and emphasising to managers the importance of them. There is, however, scope for growth items founded upon a sound business case, particularly where they are linked to potential 'invest to save' initiatives.

The council's capacity and approach to procurement is strengthening and this is important in a context of the forthcoming implementation of the Procurement Act

2023. Enhancing this area provides scope to the council, including through a revised contract management framework and robust spend analysis, as it progresses the addressing of the financial challenge.

The council reported in the first quarter of 2024/25 that it has £22.2m of capital projects with 'approval to proceed'. This includes projects with slippage from 2023/24 worth £5.8m. The council is heavily reliant upon capital receipts to fund the capital programme and recognises that it will need to tailor its capital ambitions to reflect what is realised. A 30-year capital investment programme is being developed detailing all the council's assets and their likely useful life and replacement cost.

The Housing Revenue Account Business Plan runs to 2053, with aims that include delivering new council-owned homes, modernised provision for older tenants and well-managed neighbourhoods.

The national picture in relation to the external audit market has created a situation in which the council's last audited accounts are those from 2018/19. However, the overall situation appears to be on the way to being resolved with new auditors now having been appointed. Internal audit arrangements have been strengthened through a move to a new partnership arrangement involving a number of other councils. This sees enhanced reporting on internal audit to both Standards and Audit Committee and Corporate Leadership Team. There is also greater engagement with managers across the organisation in relation to the role internal audit can play and where it can have the greatest impact.

5.5 Capacity for improvement

The council established a new digital transformation strategy earlier this year and there is a corporate officer working group shaping and supporting its implementation. This group seeks to secure engagement and buy-in from across the organisation and the role and potential of digital will be a key consideration during the forthcoming service review of customer access channels. The council has a 'build versus buy' approach to new technology, with it having expert IT staff to call upon and a drive currently to maximise the benefits realised from the technology that the council has

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already invested in. A new financial management system will be established next year, generating efficiency through reduced manual data entry and facilitating greater organisational knowledge and insight by enabling integration with the HR system.

Whilst there is inevitable staff turnover in a competitive employment market, the council has a loyal workforce. The council is mindful of its spend on agency staffing and consultancy support but is balancing this with seeking to ensure it has the necessary expert capacity in such areas as the management of assets and regeneration with its crucial link to the non-statutory Best Value Notice. A Service Transformation Reserve has been established to support such activities and 'invest to save' initiatives.

A council-wide job evaluation programme is being embarked upon to develop greater consistency in the council's pay and reward arrangements and ensure it is competitive as an employer. This will clearly be a significant undertaking and will inevitably add to the sense of uncertainty amongst staff. However, given the organic way in which the staffing structure and remuneration arrangements developed through previous years, this undertaking, once concluded, will deliver major benefit through providing greater consistency and increased transparency.

The job evaluation programme forms part of a growing organisational development and cultural change agenda being driven forward in the council. This is positioning equalities, diversity and inclusion as a growing priority and the overall programme is intended to deliver significant positive impact on the organisation's functioning and its people within 18 to 24 months.

A key strand of the agenda is developing greater insights to the organisation, including understanding how people are feeling and experiencing things. This is reflected in the undertaking of a recent initial staff survey, with a response rate of 51% and the results of which are currently being analysed. It is important for the council to publish and be seen to respond to the findings of the survey and then fulfil its commitment to undertaking staff surveys on a regular basis going forward.

The council's Senior Leadership Team (comprising Heads of Service, the two Assistant Chief Executives and the Chief Executive) has talented people, is cohesive

and is playing an integral role in the organisation. They offer another example of the council developing insights to the organisation, with each of them having recently undertaken 360-degree feedback activity through input from their peers and people reporting directly to them. What has emerged from this, combined with insights from the staff surveys, will inform the approach to organisational development over the coming months. This will include the creation of a leadership development programme.


Staff appraisals are undertaken inconsistently across the organisation, both in terms of frequency and quality. There are also mixed experiences in relation to staff being provided with training and development opportunities. However, senior officers highlighted talent sitting at a range of levels within the organisation which needs to be provided with the opportunity to grow and develop. This, again, forms an important element of the organisational development agenda. Linked to this, amongst the middle managers that we met, there was a desire for the organisation to involve them more in aiding the overall change and improvement agenda in the council – there is willingness and appetite there.

6. Next steps

It is recognised that the council's senior political and managerial leadership will want to consider, discuss and reflect on these findings. The LGA will continue to provide on-going support to the council. As part of the CPC, the council are also required to have a Progress Review and publish the findings from this within twelve months of the CPC. The LGA will also publish the Progress Review report on their website.

The Progress Review will provide space for the council's senior leadership to report to peers on the progress made against each of the CPC's recommendations, discuss early impact or learning and receive feedback on the implementation of the CPC action plan. The Progress Review will usually be delivered on-site over a day and a half.

In the meantime, Will Brooks, Principal Adviser for your region, is the main contact between your authority and the Local Government Association. He is available to



discuss any further support the council requires and can be contacted via
william.brooks@local.gov.uk

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